



King County

2017-2018 BIENNIAL BUDGET

Executive Proposed

Office of the King County Executive
Office of Performance, Strategy and Budget

September 2016

King County, Washington



King County

Dow Constantine King County Executive

Fred Jarrett, Senior Deputy Executive
Whitney Abrams, Deputy Executive for Employee Engagement
Rhonda Berry, Deputy Executive of Operations
Sung Yang, Deputy Executive for Policy, Planning & Public Affairs

Office of Performance, Strategy and Budget

Dwight Dively, Director
Jonathan Swift, Deputy Director for Budget and Business Planning
Michael Jacobson, Deputy Director for Performance and Strategy
Lauren Smith, Regional Planning Director
Gary Kurihara, Lean Transformation Director

Office of Performance, Strategy and Budget:

Jillian Andrews
Van Badzik
Andrew Bauck
Abigail Beatty
Sid Bender
Dave Chapman
Kerri Char
Jim Chrisinger
Carolyn Coleman
Andrew Cronholm
Kara Cuzzetto
Kate Davis
Tricia Davis
Shelley De Wys
Paula Ding
Erin Dumitru
Helene Ellickson
Chandler Felt
Karen Freeman
Cristina Gonzalez
Dan Grant
Shannon Harris
Elizabeth Haumann
Lori Heniff
Jutta Joesch
Alena Johnson
Martine Kaiser
Ayesha Kelly
Nanette Lowe

Jeannie Macnab
Emmy McConnell
Sondra McCaw
Ivan Miller
Terra Milles
Mike Morrison
Patty Noble-Desy
Kapena Pflum
Drew Pounds
Ben Pritchard
Jim Record
Katie Ross
Aaron Rubardt
Gaukhar Serikbayeva
Elly Slakie
Le Tania Severe
Steve Stamper
Gail Stone
Marcus Stubblefield
T.J. Stutman
Angela Toussaint
Jim Walsh
John Walsh
Karen Wolf

Office of Equity and Social Justice

Matias Valenzuela, *Director*
Ericka Cox
Arun Sambataro

The Executive Office:

Michelle Allison
James Bush
Diane Carlson
Michael Charles
Carrie Cihak
Alex Fryer
Shelley Harrison
Darlene Hermes
Jennifer Huston
Natasha Jones
Chad Lewis
Cheeketa Mabone
Mauricio Martinez
Rosa Orams
Dylan Ordoñez
Megan Pedersen
April Putney
Paige Shevlin
Megan Smith
Rachel Smith
Mollie Timm

Office of Economic and Financial Analysis

Dave Reich, *Chief Economist*
Anthony Cacallori
Laurie Elofson

A Special Thanks to:
The Employees of King County

King County Elected Officials



Executive Dow Constantine



Councilmember
Rod Dembowski
District 1



Councilmember
Larry Gossett
District 2



Councilmember
Kathy Lambert
District 3



Councilmember
Jeanne Kohl-Welles
District 4



Councilmember
Dave Upthegrove
District 5



Councilmember
Claudia Balducci
District 6



Councilmember
Pete von Reichbauer
District 7



Councilmember
Joe McDermott
District 8



Councilmember
Reagan Dunn
District 9



Superior Court Presiding Judge
Susan J. Craighead



District Court Chief Presiding Judge
Donna K. Tucker



Sheriff
John Urquhart



Elections Director
Julie Wise

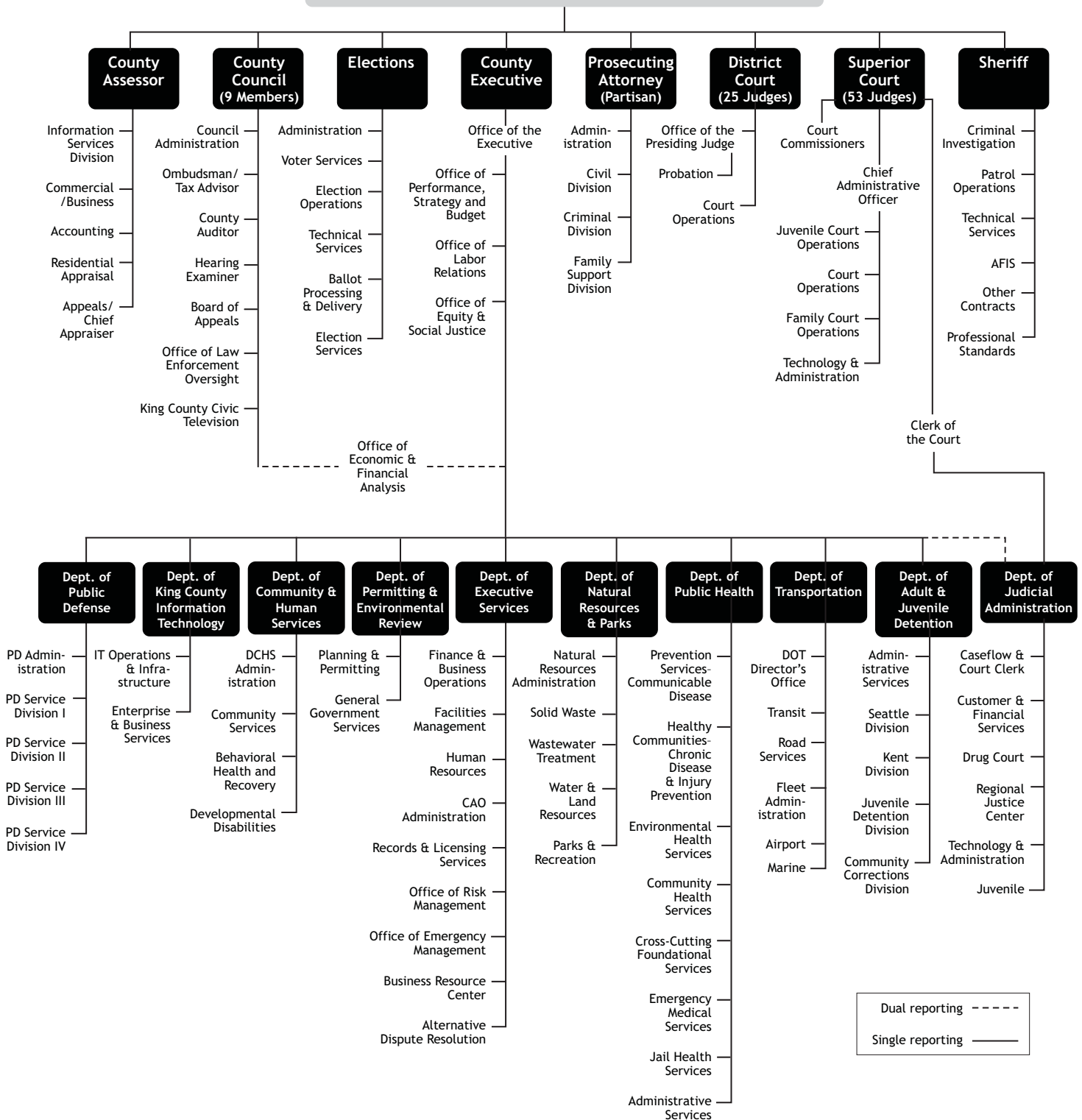


Assessor
John Arthur Wilson



Prosecutor
Dan Satterberg

The Electorate of King County



2017-2018 King County Organization

Elected Officials, Departments and Divisions

TABLE OF CONTENTS

	CREDITS	
	KING COUNTY ORGANIZATIONAL CHART	
	TABLE OF CONTENTS	
EXECUTIVE SUMMARY		
	INTRODUCTION	1
	2017-2018 PROPOSED BUDGET	3
	EXECUTIVE’S APPROACH TO THE 2017-2018 BUDGET	7
	STRATEGIC INITIATIVES	13
	ECONOMIC AND REVENUE OUTLOOK	21
	GENERAL FUND	25
	OTHER ISSUES	37
	LOOKING AHEAD	49
GENERAL FUND AND DEBT SERVICE		
	INTRODUCTION	51
	GENERAL FUND	53
	GENERAL FUND TRANSFERS AND INTERNAL SUPPORT	69
	DEBT SERVICE FUNDS	84
PROGRAM PLANS		
GENERAL GOVERNMENT		
	INTRODUCTION	93
	DEPARTMENT OF ASSESSMENTS	95
	COUNTY EXECUTIVE	101
	OFFICE OF THE EXECUTIVE	103
	OFFICE OF EQUITY AND SOCIAL JUSTICE	105
	OFFICE OF PERFORMANCE, STRATEGY AND BUDGET	109
	OFFICE OF LABOR RELATIONS	115
	DEPARTMENT OF ELECTIONS	119
	DEPARTMENT OF EXECUTIVE SERVICES ADMINISTRATION	125
	BUSINESS RESOURCE CENTER	129
	OFFICE OF EMERGENCY MANAGEMENT	137
	ENHANCED-911	143
	FACILITIES MANAGEMENT DIVISION	149

TABLE OF CONTENTS

FMD PARKING FACILITIES	159
REAL ESTATE SERVICES	161
FACILITIES CAP SUMMARY REPORT	163
FINANCE AND BUSINESS OPERATIONS	175
HUMAN RESOURCES DIVISION	183
EMPLOYEE BENEFITS	188
SAFETY AND CLAIMS MANAGEMENT	191
RECORDS AND LICENSING DIVISION AND REGIONAL ANIMAL SERVICES OF KING COUNTY	195
RECORDS AND LICENSING SERVICES	200
REGIONAL ANIMAL SERVICES OF KING COUNTY	202
ANIMAL BEQUESTS	204
RECORDER'S OPERATION AND MAINTENANCE	206
OFFICE OF RISK MANAGEMENT	209
KING COUNTY INFORMATION TECHNOLOGY (KCIT)	215
KCIT SERVICES	220
RADIO COMMUNICATIONS	224
CABLE COMMUNICATIONS	226
I-NET OPERATIONS	227
GEOGRAPHIC INFORMATION SYSTEMS	230
PUGET SOUND EMERGENCY RADIO NETWORK LEVY	233
KCIT CAP SUMMARY REPORT	235
LEGISLATIVE AGENCIES	241
COUNTY COUNCIL	243
COUNCIL ADMINISTRATION	244
HEARING EXAMINER	245
COUNTY AUDITOR	246
OMBUDSMAN/TAX ADVISOR	248
KING COUNTY CIVIC TELEVISION	249
BOARD OF APPEALS EQUALIZATION	250
OFFICE OF LAW ENFORCEMENT OVERSIGHT	251
BOUNDARY REVIEW BOARD	253
OFFICE OF ECONOMIC AND FINANCIAL ANALYSIS	257
ADMINISTRATIVE AGENCIES	261
CULTURAL DEVELOPMENT AUTHORITY	263
FEDERAL LOBBYING	265
SHERIFF GRANTS	266

TABLE OF CONTENTS

	EXECUTIVE ADMINISTRATION GRANTS	267
	PROSECUTOR GRANTS	269
	SUPERIOR COURT GRANTS	270
	ELECTION GRANTS	271
	JUDICIAL ADMINISTRATION GRANTS	272
	PUBLIC DEFENSE 214 GRANTS	273
	NON DEPARTMENTAL GRANTS	275
	MEMBERSHIPS AND DUES	276
	STATE AUDITOR	277
	HEALTH AND HUMAN SERVICES	
	INTRODUCTION	279
	DEPARTMENT OF COMMUNITY AND HUMAN SERVICES	281
	COMMUNITY AND HUMAN SERVICES ADMINISTRATION	298
	COMMUNITY SERVICES OPERATING	302
	EMPLOYMENT EDUCATION RESOURCE	305
	HOUSING AND COMMUNITY DEVELOPMENT	309
	HUMAN SERVICES LEVY	314
	VETERAN AND FAMILY LEVY	317
	VETERANS SERVICES	320
	BEST START FOR KIDS LEVY	323
	DEVELOPMENTAL DISABILITIES	325
	BEHAVIORAL HEALTH	329
	MENTAL ILLNESS AND DRUG DEPENDENCY FUND	334
	PUBLIC HEALTH – SEATTLE AND KING COUNTY	337
	PUBLIC HEALTH	342
	PUBLIC HEALTH ADMINISTRATION	351
	MEDICAL EXAMINER	353
	EMERGENCY MEDICAL SERVICES	357
	ENVIRONMENTAL HEALTH SERVICES	360
	LOCAL HAZARDOUS WASTE	367
	LAW, SAFETY, AND JUSTICE	
	INTRODUCTION	371
	ADULT AND JUVENILE DETENTION	375
	INMATE WELFARE ADULT	384
	INMATE WELFARE – JUVENILE	385

TABLE OF CONTENTS

JAIL HEALTH SERVICES	387
DISTRICT COURT	395
DISTRICT COURT MIDD	402
DEPARTMENT OF JUDICIAL ADMINISTRATION	405
JUDICIAL ADMINISTRATION MIDD	413
PROSECUTING ATTORNEY'S OFFICE	415
PROSECUTING ATTORNEY MIDD	421
PAO ANTIPROFITEERING	422
DEPARTMENT OF PUBLIC DEFENSE	423
PUBLIC DEFENDER MIDD	429
SHERIFF'S OFFICE	431
DRUG ENFORCEMENT FORFEITS	439
SUCCESSION PLANNING	440
AUTOMATED FINGERPRINT IDENTIFICATION SYSTEM (AFIS)	441
SHERIFF MIDD	444
SUPERIOR COURT	445
SUPERIOR COURT MIDD	453
BYRNE JAG GRANT FFY 2016	455
PHYSICAL ENVIRONMENT	
INTRODUCTION	457
DEPARTMENT OF NATURAL RESOURCES AND PARKS ADMINISTRATION	459
HISTORIC PRESERVATION PROGRAM	465
PARKS AND RECREATION	467
PARKS OPEN SPACE AND TRAILS LEVY	479
YOUTH SPORTS FACILITIES GRANT	481
PARKS CAP SUMMARY REPORT	485
REAL ESTATE EXCISE TAX (REET) CAP SUMMARY REPORT	499
SOLID WASTE DIVISION	503
SOLID WASTE POST CLOSURE MAINTENANCE	515
SOLID WASTE CAP SUMMARY REPORT	517
WASTEWATER TREATMENT	525
WASTEWATER DEBT SERVICE	530
WASTEWATER CAP SUMMARY REPORT	533
WATER AND LAND RESOURCES DIVISION	543

TABLE OF CONTENTS

	SURFACE WATER MANAGEMENT LOCAL SERVICES	552
	WATER AND LAND RESOURCES	559
	NOXIOUS WEED PROGRAM	564
	KING COUNTY FLOOD CONTROL CONTRACT	567
	INTERCOUNTY RIVER IMPROVEMENT	572
	WATER AND LAND RESOURCES CAP SUMMARY REPORT	575
	DEPARTMENT OF PERMITTING AND ENVIRONMENTAL REVIEW	593
	PLANNING AND PERMITTING	597
	GENERAL PUBLIC SERVICES	599
	DPER ABATEMENT	601
	DEPARTMENT OF TRANSPORTATION (DOT)	605
	DIRECTOR'S OFFICE	607
	METRO TRANSIT DIVISION	613
	TRANSIT	629
	TRANSIT REVENUE STABILIZATION	646
	TRANSIT REVENUE VEHICLE REPLACEMENT	648
	TRANSIT DEBT SERVICE	650
	METRO TRANSIT CAP SUMMARY REPORT	653
	MARINE DIVISION	675
	MARINE DIVISION CAP SUMMARY REPORT	683
	ROADS SERVICES DIVISION	687
	ROADS	694
	ROADS CONSTRUCTION TRANSFER	698
	ROADS CAP SUMMARY REPORT	701
	FLEET DIVISION	707
	FLEET MANAGEMENT EQUIPMENT (EQUIPMENT RENTAL & REVOLVING)	712
	FLEET MOTOR POOL	715
	FLEET WASTEWATER ER & R	718
	KING COUNTY INTERNATIONAL AIRPORT	721
	AIRPORT	724
	AIRPORT CONSTRUCTION BUDGET TRANSFER	727
	AIRPORT CAP SUMMARY REPORT	729

EXECUTIVE SUMMARY

INTRODUCTION

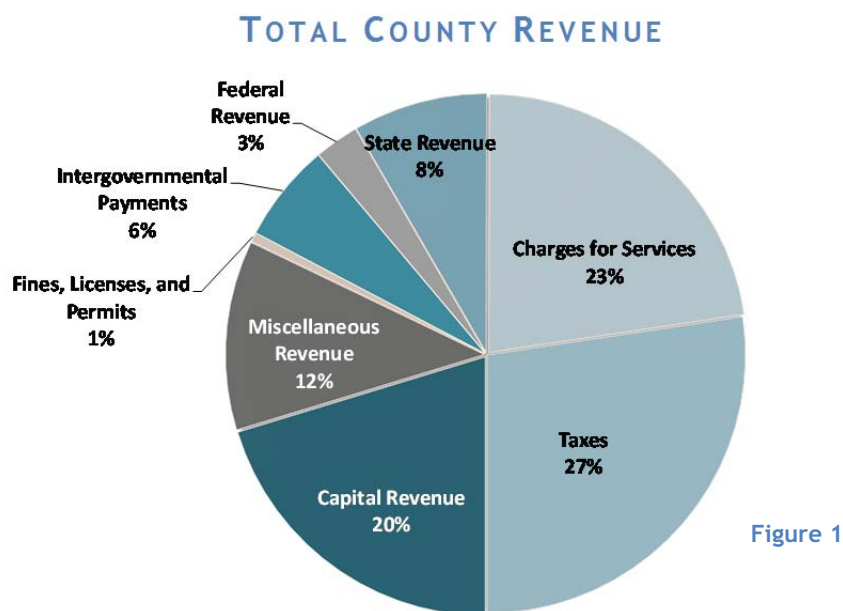
King County provides critical local and regional services to 2.1 million residents, with a two-year budget of about \$11.3 billion, 14,000 employees, and nearly 60 lines of business. Most of the County's programs are financially healthy and will continue to meet the needs of a growing community. The strong regional economy has boosted revenue for some funds, including Metro Transit, and the County continues to make strategic investments in important programs and services that reflect the values of King County residents. However, structural revenue limitations imposed by the State mean that other funds are under severe financial stress.

King County is the 13th largest county by population in the United States and is the ninth largest in terms of total employment. King County government is unique nationally in the range of services it provides. It is both a regional government, providing services throughout most or all of the county. It is also a local government, providing services in the unincorporated area (outside of cities). Regional services include transit, wastewater treatment, human services, elections, property assessments, public health, regional parks and trails, and the prosecution, defense, and adjudication of felonies. Local services include roads, police protection through the Sheriff's Office, and surface water management. Many other governments contract with King County to provide certain services, including police protection, courts, and jails.

King County uses a biennial (two-year) budget. Budgets are adopted in the fall of even-numbered years and are in effect for the two following calendar years.

2017-2018 PROPOSED BUDGET

County Executive Dow Constantine is proposing a total budget of \$11.3 billion for 2017-2018. **Figure 1** shows the major revenue sources that support this budget, which total about \$11.7 billion. (Revenues don't exactly match expenditures because reserves are being increased in some funds and because some 2017-2018 revenue will be used to cover appropriations made in prior biennia.)



Taxes account for about 27 percent and are concentrated in the General Fund and funds that support transit, roads, behavioral health, and several voter-approved programs such as emergency medical services and parks. User charges represent about 23 percent of total revenue and are mostly related to utilities (wastewater treatment, solid waste, and surface water management) and transit fares. A variety of less significant user charges support a wide range of other County functions.

State funding accounts for 8 percent and federal funding for 3 percent of total revenue. These are concentrated in a few funds, notably Public Health and Behavioral Health.¹ Intergovernmental revenues are about 6 percent of the total and represent payments from other local governments for County services.

State law and the King County Charter impose restrictions on the uses of many revenues. For example, revenues collected from solid waste disposal charges must be used for solid waste programs and cannot be diverted to parks or public safety. As a result of these restrictions, King County's finances are organized into about 140 different funds, each with its own revenue sources and expenditures. The only truly flexible source of funds is the General Fund, which is described in more detail in a subsequent section.

¹ Behavioral health refers to a combined program that provides mental health and substance use disorder services. Washington State directed that these previously separate functions be merged as of April 2016.

TOTAL BUDGET APPROPRIATIONS

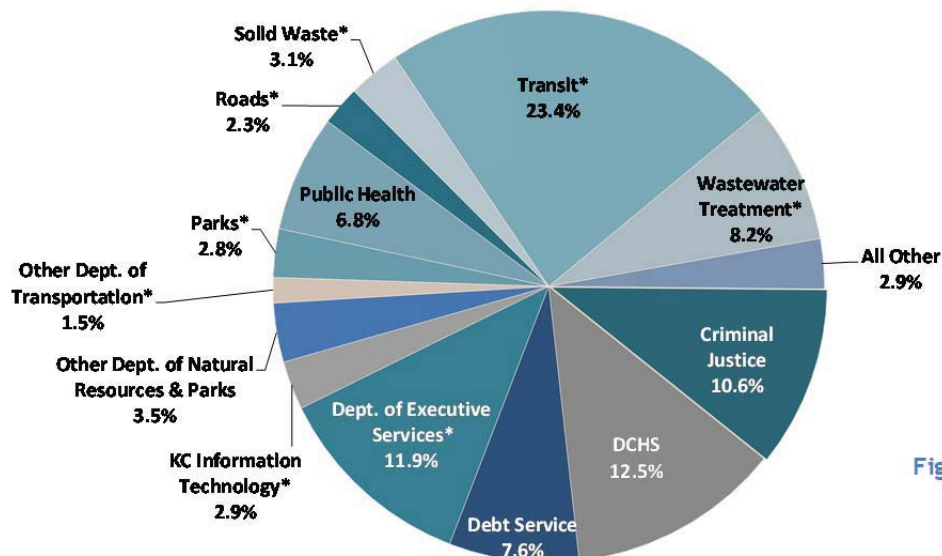


Figure 2

*Combines Capital Improvement Program budgets with Operating budgets. Approximately \$2.368 billion is capital.

Figure 2 shows the major categories of the \$11.3 billion proposed appropriations. This includes both operating and capital funds. Metro Transit is the single largest function, accounting for 23.4 percent of the budget. The combined programs of the Department of Community and Human Services (DCHS) are the second largest function at 12.5 percent of the total. DCHS has grown substantially in recent years as a result of the behavioral health restructuring at the State, voter approval of the Best Starts for Kids program, and health care reform due to the Affordable Care Act.

The Department of Executive Services (DES) is largely an internal service function providing finance, accounting, human resources, risk management, facilities, and similar services to other County agencies. DES also provides some direct services to residents, such as licensing and animal services. DES accounts for about 11.9 percent of the total budget.

The overall criminal justice system accounts for 10.6 percent of the total budget. This includes the Sheriff's Office, the Prosecuting Attorney's Office, the Department of Adult and Juvenile Detention, the Department of Public Defense, and Superior and District Courts.

Approximately 7.6 percent of the budget is spent on debt service (principal and interest payments on borrowed funds). County debt is concentrated in a few functions, notably wastewater treatment, solid waste, and transit.

The 2017-2018 Proposed Budget reflects important differences among the financial condition of the County's funds. Some funds, such as Wastewater Treatment and Emergency Medical Services, are in good fiscal condition because of dedicated revenues that support these activities. Programs can be expanded and services improved.

A second group of funds are in good financial condition due to the strong local economy. This is particularly reflected in funds that are dependent on sales taxes, which have increased by 55 percent since 2010, or about 7.6 percent per year.² This effect is most notable in Transit and in the Mental Illness/Drug Dependency (MIDD) Fund.

Several other County funds face chronic financial shortfalls, typically due to limitations of State law or declining state and federal funding. This is most notable in the General Fund, Public Health Fund, and Roads Fund, each of which is discussed later in this document.

KING COUNTY BUDGETED FTEs BY AGENCY

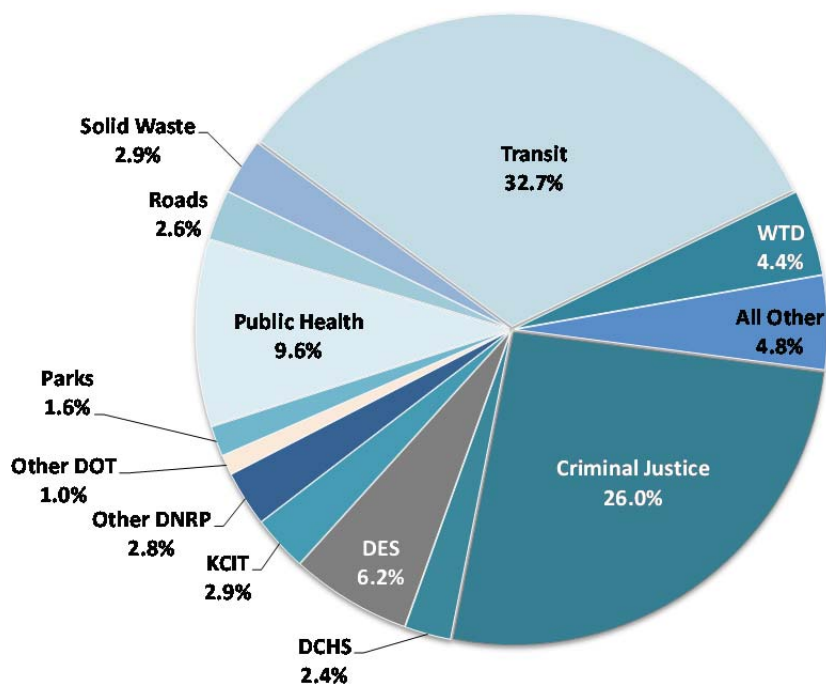


Figure 3

² This figure represents the growth of taxable retail sales in King County. Actual sales taxes received by various funds have grown by differing amounts due to provisions of State law. It is worth noting that the sales tax base declined by 18 percent between 2007 and 2010.

Figure 3 shows how the County's approximately 14,000 employees are deployed.³ Functions that are largely delivered by people, such as transit, criminal justice, and public health, tend to have the most employees. Functions that are capital-intensive with extensive and complex facilities, such as wastewater treatment (WTD in Figure 3), tend to have relatively few employees. DCHS has relatively few employees relative to its budget because it contracts with other organizations to deliver most of its services.

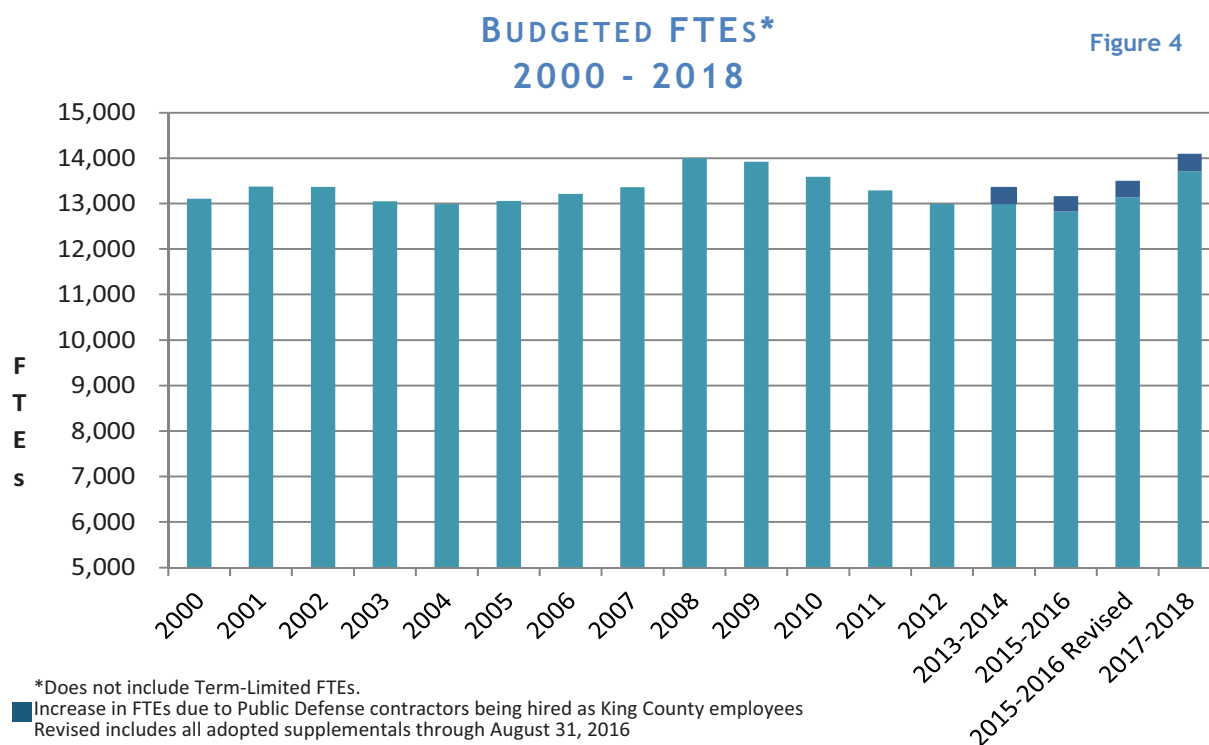


Figure 4 shows how County employment has varied since 2000.⁴ Employment peaked in 2008 and then declined by about 1,000 FTE due to the Great Recession and annexations of some areas that reduced demand for County employees (cities took over responsibility for these functions). Starting in 2013, the County converted the public defense function into a County department instead of the previous use of contracted non-profit agencies. This added over 300 employees. Despite growth in recent years, County employment has still not returned to its 2008 peak if the public defense employees are excluded.

³ Figures 3 and 4 use "Full-Time Equivalent" employees (FTEs). An employee who works half-time is 0.5 FTE. Thus, the County actually has more than 14,000 employees because part-time employees are fractions of an FTE.

⁴ Figures are annual prior to 2013. Since then, the County has used biennial budgets.

EXECUTIVE'S APPROACH TO THE 2017-2018 BUDGET

Executive Constantine followed four principles in developing the 2017-2018 Proposed Budget: 1) invest for the long term; 2) continue to strengthen financial management; 3) improve County operations; and 4) focus on employee engagement, which are drawn from the Executive's Best-Run Government initiative. The budget also emphasizes four strategic initiatives outlined in the next section.

Invest for the Long-Term

The 2017-2018 Proposed Budget continues to emphasize long-term planning and investment, in compliance with the King County Strategic Plan. Examples include:

1. The first full biennial budget for Best Starts for Kids (BSK), a voter-approved property tax levy lid lift that started to collect funds in 2016. BSK focuses on investing upstream in the health and development of young children and maintaining that support through young adulthood. BSK also includes funding for Communities of Opportunity, a place-based strategy that works with geographic communities to identify key opportunities for improvements in health, education, nutrition, and similar needs.
2. A Transit budget that reflects the direction of METRO CONNECTS, the agency's new long-range plan. Significant investments are proposed to work towards the 2025 and 2040 outcomes defined by this plan, including expansion of transit bases, new technology, and enhanced infrastructure.
3. An increase in major maintenance for general government buildings. The County has been under-investing in maintenance of these facilities for over a decade due to financial limitations. The 2017-2018 Proposed Budget includes a new approach to facility space charges that builds in a component for major maintenance. The 2017-2018 spending level, while still inadequate, represents a significant increase over prior years.

Continue to Strengthen Financial Management

Executive Constantine, with the support of the County Council, has emphasized improved financial management since taking office. The 2017-2018 Proposed Budget reflects this in at least five ways:

1. The General Obligation (GO) bond rating is further supported. King County has the highest possible ratings for its voter-approved and Councilmanic General Obligation bonds, which ensures low interest rates on County borrowing and saves millions of dollars annually for County taxpayers and ratepayers.⁵ The County often uses its GO bond rating to support debt issued by other County agencies, including Wastewater, Solid Waste, and Transit. These agencies pay a credit enhancement fee to the County's General Fund to reflect part of the savings they realize.

The 2017-2018 Proposed Budget includes two specific actions to support this high bond rating. First, the Executive is proposing to increase the General Fund's unreserved balance from 6.5 percent of revenues to 7.5 percent at the end of 2016 and 8.0 percent by the end of 2018, which is the top of the range established by County policy. This is described in more detail in the General Fund section of this document. Second, the Executive proposes to devote half of the credit enhancement fee to a continued build-up of the General Fund balance in future years.

2. New financial policies for Transit are implemented. The Executive proposed and the County Council approved new financial policies for Metro Transit in 2016. These focus on defining clearer purposes for various reserves, setting target funding levels for each reserve, establishing rules about drawing on and refilling reserves, and defining an updated method for financing bus purchases that involves building fund balances and occasionally using short-term debt in peak purchasing periods. The 2017-2018 Proposed Budget fully funds all the reserves called for in these policies.
3. Reserves are built for the next recession. King County's economy is currently enjoying the best of times so it is prudent to set aside funds in anticipation of the next recession. Transit's new financial policies call for it to have a reserve sufficient to maintain services through a moderate recession similar to that experienced in the Puget Sound area starting in 2001. This reserve is fully funded in the 2017-2018 Proposed Budget in the amount of \$281 million. A similar approach was taken to the reserve for the Mental Illness and Drug Dependency Fund, which likewise is dependent on the sales tax. This reserve is set at \$11.2 million. As noted previously, the Executive is also proposing to increase the General Fund's reserve.
4. Future debt for the Wastewater Treatment Division (WTD) is reduced. In the spring of 2016, Executive Constantine proposed and the County Council adopted new financial policies for WTD. These include higher cash contributions to capital projects and changes in the structure of variable rate debt, the effect of which is to reduce projected borrowing by \$582 million by 2030. Less debt will result in lower charges to customers in the long run. These new financial policies are reflected in the 2017-2018 Proposed Budget.

⁵ Councilmanic bonds can be issued by a government without voter approval, but unlike voter-approved bonds they do not create a new revenue source for debt service. Thus, debt service on Councilmanic bonds must be paid from existing revenues.

5. Routine quarterly financial monitoring of significant County funds is continued. Starting in mid-2015, the Office of Performance, Strategy and Budget (PSB) began regular quarterly reviews of all major County funds. The process included the development of a standard financial plan and use of consistent accounting practices across all funds. This replaced a variety of different approaches used previously for various funds. This standardized reporting and review has led to early identification of potential problems, identification of excess reserves that could be used to expand programs or reduce charges, and improved communication between PSB and agencies. One result was the ability to settle potential budget issues early in the year, so several agencies had received final budget decisions even before turning in their formal budget proposals.

Improve County Operations

The 2017-2018 Proposed Budget builds on several years of work to improve the performance of County operations. There are at least five examples of this:

1. Continued improvement in risk management. The Office of Risk Management has worked with County agencies to reduce risks and better manage claims and lawsuits. As a result, County agencies are saving \$20 million through lower risk management charges in 2017-2018.
2. Continued improvement in Safety and Claims. The Human Resources Division has a section that manages worker's compensation claims for County agencies. This group has worked with agencies to improve workplace safety and with employees to facilitate their prompt return to work. As a result, agencies are saving \$15 million through lower safety and claims charges in 2017-2018.
3. Continued replacement of antiquated technology. By 2010, most of the County's critical information technology systems were decades old. In the last six years the County has deployed new central financial management, human resources, and budgeting systems to replace multiple systems that could not be integrated and produced limited information.

The Business Resource Center maintains these systems and the County sets aside funds for upgrades and maintenance as needed.

Other critical systems supporting General Fund activities, especially in the criminal justice system, are often 30 or more years old. Systems for the Prosecuting Attorney's Office and Department of Public Defense have been replaced with modern technology since 2013. New systems for the Superior and District Courts were funded in the 2015-2016 Budget and development is underway. The 2017-2018 Proposed Budget includes funding for a new jail management system and the first steps toward development of a new property tax assessment and collections system. These are the last legacy General Fund systems that need to be replaced.

The County finally transitioned off its mainframe computer in 2016 and was able to save data center costs as a result. The County is nearing the end of a multi-year project to eliminate analog telephone lines, which will generate millions of dollars of annual savings. There are also significant technology investments in Transit, Facilities Management, DCHS, and other agencies.

4. Continued deployment of Lean. The County started to use Lean, a continuous improvement methodology first developed by Toyota, in 2013. Significant process improvements have been made in many agencies, including faster license and permit processing, savings in jail health services, reduced parts inventories, faster billing, and shorter procurement timelines. The County's Lean efforts are evolving from a largely centralized group to broad deployment throughout agencies using their own staff.
5. Continued success in managing employee health care costs. King County has partnered with most of its unions to jointly manage health care costs. Changes in plans, incentives to use effective and efficient providers, and efforts to enhance employee wellness have driven down cost growth in health benefits. For 2017-2018, the County has just completed negotiations with the coalition of unions that require no increase in the County's contribution for health care in 2017, without increases in employee payments. A 4 percent increase in the County's contribution for 2018 is included. The County and unions intend to deploy new cost-effective provider networks starting in 2018 that should generate further savings over time.

Focus on Employee Engagement

Invest in our Workforce to Encourage Stronger Employee Engagement. King County has undertaken considerable efforts to create a workplace culture that allows current employees to develop and thrive, and helps attract and retain dedicated and racially diverse employees. These efforts are having an impact, with the County making Forbes magazine's list of America's 500 Best Employers in 2016.

Continue to measure, monitor, and take action for sustained progress. Through survey tools and focus groups, the County has learned more about employees' experience and has followed up with action plans at all levels of the organization. Employees have been included in problem-solving and are working towards local and enterprise-wide solutions. The 2017-2018 budget continues this effort with agency level strategies to engage all employees, informed by an annual engagement survey.

Expand access to employee training and development. The County has rebuilt its learning and development program. In 2015, classroom and online training was provided for more than 5,000 employees, and two intensive Bridge Academies were conducted for 21 emerging leaders. For 2017-2018, the County will expand leadership training for managers and supervisors to build their capability for coaching and developing employees, fostering continuous improvement, and modeling racially just leadership.

Based on feedback, some employees do not have equitable access to training and development opportunities, often because of their workplace location, resource constraints, or lack of supervisor support. Responses varied based on an employee's race, gender, and place in the organization. Black/African American employees, for example, were more optimistic than white employees about professional opportunities at work, yet they indicated they were less likely to have had an opportunity to learn and grow in the last year.

The proposed budget includes investments that will allow the County to:

- Create career pathways that better support employees' growth and development. Deliverables will include the creation of easy-to-understand career families that clearly show the path to positions and careers of interests.
- Give more employees opportunities to access training and development programs, particularly employees who historically have had limited access to development opportunities, such as those in lower paid, hourly, and shift positions. This includes increasing King County eLearning that increases access to training at less expense and with fewer limitations than classroom training.
- Put in place more development plans with employees, with the minimum goal of all employees earning in the bottom 20% of the salary range having a development plan by 2022.
- Continue mentorship programs and programs to support emerging leaders.

STRATEGIC INITIATIVES

The Budget Advances Four Strategic Initiatives

The 2017-2018 Proposed Budget advances strategic initiatives that work to meet key challenges facing King County:

- Equity and Social Justice (ESJ)
- Confronting Climate Change through the Strategic Climate Action Plan (SCAP)
- Regional Mobility
- Best Run Government

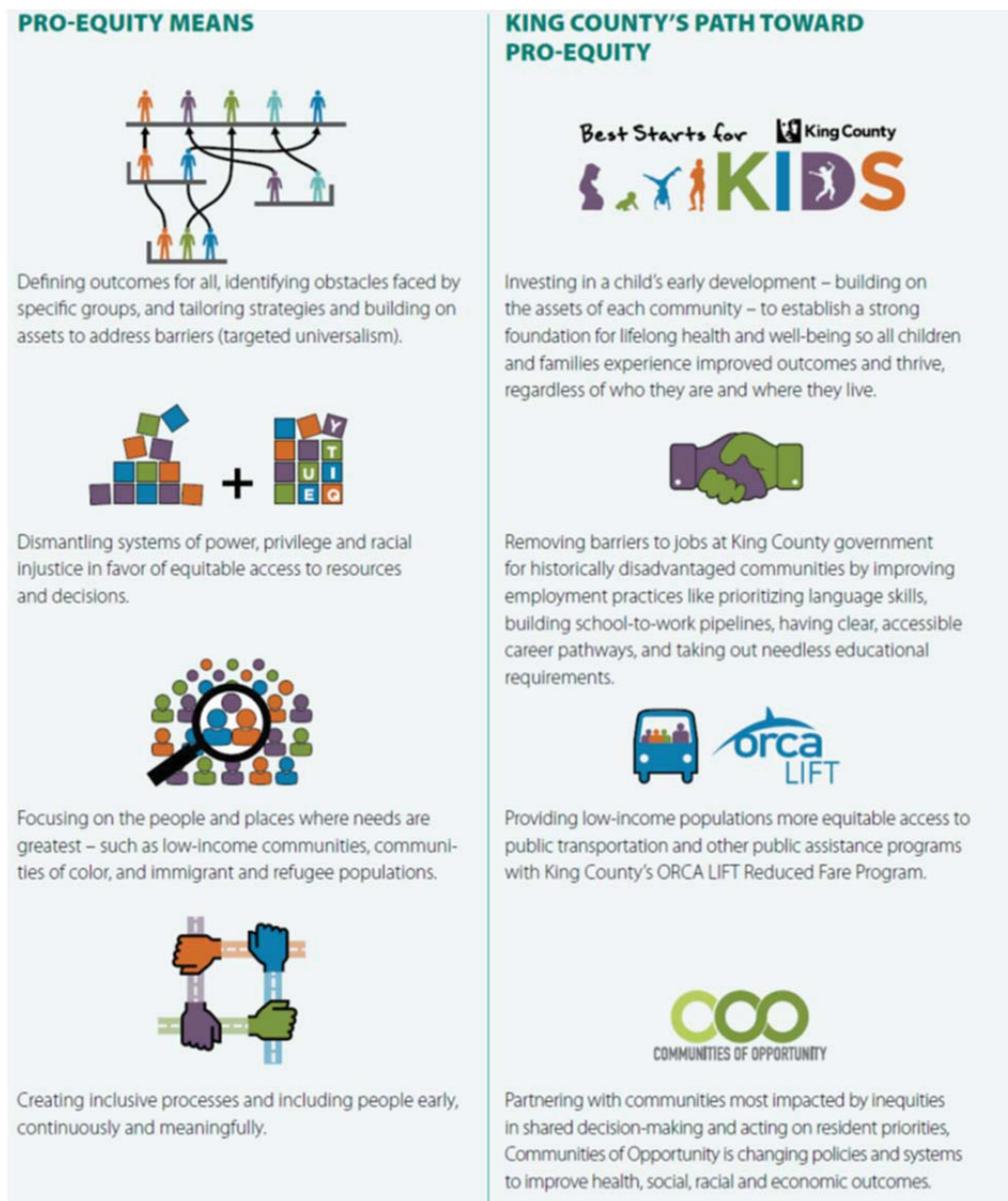
Each initiative is discussed below and in more detail in the accompanying policy papers.

1. Enhancing the County's Pro-Equity Policies and Practices

The new King County Equity and Social Justice Strategic Plan (2016-2022) provides a comprehensive roadmap — vision, framework, policy agenda, and internal measures — for advancing the vision of a King County where all people have equitable opportunities to thrive. King County has four main strategies for advancing Equity and Social Justice:



The ESJ Strategic Plan defines a Pro-Equity Policy Agenda aimed at advancing regional change and building on the work and lessons learned to date, while deepening and expanding access to the County's determinants of equity: child and youth development, economic development and jobs, environment and climate, health and human services, housing, information and technology, justice system, and transportation and mobility.



The ESJ Strategic Plan lays out aggressive, measurable actions to achieve a transformed County government by 2022. Agencies are increasingly aligning their overall planning and operations in ways that support ESJ priorities. Departments and agencies will be expected to complete department/agency-level ESJ Strategic Plan Implementation Action Plans with activities and measures by early 2017. Many of the goals and objectives in the ESJ Strategic Plan can and will be pursued with current levels of resources. The Executive's budget proposes one additional staff person as a central resource to support new activities in the ESJ Strategic Plan, including:

- Implementing the Strategic Plan, including agency action planning, monitoring, and measuring.
- Developing and delivering new ESJ fundamentals training and training specific to each goal area, with the goal of training all King County employees.

- Creating a community liaisons program to support further development and maintenance of community partnerships that serve the most underserved and least represented in County decision-making.
- Building a regional equity collaborative, leading and working with the Regional Equity Network and major partners (e.g., UW, Seattle Foundation, Gates Foundation, Puget Sound ESD, cities) to advance a regional equity agenda, advance major institutional change across sectors, and support/build community capacity for change.

Resourcing the new Immigrant and Refugee Commission. In addition, in the summer of 2016 the Immigrant and Refugee Task Force, created by the County Council and the Executive, finalized its report on how to better integrate the county's newest residents. The Executive is proposing one staff position and a small amount of other resources to support a new Immigrant and Refugee Commission and a regional hub for immigrant and refugee issues. This funding level was the minimum recommended by the Task Force and will allow the County to make important advancements in this area where there is growing need.

Expanding Recreational Opportunities to Underserved Youth. The 2017-2018 Proposed Budget uses rental car sales tax funds to increase recreational opportunities for underserved youth in King County through:

- Recreational Access Grants focused on communities of opportunity that foster youth access to the outdoors and recreation, and support participation in youth sports.
- Parks and Recreation Improvement Grants that have a low-to-no match requirement for permanent recreation amenities installed in King County parks in underserved areas.
- Recreational programs to serve Skyway and East Federal Way, with programming similar to the White Center Teen Program.

Engaging employees and leaders to build an equitable and racially just workplace culture of inclusion, respect, learning, and high performance.

Currently, levels of employee engagement vary by race, position, and gender. When employees are highly engaged, they deliver better service to customers. The following illustration highlights findings from research on employee engagement.



The Executive's proposed budget includes resources that will:

- Continue comprehensive strategies to engage all employees, informed by an annual engagement survey.
- Expand leadership training for managers and supervisors to build their capability for coaching and developing employees, fostering continuous improvement, and modeling racially just leadership.
- Improve recruitment and hiring practices to increase racial diversity of employees in the highest salary ranges, with the goal that all new hires and promotions in the highest salary range reflect the region's projected workforce demographics for 2030.
- Provide implicit bias training for all commissioned officers in the King County Sheriff's Office.

2. Confronting Climate Change by Changing County Operations and Improving Regional Mobility

The Council-adopted Strategic Climate Action Plan (SCAP) calls for reducing greenhouse gas emissions across the region by 80 percent by 2050. Climate pollution and climate impacts affect the region regardless of county or city boundaries. To reduce these impacts the County must work at the community scale in partnership with cities, county residents, businesses, and utilities to meet targets for reducing emissions, building community resilience, and preparing for climate change impacts.



To ensure that the county is on track to meet near- and long-term climate change goals and prepare for climate change impacts, the 2017-2018 Proposed Budget will invest in five goal areas for reducing greenhouse gas emissions, climate preparedness, and expanded capacity for community engagement and energy partnerships:

Transportation and Land Use. Metro Transit will expand service by 300,000 hours in 2017-2018, prepare for the addition of new Rapid Ride Lines, and enhance alternative transit service in rural areas; continue investment in hybrid-electric and all battery buses and meet the goal of transitioning to all hybrid-electric and electric buses by the end of 2018, assess and develop infrastructure to support additional deployment of all electric buses;

and finance significant investment with partners to purchase land and directly fund transit-oriented affordable housing development around frequent and high capacity transit hubs.

Building and Facilities Energy. The County will self-finance \$2.1 million in energy-efficiency retrofits at County facilities through the innovative “Fund to Reduce Energy Demand” (FRED) and extend the program to city partners to promote energy conservation.

Green Buildings. This includes partnering with cities and developers to develop green building codes and support County permit customers in pursuing green building standards that will reduce the carbon footprint of future development.

Consumption and Materials Management. The Solid Waste budget includes proposals to increase customers’ recycling options at County transfer stations and significantly increase recycling of construction and demolition waste to move the County towards the 70 percent recycling target set in the SCAP.

Forests and Agriculture. The budget includes \$13.7 million for additional land protection, supported by the Conservation Futures Tax and Parks Levy. Anticipated land protection in 2017-2018 includes more than 170 acres of mature conifer forest adjacent to King County’s Soaring Eagle Park, several large farms in the Snoqualmie Valley and Enumclaw Plateau agricultural areas, as well as multiple other fee and easement acquisitions across rural King County, including shoreline protection along Vashon and Maury Islands.

Preparing for the Impact of Climate Change. Investments include research to better understand how climate change will impact rainfall, storm patterns, and river flooding to inform emergency preparedness and design of critical infrastructure, integrating climate impacts into the King County Regional Hazard Mitigation Plan, and conducting heat wave emergency response drill.

The Executive’s Proposed Budget also includes the centralization of resources to better coordinate the County’s work on climate change. This includes establishing a shared Climate Change Cost Center with pooled funding for four staff, consulting, and partnerships to further coordinate climate change work across departments and strengthen external partnerships.

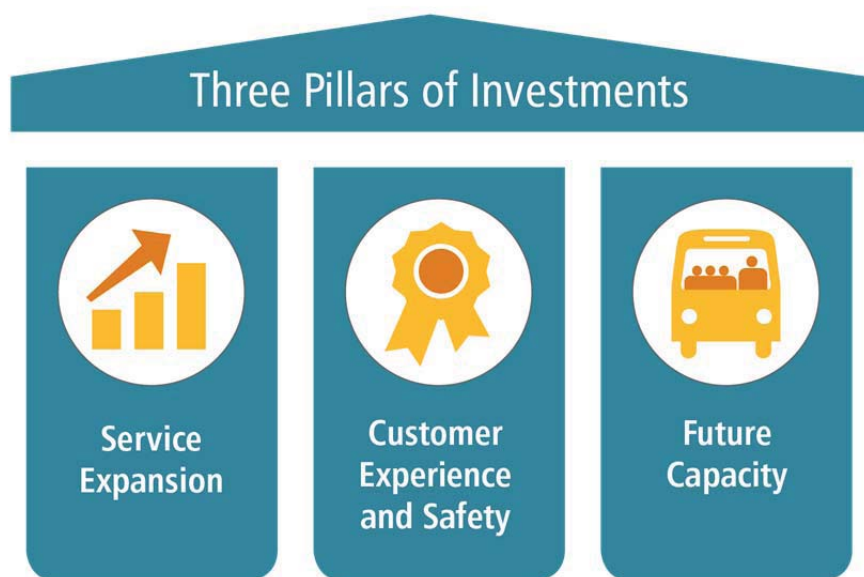
3. Laying the Foundation for Improved Regional Mobility.

The last major expansion of transit facilities took place in the early 1990s, when the downtown bus tunnel and North Operating Base were opened. King County’s economy has recovered from the Great Recession – unemployment hovers around five percent and sales tax receipts have exceeded pre-recession levels. The forecasts for the region assume significant population and job growth in the coming years.

The 2017-2018 budget positions Metro Transit to successfully implement the expansion of the transit system that will be needed over the next 25 years.

In August 2016, Metro Transit launched METRO CONNECTS, its long-range plan for a transit system that gives customers more frequent, reliable, and effective service all day, every day. The METRO CONNECTS vision for 2040 calls for Metro Transit to:

- double ridership
- increase bus service by 70 percent
- fully integrate our region's light rail and bus systems



The 2017-2018 Proposed Budget invests in the foundation to achieve the METRO CONNECTS long-term vision by:

Adding over 300,000 hours of bus service over the next two years to relieve overcrowding on 27 routes, improve reliability on 60 routes, and help bring about 20 routes closer to target service levels. These service investments will address overcrowding and reliability, ensure service continuity during and after the completion of major construction activity in Seattle, and add targeted service to routes and corridors using Metro Transit's service guidelines.

Investing in the public's and Metro Transit worker's experience of the transportation system, funding improvements in Metro Transit customer and operator safety, as well as enhancements to customer information and fare payment systems. Investments will provide schedule relief for operator recovery time, add Metro Transit Police staff to ensure safety continues to be Metro's first priority, and equip all Metro buses with cameras by the end of 2018.

Strengthening the foundation of Metro Transit's system by investing in operational infrastructure, including investing in speed and reliability projects, planning for future RapidRide lines, planning for future improvements to and expansion of transit passenger facilities, expanding the capacity of bases, and improving access to transit through investments in non-motorized pathways and park and ride capacity.

Enhancing organizational capacity to hire and train operators, vehicle maintenance crews, and supervisors to ensure there is no compromise to the safe and efficient operation of the overall system with added service. Metro Transit is already challenged to hire enough operators to meet the needs of its existing schedule. The budget provides some resources to address the difficulty in the regional job market in finding qualified candidates.

4. Become the Best Run Government in the United States.

Several activities toward this end have already been discussed, including investing for the long-term, strengthening financial management, improving County operations, and investing for stronger employee engagement.

King County is committed to being the best-run government in the United States – a government that earns public trust through effective stewardship of resources, improved performance, and processes and results that create positive outcomes for all King County residents. During his first term, the County Executive implemented the Reform Agenda and the County began to embrace Lean principles to achieve greater efficiency, provide higher-quality service, and improve the customer experience. Action on the reform agenda has led to substantive improvements in service delivery, increased efficiency, and improved customer experience. While these traditional ways of improving operations are important, they are not sufficient to solve all of today's challenges for the region.

Further advancement towards the best run government requires a strong focus on measureable results; collaboration with communities, customers, and partners; engaged and innovative employees; and continuous improvement of operations. The County is committed to advancing Equity and Social Justice in county government and communities since many in our region, including people of color, low-income residents, and immigrants and refugees, persistently face inequities. The County also needs to operate and deliver services in ways that are equitable, inclusive, and just in order to be more effective in meeting the needs of the community.

ECONOMIC AND REVENUE OUTLOOK

King County is in the midst of a strong recovery from the Great Recession. Employment in the county grew by 3.1 percent in 2015 and 3.4 percent in the first quarter of 2016. Of the ten largest counties nationwide measured by employment, King County had the highest employment growth rate and also the highest gain in average weekly wages (5.1 percent). Employment growth is expected to slow but remain positive through at least 2018.

One consequence of the strong regional economy is that many people are moving to King County. According to the Washington Office of Financial Management, the county's population increased by 2.5 percent in the year ending April 1, 2016. This follows annual increases of 1.8 percent for both of the two previous years.

CASE-SHILLER HOME PRICE INDEX JANUARY 2000 TO PRESENT

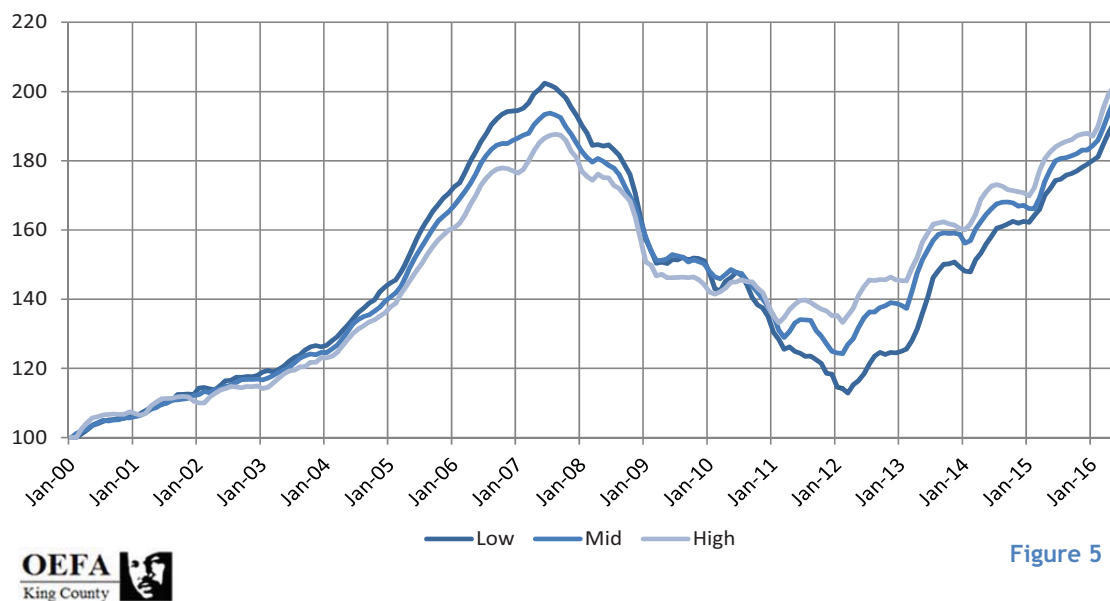


Figure 5

Employment and population growth have led to increases in housing prices. As shown in **Figure 5**, the Case-Shiller index of Seattle area housing prices in April 2016 was up 10.7 percent from the prior year and is now above the previous peak reached in mid-2007. This has led to a significant amount of new construction, especially of apartment buildings. Building permits for single family homes remain well below the peaks reached in the mid-2000s.

Property Taxes

As will be described in more detail in the General Fund section, growth in property tax revenue for governments in Washington is limited to 1 percent per year plus the value of new construction. The strong economy has led to significant increases in new construction. The Office of Economic and Financial Analysis (OEFA)⁶ predicts that new construction will be about \$6.5 billion for 2017 and \$6.6 billion for 2018. While these are large amounts, they are still well below the \$8.0 billion experienced in 2009.

Countywide assessed value of property is also expected to grow significantly. OEFA forecasts assessed value to grow from \$426.3 billion in 2016 to \$461.4 billion in 2017 and \$489.1 billion in 2018.

The County's roads levy is the principal source of funding for roads, streets, and bridges in unincorporated King County. As is discussed in a subsequent section, the Roads Fund has far less money than is needed to adequately maintain existing infrastructure. Because the roads levy is at its maximum tax rate, growth in assessed value in the unincorporated area is helpful because the larger tax base adds resources to the Roads Fund. OEFA forecasts the assessed value of the unincorporated area to grow from \$36.6 billion in 2016 to \$39.0 billion in 2017 and \$41.3 billion in 2018.

Sales Taxes

The strong local economy is generating significant growth in sales taxes. Different sales taxes have somewhat different tax bases, but the total countywide tax base provides a representative example of the growth. This base grew by 10.0 percent in 2015 and is projected by OEFA to grow at 9.02 percent for 2016⁷. Further growth is predicted, albeit at slower rates: 5.12 percent for 2017 and 3.12 percent for 2018.

One reason for the rapid growth and projection for slowing growth in the future is the large influence of construction-related sales tax on the total. In June 2016, construction-related activities comprised 21.5 percent of the sales tax base.⁸ Construction sales tax revenue was 20.9 percent higher in June 2016 than in the previous June.

⁶ Under the County Charter, OEFA is responsible for developing forecasts for major County revenues. The forecasts are adopted by the Forecast Council, which includes the County Executive, two County Councilmembers, and the PSB Director. The Executive and Council are required to use the OEFA forecasts for the budget.

⁷ By policy, OEFA forecasts at the 65 percent confidence level. This is an intentionally conservative forecast. A 65 percent confidence level means that actual revenues should equal or exceed the forecast 65 percent of the time.

⁸ Unlike most states, both construction materials and labor are subject to the sales tax in Washington. This means construction is a larger part of the sales tax base in Washington than in most other states.

Despite the strong growth, sales taxes are not as productive a revenue tool as they were in the past. **Figure 6** shows the ratio of taxable sales to personal income in King County since 1994. In 1994, approximately half of all personal income received by King County residents was spent on items subject to the sales tax. This percentage declined gradually and plunged during the Great Recession (yellow bars on the chart). There has been little or no recovery since and only about 35 percent of personal income is currently spent on items subject to the sales tax.

KING COUNTY TAXABLE SALES TO INCOME RATIO

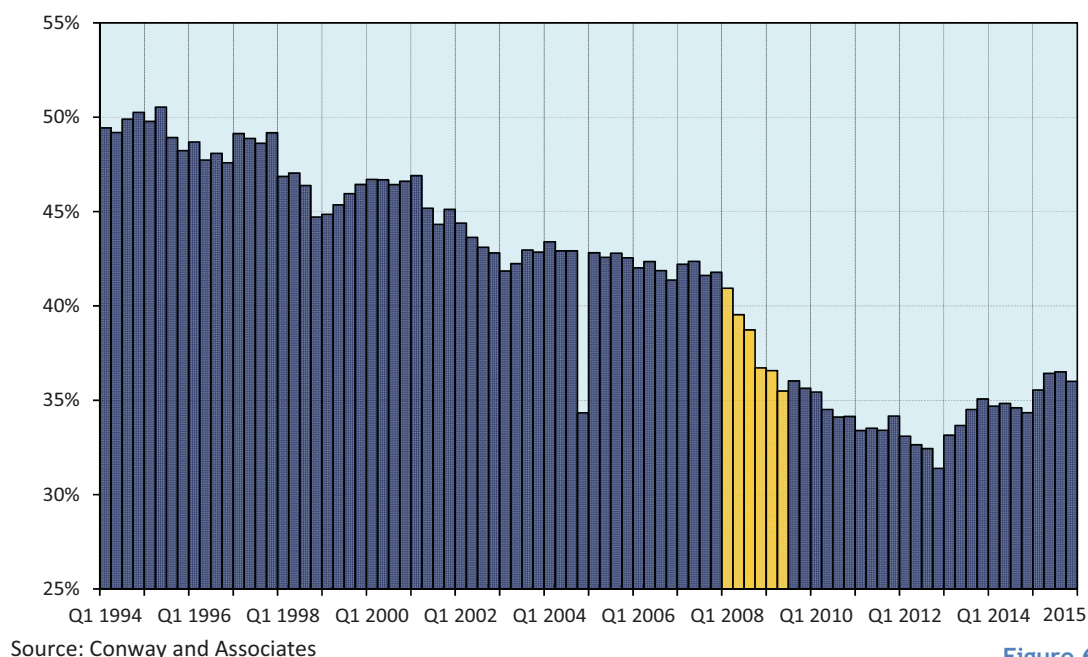


Figure 6

There are many underlying reasons for this trend. Some sales have been diverted to online purchases, although Washington's participation in the streamlined sales tax agreement means that most large online sellers collect sales taxes.⁹ Changes in income distribution are also a factor. High income individuals spend smaller portions of their income on items subject to the sales tax, so as this group commands more and more of the total income the productivity of the sales tax declines. Changes in buying patterns also have had an effect. For decades, people have gradually shifted away from purchasing goods to purchasing services, and since most services aren't subject to the sales tax the productivity of the tax declines. Finally, King County is home to an increasing number of younger workers. These individuals often have significant student loans to repay, which prevent them from spending as much money on items subject to the sales tax as did previous generations. In addition, they often are choosing lifestyles that have smaller dwelling units and rely on public transportation. This means fewer purchases of vehicles, furniture, appliances, building materials, and lawn and garden supplies, all of which are subject to the sales tax.

⁹ The streamlined sales tax agreement is a deal between roughly half of the state and many large online retailers. The retailers agreed to voluntarily collect state and local sales taxes in states that agreed to a standard set of rules about where sales occur and how taxes are levied.

Real Estate Excise Tax

State law allows cities and counties to impose up to a 0.5 percent excise tax on property sales, which is known as the Real Estate Excise Tax (REET). The use of REET is restricted to acquisition, development, and major maintenance of certain types of capital assets, such as parks, roads, and other public facilities.¹⁰

King County collects REET only in the unincorporated area, so the strong sales of properties in some of the major cities provide no direct benefit to the County. The City of Seattle's REET revenue is approximately five times as much as King County's. Even the City of Bellevue, with roughly half the population of the County's unincorporated area, receives more REET than King County.

The strong real estate market has benefitted REET revenue, which grew from about \$6.6 million in 2011 to \$14.6 million in 2015 (a single very large property sale boosted 2015 revenue). OEFA forecasts REET to be about \$13.0 million in 2016, \$13.2 million in 2017, and \$13.4 million in 2018.

By County policy, REET is spent only in the unincorporated area. All REET revenue has been focused on parks projects in recent years. For the 2017-2018 Proposed Budget, Executive Constantine is proposing to shift \$3 million of REET to the Roads Fund in recognition of the higher REET revenues and to offset a corresponding transfer from the Roads Fund to the General Fund.

¹⁰ There are actually two separate REET authorities, each at a 0.25 percent tax rate. State law has somewhat different restrictions on the allowable use of each tax.

GENERAL FUND

King County's General Fund supports the traditional functions of a county government, most of which are required by State law. The major focus of the General Fund is criminal and civil justice functions. Counties also are responsible for elections administration, property assessments and tax collection, and public health.

King County's General Fund has faced chronic imbalances between revenue and expenditure growth for 15 years due to revenue limitations under state law. At the start of the 2017-2018 budget process, the General Fund faced a gap of \$50 million between projected revenues and the cost of continuing current programs. This section explains the causes of this gap and how a balanced General Fund budget was developed for 2017-2018.

General Fund Revenues: The System is Broken

Revenue sources available to county General Funds are restricted by State law. The only significant tax sources are property and sales taxes. Unlike the State or cities, counties are not authorized to impose utility or business taxes. General Fund revenues are projected to be about \$1.64 billion for 2017-2018.

Figure 7 shows the breakdown of General Fund revenues. The property tax is by far the largest source at 41 percent. Charges for services, most of which are charges to other County funds for services provided by General Fund agencies, account for 18 percent. Sales taxes represent 17 percent. Intergovernmental receipts, which are payments from other governments that contract to purchase services from King County General Fund agencies, total about 12 percent. This category includes payments from cities and Sound Transit for police services provided by the Sheriff's Office, municipal court services provided by the District Court, and use of County jails.

General Fund Revenues

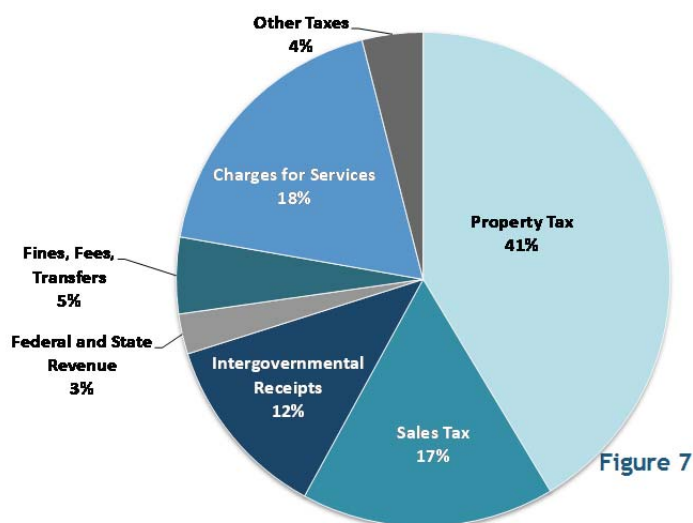


Figure 7

Net General Fund Revenues

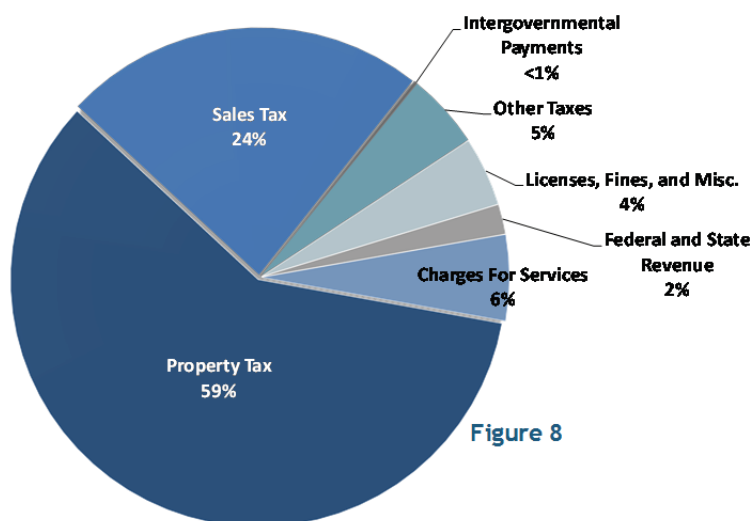


Figure 8

This overall view is somewhat misleading because the services provided to other County agencies and to other governments are self-supporting. These revenues are offset by corresponding expenditures. If these intergovernmental receipts and internal charges for service are removed, the "true" or "net" General Fund revenues are revealed in **Figure 8**.

In this view, the property tax accounts for almost 60 percent of the General Fund's revenue. This is consistent with other Washington counties that don't provide the contracted services that King County does.

King County General Fund Property Tax Levies (regular)

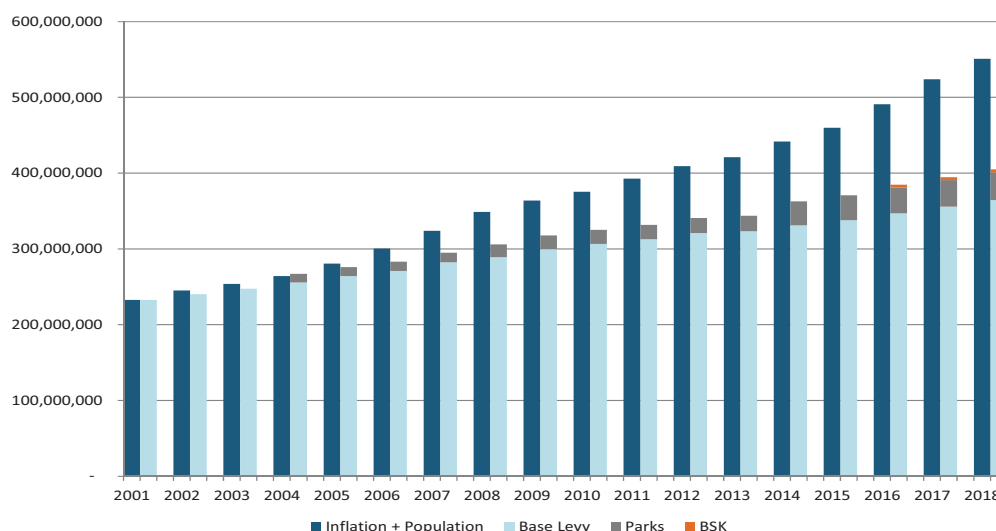


Figure 9

Sales taxes represent another quarter of the revenue. It is worth noting that state and federal direct support to the General Fund is minimal, representing a combined 2 percent of the total.

The heavy dependence on the property tax is the largest source of the General Fund's financial challenges. Since 2001, State law has limited the revenue growth in most property taxes, including county General Funds, to 1 percent per year. In addition, the value of new construction is added to the tax base and represents between about 0.5 percent and 2.0 percent additional growth, depending on economic conditions.

Figure 9 shows the effects of this limit on property tax revenues. Each year's right-hand bar is the actual property tax revenue collected by the County's General Fund. Starting in 2004, General Fund costs for parks were gradually shifted to a voter-approved property tax levy lid lift, so this lid lift is shown as contributing to General Fund revenues.¹ Similarly, some cost growth of existing Public Health programs that are funded from the General Fund is included in the Best Starts for kids (BSK) levy lid lift, and these incremental costs are included in Figure 9. Each year's left-hand bar is how much General Fund property tax revenue would have been collected had this revenue kept up with inflation and population growth. In 2017, the difference between the bars is \$130 million. The dependence of King County and other counties on the drastically limited property tax has resulted in chronic financial difficulties for the last 15 years. This situation is commonly referred to as the "structural gap".

King County, unlike most other counties, also is adversely affected by the structure of the sales tax. As noted in the previous section of this document, the sales tax is declining in productivity due to changes in purchasing patterns and other factors. In addition, there are two further sales tax issues affecting King County.

¹ A portion of this levy is used for programs not previously funded through the General Fund, such as acquisition of additional open space and construction of trails. This portion is not included in Figure 9.

Sales Tax in Unincorporated Area (1.0% tax rate versus 0.15%)

County	Tax Base in Unincorporated Area
Kitsap	45.1%
Clark	28.6%
Snohomish	21.2%
Pierce	18.2%
Whatcom	17.1%
Yakima	15.1%
Thurston	15.0%
Skagit	14.0%
Benton	13.7%
Spokane	12.6%
King	3.2%

Figure 10

First, the sales tax rate received by a county depends on where a sale occurs. If a sale occurs in the unincorporated area (outside of cities), the county receives the entire 1.0 percent local sales tax. If a sale occurs within a city, the county receives only 0.15 percent and the city receives the remaining 0.85 percent. King County has actively complied with the State Growth Management Act that encourages urban areas (including almost all commercial areas where taxable sales occur) to be brought into cities. As a result, King County receives almost no sales tax at the full 1.0 percent

rate. **Figure 10** shows that King County only had 3.2 percent of its taxable retail sales in the unincorporated area in 2015, far lower than any other urban county.

Criminal Justice Sales Tax King County vs. Cities

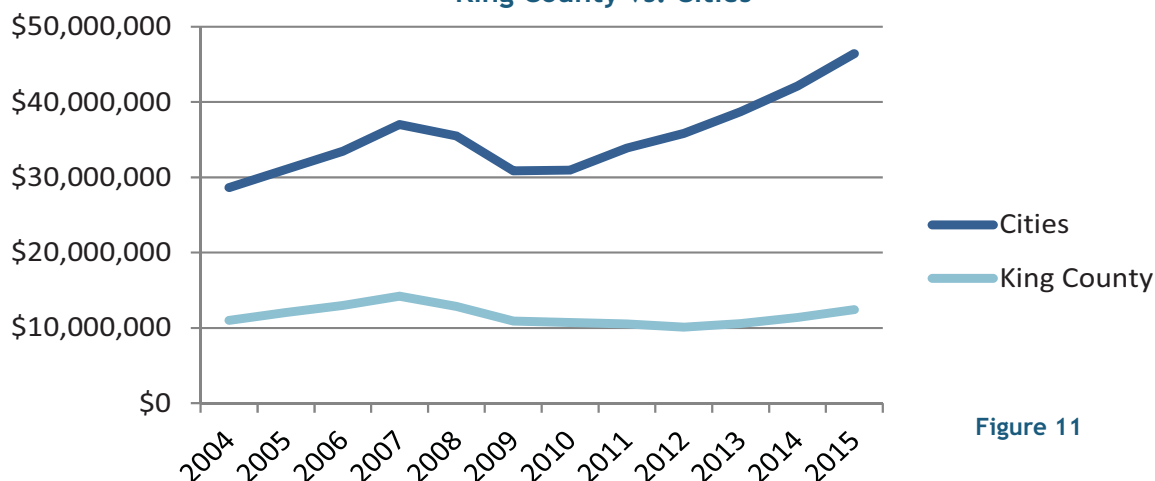


Figure 11

Second, many counties impose a separate 0.1 percent criminal justice sales tax. This tax has been in effect in King County since the early 1990s. Under State law, counties receive 10 percent of the revenue and the remainder is split among cities and the county based on population (for the county, it is the population of the unincorporated area). As the County has implemented the State Growth Management Act, its unincorporated area population has steadily declined. As seen in **Figure 11**, the result is that criminal justice sales tax revenues for King County have been basically constant for more than a decade, while the amount received by cities has increased by 62 percent. This pattern does not correspond to costs in the criminal justice system, where the County bears the financial burden of juvenile justice and the incarceration and adjudication of all felonies, regardless of where they occur.

General Fund Sales and Property Taxes Per \$1,000 of personal Income



Figure 12

As a result of these limitations due to State law, King County's General Fund revenues have been declining as a share of personal income for over two decades. **Figure 12** shows General Fund sales and property taxes, including the portion of the Parks levy lid lift that supports activities previously covered by the General Fund, as a share of the total personal income of King County residents since 1990. In 1990, \$4.07 of every thousand dollars of personal income was paid in taxes to support the County's General Fund. This has varied over time due to economic conditions, but the effects of tax limitations and formulas have created an underlying downward trend. By 2013, only \$3.15 of each \$1000 of personal income was paid in taxes to the General Fund.

General Fund Taxes Paid Per Capita

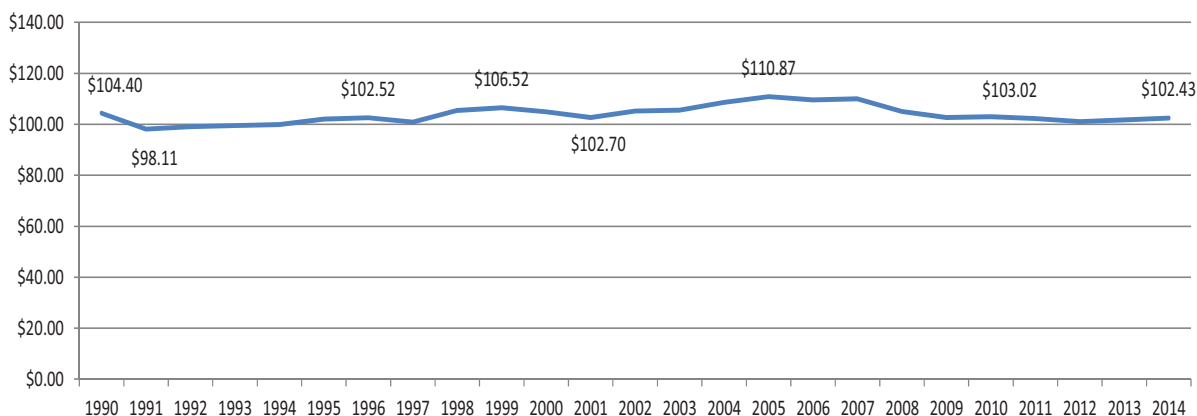
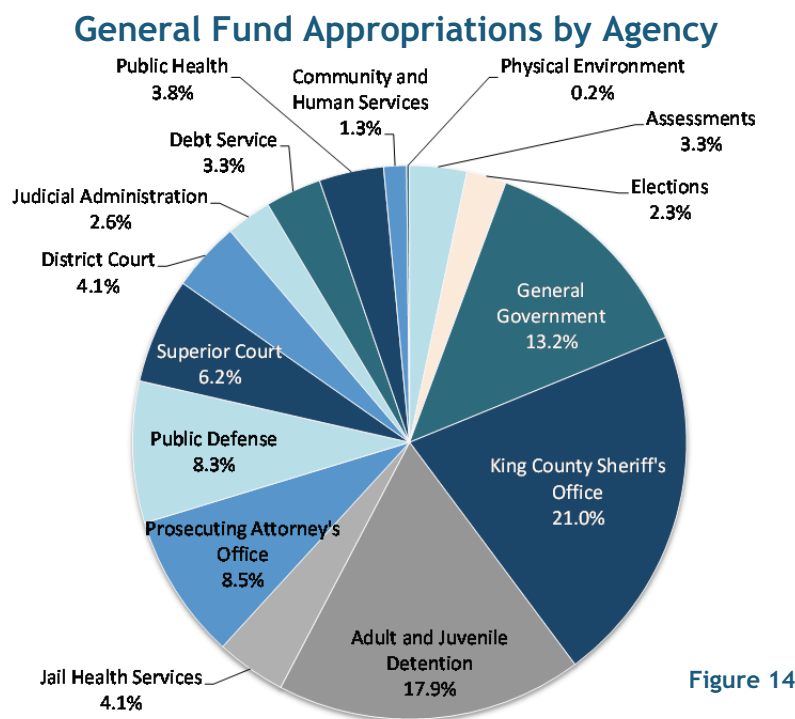


Figure 13

Interestingly, the pattern per capita (with the effects of inflation removed) is somewhat different. In 1990, residents paid an average of \$104.40 in taxes to the County's General Fund. This was \$102.43 in 2014. The difference in the patterns of **Figures 12** and **13** reflects both income growth and the widening income disparity in King County, as is true throughout the United States. Washington's regressive tax structure means that people pay about the same taxes to the County's General Fund on average, but higher income people pay proportionately much less than in the past.

General Fund Expenditures

King County's 2017-2018 Proposed Budget includes \$1.65 billion in appropriations from the General Fund. **Figure 14** shows how this is split among agencies.



The King County Sheriff's Office (KCSO) has the single largest General Fund appropriation at 21.0 percent, followed by the Department of Adult and Juvenile Detention (DAJD) at 17.9 percent. DAJD is responsible for the two adult jails: the King County Correctional Facility (KCCF) in Seattle and the Maleng Regional Justice Center (MRJC) in Kent. DAJD also runs the juvenile detention facility in Seattle and operates the Community Corrections Division that provides alternatives to detention for adults.

The other agencies and branches that are part of the justice system are the Prosecuting Attorney's Office (PAO), Department of Public Defense (DPD), Superior Court, District Court, Judicial Administration, and the Jail Health Services Division. When combined with KCSO and DAJD, the criminal justice system accounts for about 73 percent of General Fund appropriations.

As noted previously, a significant portion of General Fund expenditures is supported by revenue from other governments or from other County funds. Removing these expenditures leads to the "true" or "net" General Fund budget, which is shown in **Figure 15**.

Comparing **Figures 14** and **15** shows that the functions supported by the County's own General Fund revenue are significantly different than the total General Fund budget. DAJD is now by far the largest General Fund appropriation at 21.1 percent. KCSO shrinks to 12.7 percent because much of its budget is supported by contracts with cities and transit agencies. The criminal justice system represents 74 percent of total net General Fund appropriations.

Net General Fund Appropriations by Agency

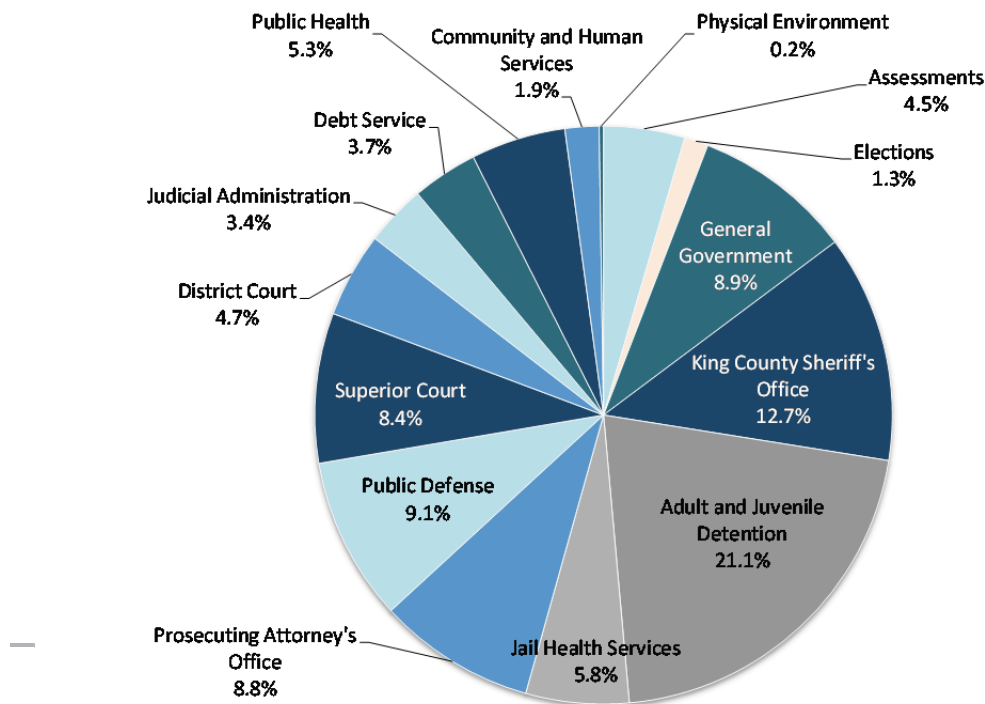


Figure 15

Other functions that shrink as relative proportions of the General Fund budget are Elections and the group of agencies labeled as General Government. Elections receives significant funding from charges to other jurisdictions for election costs and the General Government agencies charge other County funds for a portion of their costs.

The 2017-2018 Proposed Budget includes some restructuring of specific appropriation units. The Medical Examiner's Office has become a direct General Fund appropriation rather than being included in the funding for Public Health. Several appropriations to support non-General Fund departments used to be combined into categories, such as "Physical Environment General Fund Transfers." These are now shown as transfers to specific departments, such as "Transfer to Permitting and Environmental Review." These changes are intended to improve clarity and transparency.

King County has chosen to structure most of its internal support services, such as information technology, facilities, contracting, and accounting, as separate funds outside of the General Fund. These funds charge other County funds, including the General Fund, for the services they provide. However, there are a few support services, including the County Auditor, the Human Resources Division, and the Office of Performance, Strategy and Budget (PSB), that are budgeted in the General Fund but charge other County funds for their services. This complicates a clear understanding of the General Fund's revenues and expenditures.

Source of the General Fund Gap

After the March 2016 revenue forecast, PSB projected a General Fund budget gap of about \$50 million for 2017-2018. This was not a surprise: PSB had projected a 2017-2018 budget gap of \$46.3 million when the 2015-2016 budget was adopted. There were three major contributors to this gap:

1. The use of about \$35 million of one-time funds to cover added costs in 2015-2016. These costs included more staff for the Department of Public Defense (DPD) to comply with State-imposed caseload standards, salary parity with the Prosecutor's Office for DPD staff as called for in County policy, and higher than expected labor settlements for uniformed personnel in KCSO and DAJD.
2. A State-imposed requirement to shift about \$13.3 million of costs from the Mental Illness and Drug Dependency (MIDD) Fund to the General Fund.
3. About \$1.7 million in order to maintain the 6.5 percent unreserved fund balance in the General Fund.

The use of reserves to balance the 2015-2016 temporarily postponed the effect of the long-term structural gap, but these reserves were no longer available for the 2017-2018 budget.

Balancing the General Fund

Over the course of the spring and summer, Executive Constantine worked with PSB, departments, and the elected officials heading separate agencies and branches to identify options to balance the General Fund budget. This was even more challenging because there were some unavoidable budget increases that were necessary to meet legal or operational requirements. Furthermore, some functions of County government aren't discretionary and are driven by external demand. For example, DPD must defend every eligible individual and must comply with caseload standards set by the State. Similarly, DAJD is required to house prisoners delivered by police agencies and ordered held by the courts.

The General Fund was balanced through a mix of revenue changes, efficiencies, shifts of costs to other funds, and spending reductions. This is shown in [Figure 16](#).

2017/2018 General Fund Balancing Summary		
Starting Gap	\$	50,000,000
Forecast Error	\$	4,000,000
Changes in Revenue Forecasts	\$	(22,200,000)
Fund Balance Target Adjustment	\$	6,300,000
Required Cost Increases	\$	14,200,000
Policy Driven Revenue Changes	\$	(19,800,000)
Reduction in Central Rates from Baseline	\$	(6,300,000)
Efficiencies	\$	(13,700,000)
Cost Shifts	\$	(11,100,000)
New/Expanded Investments	\$	7,300,000
Service Reductions	\$	(8,700,000)
Balance	\$	-

Figure 16

Figure 16 starts with the projected \$50 million gap. The expenditure forecasts inherent in this figure turned out to be about \$4.0 million too low, largely due to projections of labor costs. This was more than offset by increases in the revenue forecast by August, which generated an additional \$22.2 million. The largest components of this were:

- Increase in the biennial sales tax of \$13.6 million.
- Revenues collected by the Records and Licensing Services Division are forecast to be \$5.5 million higher than when the base budget was set.
- Additional funding from contracts, including suburban cities and Metro Transit for additional KCSO staff, and from cities (primarily Seattle) for DAJD services.

As discussed previously, the Executive proposes to increase the General Fund's undesignated fund balance to 7.5 percent at the end of 2016 and 8.0 percent at the end of 2018, which costs \$6.3 million. This is intended to help preserve the County's highest-possible general obligation bond ratings, which allow debt for General Fund and other purposes (wastewater, transit, open space, solid waste, etc.) to be issued at low interest rates. This, in turn, saves millions of dollars annually for the County's taxpayers and ratepayers. Increasing the General Fund undesignated fund balance also helps to prepare for the next recession.

As seen in **Figure 17**, the General Fund's total fund balance has trended downward in recent years as funds were used to postpone budget cuts. The Executive's 2017-2018 Proposed Budget yields a significant increase in both total fund balance and undesignated fund balance.

Required cost increases totaled about \$14.2 million. The largest items in this group include debt service for King County Courthouse electrical repairs and moving DPD to a new location (\$2.2 million), added DAJD staff due to higher jail population and to reduce the use of mandatory overtime (\$1.7 million), implementation of a labor agreement to promote some DPD attorneys to senior levels (\$1.5 million), and operation of a new KCSO records management system (\$0.9 million).

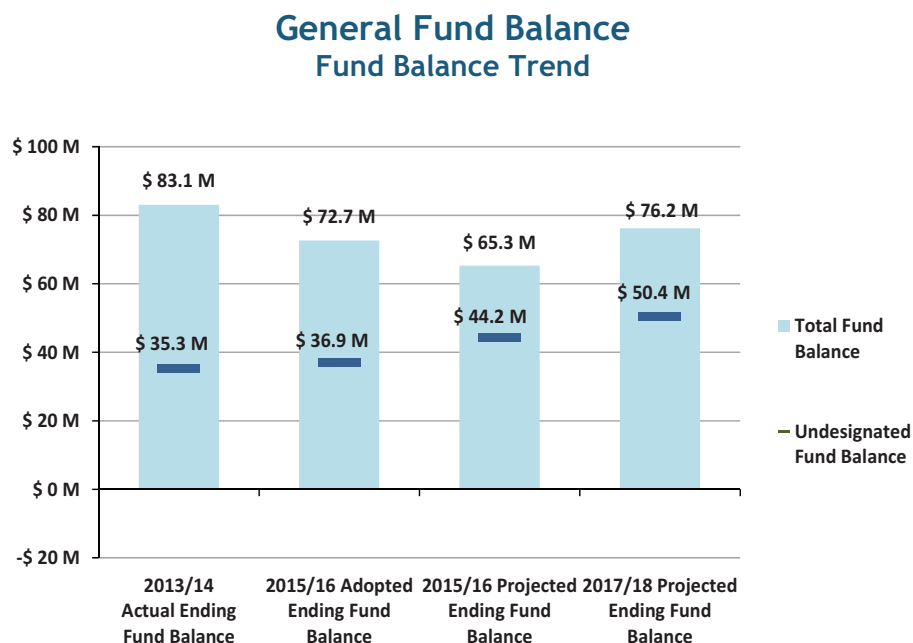


Figure 17

Several revenue policies were changed to help balance the General Fund with a total effect of \$19.8 million. These include raising parking rates in County-owned garages (\$4.3 million), transferring interest earnings from some funds to the General Fund as allowed by State law (\$3.0 million), increasing the transfer from the Roads Fund to the General Fund based on the 2016 traffic enforcement study (\$3.0 million), and allowing the Department of Assessments to apportion its costs to develop the parcel layer in the County's Geographic Information System to other County agencies that use the information (\$1.9 million).

Central rates are the charges from County internal service agencies, such as King County Information Technology (KCIT) and the Finance and Business Operations Division (FBOD), to other County funds. These costs to the General Fund were reduced by \$6.3 million over the course of the spring and summer. There were a variety of reasons for this, including General Fund agencies reducing their needs for certain services. For example, DAJD was able to reduce its KCIT bill by about \$1.0 million by eliminating systems and reducing support where possible.

County agencies continued to search for efficiencies throughout the 2017-2018 budget process. These totaled about \$13.7 million for the General Fund. Most were reductions in positions by criminal justice agencies due to workload changes, the use of new technology, or through reorganizations to streamline functions.

The General Fund shifted about \$11.1 million costs to other County funds or reduced support to these funds that had been in the 2015-2016 budget. As examples, debt service on the KCIT data center was shifted from the General Fund to KCIT rates and more of the debt service for the acquisition of the Eastside Rail Corridor was shifted to the Conservation Futures Tax levy.

Several important new investments are included in the 2017-2018 Proposed Budget that total about \$7.3 million. These include funding to expand employee training, development, and classification (\$1.2 million); debt service for the new jail management and property tax collection information technology projects (\$0.8 million); anti-bias training for KCSO (\$0.6 million); implementation of the Equity and Social Justice Strategic Plan (\$0.5 million); and continued full hours at the HIV/STD clinic (\$0.5 million).

After making all of these changes, a budget gap of about \$8.7 million remained. This was filled through program cuts and service reductions. The most notable of these include:

- Reductions of staffing in the Prosecuting Attorney's Office (\$2.0 million). This likely will delay filing and prosecuting cases.
- Closure of DAJD's work release facility and electronic home detention programs as of January 1, 2018 (\$1.6 million). The Superior Court, District Court, DAJD, PSB, and other agencies plan to work together starting in the fall to develop a more comprehensive electronic home monitoring program that can be deployed before the existing program is eliminated. There will also be an effort to identify a more cost-effective location for a work release program than the current location in the old jail in the King County Courthouse. Closing work release and eliminating electronic home detention will increase the number of individuals in jail unless alternatives are developed in 2017.
- Elimination of the inmate booking function at the Maleng Regional Justice Center in Kent as of January 1, 2018 (\$0.9 million). This facility is valuable for police departments in south King County but it is expensive to operate on a per booking basis. County staff will work with local police agencies in 2017 to see if alternative options can be developed, such as booking at other jails.
- Elimination of the KCSO Air Support Unit as of January 1, 2018 (\$1.4 million). This five-person unit operates four helicopters that provide search and rescue services and also can be used for law enforcement. King County's General Fund bears the entire cost of this activity even though the helicopters support activities throughout the region. The program will be restricted to search and rescue in King County only in 2017. Unless additional funds can be obtained, the function will be completely eliminated in 2018. Eliminating the Air Support Unit will inevitably lead to more injuries and deaths in remote areas where a helicopter is a critical rescue tool, but King County can no longer provide the only helicopters in the region for this function at the sole expense of the General Fund. The Sheriff and County Executive agreed that maintaining the already inadequate staffing for 911 response was a higher priority than optional regional services.

- Elimination of the KCSO Marine Unit as of January 1, 2018 (\$0.8 million). This Unit provides police protection and rescue services on Puget Sound, Lake Washington, Lake Sammamish, and various rivers. The function will be eliminated in 2018 unless additional funds are obtained. As with the Air Support Unit, this will inevitably lead to loss of lives. Summer patrols on Lake Sammamish will continue because these are funded by contract cities.
- Closure of the 4th Avenue entrance to the King County Courthouse (\$0.7 million). This is the least-used entrance. The courts and the Facilities Management Division will explore ways to direct staff and visitors to the other two entrances, but this closure will inconvenience jurors and staff.

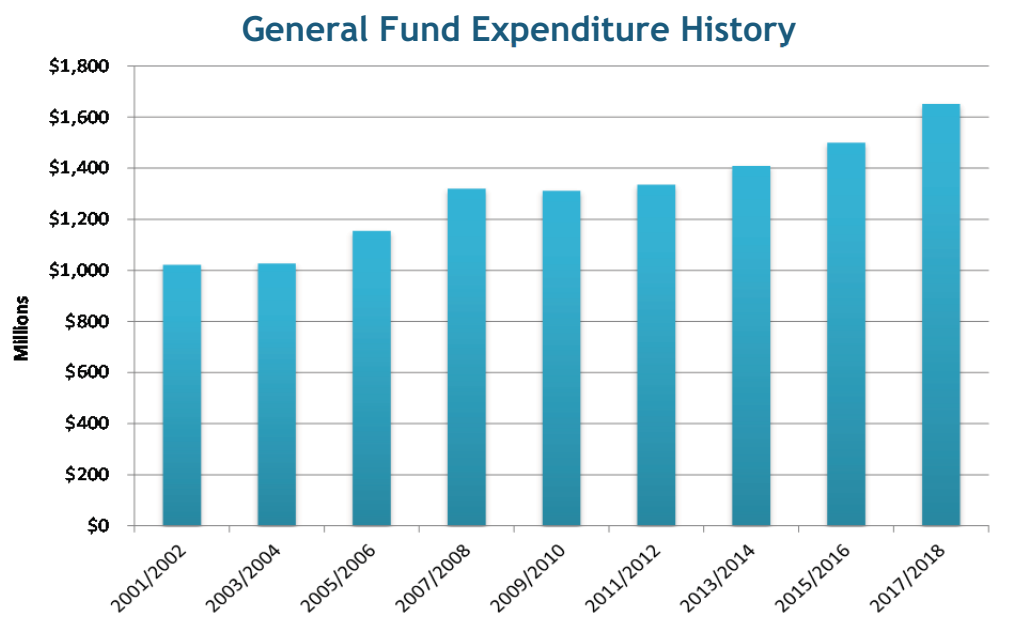
**Figure 18**

Figure 18 shows trends in General Fund adopted budgets since 2001 (annual budgets in earlier years are combined to form biennia). The effects of the Great Recession meant that General Fund budgets remained almost constant between 2007 and 2012, which required significant budget cuts and reductions in programs and staffing. The apparent increase from 2015-2016 to 2017-2018 is exaggerated because many of the uses of fund balance described previously (such as DPD staffing and labor contracts) were not in the 2015-2016 Adopted Budget. When these mid-biennial additions are included, the growth from 2015-2016 to 2017-2018 is about 5.0 percent. This compares to expected inflation plus population growth in the same period of 7.3 percent. Thus, even in very strong economic conditions the General Fund cannot keep up with inflation and population growth.

OTHER ISSUES

The 2017-2018 Proposed Budget addresses a wide array of policy and financial issues across health and human services, surface water management, permitting, the marine water taxi, homelessness, and affordable housing. The budget does not address long-term funding gaps in Public Health, Emergency Response (E-911) and County Roads. These issues are highlighted below.

Improving the Lives of People with Behavioral Health Disorders

The 2017-2018 Proposed Budget includes services that are supported by the renewal of King County's Mental Illness and Drug Dependency (MIDD) sales tax. The MIDD is a countywide 0.1% sales tax that will generate \$134 million of revenue in the biennium to support behavioral health services and therapeutic courts. MIDD supplements funding in the behavioral health system, pays for services and supports that are not eligible for other funding sources, such as Medicaid, and provides access to persons who are under or uninsured or are not eligible for Medicaid and other health insurance. Investments are premised on the idea that when people who are living with or who are at risk of behavioral health conditions use culturally relevant prevention and early intervention, crisis diversion, community reentry, treatment, and recovery services, and have stable housing and income, they will experience wellness and recovery, improve their quality of life, and reduce involvement with crisis, criminal justice, and hospital systems.

The proposed MIDD focuses on:

- Prevention and intervention to ensure people get the help they need to stay healthy and keep problems from escalating;
- Crisis diversion so that people who are in crisis get the help they need to avoid unnecessary hospitalization or incarceration;
- Recovery and reentry so people become healthy and safely reintegrate into the community after crisis; and
- System improvements to strengthen the behavioral health system to become more accessible and deliver on outcomes.

The budget also includes resources for therapeutic courts that offer eligible defendants the opportunity to receive treatment and services in lieu of incarceration and/or services that help families with children in the dependency system reunite.

New or expanded MIDD programs include upstream investments in crisis and diversion services, such as funding for services and programs to keep people out of or returning to jail and the criminal justice system, including upstream prevention and diversion activities. These include initiatives such as:

- Law Enforcement Assisted Diversion (LEAD) that diverts individuals involved in low-level drug-related crimes from the justice system to case management and wraparound services, thereby bypassing presentation and jail.
- Housing Capital and Rental Assistance that creates housing units set aside for people with behavioral health needs who are homeless or being discharged from hospitals, jails/prisons, crisis diversion facilities, or residential treatment.
- Crisis Diversion and Mobile Crisis Services, including expansion of services to South King County.
- Recovery Café that provides a drug- and alcohol-free space and community to anchor participants in sustained recovery and helps them obtain and maintain housing, services, relationships, education, and jobs.
- Young Adult Crisis Facility that houses community-based treatment beds for young people with high behavioral health needs to avert more significant crises.

MIDD 2 invests in a “treatment on demand” system that delivers treatment to people who need it, how they need it, and when they need it so crises can be avoided or shortened. These include initiatives such as:

- Behavioral Health Urgent Care Walk In Clinic Pilot that provides walk-in access to behavioral health services and supports to avert the need for intensive crisis response.
- Next Day Appointments that provide an urgent crisis response follow-up (within 24 hours) for individuals presenting at emergency departments or who received an evaluation from a Designated Mental Health Professional but are found not-eligible for involuntary treatment.

- Peer Bridger and Peer Support that connects people in inpatient psychiatric units or in substance use disorder service settings with peers with lived experience to help people with behavioral health needs transition to the community and link-up with needed services.

MIDD 2 also includes the creation of community-driven grants so that geographically and culturally diverse communities can customize behavioral health services for their unique needs.

Implementing Best Starts for Kids to put every child and youth in King County on a path to lifelong success

The 2017-2018 budget includes \$127 million to fund implementation of the Best Starts for Kids (BSK) Levy – the most comprehensive plan in the nation for supporting the health and development of children and youth. Approved by the voters in 2015, BSK is designed to support every child to achieve his or her fullest potential in life, regardless of race, place, or family income. BSK will help King County transition to less expensive, more effective upstream solutions to the costly challenges that can occur later in life, such as homelessness, addiction, chronic depression, school drop-out, poor health, and criminal justice involvement.

Prevention and early intervention are the most effective and least expensive ways to avert these serious health and safety issues. Research indicates that lifelong problems can often be prevented entirely by investing heavily in children before age five, and then sustaining that gain by making strategic investments at critical points in childhood and adolescence up to age 24.

BSK implementation incorporates the County's commitment to ESJ as it works to challenge inequities by focusing on institutional policies, practices, and systems. Juvenile justice is one of the areas where the disparities are most extreme, and too few youth receive appropriate services before a crisis occurs. These are areas where BSK has programs designed to positively affect change, to close the school to prison pipeline, and create pathways to education, employment, and stable futures.

The implementation of BSK allocates:

- Fifty percent of BSK revenues to programs for prenatal to five years of age, when 92 percent of brain development occurs. BSK will invest in promotion, prevention, and early intervention programs for infants and toddlers and services for pregnant women. It will also provide important multi-generational training and supports for parents and care givers to help guide positive development and healthy growth.
- Thirty-five percent will be invested in promotion, prevention, and early intervention programs for children and youth ages 5 through 24.

- Ten percent will be invested in strategies to create safe and healthy communities, such as increasing access to healthy, affordable food and expanding economic opportunities and access to affordable housing.
- Five percent will support evaluation, data collection, and improving the delivery of services and programs for children and youth.

In addition, \$19 million is allocated to implement a Youth and Family Homelessness Prevention Initiative. These are the first funds to be expended from the levy and are meant to prevent children and youth from ever experiencing the trauma of homelessness. The homeless prevention project is described more fully in the next section on homelessness.

Addressing Homelessness

In 2015, King County Executive Dow Constantine and Seattle Mayor Ed Murray declared a homelessness state of emergency. Despite having helped more than 40,000 people to exit homelessness and having built more than 6,000 units of homeless housing over the previous ten years, homelessness in King County is unacceptably high.

Looking ahead at the next two years, the region has the opportunity to come together in new and different ways with a coordinated, collaborative and concerted effort, and begin to turn the tide of rising homelessness. Leading the regional effort is All Home, which brings together many partners in funding and implementing initiatives to tackle homelessness. The vision is that homelessness in King County will be rare, brief, and a one-time occurrence.

The 2017-2018 Proposed Budget includes funding to address homelessness across multiple programs. Highlights of new efforts to address homelessness include:

Youth and Family Homelessness Prevention Initiative Funded by the Best Starts for Kids levy, this \$19 million initiative is targeted to families with children and youth/young adults. The prevention plan will quickly stabilize people at imminent risk of homelessness.

Redesigning the current homeless shelter system With onsite case management and linkages to housing and community services, homeless shelters can become a pathway out of homelessness. King County is exploring a number of innovative and low-barrier temporary housing models, including modular units and tiny houses, along with shelter models that offer longer operating hours to facilitate case management services and other supports to move people toward housing stability.

Implementing Coordinated Entry for All Providing a clear and consistent way to access housing and services reduces barriers and creates a clear path to housing stability using a standardized assessment tool and a coordinated referral and placement process.

Increasing the Stock of Affordable Housing Through Transit Oriented Development

King County Executive Dow Constantine and the King County Council approved a plan in 2016 to invest \$87 million in new transit-oriented development that will create more than 1,000 units of housing connected to schools, shopping, job centers, and transportation hubs. The plan identifies goals, strategies, and funding criteria that target investments in specific locations as well as competitive funding awards to encourage nonprofit and partner agencies to build affordable housing across King County.

Renewing the Veterans and Human Services (VHS) Levy

In 2005 and again in 2011, King County voters agreed to a property tax levy lid lift to help local veterans, their families and other individuals and families in need by approving the VHS Levy. In 2015, the Levy served 37,500 people, including 7,550 veterans. The VHS Levy raises about \$18 million annually, split evenly between programs and services for veterans and other local residents. VHS Levy goals include: 1) prevent/reduce homelessness; 2) reduce unnecessary criminal justice and emergency medical system involvement; and 3) increase the self-sufficiency of veterans and other vulnerable populations.

The VHS Levy expires on December 31, 2017. Beginning in 2016 and continuing in 2017, the County will have the opportunity to talk with human services providers, veteran services organizations, city leaders, advocates, and other partners to discuss the renewal Levy. The 2017-2018 Proposed Budget only includes expenditures for the 2017 calendar year. If the VHS Levy is placed before the voters and renewed, a supplemental ordinance will be needed to implement the updated plan.

Stable Funding for Public Health but Significant Financial Gap in 2019-2020

The financial position of the Public Health Fund has improved from the 2015-2016 budget. For the 2017-2018 biennium, the department's Public Health Fund is projected to be stable enough to cover expenses and reduce the existing fund deficit by at least one-third. This is primarily due to the passage of Best Starts for Kids, which stabilized many of the Public Health Center services, and implementation of the Hospital Services Agreement with Harborview Medical Center.

However, the Public Health Fund faces a projected operating gap of \$10-\$12 million in the 2019-2020 biennium. The County is actively participating in statewide planning on Foundational Public Health Services to help identify additional revenue sources for health departments to deliver essential public health services.

Public Health's funding comes from over a hundred different sources, with the largest tied to federal and state funding streams that include reimbursement for patient care. For more than a decade, Public Health has experienced recurring budget crises as federal and state funding has remained flat or decreased relative to inflation and population growth. This problem has created a "structural gap" where each year the gap between the cost of delivering services and the revenues intended to support them grows. The strategies to weather these crises have included reducing vital public health services, shifting some services to unpredictable grant funding, and finding other stop-gap funding to maintain some level of service. Despite these efforts, the underlying drivers of the structural gap remain and the pressure to reduce costs, find efficiencies, and/or increase revenue will continue to return year after year. **Figure 19** illustrates a sharp decline in federal funding of Medicaid Administrative Claiming and flat state support to local public health.

Federal, State, and Local Public Health Funding Flat or Declining: 2008 - 2016

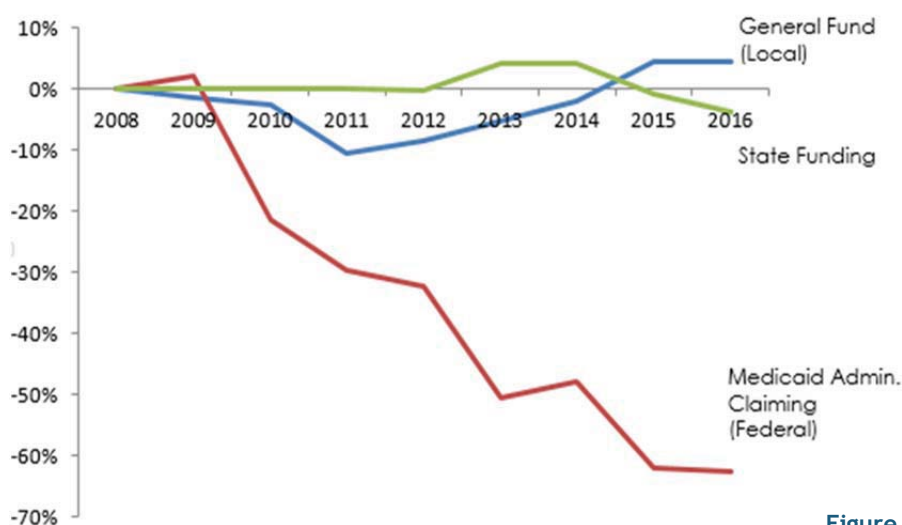


Figure 19

Successive cycles of budget reductions have reduced the department's ability to deliver services. Immunizations, communicable disease control, sexually transmitted disease programs, family planning, tobacco prevention, nutrition and physical activity promotion, the Medical Examiner's Office, as well as health services for teens and families are examples of the programs that have experienced significant reductions.

Public Health is not alone in its funding challenges: all local health jurisdictions around the state have joined together to develop a new framework called Foundational Public Health Services (FPHS). FPHS defines an essential set of public health programs and capabilities that must be available everywhere in order for public health to work anywhere. Foundational programs ensure that public health is

monitoring, responding to, and preventing illness and injury, and include services in categories such as Communicable Disease and Chronic Disease Prevention. Foundational “cross cutting” capabilities that are centralized to efficiently serve units across the department include business competencies (payroll, finance, contracts, etc.), community partnerships, policy development, emergency preparedness, communications/public information, and data gathering, analysis, and assessment.

The Washington State Department of Health (DOH) and the Washington Association of Local Public Health Officials have recommended advancing legislation during the 2017 session to align laws and funding with the Foundational Public Health Services plan:

- Statute changes are currently in development, adding the Foundational Public Health Services framework into state law and mandating the implementation of this model to modernize the statewide public health system and increase state funds for foundational programs.
- DOH is working with the Governor’s Office and the Office of Financial Management to develop a 2017 funding request that may be included in the Governor’s budget.
- The 2017 legislative session will be an important opportunity for Foundational Public Health Services and the critical funding Washington counties like King County need for core programs.

Developing a Sustainable Funding Strategy for the Emergency Response System (E-911)

The E-911 Program administers the 911 telephone system in partnership with twelve regional call centers and is supported by excise taxes on landline, wireless, and Voice over Internet Protocol (VoIP) phone services. The E-911 program is facing significant fiscal and operational challenges over the next several years. While the E-911 fund is sustainable in 2017-2018, the fund is projecting a significant negative fund balance by the end of 2020. This trend is driven in part by declining revenue collection as residents discontinue landlines. If a stable source of funding cannot be identified before the 2019-2020 budget, significant service reductions are expected.

Additionally, the Program is under pressure to modernize the E-911 system. The E-911 system was implemented 30 years ago and designed for wireline phones. Wireless phones have become the most popular communications tool, accounting for over 77 percent of 911 calls in 2015. Text messaging and sending pictures and videos have become common forms of communication. Another new method of placing phone calls, VoIP, has increased in the past few years. In addition, new vehicle models in the U.S. are now equipped with telematics with the capability of sending crash data directly to the public safety answering points (PSAPs). Many people in King County are early technology adopters and expect to be able to call and send data in multiple ways when they have an emergency.

The E-911 program office is undergoing a strategic planning process in conjunction with County representatives and regional partners to address the fiscal and technological challenges of the E-911 system. The strategic plan, to be completed in December 2017, will include a 10-year technology investment strategy to modernize the E-911 system and recommendations for securing sustainable funding.

Stable Funding for the County's Water Taxi Service

The Marine Division's King County Water Taxi provides high quality and efficient service that moves people safely and quickly, improves the quality of life, and enhances the region's economic competitiveness.

The Water Taxi provides safe, reliable transportation to over 500,000 riders annually on its two routes from West Seattle and Vashon Island to Downtown Seattle. The Water Taxi has experienced a 10 percent ridership increase in 2015 and is trending toward even higher passenger growth in 2016. Every year the Council must renew the property tax levy for funding operations of the Water Taxi. The Water Taxi has not had a sustainable source of funding since 2009, when the Council reduced the levy for marine operations in order to meet the needs for Metro Transit bus service, whose sales tax revenue fell off during the Great Recession. Since that time, the Marine Division has carefully managed its funds and service to Vashon Island and West Seattle by drawing upon its reserves. Those reserves are now exhausted.

The 2017-2018 budget proposes a sustainable property tax rate for the Water Taxi of 1.25 cents per thousand of assessed property value that allows for the continuation of services.

Investing in Customer Service Enhancements for Permitting Customers and Restoring the Financial Health of the Permitting Fund

The Department of Permitting and Environmental Review (DPER)'s largest revenue source is the permit fees that support the permitting line of business. DPER's practice is to raise permitting fees biennially in conjunction with the Proposed Budget. The 2017-2018 Proposed Budget includes a 20 percent increase in permit fees, which is offset by the expiration of a 4.63 percent surcharge for a net increase to customers of 15.37 percent. Collectively, these fee increases will help to restore the health of the Permitting Fund and implement high-profile customer service enhancements such as credit card acceptance and implementing online permitting through the MyBuildingPermit.com (MBP) portal.

About 65 percent of the total increase goes towards bringing revenues and expenditures into balance by covering the increases in DPER's labor costs and the cost of services provided by other King County agencies.

Improving Customer Services through the full implementation of online permitting.

DPER has taken several steps to implement online permitting for its customers. This improvement saves customers time from traveling to DPER's office in Snoqualmie to apply and pay for permits and will also allow customers to check on the status of permits and schedule inspections remotely. In the spring of 2016, DPER began offering residential mechanical permits online. As of summer 2016, over 80 percent of these permit applications are now received online. Residential mechanical permits make up a large percentage of DPER's permits by volume. The Proposed Budget includes funding to increase the types of permits that can be applied for online through the implementation of MyBuildingPermit.com (MBP), a regional consortium that allows customers to use a single portal to apply for permits with multiple jurisdictions. The proposed permit fee increase package includes funding to initiate online permitting with MBP in 2017 and for 2018 subscription fees.

Funding significant investments to maintain infrastructure, respond to drainage issues in the rural area, restore and protect aquatic habitat, and comply with clean water requirements

Polluted stormwater runoff harms wildlife and degrades the health of rivers and streams; it is the greatest threat to the long-term health of Puget Sound. Significant investments are needed to maintain infrastructure, respond to drainage issues in the rural area, restore and protect aquatic habitat, and comply with clean water requirements. The 2017-2018 Proposed Budget increases the Surface Water Management (SWM) fee approximately fifty percent in 2017-2018, from the current fee of \$171.50 per year to \$258 per year for a single family residence.

The current single-family residential rate has remained the same since 2014. Commercial property owners pay based on the amount of impervious surface (i.e., hard surfaces such as parking lots, roofs, and driveways) on a parcel. The more impervious surface a property has, the more stormwater runoff it will have during rainstorms and the higher its SWM fee.

The current fee generates \$24 million annually. The Proposed Budget includes an additional \$6.5 million annually to support efforts to:

Prevent failure of stormwater assets (\$3 million). The Stormwater Services program manages about 1,100 stormwater facilities across unincorporated King County, including stormwater ponds, vaults, tanks, and swales that control the quantity and quality of stormwater runoff discharging from developed land. Many of these facilities already have components that are at the end of their expected life. Based on recent experience with component failures, waiting for them to fail and replacing them under emergency conditions costs about 4.5 times more than replacing them before they fail.

To avoid these costs and other damages associated with facility failure, the new SWM fee will provide funding for inspection and maintenance of these assets and preserving (replacing and/or rehabilitating) those that pose the greatest risk to the County if they failed. The majority of this funding will go toward the 72 facilities that pose the greatest risk.

Better Maintain the Drainage System in the Right-of-Way. Recognizing the important role that roads play in the conveyance of stormwater, King County's Water and Land Resources and Road Services divisions (Roads) partnered on an assessment of the County's drainage system in the right-of-way. Since the largest and most costly components of this aging network are the pipe systems and metal culverts and failure of these large assets would cause the greatest impact, the study focused on these assets.

For the next 10 years, the study estimates that the cost to maintain drainage assets in unincorporated King County ranges from \$335 million to \$500 million, depending on level of service provided. The lowest level of service (\$335 million over 10 years) assumes that all failing assets are replaced as they fail. If this level of service is not funded, responses will range from posting warning signs about unsafe roads to road and/or lane closures. The proposed budget includes resources to better maintain the drainage system in the right-of-way.

Support agriculture and rural residents (\$1.5 million). King County's Agricultural Drainage Assistance Program (ADAP) helps farmers improve drainage of agricultural lands by providing both technical and financial assistance. About 123 farms in the Agricultural Production District (APD) have requested assistance with cleaning ditches. Based on a recent assessment of farm ditches, close to 98 out of about 248 miles of agricultural ditches—or nearly 40 percent—are in need of cleaning. An increase in the SWM fee will allow over 10,000 linear feet of ditch to be cleaned each year and will also provide resources to:

- Allow Stormwater Services to better respond to threats of flooding in rural areas.
- Help Water and Land Resources to develop and implement an effective beaver management strategy that responds to multiple problems and program needs associated with beavers.

Restore habitat (\$1 million). The SWM rate increases funding for habitat restoration. For example the Water and Land Resources Division implements habitat restoration projects to protect and improve aquatic and riparian habitat conditions towards conserving threatened species. It also implements the Watershed Salmon Recovery Plans and works with landowners, including agriculture and forestry landowners, to promote projects that provide habitat restoration while supporting the long-term sustainability of rural working lands. Additional funding is needed to maintain the current rate of development and implementation of habitat restoration projects, including staffing levels needed for project design. In addition the fee will fund:

- the Farm Fish Flood Implementation to resolve long standing conflicts between salmon recovery and agricultural interests in the Snoqualmie River Valley
- a Fish & Habitat Effectiveness Monitoring Project to allow the agency to evaluate where to further invest resources, and assess whether changes should be made to recovery strategies and projects.

Improve performance (\$1 million). The Water and Land Resources Division is undertaking projects to better serve residents, improve its information management, and ensure regulatory compliance such as implementing a low-income discount program to help mitigate the impacts of a rate increase for low-income property owners in unincorporated King County and implementing new program to offer small grants to support community projects that improve water quality.

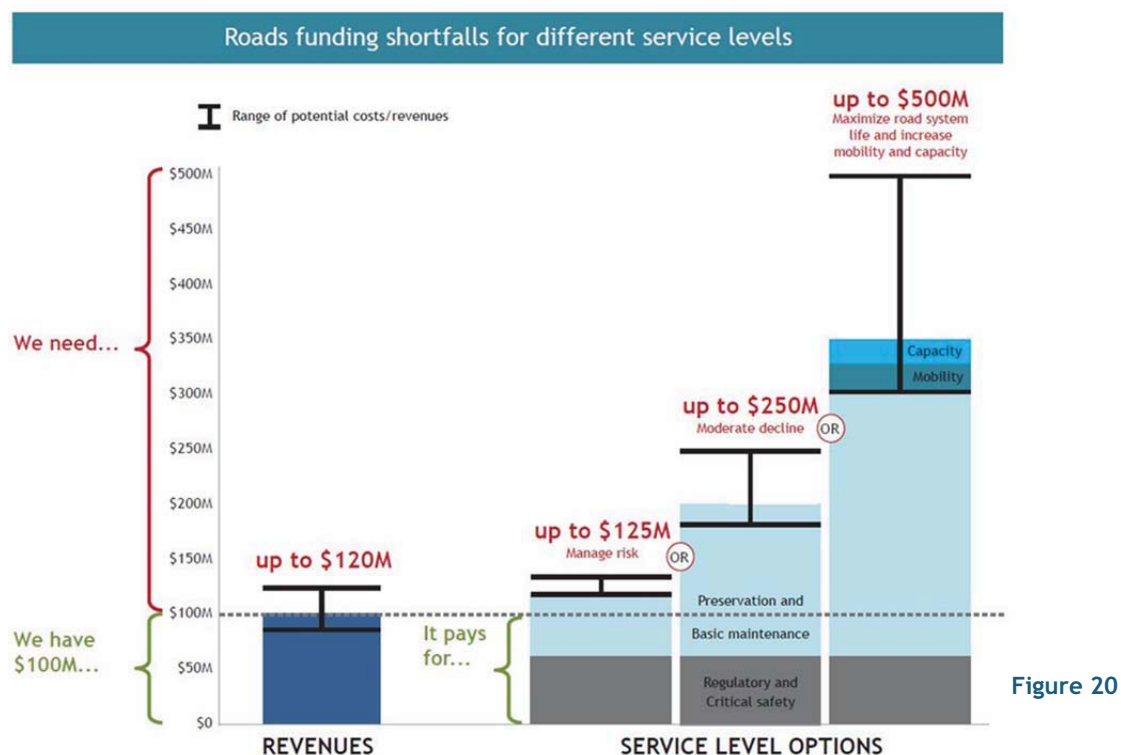
Inadequate Funding for County Roads

King County's 1,500-mile road system is an important asset of the County's built infrastructure. Unfortunately, nearly three decades of annexations, declines in gas tax revenues, and the effects of voter initiatives have led to the chronic underfunding of the local bridge and road system, particularly County roads outside of cities. Current funding for King County roads and bridges is only sufficient to address critical life safety issues and a minor amount of work to preserve some of the existing infrastructure. Improvements necessary to address capacity and mobility issues are currently unfunded.

To manage the existing infrastructure at its optimal life cycle and address certain mobility and capacity needs would require an estimated additional \$400 million dollars annually. King County receives about \$100 million annually in revenue for the care of County bridges and roads. Without additional resources, it is estimated that aging and associated degradation of assets could result in the closure of about 35 bridges as they become unsafe, and approximately 72 miles of failing roadways could be restricted or closed. About 65 percent of the stormwater system is at risk of failure, and more slides and flooding from clogged and aging drainage structures are expected.

The Road Services Division (Roads) is working to innovate to improve efficiency, but no amount of local government innovation can fix antiquated State funding formulas. In nine of the ten largest Washington counties (excluding King County), an average of 45 percent of people live in the unincorporated area and pay into their county Road funds. In King County, only 12 percent of residents pay for the roads that one million cars drive on every day. Even more dramatically, just 3.2 percent of King County's taxable sales take place in the unincorporated area, versus a 22 percent average in the other eight counties, which illustrates that there is little property tax base in King County's unincorporated area.

A financial consultant recently estimated that it would cost upwards of \$400 to \$500 million annually for a period of more than ten years to fully address the current backlog of road system needs, embark on an asset management program that produces the lowest life cycle costs, and meet road capacity, mobility, and non-motorized needs. Based upon current forecasts, the division estimates that the average revenue for the next ten years is about \$100 million annually. The funding gap is illustrated in [Figure 20](#).



Last fall the Executive convened regional leaders and community members in a Bridges and Roads Task Force to examine the Road Services funding gap and the efficiencies put in place to address the serious funding shortfall. The task force recommendations are highlighted in the adjacent box. The Task Force recognized that the most successful approach to closing the Roads funding gap may require multiple revenue tools and efficiencies, with some additional resources dedicated to the transportation needs of cities. Corrective action by the Washington State Legislature is needed, and the Executive is committed to leading the effort to find a solution.

Key Highlights of Bridges and Roads Task Force Recommendations

- ✦ **A new county-wide revenue tool is needed that is tied to inflation, sustainable, long-term, provides a benefit to cities and the county, and is not regressive.**
- ✦ **The County should expand outreach to all stakeholders to increase awareness of the problems Roads faces.**
- ✦ **Incorporate county roads that are orphaned, islands of roads within a city or cities, and Potential Annexation Areas within the growth boundaries of cities into those jurisdictions. This may require additional authority from the state legislature and support for recipient cities.**

LOOKING AHEAD

The 2017-2018 Proposed Budget continues the County's commitment to provide high quality, cost-effective services to County residents. It supports major policy initiatives to emphasize equity and social justice in County services and internal processes, reduce carbon emissions, enhance mobility throughout the region, engage employees, and continue to improve the processes the County uses to deliver services. The budget is also fiscally responsible and builds reserves for future economic downturns.

The budgets for most County programs appear to be sustainable with existing resources and revenue tools. However, there are at least four major functions that are expected to have significant financial challenges for the 2019-2020 biennium:

- The General Fund faces about a \$20 million deficit even if economic growth continues. This is caused by the structural gap between revenue and expenditure growth rates. The County is working with other governments to seek new revenue authority from the 2017 State Legislature to address this issue.
- The Public Health Fund will not be able to continue all current services due to flat or declining state and federal support. The County is working with other public health agencies to build support for the Foundational Public Health Services initiative, which would create ongoing and sustainable revenue for public health.
- The Roads Fund is chronically underfunded due to its revenue structure, with many users of County roads paying nothing to support them. Again, legislative changes will be needed to develop a more comprehensive revenue system. Conversations with King County cities are underway to identify specific ideas that could provide funds for both the County and cities.
- E-911 will exhaust its fund balance at some point in the 2019-2020 biennium. Revenue is flat or declining as residents eliminate landline telephones. There is also demand to deploy new capabilities in response to technology changes, such as the ability to send pictures with an E-911 call or text. Either new revenue will be needed or program funding will need to be restructured.

Economic and demographic projections show that King County's population and economy are expected to grow steadily over time. The 2017-2018 Proposed Budget builds the foundation to support this growth in many areas, including Metro Transit, solid waste collection and recycling services, parks and open space, behavioral health, and information technology. These investments help King County to move towards its goal of being the best run government in the country.

GENERAL FUND AND DEBT SERVICE

INTRODUCTION

The General Fund supports the traditional functions of county government, including the Sheriff's Office, Superior and District Courts, the Prosecuting Attorney's Office, the Department of Public Defense, corrections, the Assessor's Office, Elections, and various administrative functions. About three-quarters of the General Fund is spent on criminal justice and public safety programs.

The General Fund is King County's only truly flexible source of revenue, allowing it to provide support to important services and programs that would otherwise lack funding, including public health, human services, natural resource programs, and major policy initiatives such as Equity and Social Justice.

King County's credit rating is tied to the health of the General Fund. When bonds are issued they become general obligations of the County and the County pledges its full faith and credit to repay the principal and interest on any issuance. Therefore, the General Fund's financial health is what determines the County's credit rating and the interest rates paid on capital projects that are financed. The County's general obligation bonds are assigned ratings of "Aa1," "AAA," and "AAA" by Moody's Investors Service, Fitch Ratings, and Standard and Poor's Ratings Services, respectively. These represent the highest possible ratings for County general obligation bonds.

This chapter covers the General Fund financial plan, General Fund Transfers to other funds, Internal Support, and the County's Debt Service Funds.

GENERAL FUND

King County's General Fund supports the traditional functions of a county government, most of which are required by State law. The major focus of the General Fund is criminal and civil justice functions. Counties also are responsible for elections administration, property assessments and tax collection, and public health.

King County's General Fund has faced chronic imbalances between revenue and expenditure growth for 15 years due to revenue limitations under state law. At the start of the 2017-2018 budget process, the General Fund faced a gap of \$50 million between projected revenues and the cost of continuing current programs. This section explains the causes of this gap and how a balanced General Fund budget was developed for 2017-2018.

General Fund Revenues: The System is Broken

Revenue sources available to county General Funds are restricted by State law. The only significant tax sources are property and sales taxes. Unlike the State or cities, counties are not authorized to impose utility or business taxes. General Fund revenues are projected to be about \$1.64 billion for 2017-2018.

Figure 1 – General Fund Revenues

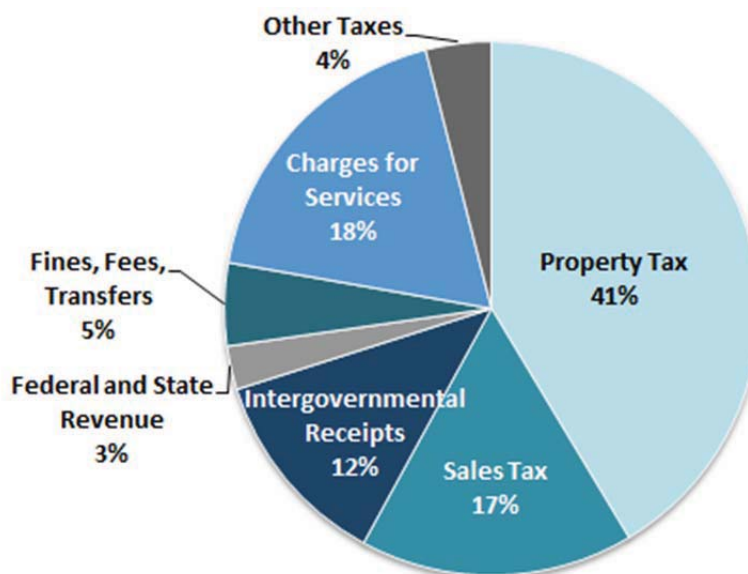
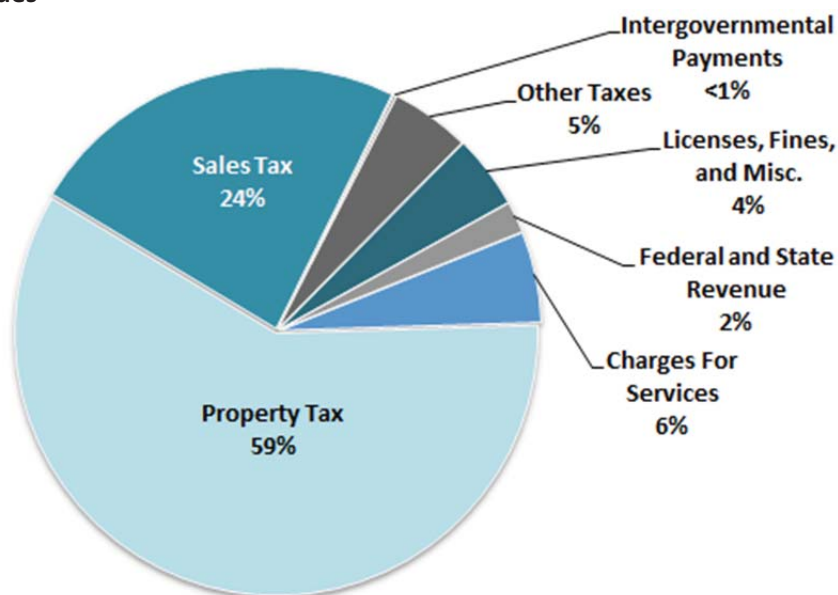


Figure 1 shows the breakdown of General Fund revenues. The property tax is by far the largest source at 41 percent. Charges for services, most of which are charges to other County funds for services provided by General Fund agencies, account for 18 percent. Sales taxes represent 17 percent. Intergovernmental receipts, which are payments from other governments that contract to purchase services from King County General Fund agencies, total about 12 percent. This category includes payments from cities and Sound Transit for police services provided by the Sheriff's Office, municipal court services provided by the District Court, and use of County jails.

This overall view is somewhat misleading because the services provided to other County agencies and to other governments are self-supporting. These revenues are offset by corresponding expenditures. If these intergovernmental receipts and internal charges for services are removed, the "true" or "net" General Fund revenues are revealed in **Figure 2**.

Figure 2 – Net GF Revenues



In this view, the property tax accounts for almost 60 percent of the General Fund's revenue. This is consistent with other Washington counties that don't provide the contracted services that King County does. Sales taxes represent another quarter of the revenue. It is worth noting that state and federal direct support to the General Fund is minimal, representing a combined 2 percent of the total.

The heavy dependence on the property tax is the largest source of the General Fund's financial challenges. Since 2001, State law has limited the revenue growth in most property taxes, including county General Funds, to 1 percent per year. In addition, the value of new construction is added to the tax base and represents between about 0.5 percent and 2.0 percent additional growth, depending on economic conditions.

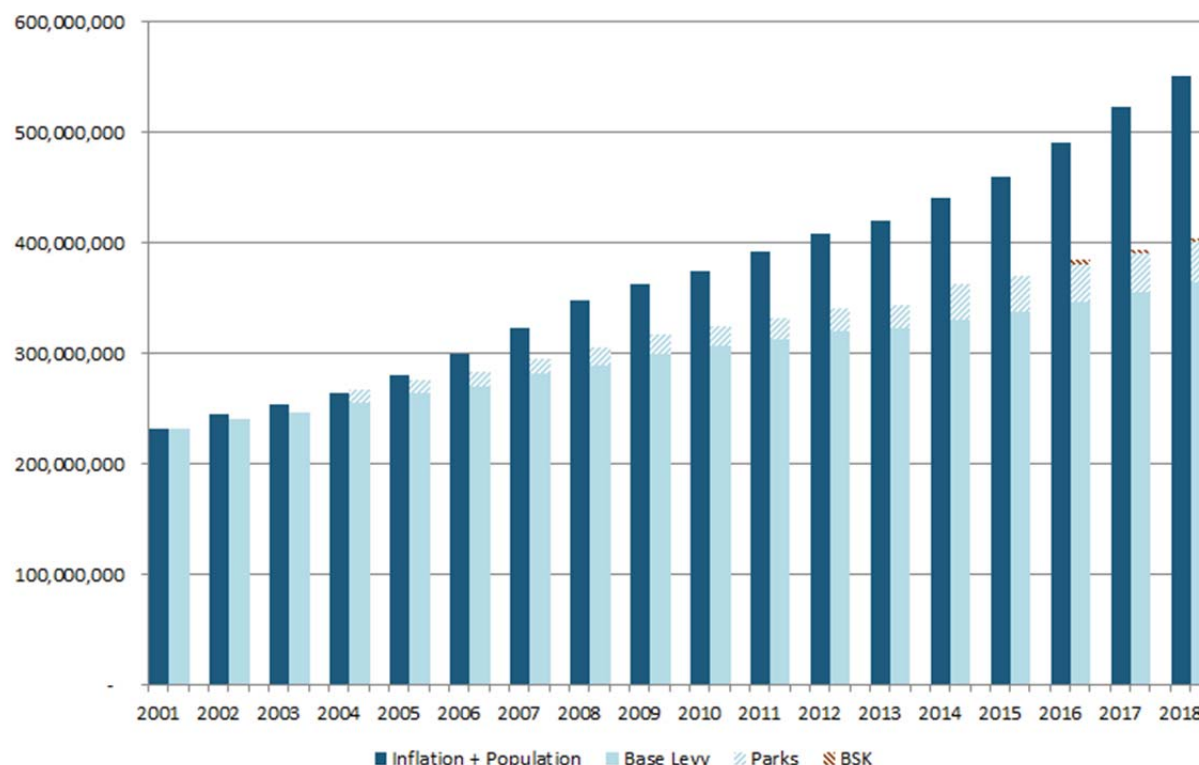
Figure 3 – GF Property Tax compared to Inflation and Population Growth

Figure 3 shows the effects of this limit on property tax revenues. Each year’s right-hand bar is the actual property tax revenue collected by the County’s General Fund. Starting in 2004, General Fund costs for parks were gradually shifted to a voter-approved property tax levy lid lift, so this lid lift is shown as contributing to General Fund revenues.¹ Similarly, some cost growth of existing Public Health programs that are funded from the General Fund is included in the Best Starts for Kids (BSK) levy lid lift, and these incremental costs are included in Figure 3. Each year’s left-hand bar is how much General Fund property tax revenue would have been collected had this revenue kept up with inflation and population growth. In 2017, the difference between the bars is \$130 million. The dependence of King County and other counties on the drastically limited property tax has resulted in chronic financial difficulties for the last 15 years. This situation is commonly referred to as the “structural gap.”

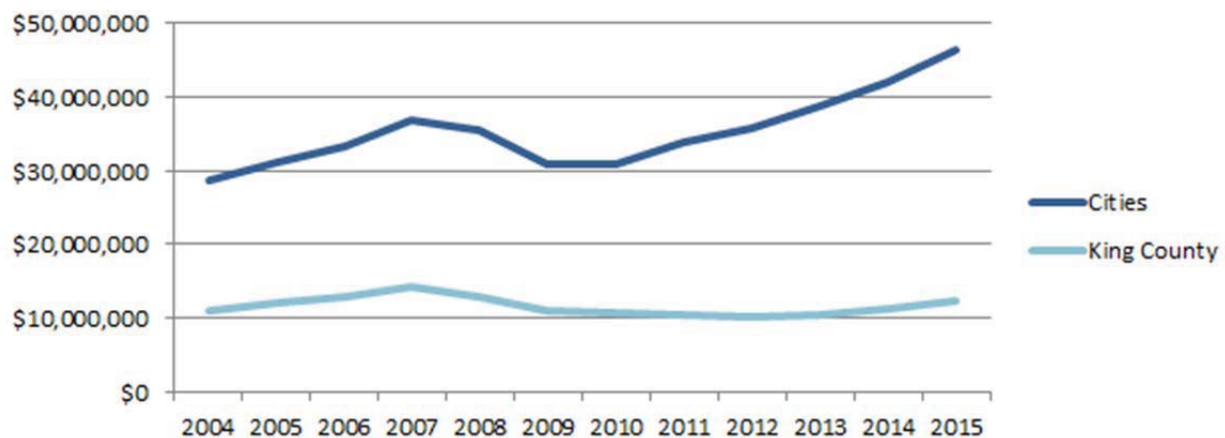
King County, unlike most other counties, also is adversely affected by the structure of the sales tax. As noted in the previous section of this document, the sales tax is declining in productivity due to changes in purchasing patterns and other factors. In addition, there are two further sales tax issues affecting King County.

¹ A portion of this levy is used for programs not previously funded through the General Fund, such as acquisition of additional open space and construction of trails. This portion is not included in Figure 3.

Figure 4 Sales Tax in Unincorporated Area

2015 Unincorporated Area Sales Tax as a Percent of Total (1.0% tax rate versus 0.15%)	
County	Tax Base in Unincorporated Area
Kitsap	45.1%
Clark	28.6%
Snohomish	21.2%
Pierce	18.2%
Whatcom	17.1%
Yakima	15.1%
Thurston	15.0%
Skagit	14.0%
Benton	13.7%
Spokane	12.6%
King	3.2%

First, the sales tax rate received by a county depends on where a sale occurs. If a sale occurs in the unincorporated area (outside of cities), the county receives the entire 1.0 percent local sales tax. If a sale occurs within a city, the county receives only 0.15 percent and the city receives the remaining 0.85 percent. King County has actively complied with the State Growth Management Act that encourages urban areas (including almost all commercial areas where taxable sales occur) to be brought into cities. As a result, King County receives almost no sales tax at the full 1.0 percent rate. **Figure 4** shows that King County only had 3.2 percent of its taxable retail sales in the unincorporated area in 2015, far lower than any other urban county.

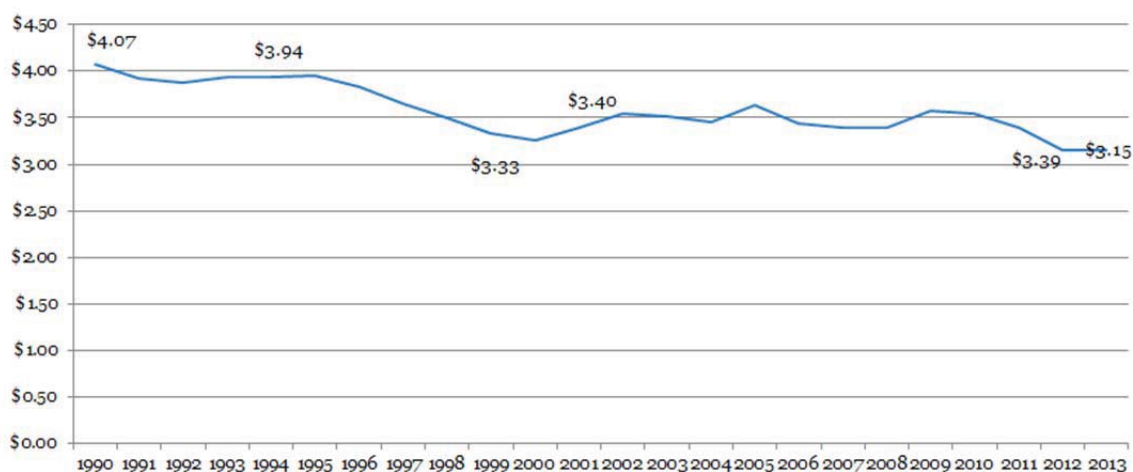
Figure 5 – CJ Sales Tax King County vs. Cities

Second, many counties impose a separate 0.1 percent criminal justice sales tax. This tax has been in effect in King County since the early 1990s. Under State law, counties receive 10 percent of the revenue and the remainder is split among cities and the county based on population (for the county, it is the

population of the unincorporated area). As the County has implemented the State Growth Management Act, its unincorporated area population has steadily declined. As seen in **Figure 5**, the result is that criminal justice sales tax revenues for King County have been basically constant for more than a decade, while the amount received by cities has increased by 62 percent. This pattern does not correspond to costs in the criminal justice system, where the County bears the financial burden of juvenile justice and the incarceration and adjudication of all felonies, regardless of where they occur.

Figure 6 – GF Sales & Property Taxes Per \$1,000 of Personal Income

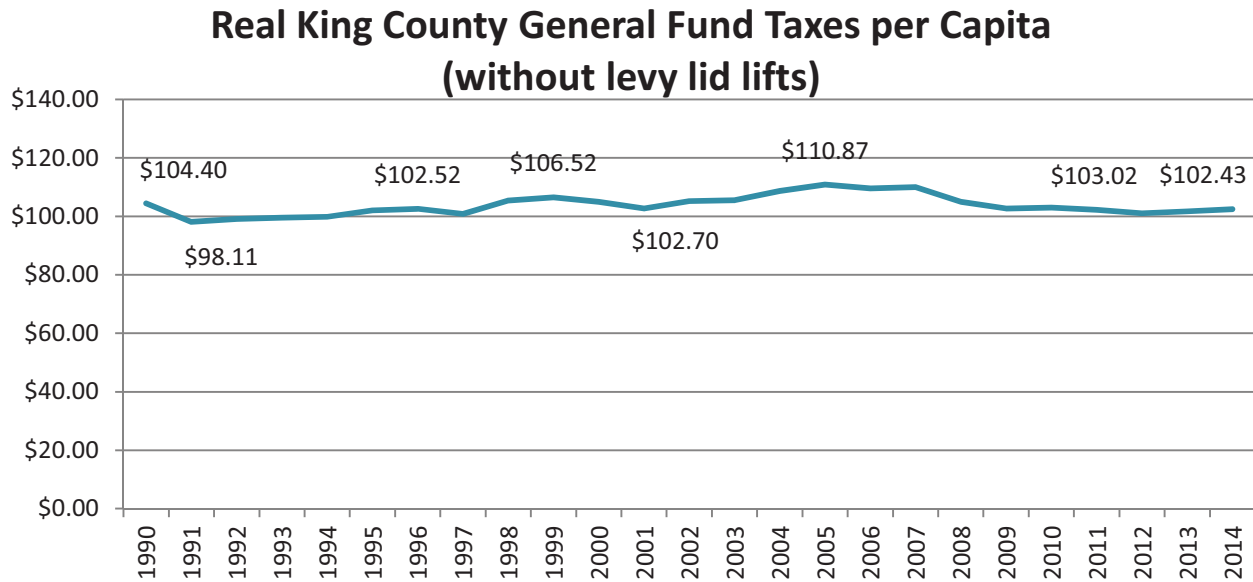
General Fund Sales & Property Taxes per \$1000 of Personal Income (with Parks replacement levy lid lift)



As a result of these limitations due to State law, King County's General Fund revenues have been declining as a share of personal income for over two decades. **Figure 6** shows General Fund sales and property taxes, including the portion of the Parks levy lid lift that supports activities previously covered by the General Fund, as a share of the total personal income of King County residents since 1990. In 1990, \$4.07 of every thousand dollars of personal income was paid in taxes to support the County's General Fund. This has varied over time due to economic conditions, but the effects of tax limitations and formulas have created an underlying downward trend. By 2014, only \$3.15 of each \$1000 of personal income was paid in taxes to the General Fund.

Figure 7 Per Capita Taxes Paid

Interestingly, the pattern per capita is somewhat different. In 1990, residents paid an average of \$104.40 in taxes to the County's General Fund.

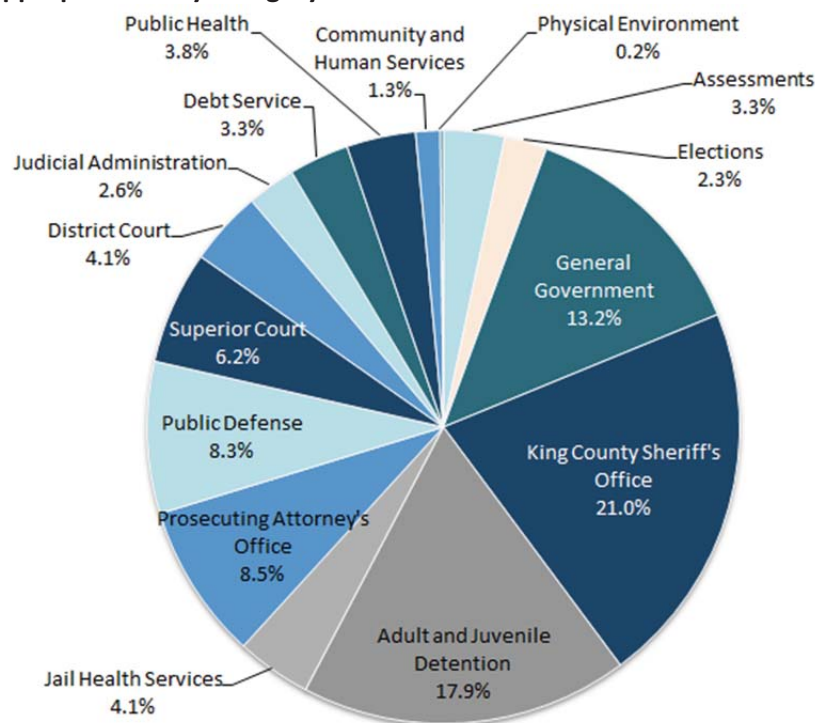


This was \$102.43 in 2014. The difference in the patterns of Figures 6 and 7 reflects the widening income disparity in King County, as is true throughout the United States. Washington's regressive tax structure means that people pay about the same taxes to the County's General Fund on average, but higher income people pay proportionately much less than in the past.

General Fund Expenditures

King County's 2017-2018 Proposed Budget includes \$1.65 billion in appropriations from the General Fund. Figure 8 shows how this is split among agencies.

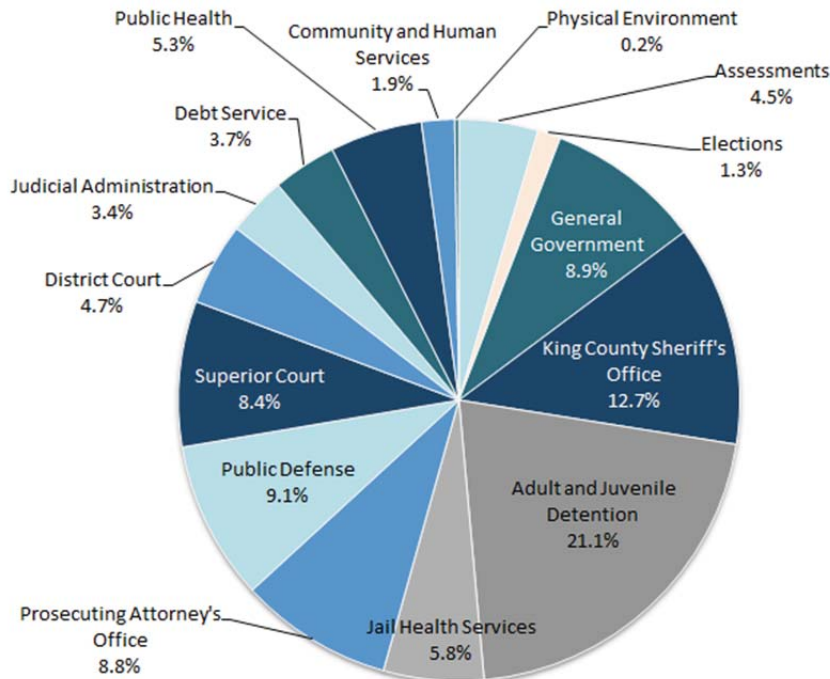
Figure 8 – GF Appropriations by Category



The King County Sheriff's Office (KCSO) has the single largest General Fund appropriation at 21.0 percent, followed by the Department of Adult and Juvenile Detention (DAJD) at 17.9 percent. DAJD is responsible for the two adult jails: the King County Correctional Facility (KCCF) in Seattle and the Maleng Regional Justice Center (MRJC) in Kent. DAJD also runs the juvenile detention facility in Seattle and operates the Community Corrections Division that provides alternatives to detention for adults.

The other agencies and branches that are part of the justice system are the Prosecuting Attorney's Office (PAO), Department of Public Defense (DPD), Superior Court, District Court, Judicial Administration, and the Jail Health Services Division. When combined with KCSO and DAJD, the criminal justice system accounts for about 73 percent of General Fund appropriations.

As noted previously, a significant portion of General Fund expenditures is supported by revenue from other governments or from other County funds. Removing these expenditures leads to the "true" or "net" General Fund budget, which is shown in **Figure 9**.

Figure 9 – Net GF Appropriations by Category

Comparing Figures 8 and 9 shows that the functions supported by the County's own General Fund revenue are significantly different than the total General Fund budget. DAJD is now by far the largest General Fund appropriation at 21.1 percent. KCSO shrinks to 12.7 percent because much of its budget is supported by contracts with cities and transit agencies. The criminal justice system represents 74 percent of total net General Fund appropriations.

Other functions that shrink as relative proportions of the General Fund budget are Elections and the group of agencies labeled as General Government. Elections receives significant funding from charges to other jurisdictions for election costs and the General Government agencies charge other County funds for a portion of their costs.

The 2017-2018 Proposed Budget includes some restructuring of specific appropriation units. The Medical Examiner's Office has become a direct General Fund appropriation rather than being included in the funding for Public Health. Several appropriations to support non-General Fund departments used to be combined into categories, such as "Physical Environment General Fund Transfers." These are now shown as transfers to specific departments, such as "Transfer to Permitting and Environmental Review." These changes are intended to improve clarity and transparency.

King County has chosen to structure most of its internal support services, such as information technology, facilities, contracting, and accounting, as separate funds outside of the General Fund. These funds charge other County funds, including the General Fund, for the services they provide. However, there are a few support services, including the County Auditor, the Human Resources Division, and the Office of Performance, Strategy and Budget (PSB), that are budgeted in the General Fund but charge other County funds for their services. This complicates a clear understanding of the General Fund's revenues and expenditures.

Source of the General Fund Gap

After the March 2016 revenue forecast, PSB projected a General Fund budget gap of about \$50 million for 2017-2018. This was not a surprise: PSB had projected a 2017-2018 budget gap of \$46.3 million when the 2015-2016 budget was adopted. There were three major contributors to this gap:

1. The use of about \$35 million of one-time funds to cover added costs in 2015-2016. These costs included more staff for the Department of Public Defense (DPD) to comply with State-imposed caseload standards, salary parity with the Prosecutor's Office for DPD staff as called for in County policy, and higher than expected labor settlements for uniformed personnel in KCSO and DAJD.
2. A State-imposed requirement to shift about \$13.3 million of costs from the Mental Illness and Drug Dependency (MIDD) Fund to the General Fund.
3. About \$1.7 million in order to maintain the 6.5 percent unreserved fund balance in the General Fund.

The use of reserves to balance the 2015-2016 budget temporarily postponed the effect of the long-term structural gap, but these reserves were no longer available for the 2017-2018 budget.

Balancing the General Fund

Over the course of the spring and summer, Executive Constantine worked with PSB, departments, and the elected officials heading separate agencies and branches to identify options to balance the General Fund budget. This was even more challenging because there were some unavoidable budget increases that were necessary to meet legal or operational requirements. Furthermore, some functions of County government aren't discretionary and are driven by external demand. For example, DPD must defend every eligible individual and must comply with caseload standards set by the State. Similarly, DAJD is required to house prisoners delivered by police agencies and ordered held by the courts.

The General Fund was balanced through a mix of revenue changes, efficiencies, shifts of costs to other funds, and spending reductions. This is shown in **Figure 10**.

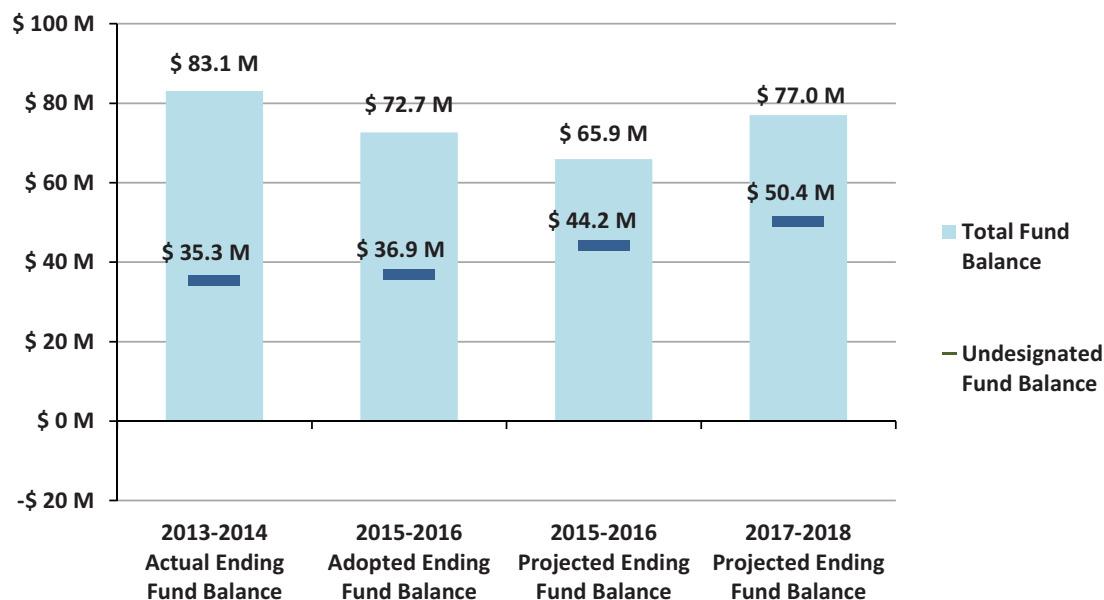
Figure 10 GF Balancing

2017-2018 General Fund Balancing Summary	
Starting Gap	\$ 50,000,000
Forecast Error	\$ 4,000,000
Changes in Revenue Forecasts	\$ (22,200,000)
Fund Balance Target Adjustment	\$ 6,300,000
Required Cost Increases	\$ 14,200,000
Policy Driven Revenue Changes	\$ (19,800,000)
Reduction in Central Rates from Baseline	\$ (6,300,000)
Efficiencies	\$ (13,700,000)
Cost Shifts	\$ (11,100,000)
New/Expanded Investments	\$ 7,300,000
Service Reductions	\$ (8,700,000)
Balance	\$ -

Figure 10 starts with the projected \$50 million gap. The expenditure forecasts inherent in this figure turned out to be about \$4.5 million too low, largely due to projections of labor costs. This was more than offset by increases in the revenue forecast by August, which generated an additional \$22.0 million. The largest components of this were:

- Increase in the biennial sales tax of \$13.6 million.
- Revenues collected by the Records and Licensing Services Division are forecast to be \$5.5 million higher than when the base budget was set.
- Additional funding from contracts, including suburban cities and Metro Transit for additional KCSO staff, and from cities (primarily Seattle) for DAJD services.

As discussed previously, the Executive proposes to increase the General Fund's undesignated fund balance to 7.5 percent at the end of 2016 and 8.0 percent at the end of 2018, which costs \$6.3 million. This is intended to help preserve the County's highest-possible general obligation bond ratings, which allow debt for General Fund and other purposes (wastewater, transit, open space, solid waste, etc.) to be issued at low interest rates. This, in turn, saves millions of dollars annually for the County's taxpayers and ratepayers. Increasing the General Fund undesignated fund balance also helps to prepare for the next recession.

Figure 11 – GF Fund Balance Trend

As seen in **Figure 11**, the General Fund’s total fund balance has trended downward in recent years as funds were used to postpone budget cuts. The Executive’s 2017-2018 Proposed Budget yields a significant increase in both total fund balance and undesignated fund balance.

Required cost increases totaled about \$14.2 million. The largest items in this group include debt service for King County Courthouse electrical repairs and moving DPD to a new location (\$2.2 million), added DAJD staff due to higher jail population and to reduce the use of mandatory overtime (\$1.7 million), implementation of a labor agreement to promote some DPD attorneys to senior levels (\$1.5 million), and operation of a new KCSO records management system (\$0.9 million).

Several revenue policies were changed to help balance the General Fund, with a total effect of \$19.8 million. These include raising parking rates in County-owned garages (\$4.3 million), transferring interest earnings from some funds to the General Fund as allowed by State law (\$3.0 million), increasing the transfer from the Roads Fund to the General Fund based on the 2016 traffic enforcement study (\$3.0 million), and allowing the Department of Assessments to apportion its costs to develop the parcel layer in the County’s Geographic Information System to other County agencies that use the information (\$1.9 million).

Central rates are the charges from County internal service agencies, such as King County Information Technology (KCIT) and the Finance and Business Operations Division (FBOD), to other County funds. These costs to the General Fund were reduced by \$6.3 million over the course of the spring and summer. There were a variety of reasons for this, including General Fund agencies reducing their needs for certain services. For example, DAJD was able to reduce its KCIT bill by about \$1.0 million by eliminating systems and reducing support where possible.

County agencies continued to search for efficiencies throughout the 2017-2018 budget process. These totaled about \$13.7 million for the General Fund. Most were reductions in positions by criminal justice agencies due to workload changes, the use of new technology, or through reorganizations to streamline functions.

The General Fund shifted about \$11.1 million of costs to other County funds or reduced support to these funds that had been in the 2015-2016 budget. As examples, debt service on the KCIT data center was shifted from the General Fund to KCIT rates and more of the debt service for the acquisition of the Eastside Rail Corridor was shifted to the Conservation Futures Tax levy.

Several important new investments are included in the 2017-2018 Proposed Budget that total about \$8.0 million. These include funding to expand employee training, development, and classification (\$1.2 million); debt service for the new jail management and property tax collection information technology projects (\$0.8 million); anti-bias training for KCSO (\$0.6 million); implementation of the Equity and Social Justice Strategic Plan (\$0.5 million); and continued full hours at the HIV/STD clinic (\$0.5 million).

After making all of these changes, a budget gap of about \$8.7 million remained. This was filled through programs cuts and service reductions. The most notable of these include:

- Reductions of staffing in the Prosecuting Attorney's Office (\$2.0 million). This likely will delay filing and prosecuting cases.
- Closure of DAJD's work release facility and electronic home detention programs as of January 1, 2018 (\$1.6 million). The Superior Court, District Court, DAJD, PSB, and other agencies plan to work together starting in the fall to develop a more comprehensive electronic home monitoring program that can be deployed before the existing program is eliminated. There will also be an effort to identify a more cost-effective location for a work release program than the current location in the old jail in the King County Courthouse. Closing work release and eliminating electronic home detention will increase the number of individuals in jail unless alternatives are developed in 2017.
- Elimination of the inmate booking function at the Maleng Regional Justice Center in Kent as of January 1, 2018 (\$1.2 million). This facility is valuable for police departments in south King County but it is expensive to operate on a per booking basis. County staff will work with local police agencies in 2017 to see if alternative options can be developed, such as booking at other jails.
- Elimination of the KCSO Air Support Unit as of January 1, 2018 (\$1.4 million). This five-person unit operates four helicopters that provide search and rescue services and also can be used for law enforcement. King County's General Fund bears the entire cost of this activity even though the helicopters support activities throughout the region. The program will be restricted to search and rescue in King County only in 2017. Unless additional funds can be obtained, the function will be completely eliminated in 2018. Eliminating the Air Support Unit will inevitably lead to more injuries and deaths in remote areas where a helicopter is a critical rescue tool, but King County can no longer provide the only helicopters in the region for this function at the sole expense of the General Fund. The Sheriff and County Executive agreed that maintaining the already inadequate staffing for 911 response was a higher priority than optional regional services.

- Elimination of the KCSO Marine Unit as of January 1, 2018 (\$0.8 million). This Unit provides police protection and rescue services on Puget Sound, Lake Washington, Lake Sammamish, and various rivers. The function will be eliminated in 2018 unless additional funds are obtained. As with the Air Support Unit, this will inevitably lead to loss of lives. Summer patrols on Lake Sammamish will continue because these are funded by contract cities.
- Closure of the 4th Avenue entrance to the King County Courthouse (\$0.7 million). This is the least-used entrance. The courts and the Facilities Management Division will explore ways to direct staff and visitors to the other two entrances, but this closure will inconvenience jurors and staff.

Figure 12 – GF Expenditure History 2001 – 2018

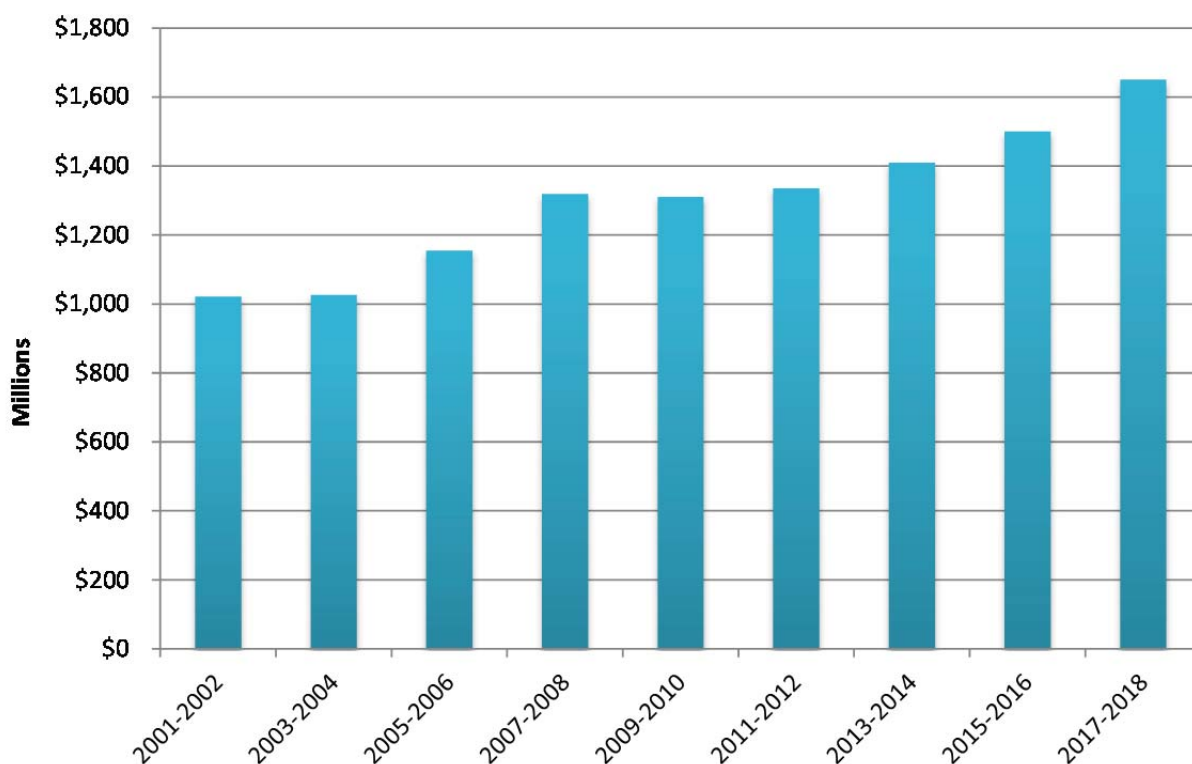


Figure 12 shows trends in General Fund adopted budgets since 2001 (annual budgets in earlier years are combined to form biennia). The effects of the Great Recession meant that General Fund budgets remained almost constant between 2007 and 2012, which required significant budget cuts and reductions in programs and staffing. The apparent increase from 2015-2016 to 2017-2018 is exaggerated because many of the uses of fund balance described previously (such as DPD staffing and labor contracts) were not in the 2015-2016 Adopted Budget. When these mid-biennial additions are included, the growth from 2015-2016 to 2017-2018 is about 5.0 percent. This compares to expected inflation plus population growth in the same period of 7.3 percent. Thus, even in very strong economic conditions the General Fund cannot keep up with inflation and population growth.

Summary of 2017-2018 General Fund (10) Financial Plan (in millions)

Summary includes Inmate Welfare (16) and Goat Hill Garage Operations (1415) subfunds as reported in CAFR

	2015-2016 Estimated ¹	2017-2018 Proposed ²	2019-2020 Projected	2021-2022 Projected
BEGINNING FUND BALANCE	83.1	65.9	77.0	63.9
REVENUES ³				
Property Tax ⁴	650.7	680.5	713.5	746.6
Sales Tax ⁵	245.0	272.8	284.6	298.7
Intergovernmental Receipts	196.8	199.7	205.9	215.9
Federal and State Revenue	43.9	43.2	43.9	43.9
Fines, Fees, Transfers	58.7	79.7	78.6	78.6
Charges for Services	260.7	300.2	308.3	323.2
Other Taxes	68.5	65.5	67.1	68.4
General Fund Revenues	1,524.3	1,641.7	1,701.9	1,775.5
EXPENDITURES				
Operating Expenditures ⁶	(1,443.4)	(1,585.7)	(1,673.3)	(1,768.7)
CIP Expenditures ⁷	(10.9)	(10.7)	(6.8)	(4.1)
Debt Service ⁸	(45.5)	(54.1)	(54.9)	(53.9)
Supplementals/Carryover/Reappropriations	(66.6)	0.0	0.0	0.0
Underexpenditures/Overcollections ⁹	15.0	20.0	20.0	20.0
General Fund Expenditures	(1,551.4)	(1,630.6)	(1,715.0)	(1,806.7)
Other Fund Transactions ¹⁰	9.9	0.0	0.0	0.0
Ending Fund Balance	65.9	77.0	63.9	32.7
DESIGNATIONS AND SUBFUNDS ¹¹				
Designations	(12.2)	(5.2)	(2.3)	(2.3)
Subfund Balances	(3.7)	(3.0)	(2.3)	(1.6)
EXPENDITURE RESERVES				
Carryover and Reappropriation	0.0	0.0	0.0	0.0
CIP Capital Supplemental Reserve	0.0	0.0	0.0	0.0
Credit Enhancement Reserve ¹²	0.0	(1.3)	(2.5)	(3.7)
Executive Contingency	(0.1)	(0.1)	(0.1)	(0.1)
South Park Bridge Post Annexation Operations ¹³	0.0	(1.0)	(3.0)	(5.0)
Risk Reserve ¹⁴	(5.5)	(16.1)	(21.0)	(22.8)
Reserves	(21.7)	(26.6)	(31.1)	(35.4)
Ending Undesignated Fund Balance ¹⁵	44.2	50.4	32.8	(2.7)
6% Undesignated Fund Balance Minimum	35.3	37.8	39.1	41.0
Over/(Under) 6% Minimum	8.8	12.6	(6.3)	(43.7)
Over/(Under) 7.5%	0.0	3.2	(16.1)	(53.9)
Over/(Under) 8.0%	(2.9)	0.0	(19.4)	(57.3)
Rainy Day Reserve	20.3	20.4	20.6	20.7

2017-2018 Proposed General Fund Financial Plan Footnotes

- ¹ 2015-2016 estimated is based on forecasted revenues and expenditures. The base data for these estimates is the first 18 months of incurred expenditures and revenue receipts, adjusted for any known or expected supplementals. All data is based on EBS Report GL_010 and has been reconciled to CAFR.
- ² 2017-2018 proposed expenditures are consistent with budget system of record (Hyperion).
- ³ Revenue estimates for 2017 - 2022 are based on forecasts adopted by the Forecast Council and revenue estimates provided by General Fund appropriation units. The percentages below are the expected percent change over the prior budget cycle. These are biennial growth rates.

	2017-2018	2019-2020	2021-2022
Property Tax	As Proposed	4.9%	4.6%
Sales Tax (including sales tax dedicated to criminal justice)	As Proposed	4.3%	5.0%
All Other	As Proposed	2.2%	3.7%
<i>Blended Revenue Growth Rate</i>		3.7%	4.3%

- ⁴ Property Tax forecasts for 2017 - 2022 are based on August 2016 Office of Economic and Financial Analysis (OEFA) forecast adopted by the Forecast Council and assume the current property tax structure and a collection rate of 97.5%.
- ⁵ Sales Tax forecasts for 2017 - 2022 are based on August 2016 Office of Economic and Financial Analysis (OEFA) forecast adopted by the Forecast Council and assume the current sales tax rate.
- ⁶ Expenditure estimates for 2017-2022 are based on the following assumptions. The percentages indicate the expected percentage change over the previous budget cycle. The assumed flex rate percentage increase reflects current plan design and structure.

	2017-2018	2019-2020	2021-2022
CPI (Seattle July to June CPI W)	As Proposed	4.8%	5.1%
General Wage Increase (GWI) & Step	As Proposed	5.9%	6.1%
Benefits	As Proposed	8.2%	8.2%
Retirement	As Proposed	0.0%	0.0%
Operating GF Transfers	As Proposed	4.8%	5.1%
<i>Blended Operating Growth Rate</i>		5.5%	5.7%

- ⁷ CIP General Fund Transfers (in millions)

	2017-2018	2019-2020	2021-2022
Building Repair and Replacement	2.0	2.1	2.2
KCIT CIP	1.7	1.8	1.9
Expenditure of Designated Fund Balance	7.0	2.9	-
Total	10.7	6.8	4.1

- ⁸ The debt service schedule for 2017 - 2022 (in millions)

Debt Service Elements	2017-2018	2019-2020	2021-2022
Existing Debt Issues	50.5	50.3	51.9
New Debt Issuance	3.0	2.6	-
Debt contingency for new issues and variable rate	0.7	2.0	2.0
Total Debt Service	54.1	54.9	53.9

Based on current projections, projected debt service expense will not exceed the county's 6% debt limit.

- ⁹ The 2017-2018 Proposed Budget includes vacancy assumptions in the majority of General Fund operating budgets. This is budgeted directly in appropriation units. An additional biennial underexpenditure / overcollection assumption of \$20 million is included in the financial plan.
- ¹⁰ Other Fund Transactions in 2015-2016 includes a cash transfer from the Major Maintenance Reserve Fund and from the KCIT Capital Fund to the General Fund for projects that are supported by the General Fund but have not yet been completed. The Fund will hold and designate this fund balance and transfer the funds back to the projects as expenditures are incurred.
- ¹¹ Designations and subfund balances include the following for each of the years (in millions):

	2015-2016	2017-2018	2019-2020	2021-2022
Loans	(0.3)	(0.3)	(0.3)	(0.3)
Assigned for Capital Projects	(12.0)	(5.0)	0.0	0.0
Crime Victim Compensation Program	(0.1)	(0.1)	(0.1)	(0.1)
Drug Enforcement Program	(1.6)	(1.6)	(1.6)	(1.6)
Anti-Profiteering Program	(0.1)	(0.1)	(0.1)	(0.1)
Dispute Resolution	(0.2)	(0.2)	(0.2)	(0.2)
Real Property Title Insurance	(0.0)	(0.0)	(0.0)	(0.0)
Inmate Welfare Fund Balance	(3.7)	(3.0)	(2.3)	(1.6)
Total	(17.9)	(10.2)	(4.5)	(3.8)

- ¹² The Credit Enhancement Reserve dedicates fees collected from other county funds to increase fund balance and maintain the County's bond rating. Other funds that have issued debt and benefit from the county's bond rating through lower interest contribute to this reserve based on the amount of outstanding principal on LTGO debt.
- ¹³ The reserve is intended to support King County's portion of ongoing operational costs of the South Park Bridge. These costs are assumed to begin in 2018 after the annexation of the North Highline Sliver and Triangle. The operating costs are currently in the Roads budget and the General Fund would transfer up to \$1 million per year to support these activities.
- ¹⁴ The risk reserve sets aside fund balance to mitigate known and unknown risks.
- ¹⁵ County policy requires undesignated fund balance of 6%-8% of certain revenues. Due to the strong economy, the 2015-2016 biennium is expected to end with a 7.5% undesignated fund balance. Per county policy, the county will strive to build reserves in times of economic prosperity to offset times of declining revenue, therefore the 2017-2018 proposed budget increases the undesignated fund balance to 8.0% at the end of 2018.

General Fund Transfers and Internal Support

As a flexible revenue source, the General Fund provides funding to important services and programs in other funds. This includes resources for public health, human services, natural resource programs, and animal services, as well as capital investments in technology and infrastructure projects. The General Fund transfers revenue to the other funds through a series of appropriations called General Fund Transfers. The following table summarizes the proposed General Fund Transfers.

Appropriation Unit	2017-2018 Proposed Budget
General Fund transfer for Debt Service	\$ 54,121,000
General Fund transfer to Department of Permitting and Environmental Review (DPER)	\$ 4,773,000
General Fund transfer to Department of Community and Human Services (DCHS)	\$ 21,986,000
General Fund transfer to Department of Executive Services (DES)	\$ 5,814,000
General Fund transfer to Department of Public Health (DPH)	\$ 50,465,807
General Fund transfer to Department of Natural Resources and Parks (DNRP)	\$ 2,788,000
General Fund capital transfer to King County Information Technology (KCIT)	\$ 1,724,000
General Fund capital transfer to Department of Executive Services (DES)	\$ 9,000,000

In an effort to increase transparency, the General Fund Transfers are organized by department rather than by policy area in the 2017-2018 proposed budget. Examples of what the transfers fund are included in the following section.

The transfer to Debt Service represents the amount that the General Fund pays in principal and interest for the biennium for current and proposed capital projects. The debt service limit for the General Fund is 6 percent of revenues and the projected General Fund debt load is about 4 percent.

- In 2017-2018, this contribution will pay the debt service on 23 current projects and for three new projects: major maintenance in the county courthouse, consolidation of the Department of Public Defense that includes space moves and tenant improvements, and a new Jail Management System in Department of Adult and Juvenile Detention.

The transfer to DPER supports activities in the General Public Services section as well as the Planning and Permitting Section.

- \$2.7 million of the transfer supports Code Enforcement. This transfer funds over 70 percent of Code Enforcement activities. Over the biennium, DPER expects there to be approximately 2,000 Code Enforcement cases.
- The transfer also fully funds Community Service Area (CSA) planning and Green Building Code development and supports about 15 percent of DPER overhead costs.

The transfer to DCHS supports several programs in Housing, Community Services, Employment and Education resources, and Behavioral Health.

- \$2.5 million is allocated for Domestic Violence services such as community advocacy, crisis intervention, legal advocacy, shelter, and safety planning. In 2015, there were 9,960 clients served. The General Fund is the sole funder of these programs.
- \$1.6 million is allocated for juvenile justice intervention programs, which funds six agencies' prevention and intervention services to youth who are at-risk or involved in the juvenile justice system or gangs. Outreach is largely coordinated at the juvenile detention center and through probation officers. In 2015, 265 individuals were served, 2,707 hours of case management provided, and it is estimated that 90 percent of the youth involved decreased their involvement with criminal justice system. The General Fund is the sole funder of these programs.

The transfer to DES supports Regional Animal Services of King County and Emergency Shelter services.

- \$5.1 million is transferred to support the animal services program. This represents approximately 35 percent of the funding for this regional service. In 2015, almost 5,000 animals entered the shelter program and 87 percent left the shelter alive. Over 2,000 animals were spayed or neutered and there were over 5,000 calls for animal control field services.
- \$0.7 million will be contributed to the facilities maintenance division to support emergency shelter services in 2017 and 2018. This funding will provide year-round custodial service in White Center for 50 beds per night and year-round security and building service in the Administration Building for 50 beds per night. This funding will provide 36,500 nights of shelter.

The transfer to Public Health supports programs in Prevention, Community Health Services, Chronic Disease and Injury Prevention, as well as cross-cutting services that support the entire organization.

- \$6.5 million is transferred to support cross-cutting services across the organization, such as Assessment, Policy Development, and Evaluation (APDE); Emergency Preparedness; Public Communication, and Community Partnerships. The General Fund provides roughly 25 percent of the funding for these services.
- \$26.5 million is for Maternity Support Services (MSS), Infant Case Management (ICM), Women Infants and Children (WIC) nutrition services, Family Planning, Primary Care, and Dental Care within the Public Health Centers. This represents approximately 15 percent of the funding for these programs.
- \$14.4 million is for prevention programs including STD and HIV care and protection, epidemiology, and TB prevention. The General Fund provides roughly 20 percent of the funding for these programs.

The transfer to DNRP supports agricultural, forestry and open space programs.

- \$1.0 million will be transferred to the City of Seattle for the Transfer of Development Rights (TDR) program. The agreement with Seattle will result in the sale of at least 800 TDRs, and potentially as many as 1,200. To date, more than 300 TDRs have been sold to Seattle developers, and another 300 are under contract. These 600 TDRs sold or under contract have achieved permanent protection of about of 50,000 acres of forest and farmland in rural King County. TDRs sold during the life of the agreement will likely equate to a range of 80,000 to 100,000 acres of protection.

- \$0.7 million for agriculture programs to preserve existing farmland, expand acreage dedicated to food production, and support farmers to make sure their farming business remain economically viable. The anticipated outcome of the General Fund support in 2017-2018 includes 400 net new acres of farmland in production, ten conservation easements that encumber at least 250 acres of farmland, and an enhancement of the County farmland leasing program with a focus on Equity and Social Justice benefits.
- \$0.7 million is for the current use taxation program that will aim to enroll 500 more acres of open space into the program and monitor compliance on 200 properties currently enrolled.

The capital transfer to KCIT supports three specific capital projects. Additional detail on these projects is included in the capital section of the budget book.

- Phase I of the Property Tax Administration System (PTAS) in DOA
- For-hire Licensing System Collaboration project in RALS
- Phase III of the Distributed Antenna Network (DAN) project in DAJD

The capital transfer to DES supports nine new specific capital projects in the Building Repair and Replacement Fund. Additional detail on these projects is included in the capital section of the budget book.

- Yesler bridge County utility relocation to accommodate City of Seattle Yesler Bridge renovation
- Public Health Columbia Dental Clinic to replace flooring and dental equipment
- Public Health North Dental Clinic to replace flooring and dental equipment and to improve the building entrance
- Civic campus planning to begin visioning and facility space needs assessment
- Shooting range remediation to remove soil with lead contamination
- Gender neutral restrooms in the King County Courthouse and Administration Building
- Wellness room in the King County Courthouse and Administration Building
- Administration Building security stations at the 4th and 5th Avenue entrances
- Solar Panel Project to provide roof preparation to support grant funded solar panels

The capital transfer to DES also includes appropriation for capital projects that have already been approved but have not incurred expenditures. The General Fund will hold these funds and the money will be transferred to the capital funds on a reimbursable basis.

The Internal Support budget includes charges that are paid centrally on behalf of General Fund agencies. In 2017-2018, changes include increasing the Employee Transportation Program to reflect ridership increases and an increase to the vanpool subsidy, revising the Law Enforcement Officers' and Fire Fighters (LEOFF) Medical Benefits contribution, planning for legal costs, and adjusting central rates.

2017-2018 Executive Proposed Operating Budget GF TRANSFER TO DEBT SERVICE (EN_A69100)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	0	0	0.0	0.0
Base Budget Adjustments	0	0	0.0	0.0
Decision Package Adjustments	54,121,000	11,600,000	0.0	0.0
2017-2018 Executive Proposed Budget	54,121,000	11,600,000	0.0	0.0
2017-2018 Executive Proposed Ordinance	54,121,000	11,600,000	0.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_001) Debt Service for Courthouse Revise the debt service schedule to reflect the sale of bonds to support the approved Courthouse electrical distribution system project in the Major Maintenance Reserve Fund. Bonds will be sold in the first quarter of 2017 for approximately \$11.7 million and will be paid off over 20 years.	1,000,000	0	0.0	0.0
(DS_002) Debt Service for DPD Space Moves Revise the debt service schedule to reflect the sale of bonds to support the consolidation of the Department of Public Defense including space moves and tenant improvements. Bonds will be sold in the first quarter of 2017 for approximately \$5.0 million and will be paid off over 5 years.	1,200,000	0	0.0	0.0
(DS_003) Debt Service for Jail Management System IT Project Revise the debt service schedule to reflect the sale of bonds to support the Jail Management System IT project in the Department of Adult and Juvenile Detention. Bonds will be sold in the first quarter of 2017 for approximately \$4.3 million and will be paid off over 7 years.	760,000	0	0.0	0.0

2017-2018 Executive Proposed Operating Budget
GF TRANSFER TO DEBT SERVICE (EN_A69100)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Administrative Service Changes				
(AC_001) Transfer Data Center Debt Service to KCIT Move the debt service payments for Sabey Center to KCIT on a permanent basis. KCIT may defease the bonds in the near term and will ultimately pay the debt service through central rate billings.	(1,478,000)	0	0.0	0.0
(AC_002) Transfer ERC Debt Service to Conservation Futures Move the debt service for the Eastside Rail Corridor to Conservation Futures in 2017-2018. The debt service will move back to the General Fund in 2019 and the General Fund will still pay 50 percent of the debt service over the life of the debt.	(961,000)	0	0.0	0.0
Technical Adjustments				
(TA_001) General Fund Debt Service Appropriation Unit Establish the General Fund Transfer Appropriation Unit. This is part of a reorganization of the General Fund transfers to increase transparency.	53,600,000	0	0.0	0.0
(TA_050) Revenue Adjustment Reflect the contribution from the space charge to the General Fund for debt service on County-owned buildings.	0	11,600,000	0.0	0.0
Total Decision Package Adjustments	54,121,000	11,600,000	0.0	0.0

2017-2018 Executive Proposed Operating Budget GF TRANSFER TO DPER (EN_A69200)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	0	0	0.0	0.0
Base Budget Adjustments	0	0	0.0	0.0
Decision Package Adjustments	4,773,000	0	0.0	0.0
2017-2018 Executive Proposed Budget	4,773,000	0	0.0	0.0
2017-2018 Executive Proposed Ordinance	4,773,000	0	0.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_003) Cannabis-Related Code Enforcement Add 1.0 code enforcement position to respond to demand for marijuana code enforcement. This has been a high priority for residents of unincorporated King County, as expressed during Community Service Area meetings. This position will be backed by marijuana excise tax revenue that accrues to the General Fund.	227,000	0	0.0	0.0
Administrative Service Changes				
(AC_007) SCAP Priority Green Building TLT Implement the 2015 Strategic Climate Action Plan (SCAP) by adding 1.0 TLT position to draft green building codes. Funding for this position will be split between the General Fund and the Solid Waste Division.	143,000	0	0.0	0.0
Technical Adjustments				
(TA_001) DPER Transfer Appropriation Unit Establish DPER General Fund Transfer appropriation unit as part of a reorganization of the General Fund transfers in order to increase transparency.	4,403,000	0	0.0	0.0
Total Decision Package Adjustments	4,773,000	0	0.0	0.0

2017-2018 Executive Proposed Operating Budget GF TRANSFER TO DCHS (EN_A69400)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	15,576,000	0	0.0	0.0
Base Budget Adjustments	(1,198,714)	0	0.0	0.0
Decision Package Adjustments	7,608,714	0	0.0	0.0
2017-2018 Executive Proposed Budget	21,986,000	0	0.0	0.0
2017-2018 Executive Proposed Ordinance	21,986,000	0	0.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Administrative Service Changes				
(AC_002) Health and Human Services Transformation Plan Funding Reduction Eliminate the General Fund transfer to the Health and Human Services Transformation Plan (HHSTP) to meet required General Fund balancing target. DCHS is proposing to reduce this transfer but to continue funding HHSTP activities from other sources, resulting in no service impact to the community.	(501,000)	0	0.0	0.0
(AC_100) MIDD Supplantation Adjustment All MIDD supplantation costs must be removed from the MIDD Fund starting 1/1/2017. This amount reflects the portion of MIDD expenditures moving to the Behavioral Health Fund and the corresponding General Fund support.	7,978,000	0	0.0	0.0

Technical Adjustments

**2017-2018 Executive Proposed Operating Budget
GF TRANSFER TO DCHS (EN_A69400)**

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(TA_001) Behavioral Health Funding Reduction Reduce the General Fund transfer to the Behavioral Health fund to meet required General Fund balancing target. DCHS is proposing to reduce this transfer without cutting any services by taking advantage of substance use disorder Medicaid funding changes under Behavioral Health Integration. Substance use disorder Medicaid revenue now comes fully matched, so the County no longer needs to use this General Fund amount to match Medicaid dollars.	(1,025,000)	0	0.0	0.0
(TA_100) Inflationary Increase Bi-Annualize supplemental adjustments and provides inflationary increases to base programs.	1,156,714	0	0.0	0.0
Total Decision Package Adjustments	7,608,714	0	0.0	0.0

2017-2018 Executive Proposed Operating Budget

GF TRANSFER TO DES (EN_A69500)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	51,301,000	0	0.0	0.0
Base Budget Adjustments	2,393,000	0	0.0	0.0
Decision Package Adjustments	(47,880,000)	0	0.0	0.0
2017-2018 Executive Proposed Budget	5,814,000	0	0.0	0.0
2017-2018 Executive Proposed Ordinance	5,814,000	0	0.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_001) Increase Contribution to FMD for Shelter Services Expand County-operated men's homeless shelter service from 5.5 months to 12 months per year, from 50 beds to 120 beds, and from 9.5 hours per night to between 11 and 15 hours per night depending on location.	574,000	0	0.0	0.0
Administrative Service Changes				
(AC_001) Reduce Transfer to Animal Services Reduces transfer to the Regional Animal Service Fund.	(436,000)	0	0.0	0.0
Technical Adjustments				
(TA_001) Moves Debt Service to New Appropriation Unit Move the debt service to a distinct appropriation unit as part of the General Fund Transfer reorganization.	(53,600,000)	0	0.0	0.0
(TA_100) Status Quo Debt Service Adjustment Adjusts the debt service schedule to reflect status quo principal and interest schedules. This adjustment was made before the General Fund Transfer reorganization was implemented.	5,582,000	0	0.0	0.0
Total Decision Package Adjustments	(47,880,000)	0	0.0	0.0

2017-2018 Executive Proposed Operating Budget GF TRANSFER TO DPH (EN_A69600)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	58,135,000	0	0.0	0.0
Base Budget Adjustments	(556,202)	0	0.0	0.0
Decision Package Adjustments	(7,112,991)	0	0.0	0.0
2017-2018 Executive Proposed Budget	50,465,807	0	0.0	0.0
2017-2018 Executive Proposed Ordinance	50,466,000	0	0.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Administrative Service Changes				
(AC_004) Removal of Medical Examiner's Office Transfer Move the MEO appropriation unit to the General Fund and eliminates the transfer to the Public Health Fund. This change supports transparency and financial management.	(8,413,226)	0	0.0	0.0
Technical Adjustments				
(TA_001) Video Direct Observed Therapy Efficiency Begin using video-observed technology to confirm that patients take their tuberculosis medication, following a successful pilot program and standard practice, allowing a reduction in FTE support and requiring the purchase of appropriate technology.	(100,000)	0	0.0	0.0
(TA_002) STD Clinic Hours Support Continue the restoration of STD Clinic hours to the 2014 level as initiated in the 2015-2016 mid-biennium omnibus, relying on a mix of increased patient generated revenue and General Fund support.	488,000	0	0.0	0.0

2017-2018 Executive Proposed Operating Budget
GF TRANSFER TO DPH (EN_A69600)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(TA_004) Allocate General Fund Inflation to MEO In order to ensure continuity of operations as the MEO balances the Program's 2017-2018 operating budget, Public Health is allocating an additional \$404,000 to the MEO and reducing the transfer to the Public Health Fund.	(404,000)	0	0.0	0.0
(TA_005) Health and Human Services Transformation Project Revenue Adjustment Reduce General Fund support for the project and instead rely on alternative funding streams, including Accountable Communities of Health, Familiar Faces, Physical and Behavioral Health Integration, and Communities of Opportunity.	(486,000)	0	0.0	0.0
(TA_100) Inflationary Adjustment Adjust the Public Health Transfer to reflect the cost of providing the same level of service in 2017-2018.	1,802,235	0	0.0	0.0
Central Rate Adjustments	0	0	0.0	0.0
Total Decision Package Adjustments	(7,112,991)	0	0.0	0.0

2017-2018 Executive Proposed Operating Budget

GF TRANSFER TO DNRP (EN_A69700)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	6,099,326	0	0.0	0.0
Base Budget Adjustments	26,190	0	0.0	0.0
Decision Package Adjustments	(3,337,516)	0	0.0	0.0
2017-2018 Executive Proposed Budget	2,788,000	0	0.0	0.0
2017-2018 Executive Proposed Ordinance	2,788,000	0	0.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_001) Increase TDR Contribution Increase the contribution from the General Fund to DNRP for the Transfer of Development Rights program to \$400,000 in 2017 and \$600,000 in 2018 based on current forecasts. This transfer is consistent with the ILA between King County and the City of Seattle.	850,000	0	0.0	0.0
Technical Adjustments				
(TA_001) Move DPER Transfer to New Appropriation Unit Move the DPER General Fund Transfer to a new appropriation unit as part of a reorganization of the General Fund Transfers in order to increase transparency.	(4,403,000)	0	0.0	0.0
(TA_100) Status Quo Adjustment Provide inflationary increases to base programs.	215,484	0	0.0	0.0
Total Decision Package Adjustments	(3,337,516)	0	0.0	0.0

2017-2018 Executive Proposed Operating Budget GF TRANSFER TO KCIT (EN_A69800)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	0	0	0.0	0.0
Base Budget Adjustments	0	0	0.0	0.0
Decision Package Adjustments	1,724,000	0	0.0	0.0
2017-2018 Executive Proposed Budget	1,724,000	0	0.0	0.0
2017-2018 Executive Proposed Ordinance	1,724,000	0	0.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Technical Adjustments				
(TA_001) Establish KCIT CIP GF Transfer Establish the KCIT CIP General Fund Transfer appropriation unit. This effort is part of a reorganization of the General Fund transfers in order to increase transparency. In 2017-2018, this transfer will fund phase III of the Distributed Antenna Network (DAN) project in DAJD and phase I of the Property Tax Administration System (PTAS) project in DOA.	1,724,000	0	0.0	0.0
Total Decision Package Adjustments	1,724,000	0	0.0	0.0

2017-2018 Executive Proposed Operating Budget GF CIP TRANSFER TO DES (EN_A69900)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	14,020,982	0	0.0	0.0
Base Budget Adjustments	(2,347,258)	0	0.0	0.0
Decision Package Adjustments	(2,673,724)	0	0.0	0.0
2017-2018 Executive Proposed Budget	9,000,000	0	0.0	0.0
2017-2018 Executive Proposed Ordinance	9,000,000	0	0.0	0.0

Notes

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2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_001) Contingent Authority for Approved CIP Projects Provide expenditure authority to transfer assigned fund balance in the General Fund to capital projects that have already been approved. This transfer will only be made for projects that have been approved in prior budgets.	7,000,000	0	0.0	0.0
Technical Adjustments				
(TA_001) Moves KCIT Transfer to New Appropriation Unit Moves KCIT CIP General Fund transfer to a distinct appropriation unit as part of a larger reorganization of the General Fund Transfers to increase transparency.	(1,500,000)	0	0.0	0.0
(TA_100) Status Quo Adjustment Establish the baseline contribution of \$2 million for the transfer to the Building Repair and Replacement fund.	1,316,000	0	0.0	0.0
Central Rate Adjustments	(9,489,724)	0	0.0	0.0
Total Decision Package Adjustments	(2,673,724)	0	0.0	0.0

2017-2018 Executive Proposed Operating Budget INTERNAL SUPPORT (EN_A65600)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	33,614,694	0	0.0	0.0
Base Budget Adjustments	(1,120,888)	0	0.0	0.0
Decision Package Adjustments	5,628,187	0	0.0	0.0
2017-2018 Executive Proposed Budget	38,121,993	0	0.0	0.0
2017-2018 Executive Proposed Ordinance	38,122,000	0	0.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Technical Adjustments				
(TA_100) Proforma Inflationary Increases Reflect inflation to Employee Allowance, Employee Transportation program, legal services, and stewardship of the County's art collection.	3,650,404	0	0.0	0.0
(TA_109) Eliminate Courthouse Screening Rate Remove the courthouse screening rate that was previously charged to General Fund agencies that use King County's courthouses. This cost will instead be included in the budget of the King County Sheriff's Office.	(463,928)	0	0.0	0.0
(TA_200) Community Services Area (CSA) Contribution Update Update this agency's costs in the CSA's cost allocation model, which is based on projected CSA staff hours per agency over the biennium. Overall costs for the program increased due to the growth in labor costs (general wage increase, benefits) and central rates.	42,187	0	0.0	0.0
Central Rate Adjustments	2,399,525	0	0.0	0.0
Total Decision Package Adjustments	5,628,187	0	0.0	0.0

Debt Service Funds

The total 2017-2018 Proposed Budget for the **Limited Tax General Obligation (LTGO) Fund** is \$245 million. The main technical adjustments to this budget include updating principal and interest payment schedules. In addition, the debt service fund will begin to manage the debt on King Street Center and Harborview. These payments were previously managed as rental payments through the Long Term Lease Fund but will become general obligation debt in 2017 when the debt is refinanced. This change reflects decisions already made and is part of the base budget.

This fund also budgets debt service payments for new issuances as outlined below. Since County bond ratings remain high and interest rates remain low, the 2017-2018 budget provides an opportunity to lock in low interest rates for these new investments. The budget proposes issuing debt for 12 new projects as detailed in the table below. For information on individual projects, please refer to the specific CAP form.

Project	Proceeds	Term
Courthouse Electrical Distribution System	\$ 11,700,000	20
Public Defense Space Moves	\$ 5,000,000	5
Transit Downtown Layover	\$ 12,000,000	30
Transit Facilities - Atlantic Central	\$ 60,000,000	
Transit Facilities - South Base	\$ 48,000,000	
Transit Facilities - 8th Base	\$ 29,000,000	
Solid Waste - Factoria and South County Stations	\$ 30,000,000	23
IT - FMD Asset Management System	\$ 2,500,000	7
IT - Jail Management System	\$ 4,300,000	7
IT - Elections Tabulation	\$ 3,200,000	7
IT - BRC BI Analytics	\$ 9,400,000	7
FRED Projects	\$ 2,100,000	10

In addition to the projects proposed above, there may be bonds issued in 2017-2018 for Transit Oriented Development (TOD) housing projects. These bonds would be backed by debt service payable in 2021, so there would be no 2017-2018 impact on the LTGO Fund.

The County's limited tax general obligation debt capacity is \$6.4 billion, which is based on 1.5 percent of countywide assessed value. As of the end of 2015, the County has only used \$2.3 billion of capacity.

The total 2017-2018 Proposed Budget for the **Unlimited Tax General Obligation (UTGO) Fund** is \$34.3 million. All adjustments to this budget were technical changes and reflect the current debt service schedules. The bonds currently paid by the UTGO fund will be paid off in 2023. Limited Tax General Obligation Bond financing is approved by the County Council while UTGO financing is approved by voters.

2017-2018 Executive Proposed Operating Budget LIMITED G.O. BOND REDEMPTION (EN_A46500)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	247,547,877	207,452,983	0.0	0.0
Base Budget Adjustments	(27,267,847)	(501,265)	0.0	0.0
Decision Package Adjustments	23,916,262	35,362,977	0.0	0.0
2017-2018 Executive Proposed Budget	244,196,292	242,314,695	0.0	0.0
2017-2018 Executive Proposed Ordinance	244,197,000	242,315,000	0.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_001) Debt Service for Courthouse and Public Defense Space Moves Add principal and interest payments to reflect the sale of bonds to support the approved Courthouse project in the Major Maintenance Reserve Fund and the Department of Public Defense space consolidation project. The debt service payments will be paid by the General Fund.	2,200,000	2,200,000	0.0	0.0
(DS_002) Debt Service for IT Projects Add principal and interest payments to reflect the sale of bonds to support the new Jail Management System in DAJD, Tabulation Replacement in Elections, and the Comprehensive Facilities Asset Management project in FMD.	3,385,000	3,385,000	0.0	0.0
(DS_003) Debt Service for FRED Projects Bonds will be sold in 2017 to support new energy efficiency projects. The principal and interest payments will not begin until 2019 and will be supported through energy cost savings.	0	0	0.0	0.0

**2017-2018 Executive Proposed Operating Budget
LIMITED G.O. BOND REDEMPTION (EN_A46500)**

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(DS_004) Debt Service for Transit Add principal and interest payments to reflect the sale of bonds to support the expansion of Transit's capital program. These projects support long range service goals and will be financed with 30 year debt.	10,200,000	10,200,000	0.0	0.0
(DS_006) Debt Service for Solid Waste Add principal and interest payments to reflect the sale of bonds to support the Factoria and South County Stations in the Solid Waste Division.	3,600,000	3,600,000	0.0	0.0
(DS_007) Debt Service for TOD Bonds Bonds may be sold in 2017 to support new transit oriented development projects. The County may opt for short term financing such as Bond Anticipation Notes or borrowing from the County's investment pool. The debt service for these projects would be supported by lodging tax collections beginning in 2021.	0	0	0.0	0.0
Administrative Service Changes				
(AC_001) Rental Car Tax Fund Balance Transfer Transfer accumulated fund balance to Department of Natural Resources to support youth sports program and facilities. Beginning in 2017, this revenue source will be deposited directly into the Youth Sports Fund.	2,000,000	0	0.0	0.0
Technical Adjustments				
(TA_001) Contingency Provide contingent budget authority if interest rates are higher than expected on new issuances, for emergent debt service needs, or for budgeting errors.	2,000,000	2,000,000	0.0	0.0
(TA_050) Revenue Adjustments Revise budgeted revenues to match current forecast.	0	13,977,977	0.0	0.0
(TA_100) Status Quo Adjustment Revise expenditures to match current principal and interest schedule	531,261	0	0.0	0.0
Total Decision Package Adjustments	23,916,262	35,362,977	0.0	0.0

2017-2018 Executive Proposed Operating Budget HUD SEC 108 LOAN REPAY (EN_A48700)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	886,576	1,417,128	0.0	0.0
Base Budget Adjustments	(314,770)	0	0.0	0.0
Decision Package Adjustments	5,101	(827,662)	0.0	0.0
2017-2018 Executive Proposed Budget	576,907	589,466	0.0	0.0
2017-2018 Executive Proposed Ordinance	577,000	590,000	0.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Technical Adjustments				
(TA_001) Debt Service Adjustment Revise principal and interest expenditures to reflect 2017 and 2018 debt service schedules.	5,101	0	0.0	0.0
(TA_050) Revenue Collection Adjustment Revise budgeted revenues to match current required contributions.	0	(827,662)	0.0	0.0
Total Decision Package Adjustments	5,101	(827,662)	0.0	0.0

2017-2018 Executive Proposed Operating Budget UNLIMITED GO BOND REDEMP (EN_A46600)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	34,040,625	28,541,544	0.0	0.0
Base Budget Adjustments	484,575	5,200,000	0.0	0.0
Decision Package Adjustments	(187,300)	438,456	0.0	0.0
2017-2018 Executive Proposed Budget	34,337,900	34,180,000	0.0	0.0
2017-2018 Executive Proposed Ordinance	34,338,000	34,180,000	0.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Technical Adjustments				
(TA_050) Revenue Adjustments Revise budgeted revenues to match current forecast.	0	438,456	0.0	0.0
(TA_100) Debt Service Adjustment Revise principal and interest expenditures to reflect 2017 and 2018 debt service schedules.	(187,300)	0	0.0	0.0
Total Decision Package Adjustments	(187,300)	438,456	0.0	0.0

2017-2018 Proposed Financial Plan
Limited Tax General Obligation (LTGO) Debt Service Fund /000008400 (including subfunds 8401, 8405, & 8407)

Category	2015-2016 Estimated ¹	2017-2018 Proposed Budget ²	2019-2020 Projected ³	2021-2022 Projected ³
Beginning Fund Balance	48,407,701	11,846,822	9,972,783	9,972,783
Revenues				
Taxes/Miscellaneous (CFT, Auto Rental)	23,268,434	17,961,000	17,200,000	21,400,000
Intergovernmental Payments (HMC,CDA)	9,944,911	32,906,000	32,906,000	28,906,000
Charges/Contributions from County Funds	172,278,079	192,037,161	193,032,161	194,032,161
Total Revenues	205,491,424	242,904,161	243,138,161	244,338,161
Expenditures				
Principal	(142,508,000)	(144,370,000)	(160,471,186)	(161,263,186)
Interest	(67,193,140)	(75,008,200)	(82,666,975)	(83,074,975)
Transfers/Contingencies ⁴	(32,351,162)	(25,395,000)		
Total Expenditures	(242,052,303)	(244,773,200)	(243,138,161)	(244,338,161)
Estimated Underexpenditures				
Other Fund Transactions				
Total Other Fund Transactions	-	-	-	-
Ending Fund Balance	11,846,822	9,977,783	9,972,783	9,972,783
Reserves				
Expenditure Reserve(s)				
General Fund balance ⁵	(3,946,822)	(4,077,783)	(4,072,783)	(4,072,783)
Hotel/Motel & Auto Rental balance ⁶	(2,000,000)	-	-	-
CFT sub fund balance ⁷	(5,900,000)	(5,900,000)	(5,900,000)	(5,900,000)
Total Reserves	(11,846,822)	(9,977,783)	(9,972,783)	(9,972,783)
Reserve Shortfall	0	0	0	0
Ending Undesignated Fund Balance	-	-	-	-

Financial Plan Notes

¹ 2015-2016 Estimated reflects EBS data and current debt schedules. Beginning fund balance is consistent with the Budgetary Fund Balance figures published by FBOD.

² 2017-2018 Proposed Budget is consistent with expenditure and revenue data from Hyperion and current debt schedules.

³ Outyear projections assume current debt schedules are maintained, and that new principal and interest payments begin in 2019 for debt issued in 2017 or 2018. All debt in the outyears is assumed to be backed by specific revenue sources and does not rely on fund balance.

⁴ Budgeted 2015-2016 contingencies include potential debt service payments for the Eastside Rail Corridor acquisition, Solid Waste capital program, new IT projects backed by LTGO fund balance, and a one-time transfer to the Safeco Public Facilities District (PFD). 2017-2018 contingencies include potential debt service payments for the Courthouse electrical distribution system project, DPD space moves, new IT projects, and the Solid Waste and Transit capital programs. 2017-2018 also includes a one-time transfer of auto rental car tax fund balance to DNRP.

⁵ General Fund Balance is used to offset higher rates or larger principal for new issuances and to offset higher variable rate debt service charges.

⁶ \$2.0 million in fund balance attributable to auto rental sale tax will be transferred to DNRP to support youth sports programming and capital projects.

⁷ The conservation futures debt service sub fund carries a cash flow reserve to pay debt service in January of each year. This plan was updated by Aaron Rubardt on 9/1/2016.

2017-2018 Proposed Financial Plan
Unlimited Tax General Obligation (UTGO) Debt Service Fund /000008500

Category	2015-2016 Estimated¹	2017-2018 Proposed Budget²	2019-2020 Projected³	2021-2022 Projected³
Beginning Fund Balance	6,835,983	1,735,358	2,077,458	2,387,580
Revenues				
Property Taxes	28,440,000	34,180,000	31,600,000	28,220,000
Total Revenues	28,440,000	34,180,000	31,600,000	28,220,000
Expenditures				
Principal	(23,120,000)	(25,705,000)	(25,645,000)	(24,745,000)
Interest	(10,420,625)	(8,132,900)	(5,644,878)	(3,189,650)
Contingency/Other		(500,000)		
Total Expenditures	(33,540,625)	(34,337,900)	(31,289,878)	(27,934,650)
Estimated Underexpenditures		500,000		
Other Fund Transactions				
Total Other Fund Transactions	-	-	-	-
Ending Fund Balance⁴	1,735,358	2,077,458	2,387,580	2,672,930
Reserves⁵				
Total Reserves	-	-	-	-
Reserve Shortfall	-	-	-	-
Ending Undesignated Fund Balance	1,735,358	2,077,458	2,387,580	2,672,930

Financial Plan Notes

¹ 2015/2016 Estimated reflects information from EBS and are consistent with the Budgetary Fund Balance figures published by FBOD.

² 2017/2018 Proposed Budget is consistent with expenditure and revenue data from Hyperion.

³ Outyear projections are based on the property tax assumptions generated by OEFA and current principal and interest schedules. Principal and interest on outstanding bonds will be paid off in 2023.

⁴ IRS regulations limit the balance in a debt service fund to 1/12th of the annual debt service amount, unless there are specific reasons to carry additional fund balance.

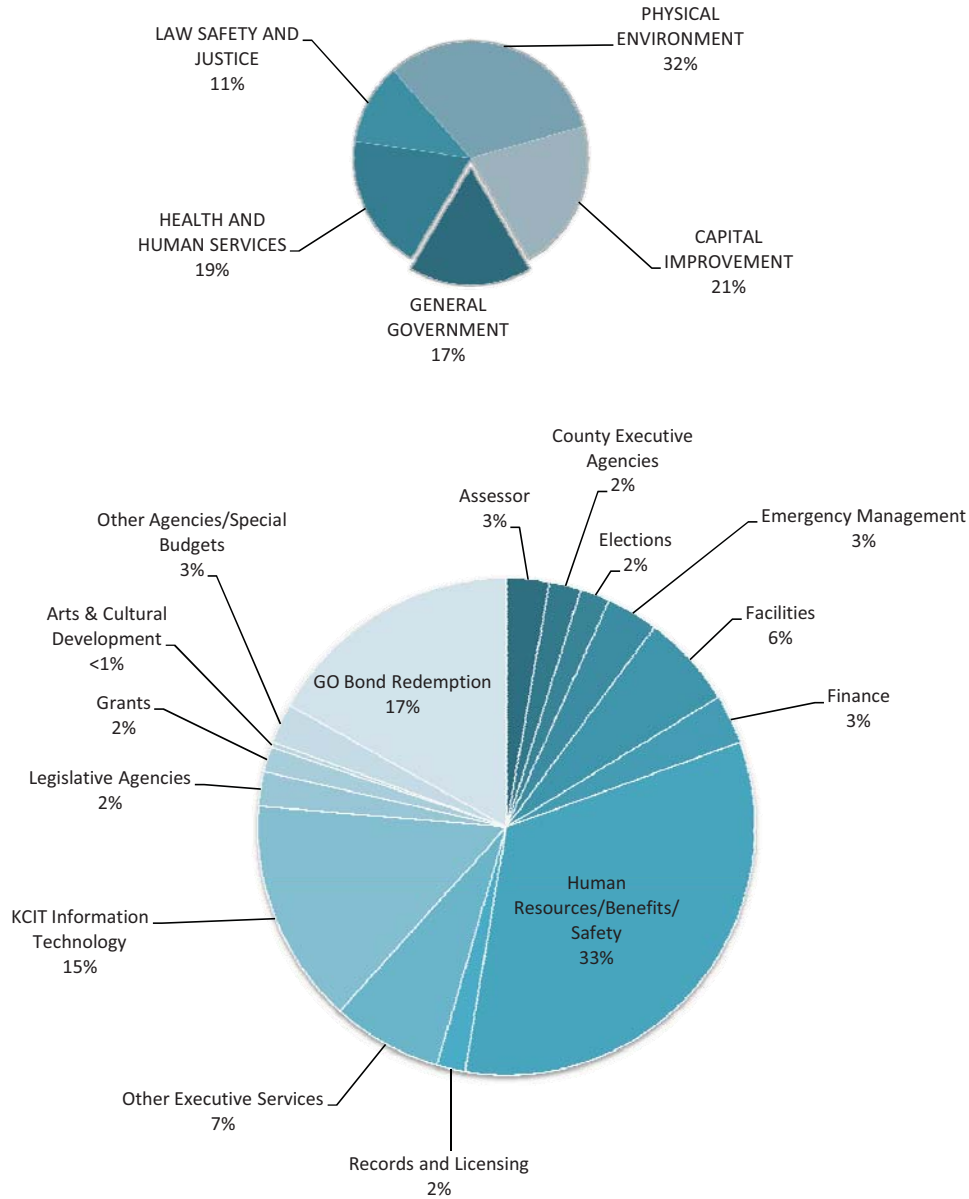
⁵ This fund holds no reserves. Property tax revenue is approved by voters, predictable, and has virtually no collection risk.

This plan was updated by Aaron Rubardt on 8/5/2016.

PROGRAM PLANS

GENERAL GOVERNMENT

General Government \$2 Billion



Organization of the Pie Chart: The following agencies were combined to make the pie chart more readable.

Human Resources/Benefits/Safety: Human Resource Management, Safety & Claims Management, and Employee Benefits.

County Executive Offices: County Executive, Office of the Executive, Office of Labor Relations, Office of Equity and Social Justice, Office of Performance, Strategy and Budget

Legislative Agencies: Board of Appeals, Council Administrator, County Auditor, County Council, Ombudsman/Tax Advisor, Hearing Examiner, King County Television

Other Agencies/Special Budgets: Boundary Review Board, Memberships and Dues, Federal Lobbying, Internal Support, State Auditor, Office of Economic & Financial Analysis, Office of Independent Oversight, General Gov't Fund Transfers

KCIT Information Technology: KCIT Technology Services, Cable Communications, I-NET, and County GIS.

Other Executive Services: Executive Administration, Regional Animal Services, Insurance, and Business Resource Center

Due to rounding, figures in pie chart may not add to 100%.

INTRODUCTION

The General Government program area comprises the major administrative and central support services for King County government. There are a wide variety of agencies represented in this program area. These agencies can be divided into four main categories:

- The offices of elected officials: the King County Council, the King County Executive, the Assessor and the Director of Elections;
- central service agencies that provide a service to other county agencies;
- direct public service agencies such as Records and Licensing Services and Regional Animal Services of King County; and
- miscellaneous agencies and central reserves.

Approximately 72 percent of General Government agency budgets are funded by internal service charges and flow through internal service funds. Internal service funds provide services primarily to other county agencies and recover the cost of services provided by billing those agencies. A sizeable portion of the total General Government budget (approximately 17 percent) is located in the General Fund. Lesser amounts (11 percent) are budgeted in special revenue funds and enterprise funds.

Highlights of the General Government program area such as significant program changes, capital investments in technology and facilities, and central rate changes are described in this chapter.

DEPARTMENT OF ASSESSMENTS

Mission

The King County Department of Assessments (DOA) will be the nation's best countywide Department of Assessments. DOA will remain people-focused while striving to be efficient and pursuing innovation in setting fair and equitable property values to fund vital community services.

Overview

DOA is led by an independently elected Assessor who oversees a staff of 213 organized into five operational divisions. The department's primary goal is to work collaboratively with all partners to produce property assessments that are fair, uniform, equitable, and understandable. The tax roll produced by the department and collected by the Treasury results in the collection of nearly \$4 billion for important public services, from schools to transportation, public safety, and parks. For King County government, the property tax accounts for about 43 percent of General Fund revenue. DOA works with 161 separate taxing districts within King County, including school districts, cities, fire, and hospital districts.

The department provides five core products to its customers – property tax roll; property values; property valuation notices; appeal responses; and property tax exemption services. The department has identified the following primary customers for these products: King County Treasury; taxing districts in King County; the State of Washington; property owners; the King County Board of Equalization; the State Board of Tax Appeals; the real estate industry; the State Department of Revenue; appeal and exemption applicants; and business owners. For more detail see the department's Line of Business document.

2017-2018 Problems, Opportunities and Priorities

Funding reductions for the core assessment function due to County budget deficits are a continued challenge for DOA, requiring the creation of new revenue and/or cost recovery options. As part of the budget balancing process for the 2017-2018 budget, Executive Dow Constantine determined that the General Fund will no longer pay for certain expenses that have countywide benefit. The Executive further determined that the DOA's GIS and treasury services – specifically, the department's contributions to developing and maintaining the base parcel layer and property tax administration services – meet this countywide benefit designation and two new central rates have been proposed for 2017-2018.

Modernizing Technology to Improve Processes

Replacement of the re-hosted Property Based System (PBS) for property tax accounting is also a priority for the upcoming biennium. DOA's current business process remains unchanged from the 1970s business practices on which it is based and prevents current business processes from being updated due to the technical configuration of the current system.

The evolving customer base over the next ten years will impact the department's workload and how the department interacts with its customers. Shifting demographics include a 39 percent increase in Baby Boomers eligible for a senior citizen tax exemption, a 300 percent increase in the number of Millennials owning property, and a major shift in the racial and ethnic make-up of the customer base. Workloads will increase for appraisals, exemptions, and appeals processing as parcel counts are forecasted to grow by 17 percent over the next ten years.

In summary, the department must develop process, programmatic, organizational, and technological improvements to meet the projected increased workloads to deliver fair and accurate property valuations while continuing to work collaboratively in its budget plans to help close the County's budget deficit, including new revenue and cost recovery sources to support the General Fund. The department also must continue to generate a tax roll that meets statutory requirements and manage the growing demands in senior tax exemption services and changing customer service expectations in the coming years.

Alignment with Executive Strategic Initiatives

The Executive's priorities for the 2017-2018 Proposed Budget included consideration of Equity and Social Justice (ESJ); Best Run Government; and Strategic Climate Action Plan (SCAP).

Equity and Social Justice

From the broadest perspective, equity is a primary consideration in the way the department conducts all business, from valuing property to setting levy rates. The Department's goal is that every property owner pays the amount they are required to by law – no more and no less.

The department works hard to reach out to all King County communities to promote a common understanding of how the property tax system works in King County and what property tax reductions or exemptions various property owners may be eligible for. The department and the Assessor hold

dozens of community meetings per year with senior citizen groups, community associations, homeowner associations, chambers of commerce, and service groups to provide information and sign-up eligible senior citizens for exemptions.

DOA is proposing to work with the County's Equity and Social Justice Office to provide for ongoing cultural competency development opportunities for staff. DOA employees interact on a daily basis with county residents in their neighborhoods and in their homes as they visit and provide valuation of residential and commercial property and in providing public information and customer service. To effectively perform their job and represent King County, cultural competency is foundational.

DOA will continue to develop policies and programs to impact affordable housing in King County. As economic growth has not benefitted all residents equally and the income gap widens, it is critical that King County work to create affordable housing opportunities. As a factor in the overall cost of housing, property tax payments contribute to housing affordability. DOA will work to identify strategies to impact affordable housing for all King County residents, including seniors, low income households, immigrant communities, people with limited English language proficiency, and people of color.

Lastly, the department has translated various information pieces into the most common languages in King County (Chinese, Korean, Russian, Spanish, Vietnamese, Khmer, and Somali) and is using the language line services in delivering customer service.

Strategic Climate Action Plan (SCAP)

The department completed a continuous improvement project in 2014 that reduced driving time and increased operational efficiency of appraisers in the field by 2,500 hours, reducing energy use and its carbon footprint.

Best Run Government

DOA has developed a number of cost-saving measures and efficiencies over the last several years, including the Electronic Valuation Notices (EVN) project, implemented in 2016, to allow property owners to receive their annual property valuations by email as opposed to regular US mail, reducing cost and increasing customer service.

DOA's mobile strategy for residential and commercial appraisers has also maximized efficiency in data collection of appraisal staff. DOA also worked closely with KC Information Technology and the Board of Equalizations (BOE) to create eAppeals, an award-winning, web-based system for filing property assessment appeals. About one-half of all appeals are now filed on-line, creating significant efficiencies in not only DOA, but other agencies like the BOE.

Finally, the Assess to Collect Line of Business activities has resulted in multiple Lean projects currently underway across multiple agencies, including improvements to the property tax refund process, address change process, and interagency customer service.

2017-2018 Executive Proposed Operating Budget ASSESSMENTS (EN_A67000)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	51,045,315	451,825	213.0	0.0
Base Budget Adjustments	2,412,612	(66,725)	0.0	0.0
Decision Package Adjustments	1,473,051	2,092,000	0.0	0.0
2017-2018 Executive Proposed Budget	54,930,978	2,477,100	213.0	0.0
2017-2018 Executive Proposed Ordinance	54,931,000	2,478,000	213.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_001) iPads 3 Year Cycle Replacement Budget Increase Provide budget to continue investment in mobile device technology and replace devices at end of useful life, in accordance with a standard three year replacement cycle.	75,000	0	0.0	0.0
(DS_002) DOA Legal Services Reduction Reduce the ongoing legal services budget based on recent litigation experience. This budget is used to defend appeal litigation at the State Board of Tax Appeals and Superior Court. Assessments will retain a portion of this funding for our litigation needs.	(30,000)	0	0.0	0.0
(DS_003) DOA Overtime Budget Reduction Reduce a portion of Assessment's regular overtime budget based on staffing needs and recent overtime usage.	(200,000)	0	0.0	0.0
(DS_005) DOA Vehicle Fleet Return DOA staff will use personal vehicles more often increasing the mileage reimbursement, per the employees' collective bargaining agreement.	46,440	0	0.0	0.0

Administrative Service Changes

2017-2018 Executive Proposed Operating Budget ASSESSMENTS (EN_A67000)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(AC_002) DOA GIS Service Cost Recovery Model Create an alternative method for funding parcel layer development costs by distributing these costs across King County agencies that utilize the data.	0	1,900,000	0.0	0.0
(AC_003) DOA Treasury Cost Recovery Model Create an alternative method for funding the department's treasury/property tax-related administrative costs by distributing these costs across King County agencies that utilize these services and/or data.	0	192,000	0.0	0.0
Technical Adjustments				
(TA_001) FMD Print Shop Budget Adjustment Adjust Assessment's budget with sufficient budget authority to carry out the statutory obligation to print valuation notices. In the agency's 2015-2016 Biennium Budget, the valuation cards/notices printing was budgeted as a separate line item and initial FMD estimate was insufficient to meet Assessment's needs.	40,000	0	0.0	0.0
(TA_002) Fleet Return Reflects the expenditure reduction for Assessment's return of fleet vehicles.	(182,856)	0	0.0	0.0
(TA_113) Vacancy Rate Adjustment Reflects the salary savings associated with the natural rate of employee turnover for a given agency and provide greater transparency in the budget.	(248,000)	0	0.0	0.0
(TA_198) Motor Pool Dispatch Rental Remove vehicle dispatch rental rates from the Fleet Motor Pool central rate account 55010 and move them into account 55258 Motor Pool ERR SVS. The amount was estimated based on 2015 actual rental billings and revised based on agency need and estimated usage for 2017-2018.	23,000	0	0.0	0.0
(TA_199) Parking Fees Increase fees at County parking facilities commensurate with local market rates. These changes will affect agencies that pay or reimburse for privately-operated vehicles and for agency-assigned Fleet vehicles that park in the Goat Hill Garage, Chinook Building, KC Correctional Facility, and (as of June 2017) King Street Center.	118,000	0	0.0	0.0
Central Rate Adjustments	1,831,467	0	0.0	0.0
Total Decision Package Adjustments	1,473,051	2,092,000	0.0	0.0

COUNTY EXECUTIVE

Mission

The County Executive provides leadership and direction for the operation of the executive branch of county government and for implementation of the King County Strategic Plan, in collaboration with the County's other elected officials.

Overview

King County is one of America's fastest-growing regions, and the Executive is building partnerships and working with employees to meet the key challenges facing the Northwest—equity and social justice, climate change, and regional mobility.

This budget reflects the Executive's reform agenda. It is designed to further the Executive's vision to create the nation's best-run government. To do this, King County employees are embracing continuous improvement, instituting best management practices, driving innovation, and striving for second-to-none customer service that supports the people of King County.

The 2017-2018 proposed budget for the County Executive includes the following five appropriation units: County Executive; Office of the County Executive; Office of Equity and Social Justice; Office of Performance, Strategy, and Budget; and Office of Labor Relations. Through these offices and budgets, the County Executive provides leadership and direction for the operation of the executive branch of County government and for implementation of the King County Strategic Plan in collaboration with the County's other elected officials.

2017-2018 Executive Proposed Operating Budget COUNTY EXECUTIVE (EN_A11000)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	555,537	0	1.0	0.0
Base Budget Adjustments	25,307	0	0.0	0.0
Decision Package Adjustments	2,176	0	0.0	0.0
2017-2018 Executive Proposed Budget	583,020	0	1.0	0.0
2017-2018 Executive Proposed Ordinance	584,000	0	1.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.

2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.

3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Central Rate Adjustments	2,176	0	0.0	0.0
Total Decision Package Adjustments	2,176	0	0.0	0.0

2017-2018 Executive Proposed Operating Budget OFFICE OF THE EXECUTIVE (EN_A12000)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	10,227,554	0	24.0	0.0
Base Budget Adjustments	742,265	0	0.0	0.0
Decision Package Adjustments	(1,098,122)	0	1.0	0.0
2017-2018 Executive Proposed Budget	9,871,696	0	25.0	0.0
2017-2018 Executive Proposed Ordinance	9,872,000	0	25.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_120) Central Climate Change Costs Update	(433,784)	0	1.0	0.0
<p>Transfer the costs for the Energy Policy & Partnerships Specialist and Director of Climate and Energy Initiatives positions from the Executive Office to the new climate allocation cost center in DNRP. Although these FTEs are located in the Executive Office, their work is focused on countywide climate related activities and therefore should be part of the climate allocation. The Energy Policy & Partnerships Specialist will serve as King County's leader, catalyst and connector for the expansion of energy efficiency investments and renewable energy production by King County and many partners. The Director of Climate and Energy Initiatives oversees and leads implementation of King County's efforts to confront climate change and implement of diverse strategies such as those related to energy, mobility, and climate preparedness.</p> <p>The net addition of FTEs for this appropriation unit is zero as Fleet Administration is transferring an FTE to the Executive Office to cover the Energy Policy & Partnerships Specialist position, and the Director of Climate and Energy Initiatives position already exists.</p>				

Administrative Service Changes

**2017-2018 Executive Proposed Operating Budget
OFFICE OF THE EXECUTIVE (EN_A12000)**

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(AC_002) Transfer Board and Commission Position from DES Administration	246,125	0	1.0	0.0
The Board and Commission coordinator is transferred from Department of Executive Services Administration to the Executive Office.				
(AC_003) Transfer Administrator Position to Consolidate Administration in PSB	(284,497)	0	(1.0)	0.0
The Executive Office Administrator position is transferred from the Executive Office to the Office of Performance, Strategy, and Budget.				
Technical Adjustments				
(TA_113) Vacancy Rate Adjustment Reflects a three percent reduction in expenditures that the Office of the Executive will manage by holding one or more positions vacant.	(300,000)	0	0.0	0.0
(TA_198) Motor Pool Dispatch Rental Remove vehicle dispatch rental rates from the Fleet Motor Pool central rate account 55010 and move them into account 55258 Motor Pool ERR SVS. The amount was estimated based on 2015 actual rental billings and revised based on agency need and estimated usage for 2017-2018.	5,000	0	0.0	0.0
Central Rate Adjustments	(330,966)	0	0.0	0.0
Total Decision Package Adjustments	(1,098,122)	0	1.0	0.0

OFFICE OF EQUITY AND SOCIAL JUSTICE

Mission

The Office of Equity and Social Justice supports the implementation of the Equity and Social Justice Strategic Plan and serves as the main resource and coordinator of key County efforts to advance equity in the organization and community. The vision of the Equity and Social Justice Strategic Plan is consistent with the overall vision of King County's Strategic Plan: A King County where all people have equitable opportunities to thrive.

Overview

The Office of Equity and Social Justice was established with the adoption of the 2015-2016 biennial budget. During the current biennium, a key deliverable of the office has been the completion of a strategic plan. Completed in September 2016, the new King County Equity and Social Justice Strategic Plan (2016-2022) provides a comprehensive roadmap — vision, framework, policy agenda and internal measures — for advancing the vision of a King County where all people have equitable opportunities to thrive.

King County will become pro-equity in County practices and governance by using an equity lens in actions, processes, and decisions. As part of the ESJ Strategic Plan, the County will invest upstream and where needs are greatest, addressing root causes and smartly allocating public resources. The County will also invest in community partnerships as a strategy to better understand and address equity impacts throughout the region. The County will invest in employees to create a strong, racially diverse workforce and workplace at all levels, that is best positioned to advance equity in the region. Moreover, the County recognizes that the success of this plan and progress on equity is fundamentally tied to visible and accountable leadership in King County government.

The Strategic Plan defines a Pro-Equity Policy Agenda in eight areas (determinants of equity) and aims to integrate and implement pro-equity practices in our major functions of government, ranging from leadership, operations, and services, to plans, policies, and budgets, to workplace/workforce and community partnerships.

2017-2018 Problems, Opportunities, and Priorities

The 2017-2018 budget biennium is a key opportunity to invest in these strategies in ways that advance the Equity and Social Justice (ESJ) Strategic Plan's goal and policy areas.

Implementation of the ESJ Strategic Plan

During 2015-2016, the Office of Equity and Social Justice was staffed by a Director, Program Manager and Inclusion Manager. The office provides support, technical assistance and leadership in embedding equity impact reviews in decisions and processes; improving community engagement practices; advancing regional efforts to advance equity and social justice; strengthening employee and community engagement; assuring accountability and organizational advancement towards equity; coordination, collaboration and including an ESJ lens in major county priorities and initiatives; and improving services to limited-English speaking populations and immigrants/refugees.

The ESJ Strategic Plan lays out aggressive, measurable actions to achieve a transformed county government by 2022. The Executive's budget includes an additional 1.5 FTE as a central resource to support new activities in the ESJ Strategic Plan, including:

- Implementation of the Strategic Plan, including agency action planning, monitoring, measuring
- Development and delivery of new ESJ fundamentals training and training specific to each goal area
- Community liaisons program to support further development and maintenance of community partnerships that serve the most underserved and least represented in county decision-making
- Regional equity collaborative, leading and working with the Regional Equity Network and major partners (e.g., UW, Seattle Foundation, Gates Foundation, Puget Sound ESD, cities) to advance a regional equity agenda, advance major institutional change across sectors, and support/build community capacity for change
- School-to-work pipeline, strategically investing in preparing youth who experience the greatest barriers to work opportunities in King County and other major employers

Immigrant and Refugee Task Force

In the summer of 2016 the Immigrant and Refugee Task Force, created by the County Council and the Executive, finalized its report on how to better integrate our newest residents. The Executive's budget includes one staff position and other minimal resources to support a new Immigrant and Refugee Commission and a regional hub for immigrant and refugee issues. This funding level was the minimum recommended by the Task Force, and will allow the county to make important advancements in this area where there is growing need.

Alignment with Executive Strategic Initiatives

Equity and Social Justice is integrated and a central component of King County's Best-Run Government work.

2017-2018 Executive Proposed Operating Budget OFFICE OF EQUITY AND SOCIAL JUSTICE (EN_A14100)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	1,125,996	0	2.5	0.0
Base Budget Adjustments	152,140	0	0.0	0.0
Decision Package Adjustments	697,454	0	2.5	0.0
2017-2018 Executive Proposed Budget	1,975,590	0	5.0	0.0
2017-2018 Executive Proposed Ordinance	1,976,000	0	5.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_001) Immigrant and Refugee Commission and Hub	284,825	0	1.0	0.0
Provides staffing to the County's Immigrant and Refugee Commission and Hub. The focus is to support the integration of our newest residents and create a regional resource for community and institutions.				
(DS_002) Implementation of the Equity and Social Justice Strategic Plan	246,682	0	1.0	0.0
Provides central staff to support department and agency-level action planning, action plan implementation, technical assistance and training to advance the overall ESJ Strategic Plan.				
Administrative Service Changes				
(AC_001) Increase OESJ Part time Position to Full time	160,346	0	0.5	0.0
Provides funding to maintain the current level of staffing for the OESJ by providing ongoing resources a Program Analyst position originally established as part-time.				

**2017-2018 Executive Proposed Operating Budget
OFFICE OF EQUITY AND SOCIAL JUSTICE (EN_A14100)**

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Central Rate Adjustments	5,602	0	0.0	0.0
Total Decision Package Adjustments	697,454	0	2.5	0.0

OFFICE OF PERFORMANCE, STRATEGY AND BUDGET

Mission

To provide sound data, tools, and analysis to improve King County performance.

Overview

The Office of Performance, Strategy and Budget (PSB) manages the County's budget process, ensures good financial planning and management, provides analytical and decision support, coordinates Countywide strategic and comprehensive planning, and helps improve operations through continuous improvement and Lean management. PSB's work is guided by best practices in financial stewardship and performance management, which includes enhancing accountability, transparency, and integrating strategic planning, business planning, resource allocation, and continuous improvement into a systematic approach throughout the County. In addition, external drivers direct some of PSB's workplan including the ongoing General Fund financial gap and balancing service delivery and performance against fiscal constraints. These broad change drivers have informed prioritization of work and a series of initiatives (described in the following section) that direct what PSB does and how staff spends its time carrying out the mandated functions of the office.

The office's primary direct customers are the King County Executive and County leadership, both elected officials and department and agency leaders. PSB provides services to budget, performance, program, and human resources staff throughout the County. Additional customers include other local governments within the county.

Key enterprise products and services provided by PSB include:

- King County strategic plan
- Biennial and supplemental budgets
- Standard financial plans, financial policies, and budget monitoring
- Public performance website (King County Performance)
- King County Comprehensive Plan
- Employee engagement and community-level enterprise surveys
- Support to Executive leadership on organizational performance reviews through the county's visual management system (Tier Boards)
- Guidance, trainings and technical assistance to departments on management tools such as Lean, line of business planning, performance measurement, and visual management.

2017-2018 Problems, Opportunities and Priorities

PSB leadership identified several problems and opportunities related to improving performance management in King County. These problems and opportunities are organized under 1) Efficiency and Financial Sustainability, 2) Focus on Strategic Priorities, 3) Improvement, Integration, and Organizational Capacity, and 4) Program Performance and Return on Investment.

Efficiency and Financial Sustainability

- Some organizations and funds within the County are expected to experience significant financial shortfalls into the foreseeable future; the most significant shortfall is in the General Fund with a projected ongoing gap of \$20 million per biennium.
- Many business models and services across the government are outmoded or need to be reevaluated for relevance and financial sustainability.
- Financial management and monitoring have improved significantly over the past two years and are better integrated with day to day financial work and the budget process.

Focus on Strategic Priorities

- The Executive's strategic priorities of Climate Change, Equity and Social Justice (ESJ), Best Run Government, and Regional Mobility are broad reaching, ambitious, and are shaped by planning efforts that specify goals, objectives, and strategies that drive both how the County will operate and the outcomes that will be achieved in the community.
- Budget and business planning have begun to integrate the Executive's key goals into these planning processes.
- ESJ, Climate Change, and the Mobility strategic plan and measurement tools for very high level strategic areas are starting to have an impact; progress toward desired outcomes is apparent in many parts of the government.
- Too much management and leadership time continues to be spent on "firefighting" and not focused on strategic priorities.

Improvement, Integration, and Organizational Capacity

- PSB has made some progress on integrating the techniques and practices of performance management. Integration and coordination is important to ensure successful change management and minimize inefficiency in planning, execution, measurement, and monitoring.
- Demand and interest for Lean management and organizational development work is increasing; the County does not currently have the capacity to meet that demand.
- PSB is using analysts' capacity gained from moving to biennial budgets to address financial monitoring, business planning, and evaluation.
- Additional analyst capacity is being made available through standardizing PSB processes and using Lean management to make the processes more efficient.
- Many agencies and "lines of business" are engaging in the management model; the results and experience are uneven.

- PSB has worked to integrate the management model internally by building the skill sets of PSB and agency staff and working through cross functional teams to deliver line of business planning.

Program Performance and Return on Investment

- The County spends billions of dollars in public resources each year and much of this spending is not tied to community and organizational outcomes.
- Rigorous program and policy evaluation is sporadic in the County.
- Performance data is not always readily available and often requires significant time to develop.
- Much of the County continues to operate within department silos rather than working across systems. The County has made some progress in understanding how processes and systems (e.g. criminal justice and health and human services) intersect with each other but much work remains.
- A small number of line of business planning activities include multiple agencies working across systems and interdepartmental processes.
- The Executive's approach to cascading strategic priorities to the departments, which includes the practices of "roundings" and tier boards, is largely in place but needs more extensive adoption and use.

Alignment with Executive Strategic Initiatives

Equity and Social Justice

PSB continues to advance Equity and Social Justice work at the County in terms of County plans, policies, and procedures. PSB produced the Determinants of Equity report, lent considerable support to the new Office of Equity and Social Justice for staffing the ESJ strategic plan, incorporated ESJ proposals into the budget process, and conducted an ESJ review of budget proposals for the 2017-2018 budget. PSB will continue to deepen use of an ESJ lens on the work of the office, including:

- Supporting the process where decision making for the budget and rates will be backed by an ESJ review and, whenever appropriate, be tied to ESJ outcome measures.
- Support the development of the system to display progress on the ESJ Strategic Plan at the County and department/agency level.
- Use the minimum standards articulated in the ESJ Strategic Plan for Equitable Budgeting, Planning, and Policymaking and support departments and agencies to do the same via guidance, training, and consultation.

Strategic Climate Action Plan (SCAP)

The Strategic Climate Action Plan has several priority areas that PSB staff will be supporting in 2017-2018 including:

- Facilitating the Fund to Reduce Energy Demand (FRED) application and approval process to support the investment in projects that save the County money and reduce resource use.
- Supporting the expansion of the FRED program to cities across the region.

- Supporting the development of a Social Cost of Carbon (SCC) and how this will be used in decision-making to inform investments.
- Improving standardization and consistency in reporting against Green Building goals and requirements by developing a reporting module in the Project Information Center (PIC), the PSB capital budget system, led by staff in KCIT and DNRP. Participating in the development and implementation of the alternative fuels policy, ensuring that costs of alternative fuels are considered along with the environmental benefits.

Best Run Government

PSB advances the Best Run Government priority by developing and implementing strong financial stewardship practices throughout the County; integrating strategic planning, business planning, budgeting, visual management, and Lean management to improve County performance; and providing program and system evaluation for the Executive and County agencies.

Lean Strategy: PSB is shifting the County's Lean strategy to focus on driving early results while building Lean capability for sustainable results and continuous improvement. This strategy will consist of three key components.

- First, PSB will be improving the alignment of Lean resources toward the projects that are prioritized by the senior leadership team.
- Second, PSB will focus on systems. In the short-term this means improving and standardizing how the County plans, prioritizes, measures, and monitors for results across County agencies.
- Third, PSB will focus on improving the County's culture. This is most affected by leadership. Therefore, the County will have a development plan to cultivate formal leaders with the skills, behaviors, and thinking aligned to systems for driving results.

To better resource this plan, PSB proposes the conversion of three current term-limited temporary positions to permanent positions for the upcoming biennium.

Charter Review Commission: The County Charter requires the formation of a Charter Review Commission at least once every ten years. This effort needs to occur in 2017-2018. PSB's proposed budget includes one TLT employee to support this work. Other PSB staff will be assigned as needed.

Commitment to Improving Engagement: The annual employee survey indicates that PSB staff have some of the higher scores across the County in terms of engagement. Employees provide high marks in areas of strategic alignment (knowing how efforts contribute to the goals of the organization), peer culture, and personal influence (knowing that a person's opinion is valued). Scores were much lower in having a clear career path and advancement opportunities. PSB's 2017-2018 workplan includes continued support for use of Lominger competencies and goal setting for growth and development of employees which will in turn help create clear development and career path for employees. PSB will also set coaching targets for managers and team leads.

2017-2018 Executive Proposed Operating Budget

OFFICE OF PERFORMANCE STRATEGY AND BUDGET (EN_A14000)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	21,017,820	140,000	55.0	3.0
Base Budget Adjustments	1,709,892	0	0.0	1.0
Decision Package Adjustments	(408,088)	63,000	5.0	(3.0)
2017-2018 Executive Proposed Budget	22,319,624	203,000	60.0	1.0
2017-2018 Executive Proposed Ordinance	22,320,000	203,000	60.0	1.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Administrative Service Changes				
(AC_001) Position Reclassifications PSB has reclassified a Deputy Director and two Manager position to lower classifications.	(315,397)	0	0.0	0.0
(AC_002) Sustain Continuous Improvement Staffing Convert three continuous improvement positions from TLT to FTE. The single largest investment in the County's Lean effort is in the central team headcount. The current permanent FTE count of nine centralized lean experts provides a ratio to employee population of 1:1,500. This staffing level limits the County's ability to lead a true transformation. Converting three TLT to FTE provides a 25% improvement to a ratio of 1:1,125 to better leverage the County's new Continuous Improvement strategy.	982	0	3.0	(3.0)
(AC_003) Consolidate Administrative Functions in PSB	284,497	0	1.0	0.0

Transfer Administrator position from the Executive Office to PSB in order to consolidate administrative functions in PSB.

2017-2018 Executive Proposed Operating Budget
OFFICE OF PERFORMANCE STRATEGY AND BUDGET (EN_A14000)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(AC_004) Staffing and Support for Charter Review Commission	255,366	0	0.0	1.0
In accordance with the King County Charter, Section 800, staffing is proposed to support the decennial charter review commission process.				
(AC_005) Convert Recidivism/Re-entry Position from TLT to FTE The Recidivism Reduction and re-entry TLT is being converted to an FTE because the initial work of developing a plan has been completed. The system transformatio work to achieve changes in behavioral health, jail administration and the criminal justice system will require sustained ongoing attention to make effective changes.	327	0	1.0	(1.0)
Technical Adjustments				
(TA_050) Revenue Adjustments Revise budgeted revenues to match current forecast.	0	63,000	0.0	0.0
(TA_113) Vacancy Rate Adjustment Reflects the salary savings associated with the natural rate of employee turnover for a given agency and provide greater transparency in the budget.	(430,000)	0	0.0	0.0
(TA_114) Loan Out Labor Adjustment Adjust Loan Out Labor Account.	(59,111)	0	0.0	0.0
(TA_198) Motor Pool Dispatch Rental Remove vehicle dispatch rental rates from the Fleet Motor Pool central rate account 55010 and move them into account 55258 Motor Pool ERR SVS. The amount was estimated based on 2015 actual rental billings and revised based on agency need and estimated usage for 2017-2018.	11,000	0	0.0	0.0
Central Rate Adjustments	(155,753)	0	0.0	0.0
Total Decision Package Adjustments	(408,088)	63,000	5.0	(3.0)

OFFICE OF LABOR RELATIONS

Mission

Build and maintain effective partnerships with County leadership and its many unions, guilds and associations to support a sustainable, innovative and efficient government and to attract and retain a talented workforce that serve King County's residents and visitors.

Overview

The King County Office of Labor Relations (OLR) is on the forefront of implementing the Executive's commitment to government reform and promoting long-term fiscal sustainability. As the County's representative in labor contract negotiations, OLR exerts considerable influence on the government's financial state by partnering with labor unions and bargaining sustainable labor agreements to implement the Executive's reform agenda. OLR negotiates approximately 80 labor agreements covering the County's nearly 11,700 represented employees.

2017-2018 Problems, Opportunities and Priorities

Improving Consistency and Continuity across County Labor Contracts

OLR will continue working with labor partners, the Executive's office, and County agencies on developing and utilizing standardized contract language that promotes the County Executive's priorities and ensures consistency in negotiations. Creating a standard framework for bargaining will provide negotiators with clear boundaries and expectations, yet also allow for flexibility within established parameters.

Maintaining and Growing Participation in Coalition Bargaining

OLR will work to finalize negotiations with the Coalition of Labor Unions on a 2017-2018 agreement that will help the County to achieve greater operational efficiencies and reduce the costs related to contract administration, payroll, and employee relations. OLR will continue giving special attention to fostering strong relationships with labor partners as it works to reach the final, Master Agreement on total compensation and to grow the Coalition in the future.

Fostering Operational Efficiency and Attracting and Retaining High-Quality Employees

OLR will work with departments, the Human Resources Division, and labor partners in the 2017-2018 biennium to facilitate the County efforts to modernize the County's human resources and classification systems while ensuring that such efforts result in greater operational efficiencies, create opportunities for employee growth, and attract and retain high-quality workforce.

Alignment with Executive Strategic Initiatives

Equity and Social Justice

In 2016, OLR worked with County management and labor partners to negotiate a Tentative Agreement on 2017-2018 total compensation signed in early September 2016. The Tentative Agreement covers almost 60 collective bargaining units and approximately 5,800 employees. It provides a compensation package that is fair, equitable, sensible, and forward-looking. It will help the County to retain and recruit the very best employees to serve the 2.1 million County residents. In 2017-2018, OLR will continue its work on negotiating contract provisions that standardize wages, hours, and working conditions across the County's workforce while ensuring livable wages to King County's employees and addressing existing and potential social and racial inequities.

Best Run Government

OLR is committed to negotiating fair, equitable labor agreements that allow employees to be more engaged in their work and King County to be more efficient. For example, OLR will continue seeking opportunities to negotiate provisions that provide growth opportunities for employees, such as special duty and training, and allow departments and employees the flexibility to utilize expertise in multiple skill areas.

2017-2018 Executive Proposed Operating Budget OFFICE OF LABOR RELATIONS (EN_A42100)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	5,784,155	0	17.6	0.0
Base Budget Adjustments	273,282	0	0.0	0.0
Decision Package Adjustments	91,769	0	0.0	0.0
2017-2018 Executive Proposed Budget	6,149,207	0	17.6	0.0
2017-2018 Executive Proposed Ordinance	6,150,000	0	17.6	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Administrative Service Changes				
(AC_020) Repurpose Negotiator Position Repurpose a Labor Negotiator II position to a Labor Negotiator I position as a result of efficiencies from coalition bargaining. Contributes to achieving the General Fund target reduction.	(24,472)	0	0.0	0.0
Technical Adjustments				
(TA_001) Eliminate DES Equipment Replacement Eliminate budget for DES Equipment Replacement. Contributes to achieving the General Fund target reduction.	(20,536)	0	0.0	0.0
(TA_198) Motor Pool Dispatch Rental Remove vehicle dispatch rental rates from the Fleet Motor Pool central rate account 55010 and move them into account 55258 Motor Pool ERR SVS. The amount was estimated based on 2015 actual rental billings and revised based on agency need and estimated usage for 2017-2018.	9,000	0	0.0	0.0
Central Rate Adjustments	127,777	0	0.0	0.0
Total Decision Package Adjustments	91,769	0	0.0	0.0

DEPARTMENT OF ELECTIONS

Mission

The King County Elections Department (KCE) will conduct fair, open and accurate elections.

Overview

An independently elected director of King County Elections oversees the largest vote-by-mail county in the country, ensuring that every single eligible ballot is counted accurately in every election. As of the upcoming 2016 general election, the department is on track to have processed ten million ballots without a single discrepancy, for 31 straight elections and more than seven years without an error. Under the direction of a newly elected director, King County Elections (KCE) is committed to building upon this success while expanding and increasing voter access. KCE effectively works in partnership with the Executive's Office, the King County Council, and the Citizens' Election Oversight Committee (CEOC), to continue to administer fair, open, and accurate elections.

Looking forward to the 2017-2018 biennium, Elections' top priority is to identify barriers to voting for all citizens and to work systematically to remove them. KCE will build on key accomplishments in 2016, including increased outreach to limited-English speaking voters, translation of all voting materials in Spanish and Korean, and quadrupling of the number of permanent ballot drop-off locations. For the 2017-2018 biennium, KCE will strive to make voting more convenient and inclusive for all King County citizens.

2017-2018 Problems, Opportunities and Priorities

King County Elections operates in a complex and frequently changing regulatory environment. Federal and state election laws and certification standards mean the organization must be responsive to a multitude of external factors. Additionally, the department is guided by several key County ordinances, including Ordinance 18086, which promotes access to elections for historically underrepresented citizens by:

- Adding Spanish and Korean to the list of languages in which all ballot materials must be translated,
- Prescribing targeted outreach for limited English speaking communities, and
- Establishing a methodology by which demographic data and specific criteria are used to identify additional language requirements in the future.

Changing county demographics

King County is changing as a region. People of color make up the majority of population growth in the last twenty years. Immigrants new to King County come from all over the world, but especially from Asia, Latin America, Eastern Europe, and Africa. The percent of residents who speak a language other than English jumped from 18.4% in 2000 to 26.4% in 2014¹ and King County's residents speak more than 170 different languages. Demographers predict that the region will continue to become more vibrant and diverse – and KCE will need to ensure elections continue to be inclusive and accessible to all King County communities, including providing voter materials in more languages, conducting culturally competent voter outreach, and actively identifying and working to remove barriers for specific communities.

Technology trends in the field of elections

The landscape of election administration, and specifically technology for election administration, rapidly changes. Increasingly, jurisdictions have explored new approaches like automated signature verification and online election tools. Additionally, more than ten years have passed since major purchases were made with "Help America Vote Act" (HAVA) grants and many jurisdictions plan to make large investments to replace IT equipment and infrastructure.

Voter disengagement and apathy

Both King County and the nation have seen a downward trend in voter turnout. While efforts to increase turnout will require a variety of strategies and broad cultural change, KCE has a role to play in making voting as easy and accessible as possible. It will be important over the next five years to expand on-going dialogue with community stakeholders, other organizations that administer elections, and the County Council on this issue to determine how to have a tangible impact on turnout.

Evolving customer preferences for receiving information and services

A comprehensive voter survey in the fall of 2015 yielded insight into how voters would prefer to engage with and receive information from King County Elections. Some interesting data included:

- 51 percent of voters surveyed are interested in receiving messages from KCE
- 58 percent of voters survey prefer email as method of contact

¹ 2014 American Community Survey, U.S. Census Bureau

- 18-24 year-olds prefer information via text messages
- Interest for an online pamphlet increased significantly from 2011 (when the last survey was completed)
- King County social media engagement is up
- Only four percent of voters surveyed have a need for an Accessible Voting Center

Alignment with Executive Strategic Initiatives

Equity and Social Justice

The proposed 2017-2018 Elections budget continues and expands outreach and education work begun in 2016 related to Ordinance 18086 (promoting access to elections for historically underrepresented citizens), as directed by the King County Council. The budget includes a request for extending full translation of voting materials to Korean and Spanish speaking voters at the same level of services as currently provided to Chinese, Vietnamese, and English speaking voters; and to fund community engagement activities in underrepresented communities to assist citizens with voter registration, increased access to voting materials and overall voting education. These initiatives and projects are meant to address existing disparities in civic participation among underrepresented communities in King County.

Strategic Climate Action Plan (SCAP)

Despite being heavily paper-reliant, due to how elections are administered in Washington State, KCE has taken steps to maximize recycling internally and provide as many mobile and online service options to customers as possible to reduce material consumption.

Best Run Government

The Elections budget includes replacement of the existing tabulation system. The current tabulation system, which is central to KCE's ability to count ballots and report results in a timely manner, is at capacity and runs on an unsupported operating system. This important project will allow the department to more effectively and efficiently serve the residents and voters of King County.

Capitalizing on a data-driven approach to process improvement, the 2017-2018 Elections budget proposal reflects the ongoing reduction in temporary labor hours associated with preparing for elections and processing ballots. In recent years, King County Elections has used Lean principles to institute process improvements that have reduced reliance on short-term temporary staff hours. Process improvements have led to:

- Reduced time required to sort ballots, verify voters' signatures, open ballot packets, and duplicate ballots when necessary;
- Increased lead time to address signature challenge issues;
- Improved maintenance of voter registrations and associated recordkeeping; and
- Reduced voter errors that result in ballots that cannot be counted.

The process improvement work has resulted in financial savings to the General Fund and partner jurisdictions, as quantified by the proposed reduction in short-term labor.

2017-2018 Executive Proposed Operating Budget ELECTIONS (EN_A53500)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	39,061,425	23,135,826	65.5	0.0
Base Budget Adjustments	(2,970,945)	(6,408,056)	0.0	0.0
Decision Package Adjustments	2,243,493	6,381,746	0.0	0.0
2017-2018 Executive Proposed Budget	38,333,973	23,109,516	65.5	0.0
2017-2018 Executive Proposed Ordinance	38,334,000	23,110,000	65.5	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_001) Increasing Elections Access for Underrepresented Citizens	515,000	257,500	0.0	0.0
<p>Ordinance 18086 (in 2015) calls for promoting access to elections for historically underrepresented citizens, including an additional requirement that Elections provide voting material in Spanish and Korean. Ordinance 18239 (February 2016) provided for ongoing funding for two full-time Korean and Spanish translator positions for the Department of Elections. This request provides ongoing funding for the remainder of the activities required by ordinance 18086, including:</p> <ul style="list-style-type: none"> • vendor costs to translate the Voters' Pamphlet into Korean and Spanish at the same level of services as currently provided to Chinese, Vietnamese, and English speaking voters; • additional printing, distribution, and advertising costs associated with adding two new languages; • ongoing community outreach in the form of partnerships with community based organizations (CBOs). 				

Administrative Service Changes

2017-2018 Executive Proposed Operating Budget ELECTIONS (EN_A53500)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(AC_001) Tabulation System Annual License Fee Funds annual license fee for the Elections Tabulation System proposed for replacement in in 2017. This amount represents the estimated incremental increase above the current vendor's license fee.	170,000	85,000	0.0	0.0
(AC_002) Reduce Short Term Temp Labor Reflects an ongoing reduction to temporary labor hours necessary given the value gained from process improvements and continuous evaluation of workflow.	(326,051)	(163,000)	0.0	0.0
Technical Adjustments				
(TA_001) Realign Budget Align expenses and revenues to actual levels. Actual expense and revenue activity has shifted between cost centers and accounts.	607,307	1,740,000	0.0	0.0
(TA_050) Revenue Adjustments Revise budgeted revenues to match current forecast.	0	4,462,246	0.0	0.0
(TA_198) Motor Pool Dispatch Rental Remove vehicle dispatch rental rates from the Fleet Motor Pool central rate account 55010 and move them into account 55258 Motor Pool ERR SVS. The amount was estimated based on 2015 actual rental billings and revised based on agency need and estimated usage for 2017-2018.	3,000	0	0.0	0.0
Central Rate Adjustments	1,274,237	0	0.0	0.0
Total Decision Package Adjustments	2,243,493	6,381,746	0.0	0.0

DEPARTMENT OF EXECUTIVE SERVICES ADMINISTRATION

Mission

DES provides excellent, innovative government services delivered by customer-focused employees.

Overview

The Department of Executive Services (DES) was established in 2002 to provide internal services to King County government and a variety of public services to its residents. The Department was a consolidation of four departments: Construction and Facilities Management, Finance, Human Resources, and Information and Administrative Services. DES has a variety of direct customers, from all County agencies in need of facilities maintenance and paycheck processing, to drivers applying for vehicle tab renewals. For more detail on customers and products, see the DES divisions' descriptions, respectively.

The Department of Executive Services currently includes the following divisions and offices:

- Records and Licensing Services Division (RALS);
- Finance and Business Operations Division (FBOD);
- Human Resources Division (HRD);
- Facilities Management Division (FMD);
- Office of Risk Management (ORM);
- Office of Emergency Management (OEM);
- Office of Civil Rights and Open Government (OCROG);
- Business Resource Center (BRC); and
- Office of Alternative Dispute Resolution (ADR)

DES Administration, as proposed by this budget, would include the DES Director's Office, and the Alternative Dispute Resolution Program (ADR).

The Director's Office provides oversight and coordination of the Executive Service divisions and offices, leadership on special projects and initiatives and ensures department alignment with county priorities. The Alternative Dispute Resolution Program provides facilitation, mediation and conflict resolution services for county agencies and the Interlocal Conflict Resolution Group (ILCRG), and trains employees and volunteers in these skills.

2017-2018 Problems, Opportunities and Priorities

Customer Service and Performance Management

DES will continue to deliver customer service improvements in access, quality, and timeliness within budget constraints and will encourage the use of a performance management framework to identify the most appropriate tools (e.g., visual management, Activity-Based costing, balanced scorecard, performance metrics, Lean) to improve organizational performance.

Standardizing Business Processes

DES will continue to move the enterprise business environment through the standardization phase and into optimization to improve the efficiency and effectiveness of the financial and human resource service delivery and leverage the county's investment in enterprise business systems, and will provide business leadership in the deployment of the business intelligence tools.

Alignment with Executive Strategic Initiatives

Equity and Social Justice

DES has been an active participant in shaping the County's approach to equity and social justice and was responsible for the design and production of the determinants of equity poster that has become the symbol and continued inspiration for this work. DES' actions reach out into the external community through hiring, contracting, licensing, mediation, emergency management, civil rights, and risk management services. DES has continued to explore innovative ways to utilize an equity lens in decision making, building community trust and capacity, engaging the community, providing excellent customer service, and providing fair and equitable internal services to employees. In 2016, a DES employee committee was formed to shape the department's ESJ efforts with an initial focus on workforce equity. Committee participation also serves to increase internal capacity to develop, implement and promote strategies to expand equity and social justice.

A number of DES's existing ESJ efforts continue, including the ADR Office's refinement of social justice mediation and its work with Garfield High School in Seattle on a restorative justice program. A proposal for the 2017-2018 biennium would continue and expand the restorative justice work. All divisions and offices of DES will utilize the "Countering Bias" video to train the increasingly diverse hiring panels convened to ensure applicants are treated with respect and without bias in the hiring process. There will also be an expansion of ESJ related trainings available to all employees.

Best Run Government

Besides the DES Director's Office sponsoring continuous improvement activities and leading new internal policies for better, more efficient service delivery, the DES Administration budget proposal for 2017-2018 seeks to maintain existing programs while fostering more efficient management of resources across all DES agencies. DES Administration meets its target reduction through the consolidation of the Office of Civil Rights and Open Government (OCROG) with the Office of Risk Management. As part of the consolidation, a position in OCROG that provides centralized administrative support for Boards and Commissions is moved to the Office of the Executive.

Lastly, building upon robust department-wide participation (72 percent) in the employee engagement survey and the strong employee engagement score (72 percent), the department will follow through on commitments to DES employees and emphasize a respectful and responsive workplace where our employees can thrive.

2017-2018 Executive Proposed Operating Budget EXECUTIVE SERVICES ADMINISTRATION (EN_A41700)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	5,970,042	222,790	17.0	0.0
Base Budget Adjustments	499,857	0	0.0	0.0
Decision Package Adjustments	(1,778,675)	(177,790)	(4.0)	0.0
2017-2018 Executive Proposed Budget	4,691,224	45,000	13.0	0.0
2017-2018 Executive Proposed Ordinance	4,692,000	45,000	13.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_001) ADR Restorative Justice - ESJ Initiative Add capacity to the Alternative Dispute Resolution Restorative Justice program to continue the School to Prison Pipeline.	53,480	0	0.0	0.0
(DS_003) Shared Services Human Resources Associate Add one Human Resources (HR) Associate to supplement the HR shared services model that was implemented with one Senior Analyst in the 2015-2016 budget. The HR associate will provide support to smaller offices (DES Admin, OEM/E911, BRC and ORM/OCROG) without dedicated HR support.	23,037	0	1.0	0.0
Administrative Service Changes				
(AC_001) OCROG and ORM Consolidation Consolidate the Office of Civil Rights and Open Government (OCROG) and the Office of Risk Management (ORM) into a new agency within the Department of Executive Services. This proposal will provide financial stability for the programs and services provided by OCROG by funding through ORM's internal service rates.	(1,356,427)	0	(4.0)	0.0

**2017-2018 Executive Proposed Operating Budget
EXECUTIVE SERVICES ADMINISTRATION (EN_A41700)**

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(AC_002) Boards & Commissions Position Transfer Transfer the Boards & Commissions position from OCROG to Executive Office.	(246,125)	0	(1.0)	0.0
Technical Adjustments				
(TA_001) Cost Centers Consolidation Cost center clean-up - moving position from 417010 to 417001.	0	0	0.0	0.0
(TA_050) Revenue Adjustments Revise budgeted revenues to match current forecast.	0	(177,790)	0.0	0.0
(TA_198) Motor Pool Dispatch Rental Remove vehicle dispatch rental rates from the Fleet Motor Pool central rate account 55010 and move them into account 55258 Motor Pool ERR SVS. The amount was estimated based on 2015 actual rental billings and revised based on agency need and estimated usage for 2017-2018.	4,000	0	0.0	0.0
Central Rate Adjustments	(256,640)	0	0.0	0.0
Total Decision Package Adjustments	(1,778,675)	(177,790)	(4.0)	0.0

BUSINESS RESOURCE CENTER

Mission

Advance King County's Oracle EBS, PeopleSoft and Hyperion applications while providing quality customer support to optimize user experience and value.

Overview

The Business Resource Center (BRC) is a trusted leader and partner committed to service excellence by providing strategic, innovative, and reliable enterprise business applications and solutions. It supports and maintains the County's enterprise business systems, including the Oracle EBS Financial system, the PeopleSoft HCM and Payroll system, the Hyperion budget system, and the Oracle Business Intelligence (BI) system.

Work groups within the BRC are structured and aligned to manage the enterprise business systems as well as support central business owners, business processes, agency customers, and governance processes. The BRC Director's Office also aims to mature operations, through focusing on effective governance and organizational health, customer collaboration and relationship-building, and ensuring alignment with the Executive's priorities.

2017-2018 Problems, Opportunities and Priorities

The BRC's goals are to advance organizational maturity, foster employee engagement, deliver customer value, optimize systems and processes, and exercise financial stewardship. Priorities in the budget proposal that support these goals include:

Oracle Business Intelligence System

The project to purchase and implement the enterprise Business Intelligence (BI) system was approved by the Council on May 16, 2016. Implementation planning is underway and a system integrator with expertise in Oracle BI implementation will start in 2016 to work in partnership with the existing project team. In addition to implementation, the project work includes establishing data governance processes and defining the ongoing support strategies. The new service adds ongoing maintenance, support, and licensing costs to the BRC operating budget as well as an additional 4 FTEs to the BRC team.

Managed Services for Infrastructure

The replacement hardware for EBS and acquisition of new hardware for BI will lead to the transition of responsibility for managing the infrastructure to a managed services provider. The infrastructure is comprised of servers, virtual machines, operating systems, and storage. Today these are all separate components configured and managed independently to work together. The new infrastructure will use Oracle engineered systems which will consolidate and combine these components into a unified architecture.

Hyperion Upgrade

The BRC will partner with PSB to plan the Hyperion budget system upgrade scheduled for the 2017-2018 biennium. The planned upgrade also gives the County the ability to take advantage of new features and functionality. The current system infrastructure is 5-6 years old and needs to be replaced in order to leverage the latest changes to hardware, operating systems, browsers, and database versions.

PeopleSoft System Updates

BRC has adopted the new application release set methodology, known as PUM (PeopleSoft Update Manager) introduced with the last major system upgrade. Under this new paradigm, Oracle eliminated major version updates requiring system upgrades every 5 years. Instead, an entirely updated set of code is released every 12 weeks.

System Standardization

The BRC will continue to support and address planned business and system initiatives in support of business process and system standardization across the following functional value streams: Budget-to-Report (Budgeting, Accounting, and Reporting), Procure-to-Pay (Procurement and Accounts Payable), Billing-to-Cash (Grant Billing and Accounts Receivable), Hire-to-Retire (Benefits, HR, and Payroll), and System Security and Controls.

Alignment with Executive Strategic Initiatives

Equity and Social Justice

The BRC is an internal service organization that supports and maintains the financial, procurement, HR, benefits, and payroll business systems for King County departments. BRC work indirectly impacts the determinants of equity by enabling and/or providing system capabilities (paid parental leave) and/or information (employee demographics) to support business changes to advance ESJ operational initiatives. In addition, the BRC promotes recruitment strategies to attract a diverse applicant pool and uses special duty opportunities for candidates looking to grow their skill set and/or with an interest in systems support.

Best Run Government

BRC will continue with initiatives planned to support enterprise alignment, customer focus, organizational improvement and maturity, and employee engagement. The initiatives support progress and achievement of the organization's goals and will be measured as part of the DES balanced scorecard and tier board reporting process.

2017-2018 Executive Proposed Operating Budget BUSINESS RESOURCE CENTER (EN_A30000)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	37,415,635	33,235,216	49.0	0.0
Base Budget Adjustments	(1,724,536)	0	2.0	0.0
Decision Package Adjustments	568,390	6,985,454	6.0	0.0
2017-2018 Executive Proposed Budget	36,259,490	40,220,670	57.0	0.0
2017-2018 Executive Proposed Ordinance	36,260,000	40,221,000	57.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_001) Enterprise Resource Planning: Oracle Business Intelligence Transitions the project efforts of implementing the ERP Business Intelligence (BI) Reporting solution to the ongoing service of BI Analytics provided through the Business Resource Center. This includes staff, debt service, and related support costs to develop and maintain the BI service as well as the annual support and maintenance costs of the Oracle software and hardware.	4,630,152	0	4.0	0.0
Administrative Service Changes				
(AC_001) PeopleSoft Upgrade Operationalizes the PeopleSoft upgrade costs. These cost used to be reserved for and implemented in capital projects, but will now be paid out of the BRC appropriation as the timing for upgrades from Oracle has changed from once every 3-5 years to quarterly.	2,000,000	0	0.0	0.0

2017-2018 Executive Proposed Operating Budget BUSINESS RESOURCE CENTER (EN_A30000)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(AC_002) DES Shared Human Resources Services Adds resources to support the shared human resources position hosted in DES Administration. The centralized support position was piloted in 2015-2016 and has been successful in providing personnel services to smaller DES agencies.	115,000	0	0.0	0.0
(AC_003) Hyperion Budget System Upgrade Adds resources to support the planned upgrade to the most current version of the Hyperion budget platform. The current system infrastructure is 5 years old and needs to be replaced in order to leverage the latest changes to hardware, operating systems, browsers, and database versions.	1,200,000	0	0.0	0.0
Technical Adjustments				
(TA_002) Enterprise Systems Maintenance and Support Fees Adjusts the annual maintenance and support cost for Oracle EBS, PeopleSoft and Hyperion. This request accommodates increases in annual maintenance and support of up to 5%.	258,084	0	0.0	0.0
(TA_003) Hardware Managed Services Adds resources for ongoing managed services of the Oracle hardware. The managed services provider will be responsible for maintenance, repair and performance of the hardware as well as other hardware related activities requested by the BRC database administrators.	600,000	0	0.0	0.0
(TA_004) PeopleSoft Upgrade Change Management The PeopleSoft upgrade strategy has changed from one large upgrade once every 5 years, to several small upgrades every 12 weeks. In 2016, Council approved appropriation transferred from the BRC fund reserve for major upgrades to the annual operating budget. With a year of experience in this new model, the team has determined two full time resources are needed to manage the activities for these upgrades. These positions are funded through previously established internal service rates for the BRC. Appropriation of the funding for this work was approved in 2016; this request is for authority for 2 FTE's.	2,204	0	2.0	0.0
(TA_005) Consultant Services Reduction Removes one-time resources for consulting. These do not need to be carried forward into 2017-2018.	(7,491,120)	0	0.0	0.0
(TA_050) Revenue Adjustments Revise budgeted revenues to match current forecast.	0	6,985,454	0.0	0.0
Central Rate Adjustments	(745,929)	0	0.0	0.0

**2017-2018 Executive Proposed Operating Budget
BUSINESS RESOURCE CENTER (EN_A30000)**

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Total Decision Package Adjustments	568,390	6,985,454	6.0	0.0

2017-2018 Proposed Financial Plan
Business Resource Center /000005490

Category	2015-2016 Estimated¹	2017-2018 Proposed Budget²	2019-2020 Projected³	2021-2022 Projected³
Beginning Fund Balance	6,459,000	3,906,755	7,867,935	13,410,113
Revenues				
Internal Service Rates	33,022,696	40,220,670	46,253,771	48,705,220
Interest	36,663	-	-	-
Total Revenues	33,059,359	40,220,670	46,253,771	48,705,220
Expenditures				
Salaries & Benefits	(14,756,714)	(17,626,826)	(18,684,436)	(19,805,502)
Operating Expenditures	(12,354,890)	(15,807,664)	(17,072,277)	(18,438,059)
GO Bond Rdm - BI Project ⁴		(1,625,000)	(2,954,880)	(2,954,880)
Oracle EBS Upgrade Project	(5,500,000)	-		(7,500,000)
BI Analytics Project	(3,000,000)	-		
PeopleSoft Hardware Upgrade			(2,000,000)	
Hyperion Upgrade Project		(1,200,000)		
Total Expenditures	(35,611,604)	(36,259,490)	(40,711,593)	(48,698,441)
Estimated Underexpenditures				
Other Fund Transactions				
Total Other Fund Transactions	-	-	-	-
Ending Fund Balance	3,906,755	7,867,935	13,410,113	13,416,892
Reserves				
Oracle EBS Software Upgrade ⁵		(3,000,000)	(6,000,000)	
Hyperion Upgrade ⁶	(1,200,000)	(300,000)	(900,000)	(1,500,000)
Oracle BI Software Upgrade ⁷		(1,500,000)	(4,500,000)	(7,500,000)
Oracle EBS Hardware Upgrade ⁸		(400,000)	(1,200,000)	(2,000,000)
Oracle BI Hardware Upgrade ⁸		(400,000)	(800,000)	(1,600,000)
PeopleSoft Hardware Upgrade ⁸	(800,000)	(1,600,000)		(800,000)
Total Reserves	(2,000,000)	(7,200,000)	(13,400,000)	(13,400,000)
Reserve Shortfall	-	-	-	-
Ending Undesignated Fund Balance	1,906,755	667,935	10,113	16,892

Financial Plan Notes

¹ 2015-2016 Estimated reflect year end information from EBS and are consistent with the Budgetary Fund Balance figures published by FBOD.

² 2017-2018 Proposed Budget is consistent with expenditure and revenue data from Hyperion.

³ Outyear projections assume revenue and expenditure growth of 3% - 15% and reflect the most recent estimates, including the outyear impact of proposals. The revenue increase for 2019-2020 reflects an additional BI Project debt service payment as well as funding for reserves for future upgrades to the Oracle BI Software.

⁴ General Obligation Bond repayment for the Business Intelligence Project is calculated on a 7 year repayment schedule at a 2.25% interest rate.

⁵ Oracle EBS Software Upgrade Reserve is calculated at \$7.5 million every 5 years.

⁶ Hyperion Software & Hardware Upgrade is calculated at \$1.5 million every five years

⁷ BI Software upgrade is calculated at \$7.5 million every 5 years

⁸ Oracle EBS, Oracle BI, and PeopleSoft hardware upgrades are calculated at \$2 million every five years which includes the additional licenses required by Oracle. Long term planning for changes to hardware solutions will occur in 2017-2018 and could impact the projections for these hardware upgrades.

⁹ This plan was updated by T.J. Stutman and C. Hellner on 09/15/2016.

OFFICE OF EMERGENCY MANAGEMENT

Mission

The Office of Emergency Management (OEM) provides regional leadership to strengthen community resilience and access to emergency services.

Overview

OEM has four key goals:

- To provide region-wide planning and emergency response coordination for jurisdictional and private sector partners; including effective operation of the E-911 System and providing high-quality 911 services;
- To achieve a state of continuous improvement through the adoption of standards-based programs;
- To develop resilient and inclusive systems for King County departments and the whole community; and
- To develop a strong workforce made up of internal and external partners, ready to coordinate emergency response and recovery.

OEM is responsible for providing regional emergency services for a county that includes over 2.1 million people, 39 cities, 140 special purpose districts, 2 tribes, and numerous private sector partners and community based organizations. This expanded role was articulated in King County Council ordinance 17075 passed in 2011 mandating that OEM assume a greater role as a regional service provider. Within OEM, the E-911 Program administers the 911 system in partnership with 12 Public Safety Answering Points (PSAPs). The E-911 Program ensures the correct routing of 911 calls to the appropriate PSAP. Each PSAP is responsible for 911 call answering and dispatch of public safety agencies. The Program is supported by excise taxes on landline, wireless, and Voice over Internet phones.

2017-2018 Problems, Opportunities and Priorities

The major issues in the OEM budget for 2017-2018 include reductions in Federal funding and the impact on King County as a regional leader. The major issues in the E-911 Program include long-term fiscal challenges and changing demands for service driven by advances in communication technology.

Reductions in Federal Support

Federal Homeland Security funds are administered by OEM and used to support planning, training, and exercises at all levels of government. Seventy percent of these dollars are passed through to King County jurisdictional partners. Since 2005 however, federal support has dropped from \$11 million annually to just under \$3 million today. These reductions have driven OEM to more regional coordination of emergency management services. Local jurisdictions, in turn, have had to restructure to reduce their local-level emergency management staffing and service levels.

Changes in Technology and Service Needs

The E-911 program is facing fiscal and operational challenges. While the E-911 fund is sustainable in 2017-2018, the fund is projecting a significant negative fund balance by the end of 2020. This trend is driven in part by declining revenue collections as residents discontinue landlines. Additionally, the Program is under pressure to modernize the E-911 system. The E-911 system was implemented 30 years ago and designed for wireline phones. Wireless phones have become the most popular communications tool, accounting for over 77 percent of 911 calls in 2015. Text messaging and sending pictures and videos have become common forms of communication. Another new method of placing phone calls, Voice over Internet Phone (VoIP), has increased in the past few years. In addition, new vehicle models in the U.S. are now equipped with telematics with the capability of sending crash data directly to the public safety answering points (PSAPs). Many people in King County are early technology adopters and expect to be able to call and send data in multiple ways when they have an emergency.

The E-911 program office is undergoing a strategic planning process in conjunction with County representatives and regional partners to address the fiscal and technological challenges of the E-911 system. The strategic plan, to be completed in December 2017, will include a 10-year technology investment strategy to modernize the E-911 system and a sustainable funding strategy.

Efficiencies

OEM identified reductions in its technology costs for approximately \$0.6 million in savings while maintaining existing service levels. In addition, the proposed E-911 budget continues to support the strategic planning process with PSAPs for the optimum service delivery to residents and a plan for sustainable funding of the E-911 Program. These planning efforts include finding efficiencies in future years in collaboration with PSAP representatives. At this point in the process, the Interim Advisory Group, which includes PSAP representatives, has worked with the Program to identify several smaller scale efficiencies and will continue the process of evaluating additional efficiencies.

Alignment with Executive Strategic Initiatives

Equity and Social Justice

OEM will continue to promote access and availability of services to all communities within King County. The term “Whole Community” has been adopted as a national goal to engage and involve all residents and visitors to our county that may require the services that OEM provides. The Whole Community concept has been applied in a King County context as a complement to the equity and social justice value that King County has embraced.

OEM works with community-based organizations to reach populations that are underserved and provide emergency preparedness information in an effective, culturally appropriate manner. Outreach includes direct personal preparedness training for individuals. This focuses on simple and easy-to-adopt ways that individuals, families, and neighborhoods can prepare for and recover from a disaster. OEM also focuses on training community-based organizations (CBO) on emergency preparedness planning, so they are able to quickly respond to the needs of the communities they serve following the onset of an emergency. OEM provides four CBO trainings a year, with participants varying from small (e.g. local food banks) to large organizations (e.g. King County Housing Authority).

Beyond outreach to non-profit organizations, OEM has actively engaged a growing share of the business community to become partners in emergency preparedness. In addition to ongoing work with well-known major corporations such as Amazon, Starbucks, Columbia Bank, and Lockheed Martin, OEM will continue to expand growing relationships within the small business community.

The E-911 office within OEM provides a life safety service to all residents of King County. The community and public safety determinant of equity remains an important consideration when planning for E-911 initiatives. The E-911 Program has adopted a goal to provide a high-quality, consistent level of service, regardless of the area or population being served. As the county’s PSAPs develop a strategic plan for roll-out of system enhancements, outreach materials will continue to target communities based on current demographics that may not have been actively engaged in the past. With the implementation of Text-to-911, an enhanced level of service will be available to people who are deaf, hard-of-hearing, or have speech disabilities.

Strategic Climate Action Plan (SCAP)

As the impact of climate change becomes more evident, emergency management capabilities must become more robust. OEM has outlined three priority actions to be completed by 2020.

- First, OEM will be responsible for producing an annual report based on the status of mitigation actions and strategies identified in the Regional Hazard Mitigation Plan (RHMP). Each planning partner will be required to assess whether the mitigation actions and strategies identified for their jurisdictions should be modified based on current and changing conditions, including climate change risks and impacts.
- Second, based on the most recent assessments of climate change impacts, information on climate change will be integrated into the OEM’s ongoing public education presentations and campaigns.
- Third, as OEM continues to complete periodic activations, drills, and exercises, it will test a heat wave scenario for emergency response coordination.

Best Run Government

As an emergency response agency, OEM naturally follows the Lean “Plan-Do-Check-Act” (PDCA) cycle by incorporating its own cycle of “Plan-Train-Exercise-Evaluate.” This process leads OEM to continuously review and improve plans, processes, and procedures. It also forces the agency to consider and incorporate emerging technologies such as Smart 9-1-1 and advances in Alert & Notification systems. OEM has attained its highest level of organizational maturity to date and is on a path to achieving a state of continuous improvement by measuring quality, cost, delivery, safety, and morale. It has reached this state through the adoption of Emergency Management Accreditation Program (EMAP) standards and the implementation of visual management, strategic planning, and the creation of a clarity map.

Capital Improvement Program

The Executive Proposed Budget includes the creation of a new fund, the E-911 Capital Fund. The purpose of the fund is to provide more transparent and efficient budgeting for large, multi-year capital projects. The new E-911 Capital Program supports information technology projects that enhance or sustain the operation of King County’s 911 public communications network. These projects include new projects which create substantive improvements to E-911 information technology infrastructure and ongoing replacement of existing equipment at the Public Safety Answering Points. All new large information technology projects will participate in the KCIT Project Review Board (PRB) oversight. Routine equipment replacement will not be subject to PRB oversight.

The 2017-2018 Biennial Budget transfers \$5.1 million from the E-911 Operating Fund to the E-911 Capital Fund. This transfer includes \$3.5 million to support the Security System Project that was approved by Ordinance #18110 in 2015 in the operating budget and is currently being monitored by PRB. Additionally, the transfer includes \$1.6 million to support the routine replacement of equipment in PSAPs at the end of the life cycle.

2017-2018 Executive Proposed Operating Budget OFFICE OF EMERGENCY MANAGEMENT (EN_A40100)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	4,895,923	0	6.0	0.0
Base Budget Adjustments	68,838	0	0.0	0.0
Decision Package Adjustments	(395,139)	0	0.0	0.0
2017-2018 Executive Proposed Budget	4,569,622	0	6.0	0.0
2017-2018 Executive Proposed Ordinance	4,570,000	0	6.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Technical Adjustments				
(TA_002) Operating Budget Changes Adjust expenditures as part of a net-zero change to better support projected service delivery.	0	0	0.0	0.0
(TA_003) Alert and Warning System for 2018 Support the alert and warning system for incident response and awareness in 2018. Current grant funding will discontinue in 2017.	191,500	0	0.0	0.0
(TA_004) Salary/Benefits Funding to Cover Long Tenured OEM Employees Increase in expenditures to fully cover salaries and benefits for four of the six current Office of Emergency Management staff who are well-tenured.	24,657	0	0.0	0.0
(TA_005) Reduce and Realign Expenditures to Meet General Fund Target The office has identified account reductions to meet the GF target reduction	(90,000)	0	0.0	0.0
Central Rate Adjustments	(521,296)	0	0.0	0.0

**2017-2018 Executive Proposed Operating Budget
OFFICE OF EMERGENCY MANAGEMENT (EN_A40100)**

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Total Decision Package Adjustments	(395,139)	0	0.0	0.0

2017-2018 Executive Proposed Operating Budget ENHANCED-911 (EN_A43100)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	70,259,398	49,337,643	16.0	0.0
Base Budget Adjustments	(10,540,247)	436,817	0.0	0.0
Decision Package Adjustments	2,265,755	(3,273,147)	(6.0)	1.0
2017-2018 Executive Proposed Budget	61,984,906	46,501,313	10.0	1.0
2017-2018 Executive Proposed Ordinance	61,985,000	46,502,000	10.0	1.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Approximately, \$10.7 million in one-time reappropriations were removed during budget initialization. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Administrative Service Changes				
(AC_001) Project Manager TLT Position Add a term-limited position to oversee project management duties for high priority projects and improve project oversight practices in the E-911 Program Office.	359,939	0	0.0	1.0
Technical Adjustments				
(TA_005) Technical Adjustments Realign accounts so the budget more accurately reflects past expenditures at the account level. The Program Office has worked with the Interim Advisory Group of PSAP representatives to find efficiencies and reduce expenditures without impacting service.	(3,299,404)	(184,000)	0.0	0.0
(TA_006) Capital Budget Transfer funds to a newly-created CIP fund including a reappropriation of a Security Project approved in 2015 and additional funds for equipment replacement.	5,100,000	0	0.0	0.0
(TA_008) IT Staff Transfer to KCIT Transition E-911 staff in IT titles (6 staff) to KCIT in the 2017-2018 biennial budget. Staff costs will be charged back to the E-911 Program Office so the proposal is cost neutral.	0	0	(6.0)	0.0

**2017-2018 Executive Proposed Operating Budget
ENHANCED-911 (EN_A43100)**

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(TA_009) Administrative Overhead Accounting Change Remove double budgeting of expenses and revenues associated with shared administrative costs between the Office of Emergency Management (OEM) and E-911 offices. This change has no impact on service levels.	(1,556,518)	(1,529,792)	0.0	0.0
(TA_010) Increase PSAP Revenue for Inflation Increase in PSAP revenue distribution for inflation.	760,336	0	0.0	0.0
(TA_050) Revenue Adjustments Revise budgeted revenues to match current OEFA forecast.	0	(1,559,355)	0.0	0.0
(TA_113) Vacancy Rate Adjustment Reflects the salary savings associated with the natural rate of employee turnover for a given agency and provide greater transparency in the budget.	(10,000)	0	0.0	0.0
Central Rate Adjustments	911,402	0	0.0	0.0
Total Decision Package Adjustments	2,265,755	(3,273,147)	(6.0)	1.0

**2017-2018 Proposed Financial Plan
E-911 Program Operating Fund /000001110**

Category	2015-2016 Estimated¹	2017-2018 Proposed Budget²	2019-2020 Projected³	2021-2022 Projected³
Beginning Fund Balance	27,618,848	17,404,548	1,920,956	(17,020,612)
Revenues				
E911 Switched Access Line Excise Tax	7,151,506	5,726,251	4,586,442	3,674,722
E911 Wireless Access Line Excise Tax	29,364,689	30,188,934	30,451,054	30,618,141
E911 Wireless Prepaid Excise Tax	3,612,433	3,681,387	3,712,703	3,735,012
E911 VoIP Access Line Excise Tax	6,085,100	6,565,278	7,200,851	7,828,486
Investment Interest	283,640	150,462	-	-
State E911 Support	153,000	189,000	189,000	189,000
Other Interfund-Emergency Comm Sys ⁴	1,495,532	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	48,145,899	46,501,313	46,140,050	46,045,361
Expenditures				
Wages, Benefits and Retirement ⁵	(4,308,742)	(3,249,700)	(3,434,933)	(3,641,029)
Supplies	(257,423)	(243,632)	(257,763)	(273,744)
Direct Services	(33,487,859)	(41,290,846)	(43,685,715)	(46,394,229)
Intergovernmental Services	(5,855,511)	(6,602,477)	(7,051,445)	(7,578,893)
Capital ⁶	(3,722,717)	(10,146,093)	(10,173,826)	(10,241,744)
Intragovernmental Contributions	(4,512)	(4,728)	(5,002)	(5,312)
Contingencies ⁵	-	(2,012,216)	(2,126,912)	(2,254,527)
Contras ⁴	-	1,564,786	1,653,979	1,753,218
Reappropriations Carryover	(10,723,435)	-	-	-
Total Expenditures	(58,360,199)	(61,984,906)	(65,081,618)	(68,636,261)
Estimated Underexpenditures				
Other Fund Transactions				
Total Other Fund Transactions	-	-	-	-
Ending Fund Balance	17,404,548	1,920,956	(17,020,612)	(39,611,512)
Reserves				
Next Generation 911 Reserve ⁷	(500,000)	(1,000,000)	(1,500,000)	(1,500,000)
Rainy Day Reserve ⁸	(2,622,599)	(2,488,263)	(2,635,574)	(2,802,937)
Total Reserves	(3,122,599)	(3,488,263)	(4,135,574)	(4,302,937)
Reserve Shortfall	-	1,567,307	21,156,186	43,914,449
Ending Undesignated Fund Balance	14,281,949	-	-	-

Financial Plan Notes

¹ 2015-2016 Estimated reflects updated revenue based on the Office of Economic and Financial Analysis (OEFA) August 2016 Financial Forecast, expenditure estimates as of 6/30/16, and all underexpenditures identified to date. Approximately \$4 million in underexpenditures are related to projects which have been delayed, but are included in the 2017-2018 Proposed Budget. Approximately \$3.9 million in underexpenditures is related to delays in ongoing service costs for projects which have not been fully implemented. Approximately \$2.3 million in underexpenditures is related to project scope changes and unspent operational contingency. The remaining \$1.6 million in underexpenditures are related to costs which were overestimated in the 2015-16 budget.

² 2017-2018 Proposed revenues are based on the August 2016 OEFA Financial Forecast. Proposed expenditures reflect all decisions and inflationary assumptions documented in Hyperion.

³ Outyear projections assume revenue based on OEFA forecasts and expenditures based on King County Central Budget Planning Guidance.

⁴ The Proposed Budget includes an accounting change that removes \$1.5 million in revenues and \$1.5 million in expenditures to eliminate double budgeting associated with overhead distribution.

⁵ The Proposed Budget includes a transfer of six employees from E-911 to KCIT. E-911 fund will transfer funds to support the employees. The costs of these employees have moved from Salaries and Benefits into a contingency account.

⁶ Capital expenditures include a \$5.1 million transfer to the new E911 CIP Capital fund.

⁷ Next Generation 911 (NG911) Reserve is designated for the implementation of new NG911 services that are expected to be developed in future years. Reserve levels will be reviewed during the E-911 Strategic Planning effort in 2017.

⁸ Rainy Day Reserve is calculated as 35 days of operating expenditures and excludes capital costs.

CAP SUMMARY REPORT

2017-2018 Biennial - Executive Proposed

3170 E 911 CAPITAL - Other

Project Number	Project Name Class Code	Tech Adj	FY17-18	Current Scope
1130200	E911 Small PSAP Equipmt STANDALONE		\$1,600,000	E911 Small Public Safety Answering Point (PSAP) Equipment - This project is an ongoing equipment refresh project that replaces equipment at the end of its life cycle.
1130202	E911 Security System STANDALONE	✓	\$3,500,000	E911 Security System - This project will engage consultants and vendors to evaluate and execute an improved security system for the 911 technology.
3170 - E 911 CAPITAL		Total	\$5,100,000	
Grand Total			\$5,100,000	

**2017-2018 Proposed Financial Plan
E911 CIP Fund / 000003170**

Capital Improvement Program (CIP) Budget

	2015-2016 Carryforward (YE ITD Balance) ¹	2017-2018 Proposed ²	2017-2018 Total (Balance + Budget)	2019-2020 Estimated ³	2021-2022 Estimated ³
Capital Budget Revenue Sources:					
Transfer from Operating Fund 1110	-	5,100,000	5,100,000	1,500,000	1,500,000
Total Capital Revenue	\$ -	\$ 5,100,000	\$ 5,100,000	\$ 1,500,000	\$ 1,500,000
Capital Appropriation:					
E911 Security System	-	(3,500,000)	(3,500,000)	-	-
PSAP Viper Refreshes	-	(1,600,000)	(1,600,000)	(1,500,000)	(1,500,000)
Total Capital Appropriation	\$ -	\$ (5,100,000)	\$ (5,100,000)	\$ (1,500,000)	\$ (1,500,000)

CIP Fund Financial Position

	2015-2016 Biennial to Date Actuals	2015-2016 Estimated	2017-2018 Biennial to Date Actual	2017-2018 Estimated ²	2019-2020 Estimated ³	2021-2022 Estimated ³
Beginning Fund Balance		-	-	-	-	-
Capital Funding Sources						
000001110 (Operating Budget)	-	-	-	5,100,000	1,500,000	1,500,000
Total Capital Revenue	\$ -	\$ -	\$ -	\$ 5,100,000	\$ 1,500,000	\$ 1,500,000
Capital Expenditures						
E911 Security System		-	-	(3,500,000)	-	-
PSAP Viper Refreshes		-	-	(1,600,000)	(1,500,000)	(1,500,000)
Total Capital Expenditures	\$ -	\$ -	\$ -	\$ (5,100,000)	\$ (1,500,000)	\$ (1,500,000)
Other Fund Transactions						
		-	-	-		
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fund Balance designated to current projects⁸	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reserves						
Total Reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Projected Shortfall	-	-	-	-	-	-
Ending Undesignated Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Financial Plan Notes

¹ 2015-2016 Carryover reflects estimates of year end inception to date appropriation balances or actual balance as reported by the PA_103 report.

² 2017-2018 Proposed Budget is consistent with expenditure and revenue data from PIC and matches the CIP Attachment A.

³ Outyear revenue and spending estimates are based on current revenue estimates and project spending plans. Additional technology projects may be identified in E-911 Strategic Plan which is scheduled to be completed by the end of 2017.

⁴ This plan was update by Kate Davis on 8/22/2016.

FACILITIES MANAGEMENT DIVISION

Mission

As stewards of public assets, the Facilities Management Division is a strategic advisor and partner in delivering County Services.

Overview

The Facilities Management Division (FMD) of the Department of Executive Services provides clean, environmentally sustainable, and cost-effective work environments. FMD is responsible for designing and managing capital construction projects that are responsive to customer needs and remaining within budget. FMD also manages a financially sustainable in-house print shop providing high quality, cost effective digital product and scanning services to County agencies.

As managers of the Real Estate Services (RES) section, FMD provides leadership in the management of King County owned real estate and implements policy direction on matters including leasing, sales, acquisitions, permitting, and property investments.

2017-2018 Problems, Opportunities and Priorities

The primary focus of the 2017-2018 budget proposal is a continuing response to on-going changes to the County's portfolio of buildings, coupled with a significant effort to identify and implement efficiencies that result in cost savings to County agencies.

Changes to the County's Building Inventory

This includes the renovation and reopening of previously mothballed space, the addition of King Street Center and the 4th and Jefferson Building, and continued oversight of the development of the new Children & Family Justice Center. These inventory changes will require additional resources for building operations and project management.

Fund to Reduce Energy Demand (FRED)

Increased program support will be used to install environmentally friendly and cost-effective lighting and plumbing technology in County buildings.

Reinstatement of Strategic Facility Planning

The elimination of the FMD's Strategic Initiatives Group in the 2015-2016 biennial budget left FMD unable to fully deliver mid to long-range facility planning to meet the expectations of County management. The proposed budget restores previously eliminated resources in order to manage this workload and improve service.

Asset Management

FMD has completed Information Technology project review in order to implement a division-wide Comprehensive Facility Asset Management System. FMD owns and manages over \$2 billion in real estate holdings in the county, including more than 40 buildings, approximately 400 leases, and more than 4,000 parcels in all. With this scope of real estate holdings, FMD requires a comprehensive system for managing and tracking the completed leasing, sales, and acquisition documents that are necessary for effective property management. This will help FMD to better manage the property inventory, respond quickly and effectively to business needs, and provide faster responses to property information inquiries from County management and customers.

Streamlined Approach to Rate Revenues

The 2017-2018 proposal reflects central rates for the use of County-owned space that include all costs of space, are uniform across building functions, and are transparent to ratepayers. Historically, FMD cost recovery for space used separate revenue mechanisms and assumed a per-building level of detail, despite similarities in location or building function. The new streamlined approach consolidates cost-recovery for General Government space within one central rate account and reflects uniform rates for space of similar function; this results in rates that are easily comparable to market and simplifies the budget and space planning process.

Redefining FMD's Building Services

King Street Center will become an FMD operated facility as of June 1, 2017, and adding this 320,000 square foot facility will increase the managed building portfolio by approximately ten percent. FMD has evaluated the level of services offered to the buildings in its portfolio and is adjusting the base level of services so that the building portfolio can be expanded without a commensurate increase in operating costs.

Real Estate Services Line of Business Plan Implementation

After a six month collaborative effort of reviewing the various real estate product families, FMD's Real Estate Services (RES) Section has proposed an updated staffing plan that includes emphasis on utility franchises, performance metrics, and actions to improve the transparency and efficiency of RES processes. Many of these objectives address the 2016 performance audit of RES performed by the County Auditor.

Parking Facility Fee Updates

Fees for use of County parking facilities have not been adjusted since 2011, while market rates for downtown parking have increased significantly in that time. In collaboration with the Office of Performance, Strategy and Budget, FMD has prepared a fee ordinance that adjusts parking fees to better reflect market rates while adding the King Street Center parking garage to its inventory.

Alignment with Executive Strategic Initiatives

Equity and Social Justice

FMD has considered Equity and Social Justice through developing ESJ training materials for employees, centralizing facilities in downtown areas with ample public transportation options, increasing the capital budget for the ADA projects, utilizing Small Contractors and Suppliers certified firms, and supporting the County's affordable housing development initiatives. FMD has also considered ESJ through its policy of providing gender-neutral restrooms and accessible facilities in general government buildings, and through its consideration of disparate impacts of reductions on building-services staff.

The 2017-2018 proposed budget continues these efforts, including through adding significant training funding to both the FMD and RES budgets. Concurrently, FMD is moving forward with an employee development program that highlights creating opportunities for advancement and skill improvement for its highly diverse workforce.

Strategic Climate Action Plan (SCAP)

FMD will continue to utilize the Fund to Reduce Energy Demand as a means to implement several initiatives that will reduce long-term energy costs and greenhouse gas emissions. These initiatives include energy-efficient lighting retrofits and plumbing upgrades to reduce unnecessary water usage. In the Major Maintenance Reserve Fund eight of the 18 projects will reduce overall energy use through improved HVAC and other system efficiencies. The proposed increase in parking fees is also intended to incentivize use of transit for County staff on the downtown campus.

Best Run Government

FMD intends to invest in greater employee engagement and training. In the 2015 employee survey, FMD scored below the County average on 'access to tools and resources' and 'ability to attend trainings.' Increased investments in staff training will enable FMD to continue to improve efficiency and customer service as well as improve employee engagement.

FMD's budget proposals also reflect the intent to implement greater efficiencies in service delivery for building tenants, improved budgeting and billing for ratepayers in County-owned space, better management of real property information, and implementation of the RES Line of Business and performance audit findings. These improvements are expected to improve FMD's operations and maximize customer satisfaction.

Capital Improvement Program

Long Term Lease Fund

The Long Term Lease Fund includes the budget authority necessary to pay for leased space and related costs. Agency operating budgets include lease payments to the Long Term Lease Fund that are paid by the Facilities Management Division to the landlords. Largely due to the King Street Center becoming a County-owned facility in 2017, the amount of lease payments has been reduced significantly from the 2015-2016 adopted budget.

Major Maintenance Reserve Fund

The Major Maintenance Reserve Fund (MMRF) is for managing project budgets associated with maintaining buildings operated by the Facilities Management Division. The fund provides resources for periodic replacement of major building systems and components so that each building will realize its full useful life. The MMRF Facility Condition Assessment database tracks building infrastructure and generates a recommended timeline and rough cost for maintaining each major component and sub-component.

Due to revenue limitations, King County has been unable to fully fund the major maintenance program. The backlog of facility infrastructure work continues to be a challenge.

Increased Investment: The total request is being increased from \$12 million in 2015-2016 to over \$18 million in the 2017-2018 biennium, with significant additional contributions from tenants in downtown office buildings.

24/7 Building Group Pilot Program: FMD has been working with PSB to address Council's audit recommendations to improve the efficiency of budgeting for MMRF. This includes an implementation plan explaining the changes that will occur, with the goal of aligning programs and their appropriations with the new streamlined rate model. In the pilot program for the 24/7 building group, the proposed appropriation is for all subprojects in the group. Utilizing the same procedure that other County agencies use for programmatic projects will make budgeting easier. The proposed MMRF reporting component will help FMD and PSB to better understand infrastructure needs and provide more information about projects that have been completed.

Building Repair and Replacement Fund

Projects are budgeted in the Building Repair and Replacement (BR&R) Fund to address facility goals such as life safety, equity and social justice, environmental sustainability, and service delivery infrastructure planning and improvement. While life-safety is the highest priority category, resources from the General Fund, levy proceeds, and bond financing were also programmed in the 2017-2018 biennium to address the highest priority projects in the three other project categories. A combined total of \$14.1 million is proposed in the 2017-2018 biennial budget BR&R Fund in addition to a \$3.2 million reallocation of existing Children and Family Justice Center (CFJC) budget to fund the Alder School replacement.

In the category of **life-safety**, projects are proposed to install bullet proof shielding for the King County Sheriff's Office (KCSO) first floor reception area of the Courthouse and to install security checkpoints at the Administration Building entrances similar to what is found at in the Chinook Building and the King Street Center.

In the interest of **environmental sustainability** projects are proposed to facilitate installation of solar panels on the roof of the Maleng Regional Justice Center and to clean-up lead deposits at the KCSO training range.

To further **equity and social justice** goals, wellness rooms and gender neutral restrooms will be provided in the King County Courthouse and the Administration Building. To continue to provide dental services to low income population in north and south King County, a combination of dental equipment and floor replacement will be funded in the 2017-2018 budget. For the CJFC, \$3.2 million of existing budget is proposed for reallocation within the project to construct the replacement Alder School facility. This education facility serves at-risk students in King County.

The **service delivery infrastructure planning and improvement** project category has the largest share of the BR&R budget due to the construction budget for the AFIS new latent fingerprint processing laboratory funded from a voter approved 2012 to 2018 levy. This \$8.9 million AFIS budget increment will result in a completed facility at the County's Blackriver building by the end of 2018. A \$2.4 million project is proposed to procure and implement a facility management system that will allow FMD to incorporate industry best practices to comprehensively plan, manage, and report on its asset management activities in a fully integrated process. Long term facility planning will be initiated in a proposed civic campus project. The initial phases of the planning process outlined in the Civic Campus Scoping Report transmitted to the County Council in early 2016 will be funded using \$687,232 of re-programmed financial resources.

Youth Services Facility Fund

The Children and Family Justice Center (CFJC) construction budget in the Building Repair and Replacement (BR&R) Fund relies on voter approved levy revenue backing from the Youth Services Facility Fund. To fully reimburse the BR&R Fund for the previously approved construction budget and to avoid incurring inter-fund borrowing costs, \$193 million of additional transfer budget authority is proposed for the 2017/2018 budget. This will supplement the \$26 million of transfer budget authority previously approved in biennial and supplemental ordinances.

2017-2018 Executive Proposed Operating Budget FACILITIES MANAGEMENT DIVISION (EN_A60100)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	99,599,043	97,373,260	304.0	4.0
Base Budget Adjustments	2,064,042	323,512	(0.1)	(4.0)
Decision Package Adjustments	11,537,366	15,139,794	24.1	2.0
2017-2018 Executive Proposed Budget	113,200,451	112,836,566	328.0	2.0
2017-2018 Executive Proposed Ordinance	113,201,000	112,837,000	328.0	2.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_001) Space Planning Program Manager Adds a project management lead to coordinate the large number of planning requests and alternatives analysis related to the County's long-term facility planning. The additional resources will allow for FMD to employ a more proactive rather than reactive approach and pursue the division's strategic initiatives.	317,320	0	1.0	0.0
(DS_002) Security Technician Brings fire alarm installation and inspection in-house and adds capacity for in-house fire and security projects. Allows for management of existing security systems. This is partially supported by the repurposing of existing budget used for the outsourcing of security projects.	68,620	0	1.0	0.0
(DS_003) On-call after-hours premium for Security Electrician Allow for after-hours security and fire systems outage response.	142,658	0	0.0	0.0
(DS_004) On-call after-hours premium for Locksmith Allow for after-hours support for locksmith customer requests.	117,368	0	0.0	0.0

**2017-2018 Executive Proposed Operating Budget
FACILITIES MANAGEMENT DIVISION (EN_A60100)**

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(DS_007) Assistant Facilities Manager Adds a backup position for the Building Services Facilities Manager. This section includes over 250 personnel, overseeing all services to the County's building inventory. This position was eliminated in the 2015-2016 budget, but its absence has affected FMD's ability to implement major building initiatives and effectively manage building services personnel.	351,681	0	1.0	0.0
(DS_008) Utility Worker Lead Adds a lead for utility field staff, assisting with the dispatch of building services staff across the County's building inventory.	184,557	0	1.0	0.0
(DS_009) Comprehensive Facilities Asset Management System Adds necessary resources to support FMD's IT project for a business system supporting facilities management. Included are labor budget for a database system administrator and a lead for the Maximo work-order system, as well as expenditure authority for debt-service on bonds.	1,135,230	0	2.0	0.0
(DS_010) Parking Facilities Project Manager Adds a project manager to oversee parking operations and financial management for County parking facilities.	284,423	0	1.0	0.0
(DS_011) Redefinition of FMD's Base Level of Services Adds appropriate labor budget to integrate the King Street Center and 4th & Jefferson Building into the County's general government building inventory. King Street Center was previously operated by a third party and its accretion to the County's inventory requires additional building services staff. FMD has redefined its service levels for the entire general government building inventory in order to grow the building portfolio without a commensurate increase in operational costs.	2,338,952	0	16.3	0.0
(DS_012) Fund to Reduce Energy Demand (FRED) Provides initial start-up funding for energy efficiency projects to reduce long-term energy costs. These projects include efficient lighting solutions at the Regional Justice Center, Goat Hill Garage, and Blackriver Building.	710,506	0	0.0	0.0
(DS_013) Shelter Service Expansion Increases the operating hours for the shelter in the County Administration Building and White Center locations. Additional costs include security and building operations.	450,000	450,000	0.0	0.0

2017-2018 Executive Proposed Operating Budget FACILITIES MANAGEMENT DIVISION (EN_A60100)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(DS_120) Central Climate Change Costs Adjust Facilities Management Division's share of the central climate-related costs for 2017-2018; these costs include membership fees in climate related organizations, a countywide greenhouse gas inventory update, consulting fees, regulatory dues to the Puget Sound Clean Air Agency, as well as the centralization of costs for four FTEs to help agencies across the county with climate related activities. The allocation methodology is based on greenhouse gas emissions (51 percent DNRP, 45 percent DOT, and 4 percent FMD).	54,014	0	0.0	0.0
Administrative Service Changes				
(AC_001) Employee Engagement Increase FMD's budget for staff training, employee engagement initiatives, and equity and social justice programs. The status quo budget includes less than \$300 per employee for staff training, which negatively affects employee engagement and personnel skills. The increased investment will allow staff to stay current with technology, laws, and business processes, while bolstering FMD's ability to better engage, develop, and retain their workforce.	715,248	0	0.0	0.0
Technical Adjustments				
(TA_001) Project Management for Children & Family Justice Center and Harborview Medical Center Restores project management and communications support for major capital projects. Term-Limited positions are added for the Children & Family Justice Center (CFJC) and 0.8 FTE is added for ongoing financial support of the Harborview Medical Center.	692,846	0	0.8	2.0
(TA_002) Surface Water Management Adds budget for proposed rate increase from Water & Land Resource Division. This rate goes towards Surface Water Management maintenance and inspection fees for the County's building inventory.	326,926	0	0.0	0.0
(TA_003) Operating Costs for Increased Building Inventory Adds building operating costs for increased building inventory, including new additions to inventory such as King Street Center and 4th & Jefferson, as well as buildings not budgeted in 2015-2016, such as the Blackriver and Yesler Buildings. This will also support planned enhancements to the Administration Building plaza and Goat Hill.	3,130,096	0	0.0	0.0
(TA_050) Revenue Adjustments Revise budgeted revenues to match current forecast.	0	14,689,794	0.0	0.0

**2017-2018 Executive Proposed Operating Budget
FACILITIES MANAGEMENT DIVISION (EN_A60100)**

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(TA_113) Vacancy Rate Adjustment Reflects the salary savings associated with the natural rate of employee turnover for a given agency and provide greater transparency in the budget.	(2,430,000)	0	0.0	0.0
(TA_198) Motor Pool Dispatch Rental Remove vehicle dispatch rental rates from the Fleet Motor Pool central rate account 55010 and move them into account 55258 Motor Pool ERR SVS. The amount was estimated based on 2015 actual rental billings and revised based on agency need and estimated usage for 2017-2018.	33,000	0	0.0	0.0
Central Rate Adjustments	2,913,922	0	0.0	0.0
Total Decision Package Adjustments	11,537,366	15,139,794	24.1	2.0

2017-2018 Proposed Financial Plan
Facilities Management Internal Service Fund /000005511

Category	2015-2016 Estimated¹	2017-2018 Proposed Budget²	2019-2020 Projected³	2021-2022 Projected³
Beginning Fund Balance	984,000	\$ 1,658,160	1,294,274	1,469,098
Revenues				
Outside Leases \ Miscellaneous	1,525,095	997,523	1,072,337	1,152,762
Interest Earnings	84,858	-	-	-
Bldg. O&M Charges to GF Agencies	67,627,985	70,004,493	75,254,830	80,898,942
Bldg. O&M Charges to Non-GF Agencies	9,620,772	15,687,483	16,864,044	18,128,848
Architectural-Engineering	9,317,830	9,942,367	10,688,045	11,489,648
Hourly Crafts	5,090,216	8,108,058	8,716,163	9,369,875
Print Shop Operations	1,811,082	2,064,240	2,219,058	2,385,487
Other Revenues from GF Sources	2,615,276	2,445,455	2,628,864	2,826,029
Space Planning ⁴		1,330,292	1,430,064	1,537,319
Conservation		534,096	574,153	617,215
Asset Management		1,722,558	1,851,750	1,990,631
Total Revenues	97,693,113	112,836,565	121,299,308	130,396,756
Expenditures				
Director's Office	(12,414,575)	(13,557,194)	(14,506,197)	(15,521,631)
Capital & Major Projects	(8,361,434)	(8,295,988)	(8,876,708)	(9,498,077)
Building Services	(74,615,381)	(89,282,966)	(95,532,773)	(102,220,067)
Print Shop Operations	(1,627,563)	(2,064,303)	(2,208,805)	(2,363,421)
Total Expenditures	(97,018,953)	(113,200,451)	(121,124,483)	(129,603,197)
Estimated Underexpenditures				
Other Fund Transactions⁵				
FBOD Fund Balance Adjustment				
Total Other Fund Transactions		-	-	-
Ending Fund Balance	1,658,160	1,294,274	1,469,098	2,262,657
Reserves⁶				
Expenditure Reserve (s)				
Cash Flow Reserve(s)				
Rate Stabilization Reserve(s)				
Rainy Day Reserve(s)	(1,465,000)	(1,693,000)	(1,819,000)	(1,956,000)
Total Reserves	(1,465,000)	(1,693,000)	(1,819,000)	(1,956,000)
Reserve Shortfall	-	398,726	349,902	-
Ending Undesignated Fund Balance	193,160	-	-	306,657

Financial Plan Notes (samples below)

¹ 2015-2016 Estimated reflect year end information from EBS and are consistent with the Budgetary Fund Balance figures published by FBOD.

² 2017-2018 Proposed Budget is consistent with expenditure and revenue data from Hyperion.

³ Outyear projections assume revenue and expenditure growth of 7-8% and reflect the most recent estimates, including the outyear impact of supplementals.

⁴ New revenue line items in 2017-2018 reflect the new approach to cost recovery through consolidated rates recovering the full cost of space.

⁵ Other fund transactions include accounting adjustments to balance to budgetary fund balance and miscellaneous refunds/rebates.

⁶ Rainy Day Reserve set at 3% of annual revenues, per Council adopted fund balance policy.

⁷ This plan was update by T.J. Stutman on 09/15/2016.

2017-2018 Executive Proposed Operating Budget FMD PARKING FACILITIES (EN_A60150)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	5,741,644	5,741,644	0.0	0.0
Base Budget Adjustments	0	0	0.0	0.0
Decision Package Adjustments	1,695,356	4,264,356	0.0	0.0
2017-2018 Executive Proposed Budget	7,437,000	10,006,000	0.0	0.0
2017-2018 Executive Proposed Ordinance	7,437,000	10,006,000	0.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Administrative Service Changes				
(AC_001) General Fund Transfer Adjusts the amount of ending fund balance transferred to General Fund, bringing biennial ending sub-fund balance to zero. This transfer supports the General Fund's supports the transfer to DCHS and other programs.	1,463,456	0	0.0	0.0
Technical Adjustments				
(TA_001) Parking Taxes Corrects an error in how parking taxes are budgeted. The 2015-2016 budget included taxes as budgeted expenditures, while taxes are netted out of revenue.	(150,000)	0	0.0	0.0
(TA_050) Revenue Adjustment Adjusts the budgeted revenues, accounting for increased fees, facility usage, and inclusion of King Street Center parking garage.	0	4,264,356	0.0	0.0
Central Rate Adjustments	381,900	0	0.0	0.0
Total Decision Package Adjustments	1,695,356	4,264,356	0.0	0.0

2017-2018 Proposed Financial Plan
Parking Facilities / 000001415

Category	2015-2016 Estimated ¹	2017-2018 Proposed Budget ²	2019-2020 Projected ³	2021-2022 Projected ³
Beginning Fund Balance	-	-	-	-
Revenues⁴				
Parking Revenues from General Fund	1,790,429	2,059,000	2,141,000	2,227,000
Parking Revenues from Non-GF County Agencies	1,436,332	3,152,000	3,278,000	3,409,000
Parking Revenues from Non-County Entities	3,656,480	4,795,000	4,987,000	5,186,000
Total Revenues	6,883,241	10,006,000	10,406,000	10,822,000
Expenditures				
Debt Service	(2,440,624)	(2,365,164)	(2,365,164)	(2,365,164)
Major Maintenance	(362,144)	(594,852)	(631,000)	(669,000)
Operation Expenses	(588,876)	(813,528)	(862,000)	(914,000)
General Fund Support ⁵	(2,132,119)	(3,663,456)	(3,772,836)	(3,876,836)
Total Expenditures	(5,523,763)	(7,437,000)	(7,631,000)	(7,825,000)
Estimated Underexpenditures				
Other Fund Transactions⁶				
Revenue Adjustments for Operator Expenses	(1,359,478)	(2,569,000)	(2,775,000)	(2,997,000)
Total Other Fund Transactions	(1,359,478)	(2,569,000)	(2,775,000)	(2,997,000)
Ending Fund Balance	-	-	-	-
Reserves				
Total Reserves	-	-	-	-
	-	-	-	-
Ending Undesignated Fund Balance	-	-	-	-

Financial Plan Notes

¹ 2015-2016 Estimated reflect year end information from EBS and are consistent with the Budgetary Fund Balance figures published by FBOD.

² 2017-2018 Proposed Budget is consistent with expenditure and revenue data from Hyperion.

³ Outyear projections assume revenue and expenditure growth of 4-6% and reflect the most recent estimates, including the outyear impact of supplementals.

⁴ Proposed fee increases are expected to increase gross revenues by 15%.

⁵ General Fund Support is force-balanced to reflect that all surplus is redirected to support the DCHS transfer and other GF programs.

⁶ Other fund transactions reflect revenue redirected to parking facility operators, including operating expenses and management fees.

⁷ This plan was updated by T.J. Stutman on 09/14/2016.

2017-2018 Executive Proposed Operating Budget REAL ESTATE SERVICES (EN_A44000)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	7,979,353	8,226,342	18.0	4.0
Base Budget Adjustments	(656,184)	268,720	0.0	(4.0)
Decision Package Adjustments	1,043,737	435,803	1.0	1.0
2017-2018 Executive Proposed Budget	8,366,906	8,930,865	19.0	1.0
2017-2018 Executive Proposed Ordinance	8,367,000	8,931,000	19.0	1.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_001) Franchise Program Add staff to support the County's franchise program. The intent is to renew all expired permits for utilities operating within the County's right of way. This includes support for redesigning business processes, and is backed by revenues collected from permit applicants.	308,323	308,323	1.0	0.0
(DS_002) Business Process and Performance Improvements Adds a Term Limited position to support RES staff in the leasing and permits sections, allowing for existing staff to implement findings from the Real Estate Line of Business Plan as well as potential improvements noted in the 2016 County Auditor Performance Audit, including business process documentation, data enhancements, and customer outreach.	308,323	0	0.0	1.0

**2017-2018 Executive Proposed Operating Budget
REAL ESTATE SERVICES (EN_A44000)**

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(DS_003) Wireless Telecommunications Right of Way Fee Adjusts the annual use fee for wireless telecommunications operating in the County's right of way. This fee ordinance was the subject of a proviso response (Motion 2015-0276) in 2015-2016 and has been adjusted to only impact telecommunications antenna on separate support structures. The revenue generated from the fee increase is proposed to support the Line of Business Implementation staff in 2017-2018.	0	337,542	0.0	0.0
Administrative Service Changes				
(AC_001) Employee Training Increase training budget to provide staff with the ability to enhance skills and to maintain professional licenses.	5,420	0	0.0	0.0
(AC_002) Permit System Maintenance Reduction Reduce Accela permit system maintenance account.	(10,000)	0	0.0	0.0
Technical Adjustments				
(TA_001) Surface Water Management Fees Increase Surface Water Management budget for fee increases administered by the Water and Land Resources Division. These fees are assessed on properties within the General Fund's property inventory in the County's unincorporated areas.	201,700	0	0.0	0.0
(TA_050) Revenue Adjustments Revise budgeted revenues to match current forecast.	0	(210,062)	0.0	0.0
(TA_113) Vacancy Rate Adjustment Reflects the salary savings associated with the natural rate of employee turnover for a given agency and provide greater transparency in the budget.	(76,000)	0	0.0	0.0
Central Rate Adjustments	305,972	0	0.0	0.0
Total Decision Package Adjustments	1,043,737	435,803	1.0	1.0

CAP SUMMARY REPORT

2017-2018 Biennial - Executive Proposed

3310 LONG-TERM LEASES - Facilities Mgmt.

Project Number	Project Name Class Code	Tech Adj	FY17-18	Current Scope
1039895	DES LTLF MASTER PROJECT PROGRAMMATIC		\$32,794,623	Long Term Lease Fund Master Project
3310 - LONG-TERM LEASES		Total	\$32,794,623	

3350 YOUTH SRVS FACILTS CONST - Facilities Mgmt.

Project Number	Project Name Class Code	Tech Adj	FY17-18	Current Scope
1121298	DES FMD 3350 T/T 3951 1117106	✓	\$191,964,731	Budget in this project makes budget authority available to transfer CFJC property tax levy collections to reimburse approved project budget in the CFJC construction project (project number 1117106 in Fund 3951 Building Repair and Replacement).
3350 - YOUTH SRVS FACILTS CONST		Total	\$191,964,731	

3421 MJR MNTNCE RSRV SUB-FUND - Facilities Mgmt.

Project Number	Project Name Class Code	Tech Adj	FY17-18	Current Scope
1039688	DES FMD MMRF CONTINGENCY PROGRAMMATIC		\$323,008	MMRF Emergent Need Contingency for Existing Projects
1039756	DES FMD MMRF CAP PRJT OVSIGHT ADMIN		\$11,838	King County Auditor Capital Project Oversight Allocation
1124124	DES FMD AB HEAT GEN SYSTMS STANDALONE		\$900,883	Administration Building Heat Generation System - This project will replace the primary heat exchangers and associated appurtenances in the Administration Building that provides the primary source of heat for domestic hot water and the building heating system.
1124472	DES FMD KCCH SYS REVITALIZ STANDALONE		(\$500,000)	King County Courthouse System Revitalization
1124606	DES FMD MMRF QUICK RESPONSE DES FMD MMRF CONTINGENCY		\$100,000	MMRF Quick Response Contingency
1127248	DES FMD AB REPL CHILLER CTRLS STANDALONE		\$137,073	Administration Building Replace Chiller Controls - This project will upgrade the building control system on the Admin Bldg. chillers including the installation of variable frequency drives (VFD's). The current chillers are currently being run inefficiently by sending them a false load signal that prevents them from short cycling on and off. Installation of the VFD' will prevent this and lengthen the life of the chillers.
1129710	DES FMD 24/7 FACILITY GROUP PROGRAMMATIC		\$5,919,505	24/7 Facility Group Master Project - This programmatic project will fund major maintenance repairs to FMD's 24/7 Facility Group. This group includes the Maleng Regional Justice Center (courthouse and detention

CAP SUMMARY REPORT

2017-2018 Biennial - Executive Proposed

				center) , King County Correctional Facility (KCCF), Regional Communication and Emergency Coordination Center (RCECC, and the Ravensdale Shooting Range Typical major maintenance will include either repair or replacement of major building systems: Exterior Enclosure, Interior Construction, Elevators, Mechanical, Electrical, Superstructure, and Foundations. These building systems were identified in the Facilities Management Division, Facility Condition Assessment as deficient or beyond their useful life. All of the identified projects proposed for the program were ranked in the top 10% of 1270 building deficiencies based on a formula that included building importance and condition, system importance and scheduled replacement factors as the primary criteria.
1129770	DES FMD ARV D4010 FIRE/SPRINK STANDALONE		\$1,447,361	Archives Building Fire Protection Sprinkler System - This project will change the existing sprinkler system to a pre-action system (dry) and separate the sprinkler main from the Records Bldg. The existing wet system is inappropriate for a record storage facility.
1129771	DES FMD DIS NE D5010 ELEC/DIST STANDALONE		\$134,192	Northeast District Court Electrical Service and Distribution - This project will test and repair known electrical deficiencies, and plan for other upgrades and replacements of the electrical system at the NE District Court. The specific scope of work includes: 1) Perform IR scanning (infrared) to locate hot spots due to worn or loose components; 2) Replace existing central inverter system for exit lighting, replace existing aged transformer, and other incidental repairs; 3) Retain Electrical engineering consultant to synthesize the IR report and recommend further scope of work repairs.
1129774	DES FMD PBDEO D3050 TP UNITS STANDALONE		\$1,043,131	Barclay Dean Building Terminal and Package Units - This project will replace rooftop HVAC units at the Barclay Dean building that have exceeded their life span. The scope of work will include the removal of 5 existing rooftop HVAC units that are past their expected life span and replaced with high efficiency RTUs. Additional work will include testing, adjusting, and balancing after new units are installed and commissioned.
1129776	DES FMD PBDEW D5010 ELE/DIST STANDALONE		\$218,118	Barclay Dean Building Electrical and Distribution - This project will repair Deficiencies in electrical subsystem in Police Barclay Dean Evidence storage building: 1) Replace existing Main Distribution Panel, 2) Install new battery-back egress and exit lighting, 3) Replace existing plastic multi-outlet strips serving security and HVAC controls plug in low voltage transformers with permanent receptacles and straps to keep plugs in place, 4) Load test generator and provide any required maintenance, verify battery charger is functioning properly, replace if required, verify generator cover is not leaking from rust areas.
1129784	DES FMD P#4 BUR D5010 ELE/DIST STANDALONE		\$425,667	Precinct #4 Burien Electrical Service and Distribution - This project will replace the 800A primary service panel, the 200A distribution panel, and 75kVA transformer at the Burien facility that includes the police precinct (1st floor) and district court (2nd floor).
1129785	DES FMD P#4 BUR D5031 FIRE ALM STANDALONE		\$177,587	Precinct #4 Burien Fire Alarm Systems - This project will renew the existing fire alarm control panel and all devices on both floors of the Burien facility, this includes both the police precinct (1st floor) and district court (2nd floor).
1129786	DES FMD ADMIN BLDG D5031 FIRE STANDALONE		\$737,994	Administration Building Fire Alarm Systems - This project will renew existing fire alarm system that will include the replacement of all devices and panels. This project assumes that the existing wiring is compatible with the new panels and devices. Existing panels are MXL models which will not have manufacturer support after Oct. 2018.

CAP SUMMARY REPORT

2017-2018 Biennial - Executive Proposed

1129787	DES FMD ADMIN BLDG D5010 ELE/D STANDALONE		\$1,760,474	Administration Building Electrical Service and Distribution - This project will test the main switchgear, buss ducts, and main branch panels in Administration Building. This will require a full building shutdown and cooperation (and cost) with City Light. Includes correction of items noted in 2013-14 TEGG report by electrical inspection company, Seahurst, that includes replacement of certain transformers, providing appropriate clearance in electrical closets on each floor, replacing some panels and if necessary, repurposing power abandoned after boilers were removed from building.
1129788	DES FMD BLACK RIV D3050 TER/PA STANDALONE		\$785,254	Black River Office Building Terminal and Package Units - This project will perform functional testing of fan boxes, test & balance system, replace non-functioning fan boxes & VAV boxes, upgrade controls, commission systems in the Black River Office building.
1129789	DES FMD ADMIN BLDG D3060 CI STANDALONE		\$462,427	Administration Building Controls and Instrumentation - This project is the initial phase of a multiple phase project to renew the HVAC control system in the Admin Bldg. This phase will renew the HVAC controls on ½ of one floor of the six floors where the mixing boxes will be replaced, including floor level return air damper actuators and sensors. This project is dependent upon project 1129790 being done at the same time. Implementation includes tenant relocation and isolating ½ of one floor for construction and temporary relocation of tenants during construction. Project excludes renewal of fire alarm, lighting, ceiling or seismic bracing of other overhead systems.
1129790	DES FMD ADMIN BLDG D3050 TPU STANDALONE		\$1,446,665	Administration Building Terminal and Package Units - This project is the initial phase of a multiple phase project to replace the dual duct mixing boxes in the Admin Bldg. This phase will replace the mixing boxes on ½ of one floor of the six floors where the mixing boxes need to be replaced. This project is dependent upon project 1129789 being done at the same time. Implementation includes tenant relocation and isolating ½ of one floor for construction and temporary relocation of tenants during construction. Project excludes renewal of fire alarm, lighting, ceiling or seismic bracing of other overhead systems.
1129791	DES FMD ADMIN BLDG D3049 FAU STANDALONE		\$507,721	Administration Building Fans and Air Handling Units - Service and Repair the original Administration Building's Central HVAC hot and cold deck utility fan system (2 fans), the fan and air handling unit fans (2 Supply fans, 1 Return and 2 Exhaust fans), Replace all pneumatic controls, provide Testing and Balancing of fans.
1129793	DES FMD BLACK RIV B3010 ROF/EX STANDALONE		\$2,090,606	Black River Building Roofing Replacement and Exterior - Project includes replacement of roof and repairs of exterior wall cladding. Existing roof is 27 years old, has been patched extensively, and is well beyond its useful life. Cladding needs cleaning, sealing, and repairs of numerous holes and other damage.
3421 - MJR MNTNCE RSRV		Total	\$18,129,504	
SUB-FUND				
3951 BLDG REPAIR/REPL SUBFUND - Facilities Mgmt.				
Project Number	Project Name Class Code	Tech Adj	FY17-18	Current Scope
1040874	DES FMD CAPITAL PRJCT OVERSGHT ADMIN		\$8,779	Capital Project Oversight - This is an administrative project payment to cover a proportionate share of the cost of the Capital Project Oversight (CPO) function in the King County Auditor's Office (KCAO).

CAP SUMMARY REPORT

2017-2018 Biennial - Executive Proposed

1116719	DES FMD DC SECURITY VESTIBULES STANDALONE		(\$176,668)	District Court Security Vestibules - Project dis-appropriation of remaining budget in project to provide awnings over entryways to District Court facilities.
1117106	DES FMD Child/Fam Justice Ctr STANDALONE		\$0	Children and Family Justice Center - Redevelop of the existing 9.1 acre YSC site to include a 137,000 sf courthouse, 98,000 detention facility and parking garage for the new Children and Family Justice Center.
1122048	DES FMD AFIS PROP MGMT UNIT PL STANDALONE		\$8,918,530	AFIS Property Management Unit Relocation - This project includes the design and construction of a new latent fingerprint processing laboratory for the King County Regional Automated Fingerprint Identification System (AFIS) at the County's Blackriver Building.
1124148	DES FMD ASSET MANGMNT SYS STANDALONE		\$2,434,648	Asset Management System - This project is the first of two or three phases intended to purchase, configure, and implement a robust comprehensive system that will increase FMD's efficiency and effectiveness in managing, maintaining, and operating County buildings, leases, and other properties and assets. This project (Phase I) will procure and implement the initial modules of a comprehensive Integrated Workplace Management System solution to align existing Real Estate and Operations functions (currently kept in Excel spreadsheets, an Access database, and the Standardware program) with standard industry practices. The other currently-used programs that could be replaced in future phases include Maximo (maintenance work orders, preventive maintenance), Unifier (capital project control), Access (facility conditions, major maintenance planning), and a number of applications for tracking and managing energy and utility usage. Ultimately, the new comprehensive system will improve data accuracy and maximize revenue through more frequent market-rate adjustments, more efficient use of County-owned space, and reduced risk of forgone revenues from expired or unadjusted leases.
1124441	DES FMD RESOURC CONSERV GRANTS PROGRAMMATIC		(\$605,000)	Contingency Resource Conservation Grants - This CRCG project affords FMD the flexibility to begin resource conservation projects such as energy and water efficiency projects as time-sensitive external funding sources such as grants and other financial awards are approved for transfer to King County. As projects are begun they will be removed from a sub project status in the CRCG project and proposed as a standalone project in a supplemental or biennial budget ordinance.
1125015	DES FMD YESLER BR UTIL RELOC STANDALONE		\$468,333	Yesler Bridge Utility Relocation - Temporarily relocate KC utilities including a security camera, emergency generator fuel tank vents, and an engine exhaust pipe from underneath the Yesler 4th Avenue Bridge to accommodate City of Seattle work on the Yesler Street Bridge. FMD emergency generator vents and exhaust pipe will be temporarily relocated for the duration of the contract and then installed back at the Yesler Bridge site once the City of Seattle project is complete.
1129041	DES FMD MRJC SOLAR ENERGY STANDALONE		\$866,665	MRJC Solar Energy - This project will install solar electric energy generation equipment on the roof of the Maleng Regional Justice Center with roof maintenance to be completed prior to the solar panel installation on the roof.
1129759	DES FMD PH COLUMBIA DENTAL CLI		\$372,286	Columbia Dental Clinic - This project includes the replacement of six dental operatories with new modular operatories with digital x-ray and electronic health record capability and related dental casework. The existing

CAP SUMMARY REPORT

2017-2018 Biennial - Executive Proposed

	STANDALONE			inadequate and poor quality floor and sub-floor will be replaced. Construction work to occur on weekends to avoid interference with service delivery.
1129760	DES FMD PH NORTH DENTAL CLINIC STANDALONE		\$376,571	Public Health North Dental Clinic - This project includes the replacement of five dental operatories with new modular operatories with digital x-ray equipment and electronic health record capability and related dental casework. The existing inadequate and poor quality floor will be replaced and a secure half door will be installed at the entrance to the clinic. Construction work to occur on weekends to avoid interference with service delivery.
1129769	DES FMD BULLET PROOF GLASS STANDALONE		\$223,176	Bulletproof Glass - This project will remove and replace the existing reception counter in the KCSO on the 1st floor of the KCCH with a new bullet proof and secured reception counter, similar to standard reception counters in KCSO Precincts reception areas.
1129773	DES FMD ADMIN BLDG SECURITY STANDALONE		\$96,628	Administration Building Security - This project will provide two guard posts, one at the 4th Ave entry and one at the 5th Ave entry with replacement of master key locks.
1129781	DES FMD GENDER NEUTRAL RESTRMS STANDALONE		\$66,000	Gender Neutral Restrooms - This project will provide gender neutral restrooms at the Courthouse, King Street Center, and Administration Building.
1129783	DES FMD WELLNESS ROOM STANDALONE		\$69,067	This project will provide a Wellness Room for employees at the KC Courthouse. A Wellness Room will provide someone with medical issues, nursing mothers and employees needing a private area to attend to their health and wellness needs.
1130262	DES FMD KCSO S RANGE REMEDIATN STANDALONE		\$324,349	KCSO Shooting Range Remediation - The scope of this project includes: 1) Cleanup lead of contaminated soil from area around backstop and restoration of the surrounding ground surface, 2) removal and disposal of two Conex boxes & contents from behind backstop area, 3) removal of contaminated ditch sediments & restoration of ditch. Other assumptions are that the cleanup would be conducted as a maintenance activity and not a cleanup action under MTCA, and that grading permit would not be needed.
1130313	DES FMD CIVIC CAMPUS PLANNING STANDALONE		\$687,232	Civic Campus Planning - The project will implement the early phases of the Civic Campus Plan. Key tasks to include: 1.) Project Initiation: a.) assemble project team, b.) select consultant(s), c.) develop vision, guiding principles, concepts and goals; d.) engage stakeholders and community; and e.) create project charter and project management plan, 2.) Facility Needs Analysis: a.) identify operational and space needs by agency, b.) identify campus-wide operational and space needs by agency, and c.) create facility needs analysis report, and 3.) form a Project Steering Committee with members from the separately elected offices, the County Council, Executive, DAJD, and other departments/agencies.
3951 - BLDG REPAIR/REPL		Total	\$14,130,596	

CAP SUMMARY REPORT
2017-2018 Biennial - Executive Proposed

SUBFUND	
Grand Total	\$257,019,454

**2017-2018 Proposed Financial Plan
Long Term Lease Fund / 000003310**

Capital Improvement Program (CIP) Budget

	2015-2016 Carryforward (YE ITD Balance)	2017-2018 Proposed ¹	2017-2018 Total (Balance + Budget)	2019-2020 Estimated ²	2021-2022 Estimated ²
Capital Budget Revenue Sources:					
Revenue Backing from Fund Balance	-	-	-	-	-
Interfund Rent ⁶	-	30,912,598	30,912,598	31,839,976	32,795,175
Lease Admin Fee Collected from Agencies	-	1,882,025	1,882,025	1,938,486	1,996,641
Total Capital Revenue	\$ -	\$ 32,794,623	\$ 32,794,623	\$ 33,778,462	\$ 34,791,816
Capital Appropriation:					
Lease Payments	-	30,912,598	30,912,598	31,839,976	32,795,175
LTL Services ⁷	-	1,882,025	1,882,025	1,938,486	1,996,641
Total Capital Appropriation	\$ -	\$ 32,794,623	\$ 32,794,623	\$ 33,778,462	\$ 34,791,816

CIP Fund Financial Position

	2015-2016 Biennial to Date Actuals ³	2015-2016 Estimated ⁴	2017-2018 Biennial to Date Actual	2017-2018 Estimated	2019-2020 Estimated ⁵	2021-2022 Estimated ⁵
Beginning Fund Balance	1,079,161	1,079,161	332,581	332,581	332,581	332,581
Capital Funding Sources						
Interfund Rent	56,728,236	77,999,476	-	30,912,598	31,839,976	32,795,175
Lease Admin Fee Collected from Agencies	1,264,384	1,274,384	-	1,882,025	1,938,486	1,996,640
Investment Gain	9,422	9,938	-	-	-	-
	-	-	-	-	-	-
Total Capital Revenue	\$ 58,002,042	\$ 79,283,798	\$ -	\$ 32,794,623	\$ 33,778,462	\$ 34,791,816
Capital Expenditures						
Lease Payments	(56,242,425)	(78,129,344)	-	(30,912,598)	(31,839,976)	(32,795,175)
LTL Services - RES	(518,097)	(1,036,194)	-	(1,882,025)	(1,938,486)	(1,996,640)
Comprehensive Facility Asset Mgmt Sys Support	(120,398)	(148,998)	-	-	-	-
Lease Services - FMD Operations Support	(32,343)	(41,193)	-	-	-	-
KSC Transition	(4,172)	(12,516)	-	-	-	-
KSC Surplus	(141,147)	(12,056)	-	-	-	-
Auburn DPH Lease Termination	(501,135)	(501,135)	-	-	-	-
Chinook Reconfiguration	(47,996)	(148,942)	-	-	-	-
LTL Asset Management Project	(47,555)	-	-	-	-	-
Total Capital Expenditures	\$ (57,655,268)	\$ (80,030,378)	\$ -	\$ (32,794,623)	\$ (33,778,462)	\$ (34,791,816)
Other Fund Transactions						
Ending Undesignated Fund Balance	\$ 1,425,935	\$ 332,581	\$ 332,581	\$ 332,581	\$ 332,581	\$ 332,581

Financial Plan Notes:

¹ 2017-2018 Proposed Budget has been revised with updated information received 8/17/16

² Outyear budget estimates are based on estimated 3% annual increases.

³ 2015-2016 Biennial-to-Date Actuals reflects actual revenues and expenditures as of 5/31/2016 using EBS report GL_030

⁴ 2015-2016 Estimated reflects updated revenue and expenditure estimates as of 7/31/2016.

⁵ Outyear revenue and spending estimates are based on current revenue estimates and estimated increases at 3%/year.

⁶ The 2017-2018 Proposed Interfund Rent includes 6 payments in 2017 for the King Street 63-20 Lease totaling \$1,908,375 and estimated operating costs due to Wright Runstad for 5 months of \$1,085,542. Total of \$2,993,917 to be collected through FMD's Space Charge in 2017.

⁷ LTL Services include cost of RES leasing services, FMD Operations support, Conservation Management and allocation of the Comprehensive Facilities Asset Management System. This cost is backed by the Lease Admin Fee collected from agencies.

⁸ This plan was updated by Carolyn Mock on 9/9/16.

**2017-2018 Proposed Financial Plan
FMD Youth Services Facilities/000003350**

Capital Improvement Program (CIP) Budget

		2015-2016 Carryforward (YE ITD Balance) ¹	2017-2018 Proposed ²	2017-2018 Total (Balance + Budget)	2019-2020 Estimated ³	2021-2022 Estimated ³
Capital Budget Revenue Sources:						
Revenue Backing from Fund Balance			64,620,069	64,620,069		
Levy for CFJC			126,984,662	126,984,662		
Interest Earnings			360,000	360,000		
Total Capital Revenue		\$ -	\$ 191,964,731	\$ 191,964,731	\$ -	\$ -
Capital Appropriation:						
CFJC Levy		0	191,964,731	191,964,731		
Total Capital Appropriation		\$ -	\$ 191,964,731	\$ 191,964,731	\$ -	\$ -

CIP Fund Financial Position

	2015-2016 Biennial to Date Actuals ⁴	2015-2016 Estimated	2017-2018 Biennial to Date Actual	2017-2018 Estimated ⁵	2019-2020 Estimated ⁶	2021-2022 Estimated ⁶
Beginning Fund Balance	38,829,813	38,829,813		64,969,033	0	0
Capital Funding Sources						
Levy for CFJC	36,119,547	46,563,723		48,930,500	51,295,311	26,781,768
Other Revenue		640,000	0	300,000	40,000	20,000
Total Capital Revenue	\$ 36,119,547	\$ 47,203,723	0	\$ 49,230,500	\$ 51,335,311	\$ 26,801,768
Capital Expenditures						
CFJC	(20,080,141)	(21,064,503)	0	(114,199,533)	(51,335,311)	(26,429,787)
Total Capital Expenditures	\$ (20,080,141)	\$ (21,064,503)	0	\$ (114,199,533)	\$ (51,335,311)	\$ (26,429,787)
Other Fund Transactions						
Ending Fund Balance	\$ 54,869,219	\$ 64,969,033	0	0	0	\$ 371,981
Fund Balance designated to current projects⁷			0	0	0	0
Reserves						
Expenditure Reserve(s) (Carryover)						125,000
Other Revenue ⁸						
Total Reserves	0	0	0	0	0	\$ 125,000
Projected Shortfall	0	0	0	0	0	0
Ending Undesignated Fund Balance	\$ 54,869,219	\$ 64,969,033	0	0	0	\$ 496,981

Financial Plan Notes

¹ 2015-2016 Carryover reflects estimates of year end inception to date appropriation balances or actual balance as reported by the PA_103 report.

² 2017-2018 Proposed Budget is consistent with expenditure and revenue data from PIC and matches the CIP Attachment A.

³ Outyear budget estimates are consistent with Attachment A out years estimates with exceptions noted.

⁴ 2015-2016 (or 2017-2018) Biennial-to-Date Actuals reflects actual revenues and expenditures as of 06/30/2016, using EBS report 105.

⁵ 2015-2016 (or 2017-2018) Estimated reflects updated revenue and expenditure estimates as of 9/1/2016.

⁶ Outyear revenue and spending estimates are based on current revenue estimates and project spending plans.

⁷ Fund balance designated to current projects is for projects that are already appropriated.

⁸ Other Revenue consists of delinquent property tax collections in 2022 and 2023.

2017 -2018 Proposed Financial Plan
Major Maintenance Reserve Fund / 000003421

Capital Improvement Program (CIP) Budget					
	2015-2016 Carryforward (YE ITD Balance)¹	2017-2018 Executive Proposed²	2017-2018 Total (Balance + Budget)	2019-2020 Estimated³	2021-2022 Estimated³
Capital Budget Revenue Sources:					
DOWNTOWN OFFICE BLDG GROUP	-	8,853,370	8,853,370	9,118,971	9,392,540
COURTHOUSE GROUP ⁹	11,629,987	2,173,910	13,803,897	2,239,127	2,306,301.12
YESLER BLDG GROUP	-	-	-	-	-
EARLINGTON GROUP	-	928,890	928,890	956,757	985,459
24/7 FACILITIES BLDG GROUP	-	5,092,640	5,092,640	5,245,419	5,402,782
DISTRICT COURT FACILITIES BLDG GROUP	-	204,238	204,238	210,365	216,676
KCSO PRECINCTS BLDG GROUP	-	103,408	103,408	106,510	109,706
PUBLIC HEALTH BLDG GROUP	-	194,576	194,576	200,413	206,426
INDUSTRIAL/STORAGE BLDG GROUP	-	483,620	483,620	498,129	513,072
GOAT HILL PARKING GROUP	-	594,852	594,852	594,852	594,852
FUND BALANCE TRANSFER ¹⁰	-	(500,000)	(500,000)	-	-
Total Capital Revenue	\$ 11,629,987	\$ 18,129,504	\$ 29,759,491	\$ 19,170,544	\$ 19,727,814
Capital Expenditure Appropriation:					
DOWNTOWN OFFICE BLDG GROUP	(250,022)	(8,840,935)	(9,090,957)	(9,106,163)	(9,379,348)
COURTHOUSE GROUP ¹⁰	(11,457,679)	500,000	(10,957,679)	-	-
YESLER BLDG GROUP	-	-	-	-	-
EARLINGTON GROUP	(24,355)	-	(24,355)	-	-
24/7 FACILITIES BLDG GROUP	(5,168,589)	(5,919,505)	(11,088,094)	(6,097,090)	(6,280,003)
DISTRICT COURT FACILITIES BLDG GROUP	(64,213)	(134,192)	(198,405)	(138,218)	(142,364)
KCSO PRECINCTS BLDG GROUP	-	(603,254)	(603,254)	(621,352)	(639,992)
PUBLIC HEALTH BLDG GROUP	(38,480)	-	(38,480)	-	-
INDUSTRIAL/STORAGE BLDG GROUP	(729,221)	(3,131,618)	(3,860,839)	(3,225,567)	(3,322,334)
GOAT HILL PARKING GROUP	(8,080)	-	(8,080)	-	-
ADMINISTRATIVE/OTHER GROUP w/GF	(682,952)	-	(682,952)	-	-
	-	-	-	-	-
Total Capital Expenditure Appropriation	\$ (18,423,592)	\$ (18,129,504)	\$ (36,553,096)	\$ (19,188,389)	\$ (19,764,041)

CIP Fund Financial Position						
	2015-2016 Biennial to Date Actuals⁴	2015-2016 Estimated⁵	2017-2018 Biennial to Date Actual	2017-2018 Estimated⁶	2019-2020 Estimated⁷	2021-2022 Estimated⁷
Beginning Fund Balance	19,185,822	19,185,822	451,622	451,622	2,682,732	(2,744,224)
Capital Funding Sources						
DOWNTOWN OFFICE BLDG GROUP	378,254	395,522		8,853,370	9,118,971	9,392,540
COURTHOUSE GROUP ⁹	-	-		13,803,897	2,239,127	2,306,301
YESLER BLDG GROUP	-	-		-	-	-
EARLINGTON GROUP	553,604	738,138		928,890	956,757	985,459
24/7 FACILITIES BLDG GROUP	-	-		5,092,640	5,245,419	5,402,782
DISTRICT COURT FACILITIES BLDG GROUP	-	-		204,238	210,365	216,676
KCSO PRECINCTS BLDG GROUP	-	-		103,408	106,510	109,706
PUBLIC HEALTH BLDG GROUP	473,136	736,416		194,576	200,413	206,426
INDUSTRIAL/STORAGE BLDG GROUP	411,170	548,226		483,620	498,129	513,072
GOAT HILL PARKING GROUP	271,608	362,144		594,852	612,698	631,078
ADMINISTRATIVE/OTHER GROUP w/GF	7,204,698	9,364,380		(500,000)	-	-
Total Capital Revenue	\$ 9,292,470	\$ 12,144,826	\$ -	\$ 29,759,491	\$ 19,188,389	\$ 19,764,041
Capital Expenditures						
DOWNTOWN OFFICE BLDG GROUP	(387,788)	(689,720)	-	(9,557,250)	(9,843,968)	(10,139,287)
COURTHOUSE GROUP ⁹	(2,167,753)	(5,162,618)	-	(11,985,819)	(1,911,507)	(1,968,852)
YESLER BLDG GROUP	-	-	-	-	-	-
EARLINGTON GROUP	(55,855)	(67,187)	-	-	-	-
24/7 FACILITIES BLDG GROUP	(10,477,654)	(14,258,250)	-	(8,177,302)	(8,422,621)	(8,675,299)
DISTRICT COURT FACILITIES BLDG GROUP	(103,145)	(177,140)	-	(134,192)	(138,218)	(142,364)
KCSO PRECINCTS BLDG GROUP	-	-	-	(603,254)	(621,352)	(639,992)
PUBLIC HEALTH BLDG GROUP	(58,360)	(106,151)	-	-	-	-
INDUSTRIAL/STORAGE BLDG GROUP	(1,169,004)	(2,011,654)	-	(3,279,280)	(3,377,658)	(3,478,988)
GOAT HILL PARKING GROUP	(18,665)	(22,290)	-	-	-	-
ADMINISTRATIVE/OTHER GROUP	(1,123,374)	(1,884,016)	-	(291,284)	(300,022)	(309,023)

Total Capital Expenditures	\$ (15,561,598)	\$ (24,379,026)	\$ -	\$ (34,028,380)	\$ (24,615,345)	\$ (25,353,806)
Other Fund Transactions						
Transfer unspent fund balance to General Fund ¹¹		(6,500,000)	-	6,500,000		
Ending Fund Balance	\$ 12,916,694	\$ 451,622	\$ 451,622	\$ 2,682,732	\$ (2,744,224)	\$ (8,333,989)
Fund Balance designated to current projects⁸	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reserves⁸						
Expenditure Reserve(s) (Carryover)		(18,423,592)				
Revenue Reserve(s) (Carryover)		11,629,987				
Total Reserves	\$ -	\$ (6,793,605)	\$ -	\$ -	\$ -	\$ -
Projected Shortfall ¹¹	-	6,341,983	-	-	2,744,224	8,333,989
Ending Undesignated Fund Balance	\$ 12,916,694	\$ -	\$ 451,622	\$ 2,682,732	\$ -	\$ -

Financial Plan Notes

¹ 2015-2016 Carryforward: MMRF budget revenue sources are based on streamlined rate. The revenue of \$11,629,987 for project 1130085 KCCH Electrical work (Ordinance #18341-Aug 30,2016) will have carryforward at the end of 2016, which is expected to be collected in 2017 (C10). MMRF expenditures are based on cost spending estimates. The Unexpended at Year End 2016 will carry forward into 2017.

² 2017-2018 Executive Proposed: The proposed revenue is consistent with revenue data from the 2017-2018 Proforma streamlined rate (D9-D21). The proposed expenditure is consistent with expenditure data from PIC and matches CIP Attachment A (D24-D37).

³ Outyear budget : Estimated reflects the assumed revenue growth of 3% per year. Information in PIC for outyears will not match until transition to budget by building group is completed. (F9-F37 & G9-G37).

⁴ 2015-2016 (or 2017-2018) Biennial: Biennial-to-Date Actuals reflects actual revenues and expenditures as of 06/30/16, using EBS report GL_030 (B44-B71).

⁵ 2015-2016 (or 2017-2018) Estimated : Revenue estimated was based on central rate (C44-C56). Expenditure estimated reflects updated data based on 2015 actual (ADJ-2015) and 2016 estimates cash flow from PPM's (C59-C71).

⁶ 2017-2018 Estimated: The proposed revenue is consistent with revenue data from the 2017-2018 Proforma streamlined rate (E44-E56). The proposed expenditure is consistent with expenditure data from PPM's cash flow on 9/2/16. (E59-E71).

⁷ 2019-2022 Estimated: Estimated reflects the assumed revenue and expenditure growth of 3% and reflects the most recent budget, including the outyear impact of supplementals. (F44-F71 and G44-G71).

⁸ Reserves: Expenditure Reserve(s)(carryover): \$18,423,592 is from 2015-2016 Budget Unexpended at Year End (C82). Revenue Reserve(s)(carryover): \$11,629,987 is from 2015-2016 Budget Unexpended at Year End (C10).

⁹ Courthouse project will be supported through bond proceeds and the debt service will be paid by the General Fund. The revenue will have carryforward at the end of 2016, which is expected to be collected in 2017 (C10).

¹⁰ Transfer fund balance from MMRF project 1124472 Courthouse Revitalization \$500,000 to F3951 BR&R.

¹¹ Transfer unspent fund balance to General Fund: \$6.5M is being transferred out in 15-16 and transferred back in 2017-2018 as provided by PSB (C75 , E75 & C88).

¹² This plan was updated by Li Yu on 09/15/16.

**2017-2018 Proposed Financial Plan
FMD Building Repair and Replacement Fund/000003951**

Capital Improvement Program (CIP) Budget					
	2015-2016 Carryforward (YE ITD Balance)¹	2017-2018 Proposed²	2017-2018 Total (Balance + Budget)	2019-2020 Estimated³	2021-2022 Estimated³
Capital Budget Revenue Sources:					
Revenue Backing from Fund Balance	-	227,418	227,418	-	-
General Fund	800,000	2,000,000	2,800,000	2,100,000	2,200,000
Levy for CFJC	180,999,355		180,999,355	0	4,307,295
Levy for AFIS	100,000	8,918,530	9,018,530	0	0
Bond Proceeds		2,434,648	2,434,648		
Other Revenue		550,000	550,000		
Total Capital Revenue	\$ 181,899,355	\$ 14,130,596	\$ 196,029,951	\$ 2,100,000	\$ 6,507,295
Capital Appropriation:					
CFJC	(180,999,355)		(180,999,355)	0	(4,307,295)
AFIS Relocation Project	(100,000)	(8,918,530)	(9,018,530)	0	0
Other Projects	(800,000)	(5,388,066)	(6,188,066)	(2,100,000)	(2,200,000)
<i>Disappropriations (positive)</i>		176,000	176,000	-	-
Total Capital Appropriation	\$ (181,899,355)	\$ (14,130,596)	\$ (196,029,951)	\$ (2,100,000)	\$ (6,507,295)

CIP Fund Financial Position						
	2015-2016 Biennial to Date Actuals⁴	2015-2016 Estimated	2017-2018 Biennial to Date Actual⁴	2017-2018 Estimated⁵	2019-2020 Estimated⁶	2021-2022 Estimated⁶
Beginning Fund Balance	1,183,529	1,183,529		(3,746,251)	(2,921,183)	(11,758)
Capital Funding Sources						
Revenue Backing from Fund Balance	-	-	-	-	-	-
General Fund	3,625,214	3,938,952	-	2,800,000	2,000,000	2,000,000
Levy for CFJC	20,160,347	33,109,985	-	155,323,185	21,368,875	4,307,295
Levy for AFIS	114,952	649,141	-	9,018,530	-	-
Bond Proceeds	2,862,066	184,376	-	-	-	-
Interfund Borrowing Repayment Plan	-	-	-	2,020,355	2,909,425	-
Other Revenue	2,273,685	6,666,536	-	531,534	-	-
Reconciliation Closed Projects						
Total Capital Revenue	\$ 29,036,264	\$ 44,548,990	\$ -	\$ 169,693,604	\$ 26,278,300	\$ 6,307,295
Capital Expenditures						
CFJC	(20,425,815)	(33,109,985)	-	(155,323,185)	(21,368,875)	(4,307,295)
AFIS Relocation Project	(116,190)	(649,141)	-	(9,018,530)	-	-
Other Projects (includes KSC consolidations)	(12,812,155)	(15,719,644)	-	(4,526,821)	(2,000,000)	(2,000,000)
Interfund Loan Repayment						
Total Capital Expenditures	\$ (33,354,160)	\$ (49,478,770)	\$ -	\$ (168,868,536)	\$ (23,368,875)	\$ (6,307,295)
Other Fund Transactions						
Ending Fund Balance	\$ (3,134,367)	\$ (3,746,251)	\$ -	\$ (2,921,183)	\$ (11,758)	\$ (11,758)
Fund Balance designated to current projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reserves						
Expenditure Reserve(s) (Carryover) ⁷		(175,348,758)		(21,368,875)		
CFJC Levy Pending Collections ⁸		180,999,355		25,676,170	4,307,295	
Other Revenue ⁹		881,534				
Interfund Loans ¹⁰		4,929,780		2,909,425		
Expenditure Restrictions ¹¹		(7,500,000)		(4,307,295)	(4,307,295)	
Projected Project Close-out Budget ¹²				100,000	100,000	100,000
Total Reserves	\$ -	\$ 3,961,911	\$ -	\$ 3,009,425	\$ 100,000	\$ 100,000
Projected Shortfall	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Ending Undesignated Fund Balance	\$ -	\$ 215,660	\$ -	\$ 88,242	\$ 88,242	\$ 88,242

Financial Plan Notes

¹ 2015-2016 Carryover reflects estimates of year end inception to date appropriation balances or actual balance as reported by the PA_103 report.

² 2017-2018 Proposed Budget is consistent with expenditure and revenue data from PIC and matches the CIP Attachment A.

³ Outyear budget estimates are consistent with Attachment A out years estimates with exceptions noted.

⁴ 2015-2016 (or 2017-2018) Biennial-to-Date Actuals reflects actual revenues and expenditures as of 06/30/2016, using EBS report 105.

⁵ 2015-2016 (or 2017-2018) Estimated reflects updated revenue and expenditure estimates as of 9/1/2016.

⁶ Outyear revenue and spending estimates are based on current revenue estimates and project spending plans.

⁷ The amounts represent approved budget that will be unspent and will be carried over into the next biennium.

⁸ The approved CFJC budget authority unexpended in a given biennium is shown as a pending collection for a subsequent biennium.

⁹ Other Revenue consists of a combination of General Fund, Other Agencies, Grants, and other miscellaneous revenue types

¹⁰ The Executive Finance Committee approved interfund loans for KSC space efficiencies to be repaid through O&M per square foot charges to be repaid in the 2019-2020 biennium.

¹¹ The expenditure carryover amount is reduced by the carryover subset of \$7.5M associated with excess CFJC levy proceeds. \$3.2M of the expenditure reserve is for the Alder School construction proposed in the 2017-2018 budget.

¹² The reserve for project close-out anticipates cancellation of budget balance remaining as projects are completed.

FINANCE AND BUSINESS OPERATIONS

Mission

Provide exceptional customer value for accounting, procurement, treasury, payroll, benefits, and small business services.

Overview

The Finance and Business Operations Division (FBOD) of Department of Executive Services (DES) provides critical financial and payroll business functions to King County and local government agencies to advance the financial stewardship goal of exercising sound financial management and building King County's long term fiscal strength. FBOD is comprised of five sections/units: Financial Management; Treasury; Procurement; Business Development and Contracts Compliance; and Benefits, Payroll and Retirement.

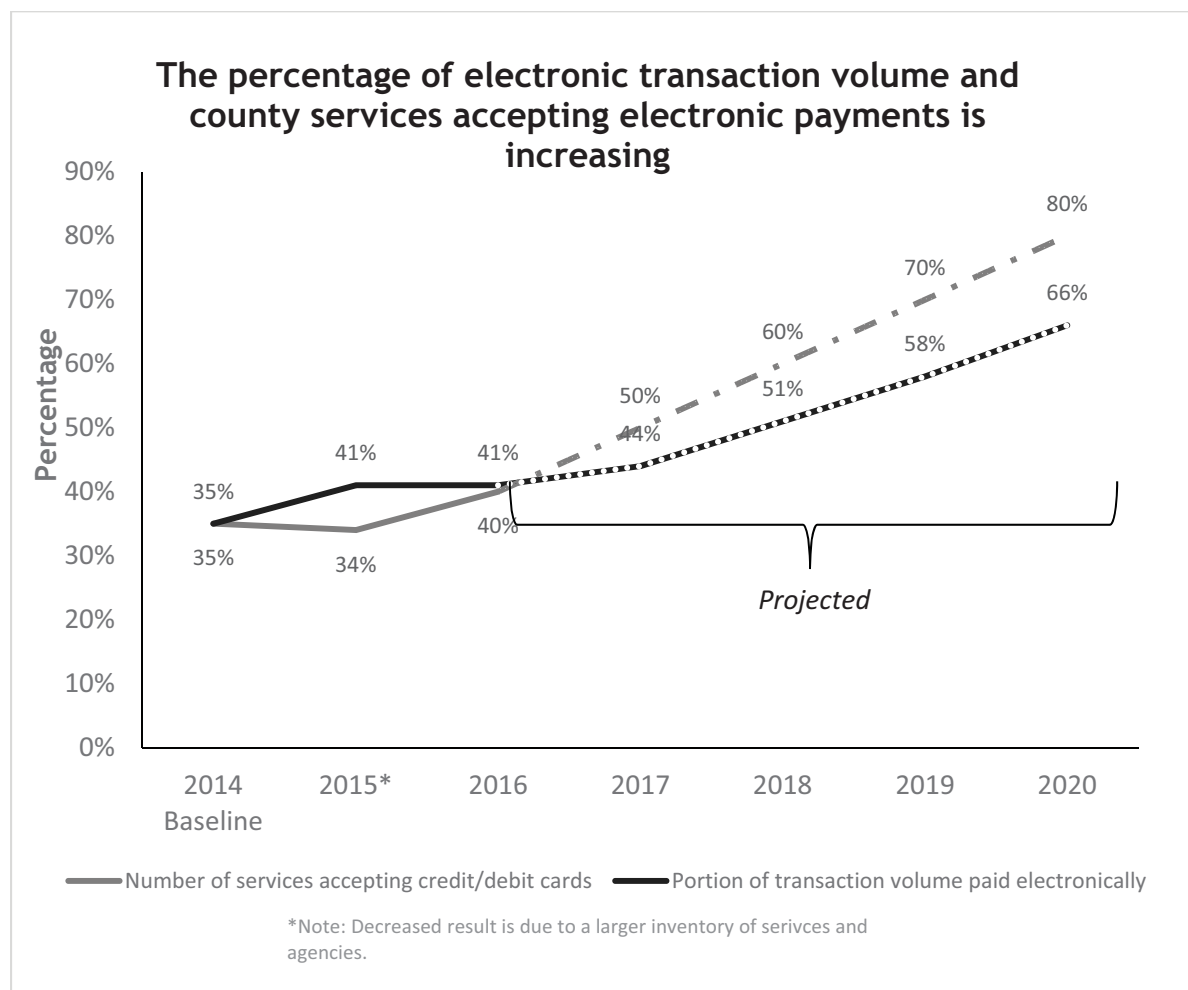
FBOD is the central business owner (or a co-business) owner for the following countywide financial value streams: budget to report; hire to retire; billing to cash; procure to pay; and assess to collect. A value stream is a coordinated set of activities involving multiple organizations that results in services or outputs to customers. FBOD's role as a central business owner is to provide expertise and leadership for standardizing and streamlining the flow of services/outputs through each value stream for the benefit of customers. The pace of standardization, as well as successes and challenges will continue to vary from value stream to value stream into the 2017-2018 biennium.

2017-2018 Problems, Opportunities and Priorities

Expand Electronic Payment for Customers

FBOD will continue to lead a countywide effort to expand the ability of the customers of King County to pay for products and services through electronic methods, including point-of-sale and online transactions using credit cards, debit cards, and checks. This effort represents FBOD's number one priority for the upcoming 2017-2018 biennium. The main goal is to create a more standard electronic payment environment across the County that is efficient and meets customer expectations. A temporary position was included in the 2015-2016 Budget to assist agencies in navigating a complex payment environment to expand current applications and to develop new ones. The proposed budget lengthens the term of this critical support position to continue through 2017 - 2018. Additionally, the budget includes additional funds to finish the work started in the previous biennium to complete this important IT project.

The following graph illustrates the progress made in increasing the percentage of electronic transaction volume and percentage of county services accepting electronic payments.



Streamlining Procurement Services

The current procurement systems and processes are wasteful – they are dependent on paper, rely on too many handoffs and facilitate long cycle times. This inefficient system leaves a continuous gap between the existing technology solutions and the business needs for customers. FBOD is seeking to fill this gap through a phased approach of planned technology modernization, starting with the procure to pay value stream. By providing a foundation of standard and supportable integrated systems, the procure to pay value stream will realize rapid transformation on the most valuable changes first, such as allowing electronic bids and submittals, while laying a roadmap for sustained efficiencies and future enhancements.

These improvements will improve customer service provided to internal and external customers by enhancing transparency, reducing cycle times, and providing self-service for ease of access. The initial scoping for this project is tentatively scheduled to begin during the 2017-2018 biennium and is expected to leverage a flexible three-phased approach to implementation. These phases will start with creating a new Online Vendor Registration (OVR) portal with links to internal databases such as SCS, continue with significant improvements in the Payables section of the value stream, then finish by integrating a new and improved CARTS system (contractor and reporting compliance system) into the package.

Replacing Obsolete Technology

FBOD and the Department of Assessments (DOA) are continuing to pursue solutions to problems identified in the joint agency assess to collect Line of Business (LOB). The 2017-2018 Proposed Budget begins the process to replace the current property tax accounting system, which includes tax account set ups and levy code functions in Assessments and the billing, collection, and disbursement of tax revenues in Treasury Operations. An important customer service enhancement is the continued development of a new web portal that will combine information from Assessments and Treasury Operations to better serve taxpayers.

Strengthening Internal Controls

The County's accounting expertise and internal control practices can vary widely between agencies and, in some instances, agencies subject to reductions are more susceptible to the loss of positions responsible for these functions. The Financial Management Section (FMS) of FBOD is planning to focus work during 2017-2018 to concentrate on strengthening internal controls and partnering with the Business Resource Center and other agencies to implement the BI Analytics Project. As reporting becomes more robust with BI Analytics, FMS believes this will improve internal controls by enhancing verification and error checking. Additionally, there will be increased service to customers by enhancing technical and analytical expertise while devoting less time to manipulating data from the systems.

Supporting the Requirements of ACA

There is a new body of work to support the mandatory requirements set out in the Affordable Care Act (ACA) by the federal government. The ongoing operations resources needed to meet the ACA 1094 and 1095 reporting requirements include a full-time position and a consulting contract with ADP. This new position will collaborate with Human Resources staff to ensure that proper business processes are in place and that they are followed correctly.

Alignment with Executive Strategic Initiatives

Equity and Social Justice

Building on its past successes, FBOD's primary effort in support of equity and fairness focuses on expanding the regional network of certified small firms and increasing the number of contracts awarded to small businesses. FBOD will provide increased support of the P-card program that allows for direct and quick payment to small contractors and suppliers (SCS), accelerating their cash flow and ability to pay others. This will make it easier for SCS firms to do business with the County. FBOD is also proposing to remove the personal property tax assessment for mobile homes valued less than \$7,500, helping those at the lower end of the economic scale.

FBOD has implemented and is continuing support for an Apprenticeship Coordinator position to continue expanding opportunities for ESJ populations. A replacement of the CARTS system will be needed to support the County's small business program, the apprentice program, and the new priority hire program.

FBOD is proposing an FTE to support the design and full implementation of a countywide priority hire program in support of efforts initiated in 2016. The program will foster the inclusion of local workers from disadvantaged areas within King County into local large-scale construction projects. This new position will collaborate with County agencies involved in these projects to develop the program infrastructure, including staffing, policies, and compliance reporting systems. The goal is to find ways of implementing priority hire without substantially increasing staff resources.

Best Run Government

The County faces budget constraints due to structural imbalances given the one percent growth limit on property tax revenues and reductions in state and federal funding. To better hold management accountable for productivity improvements given the environment of countywide budget constraints, County leaders first need to fully understand the costs that drive their processes and activities, and become fluent in their agency's products and services. FBOD's proposed budget provides the resources necessary to continue the support and expansion of Activity Based Costing (ABC) managerial accounting information.

FBOD will continue executing its plan of transforming the organizational culture by emphasizing continuous improvement and operational excellence. Standard work is a central concept of FBOD's Lean management approach to ensure that processes run as designed and that employees are engaged in problem solving and improving processes. FBOD will continue to partner with Assessments to implement recommendations that are part of the LOB planning.

2017-2018 Executive Proposed Operating Budget FINANCE AND BUSINESS OPERATIONS (EN_A13800)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	58,708,197	55,017,032	182.1	0.0
Base Budget Adjustments	1,567,491	0	0.4	2.0
Decision Package Adjustments	2,984,147	8,677,881	0.0	3.0
2017-2018 Executive Proposed Budget	63,259,835	63,694,913	182.5	5.0
2017-2018 Executive Proposed Ordinance	63,260,000	63,695,000	182.5	5.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_001) Economic Opportunity and Empowerment Program (EOEP) for the Children and Family Justice Center (CFJC) Provide resources in FBOD's 2017-2018 budget to support the portion of Economic Opportunity and Empowerment Program (EOEP) implementation tied to apprenticeship requirements. EOEP implementation is funded from the capital appropriation for the Children and Family Justice Center (CFJC). The portion of EOEP implementation associated with small business participation will be handled using existing staff resources.	540,017	515,000	0.0	1.0
(DS_002) Establish Mobile Home Assessment Threshold Establish a threshold of \$7,500 for mobile home assets so that if the value of the assets is less than that, DOA does not assess the value of the assets and no taxes are billed. The change would affect approximately 2,750 mobile home owners with total assessed value of about \$15.3 million. This is similar to the existing threshold of \$7,500 for commercial businesses.	0	(64,000)	0.0	0.0

2017-2018 Executive Proposed Operating Budget

FINANCE AND BUSINESS OPERATIONS (EN_A13800)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(DS_003) Affordable Care Act Functional Analyst III Add 1.0 FTE (Functional Analyst III) to support Affordable Care Act (ACA) reporting. This change is needed because of a new mandatory reporting schema required to comply with the ACA. This work began in 2015 and will continue indefinitely and will also include a consulting contract with ADP.	869,880	0	1.0	0.0
(DS_004) Foreclosure Unit Business and Finance Officer II Add a 1.0 TLT (Business and Finance Officer II) position to the property tax foreclosure unit for the 2017-2018 budget cycle. Foreclosure requirements and statutory obligations are beyond what can be handled by the existing 1.75 FTE in the foreclosure unit. The costs are entirely recoverable from the sale of the foreclosed properties. The change will better capture the total costs for administering the tax foreclosure process and increase the reimbursement to the General Fund.	309,946	279,808	0.0	1.0
(DS_006) Priority Hire Project/Program Manager III Add a new FTE (Project/Program Manager III) to support the design and implementation of the Priority Hire program with the goal of enabling individuals in economically disadvantaged zip codes to take better advantage of county capital improvement project opportunities.	277,449	0	1.0	0.0
Administrative Service Changes				
(AC_002) Procurement Technology Modernization Administrator III Position Reduction Reduce a 1.0 FTE Administrator 3 position in the Procurement and Payables section due to a decreased body of work. The body of work currently being handled by this position includes the administration of public disclosure requests and coordinating the transition from paper files to electronic files.	(277,449)	0	(1.0)	0.0
(AC_003) HR Analyst Position Reduction Eliminate a 1.0 FTE HR Analyst position, which mostly works on self-pay election when an employee is on an unpaid leave. This change finds efficiency by eliminating work that is siloed and distributes the work alphabetically to five other employees. These employees regularly work in the Benefits modules and will utilize a technology improvement available in the module to administer self-pay to further increase efficiency.	(240,904)	0	(1.0)	0.0

Technical Adjustments

**2017-2018 Executive Proposed Operating Budget
FINANCE AND BUSINESS OPERATIONS (EN_A13800)**

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(TA_001) Electronics Payments IT Business & Finance Officer III Restore a needed TLT (Business & Finance Officer III) to continue coordinating and managing the Electronic Payments IT project. The position is funded via the Electronics Payments IT project.	273,527	0	0.0	1.0
(TA_002) Other Non-Rate Revenues and Expenditures Obtain expenditure authority to collect expenditures incurred for the Employee Giving Program (EGP) and the Deferred Compensation Program (DCP). These are done on a reimbursable basis as actual costs are incurred and not via an allocation in the rate model to prevent any non-direct costs from being allocated to these programs.	898,220	0	0.0	0.0
(TA_050) Revenue Adjustments Revise budgeted revenues to match current forecast.	0	7,947,073	0.0	0.0
(TA_100)	0	0	0.0	0.0
(TA_113) Vacancy Rate Adjustment Reflects the salary savings associated with the natural rate of employee turnover for a given agency and provide greater transparency in the budget.	(877,992)	0	0.0	0.0
Central Rate Adjustments	1,211,452	0	0.0	0.0
Total Decision Package Adjustments	2,984,147	8,677,881	0.0	3.0

2017-2018 Proposed Financial Plan
Financial and Business Operations Division / 000005450

Category	2015-2016 Estimated¹	2017-2018 Proposed Budget²	2019-2020 Projected³	2021-2022 Projected³
Beginning Fund Balance	3,854,000	1,203,501	888,578	1,482,623
Revenues				
- GF Rates	20,285,394	17,234,314	18,352,259	19,738,930
- GF True-up/Rebate	(407,805)			
- Non-GF Rates	30,231,883	36,435,107	38,824,745	41,787,133
- Non-GF True-up/Rebate	(914,304)			
- Revised Rate Uncollectable Business Resource Center	(776,634)			
- Other Revenue ⁴	7,166,253	9,151,088	9,334,110	9,520,792
- Employee Giving Program & Deferred Comp Revenue ⁵		874,404	946,979	1,025,578
- Interest Income	51,667			
- ACA Compliance Costs			870,000	
Total Revenues	55,636,455	63,694,913	68,328,093	72,072,434
Expenditures				
- Wages, Benefits & Retirements	(41,702,497)	(45,065,090)	(47,994,321)	(51,791,974)
- Direct Services	(6,723,210)	(6,295,790)	(6,925,369)	(7,617,906)
- Intragovernmental Services	(9,861,248)	(11,028,955)	(11,944,358)	(13,067,128)
- ACA Compliance Costs		(870,000)	(870,000)	
Total Expenditures	(58,286,954)	(63,259,835)	(67,734,048)	(72,477,008)
Estimated Underexpenditures				
Other Fund Transactions				
Total Other Fund Transactions	-	-	-	-
Ending Fund Balance	1,203,501	1,638,578	1,482,623	1,078,048
Reserves⁶				
Expenditure Reserve (s)	(500,000)	(250,000)	(500,000)	(500,000)
Procure-to-Pay Reserve		(500,000)		
Total Reserves	(500,000)	(750,000)	(500,000)	(500,000)
Reserve Shortfall	-	-	-	-
Ending Undesignated Fund Balance	703,501	888,578	982,623	578,048

Financial Plan Notes (samples below)

¹ 2015-2016 Estimated includes 2015 Actual and 2016 Budgeted, less estimated underexpenditures.

² 2017-2018 Proposed Budget is consistent with expenditure and revenue data from Hyperion.

³ Outyear projections assume revenue and expenditure growth as suggested by PSB and reflect the most recent estimates, including the outyear impact of supplementals. In 2019-2020 the Affordable Care Act (ACA) costs will be rolled into the rate model. Thus in 2021-2022 costs will not be a separate line item.

⁴ These revenues are detailed in the revenue plan submitted as part of the biennial budget and account for mostly treasury operations with some procurement operations. They are also reflective of \$1,402,688 in revenues associated with revenue-backed expenditures.

⁵ This revenue is not collected as part of the finance central rate. These charges are billed on a reimbursable (per-program transaction) basis that is different and unique from the rate model cost centers.

⁶ The Expenditure Reserve is for mailing and printing equipment used to produce the annual property tax mailings. This equipment requires occasional maintenance and replacement. The Procure-to-Pay reserve will be used to support the project during the 2017-2018 biennium should a refined proposal be accepted in the 2017 Omnibus or Supplemental. Note that there is no rainy day reserve nor rate stabilization reserve as the Comprehensive Financial Management Policies outline that FBOD (and other ISFs) should not have undesignated fund balance to the extent possible.

⁷ This plan was updated by Karl Nygard on 9/02/2016 and finalized by Andrew Cronholm on 9/02/2016.

HUMAN RESOURCES DIVISION

Mission

Provide the foundation of support in recruiting, hiring, developing, and retaining a quality workforce capable of meeting residents' needs now and in the future.

Overview

The Human Resources Division (HRD) of the Department of Executive Services develops and administers the County's personnel system and employment policies, countywide training and organizational development, workplace safety programs, and the County's benefits and workers compensation programs. HRD is a strategic partner in building a highly skilled, diverse, and motivated team of employees to meet our customers' needs.

HRD includes the Office of Human Resources within the General Fund along with Internal Service Funds supporting Employee Benefits and the Safety and Claims Management programs. Employee Benefits manages the County's medical benefits programs and oversees all strategic initiatives to control costs and improve employee health and well-being. Safety and Claims oversees the County's self-insured workers compensation and employee safety programs.

2017-2018 Problems, Opportunities and Priorities

The Human Resources Division's budget identifies needs and opportunities in each unit, expanding the level and quality of service offered to County agencies and employees.

Resourcing the County's "Best Run Government: Employees" Initiative

HRD is leading part of the Executive's ambitious work program building equity and opportunity for all employees while embracing continuous improvement and Lean management tools. Project management and support staff are needed in leadership training, job classification and career development, and employee engagement in order to implement the proposed initiatives.

Supporting Workplace Wellness and Developing New Health Plan Options

The County is negotiating new health benefits plans for employees beginning in 2018. The new options are expected to include Accountable Care Networks, which are projected to improve outcomes and reduce costs through better provider coordination and more efficient use of resources. Support is also requested to centralize management of 20 activity centers located in county facilities to ensure proper maintenance and repair of all equipment.

Creating and Sustaining a Countywide Supported Employment Program

The Supported Employment Program (SEP) has been supported in 2015-2016 by a term-limited program manager, and currently operates without dedicated position authority. Over time, the lack of dedicated SEP positions has led to a significant reduction of opportunities for persons with intellectual and developmental disabilities. The existing manager has been successful in conducting outreach with County agencies and developing a sustainable program. This position is proposed to be made permanent, with the addition of dedicated FTE authority to be loaned out to agencies hosting supported employees.

Applicant Tracking System Support

The County's online applicant tracking system (ATS) software subscription ends in 2016, and a new approach is proposed to allow the county to post job openings online, manage recruitment processes, and hire a diverse, competitive workforce. The Executive's Proposed Budget includes an Information Technology capital project for a replacement ATS system and a capital appropriation for the project cost is included in the 2017-2018 Proposed Budget. The operating budget proposal reflects the ongoing cost of new system licenses.

Alignment with Executive Strategic Initiatives

Equity and Social Justice

The Human Resources Division recognizes Equity and Social Justice (ESJ) as a key value that makes the County a good place for employees to work. Within HRD, the division promotes ESJ values in its delivery of services through outreach and employee recruitment activities, and proposes to expand these activities in the 2017-2018 biennium in the Best Run Government: Employees project, with a replacement Applicant Tracking System, and the expansion of the Supported Employment Program

Strategic Climate Action Plan (SCAP)

The Human Resources Division furthers SCAP objectives in everyday operations, including efforts to reduce energy and paper use through online applicant tracking and digitization of Workers Compensation claim files, improved recycling and composting activities at HRD offices, and more efficient use of Fleet vehicles for employee travel. HRD managers have retired non-essential or duplicate equipment, including copiers and fax machines. Conference rooms and shared workspaces have individual light switches to reduce HRD's electrical consumption when not in use.

Best Run Government

The Human Resources Division supports the strategic initiative in its Best Run Government: Employees proposal, through managing employee healthcare and workers compensation costs, and through improving the recruitment process to hire a diverse workforce.

2017-2018 Executive Proposed Operating Budget HUMAN RESOURCES MANAGEMENT (EN_A42000)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	14,676,569	1,380,399	38.0	1.0
Base Budget Adjustments	547,477	(1,233)	0.0	(1.0)
Decision Package Adjustments	173,593	(1,379,166)	2.0	2.0
2017-2018 Executive Proposed Budget	15,397,639	0	40.0	2.0
2017-2018 Executive Proposed Ordinance	15,398,000	0	40.0	2.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_006) Applicant Tracking System Adds funding to upgrade the County's online recruiting system to help attract diverse and high-quality applicants. The added resource are for the ongoing operating costs that accompany the Information Technology project proposal.	76,548	0	0.0	0.0
(DS_007) Eliminate Training and Development Institute Removes expenditure and revenue budget added in 2015-2016 for the King County Training and Development Institute. HRD has shifted focus to serving internal employees and expenditure and revenue-backing to expand course offerings to external clients is no longer necessary.	(832,000)	(1,082,220)	0.0	0.0
(DS_010) Best Run Government: Employees - Training, Development, Coaching and Mentoring Adds two FTEs to support the County's leadership and career development programs, with emphasis on leadership development and support.	1,233,567	0	2.0	2.0

Also adds 2 temporary positions to implement the County's 'Functional Job Classification' initiative. This program will improve the County's classification system and create easy-to-understand and consistent career families and related development plans across the government.

**2017-2018 Executive Proposed Operating Budget
HUMAN RESOURCES MANAGEMENT (EN_A42000)**

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Administrative Service Changes				
(AC_001) HR Administration Allocation Transfers a portion of the administrative expenditure budget for the Human Resources Division from the General Fund appropriation to the Safety & Claims fund. The five administrative staff are budgeted in HRD's General Fund appropriation but provide service to all of HRD's operations. This decrease in the General Fund appropriation has a corresponding increase in the Safety & Claims fund.	(368,739)	0	0.0	0.0
Technical Adjustments				
(TA_050) Revenue Adjustments Revise budgeted revenues to match current forecast.	0	(296,946)	0.0	0.0
(TA_113) Vacancy Rate Adjustment Reflects the salary savings associated with the natural rate of employee turnover for a given agency and provide greater transparency in the budget.	(124,000)	0	0.0	0.0
Central Rate Adjustments	188,217	0	0.0	0.0
Total Decision Package Adjustments	173,593	(1,379,166)	2.0	2.0

2017-2018 Executive Proposed Operating Budget EMPLOYEE BENEFITS (EN_A42900)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	527,545,264	497,736,640	12.0	3.0
Base Budget Adjustments	9,709,201	10,011,386	0.0	(3.0)
Decision Package Adjustments	29,796,883	29,822,419	3.0	3.0
2017-2018 Executive Proposed Budget	567,051,348	537,570,445	15.0	3.0
2017-2018 Executive Proposed Ordinance	567,052,000	537,571,000	15.0	3.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_002) Developing Accountable Care Networks Adds three temporary positions to support the development of Accountable Care Networks (ACNs) as an alternative to the existing medical plan options. ACNs are projected to improve outcomes and reduce costs through better provider coordination and more efficient use of resources. The requested positions will help develop the new approach, work closely with vendors, and help communicate the changes to all employees.	1,286,851	0	0.0	3.0
(DS_005) Activity Centers Centralization Provides equipment for the County's 18 activity centers that is safe, regularly maintained, replaced as needed and consistently available for employees.	211,668	0	0.0	0.0
(DS_009) Best Run Govt: Employee Engagement Adds 2 FTE positions to continue the County's comprehensive strategy to engage employees. Two temporary positions were established in 2015-2016; this change converts the Engagement Manager and Communications Specialist positions to FTEs. Additional resources are added for Alternative Dispute Resolution training and programs, employee survey costs, and communication expenses.	871,380	0	2.0	0.0

2017-2018 Executive Proposed Operating Budget

EMPLOYEE BENEFITS (EN_A42900)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(DS_012) Support for Retirement Navigator and Employee Giving Program Adds FTE authority and non-labor budget to continue support for employee assistance with retirement options and the Employee Giving Program. This extended temporary resources added in the 2015-2016 budget.	310,437	0	1.0	0.0
Administrative Service Changes				
(AC_001) HR Administration Allocation Transfers a portion of the administrative expenditure budget for the Human Resources Division from Employee Benefits to the Safety & Claims Fund. The finance staff budgeted in Employee Benefits provide service to all of HRD's operations including the administration of the County's workers compensation programs. The Employee Benefits Fund will be reimbursed by Safety & Claims for the cost of the administrative support provided.	(321,301)	0	0.0	0.0
Technical Adjustments				
(TA_001) Update Claim Expenditures per Actuarial Forecast Update the budgeted claim expenditures per the latest actuarial forecast.	27,445,885	0	0.0	0.0
(TA_050) Update Revenues Update the budgeted revenues per the latest forecast.	0	29,822,419	0.0	0.0
(TA_113) Vacancy Rate Adjustment Reflects the salary savings associated with the natural rate of employee turnover for a given agency and provide greater transparency in the budget.	(20,000)	0	0.0	0.0
Central Rate Adjustments	11,963	0	0.0	0.0
Total Decision Package Adjustments	29,796,883	29,822,419	3.0	3.0

2017-2018 Proposed Financial Plan
Employee Benefits /000005500

Category	2015-2016 Estimated¹	2017-2018 Proposed Budget²	2019-2020 Estimated³	2021-2022 Projected³
Beginning Fund Balance	68,392,000	78,255,707	75,218,449	51,017,990
Revenues				
Funding Rate Recovery	447,249,963	486,835,355	525,782,183	567,844,758
Interest Revenue	1,011,378	1,298,053	1,401,897	1,514,049
Other Non-Rate Revenue	44,676,217	49,437,037	53,392,000	57,663,360
Unrealized Gains & Settlements	9,640			
Total Revenues	492,947,198	537,570,445	580,576,081	627,022,167
Expenditures				
Insurance Claims	(472,242,534)	(528,872,905)	(592,337,654)	(663,418,172)
Benefits Administration	(9,832,005)	(10,574,342)	(11,208,803)	(11,881,331)
Best Run Govt: Employees ⁴	(1,008,952)	(1,160,456)	(1,230,083)	(1,303,888)
Reserve/Contingency	0	(26,443,645)	(29,616,883)	(33,170,909)
Total Expenditures	(483,083,491)	(567,051,348)	(634,393,422)	(709,774,300)
Estimated Underexpenditures	0	26,443,645	29,616,883	33,170,909
Other Fund Transactions				
Total Other Fund Transactions	-	-	-	-
Ending Fund Balance	78,255,707	75,218,449	51,017,990	1,436,766
Reserves				
Expenditure Reserves ⁵	(24,427,272)	(27,571,710)	(30,880,315)	(34,585,953)
JLMIC PFR ⁶	(41,274,048)	(33,157,328)	(16,578,664)	-
ATU PFR ⁶	(6,800,235)	(8,810,046)	(4,405,023)	-
Rainy Day Reserve	(5,754,152)	(5,679,365)	-	-
Total Reserves	(78,255,707)	(75,218,449)	(51,864,002)	(34,585,953)
Reserve Shortfall	-	-	846,012	33,149,187
Ending Undesignated Fund Balance	-	-	-	-

Financial Plan Notes

¹ 2015-2016 Estimated reflect year end information from EBS and are consistent with the Budgetary Fund Balance figures published by FBOD.

² 2017-2018 Proposed Budget is consistent with expenditure and revenue data from Hyperion.

³ Outyear projections assume revenue and expenditure growth of 6-12% and reflect the most recent estimates.

⁴ Best Run Government: Employees includes HRD employee engagement initiatives backed by Rainy Day Reserves.

⁵ Expenditure Reserves reflect the actuarial projections for Incurred but Not Reported claims.

⁶ Protected Fund Reserves (PFRs) reflect those reserves apportioned for pre-existing bargaining groups.

⁷ This plan was updated by T.J. Stutman on 09/15/2016.

2017-2018 Executive Proposed Operating Budget SAFETY AND CLAIMS MANAGEMENT (EN_A66600)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	73,808,533	55,847,553	30.0	0.0
Base Budget Adjustments	1,704,297	(59,665)	0.0	0.0
Decision Package Adjustments	(2,114,766)	(1,007,888)	21.0	0.0
2017-2018 Executive Proposed Budget	73,398,063	54,780,000	51.0	0.0
2017-2018 Executive Proposed Ordinance	73,399,000	54,780,000	51.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_003) Supported Employee Program Manager Adds a program manager to support and further develop the County's Supported Employment Program (SEP), which provides employment opportunities for individuals with developmental and intellectual disabilities. This position is funded by a portion of the revenue from industrial insurance rates.	273,527	0	1.0	0.0
(DS_004) Supported Employment Program FTE Authority Adds FTE authority for 20 positions, to be used to increase the number of supported employees in 2017-2018. The FTE authority will be located in the Safety & Claims budget to be loaned to departments for the specific purpose of employing persons with developmental disabilities. The positions are to be funded by departmental salary savings or other internal funding. This approach is modeled after the City of Seattle's program for supported employees.	0	0	20.0	0.0
Administrative Service Changes				

2017-2018 Executive Proposed Operating Budget

SAFETY AND CLAIMS MANAGEMENT (EN_A66600)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(AC_001) HR Administration Allocation	690,041	0	0.0	0.0
Transfers a portion of the administrative expenditure budget for the Human Resources Division to the Safety & Claims fund. The administrative staff are budgeted in HRD's General Fund and Employee Benefits appropriations, but provide service to all of HRD's operations including the administration of the County's workers compensation programs. This increase in the Safety & Claims appropriation has a corresponding decrease in the HRD General Fund and Employee Benefits appropriations to reflect the transfer amount.				
Technical Adjustments				
(TA_001) Claim Expenditure Adjustments	(4,061,720)	0	0.0	0.0
Updates expenditure budget to align with the most current actuarial forecast.				
(TA_050) Revenue Adjustments	0	(1,007,888)	0.0	0.0
Revises budgeted revenues to match current forecast.				
(TA_113) Vacancy Rate Adjustment	(20,000)	0	0.0	0.0
Capture the salary savings associated with the natural rate of employee turnover for a given agency and provide greater transparency in the budget.				
Central Rate Adjustments	1,003,386	0	0.0	0.0
Total Decision Package Adjustments	(2,114,766)	(1,007,888)	21.0	0.0

2017-2018 Proposed Financial Plan
Safety and Workers Compensation Fund /000005420

Category	2015-2016 Estimated¹	2017-2018 Proposed Budget²	2019-2020 Projected³	2021-2022 Projected³
Beginning Fund Balance	115,037,000	110,372,057	95,753,994	87,768,047
Revenues				
Industrial Insurance Rates ⁴	52,370,742	53,180,000	63,816,000	76,579,200
Miscellaneous Revenue	1,539,836	1,600,000	1,760,000	1,936,000
Interest Income	1,219,418	-	-	-
Total Revenues	55,129,996	54,780,000	65,576,000	78,515,200
Expenditures				
Claim Expenditures	(47,354,315)	(54,578,000)	(57,852,680)	(61,323,841)
Administration	(12,440,624)	(14,820,063)	(15,709,267)	(16,651,823)
Reserve Contingency		(4,000,000)	(4,000,000)	(4,000,000)
Total Expenditures	(59,794,939)	(73,398,063)	(77,561,947)	(81,975,664)
Estimated Underexpenditures		4,000,000	4,000,000	4,000,000
Other Fund Transactions				
Total Other Fund Transactions	-	-	-	-
Ending Fund Balance	110,372,057	95,753,994	87,768,047	88,307,584
Reserves⁵				
Expenditure Reserve (s)	(88,009,000)	(82,313,000)	(85,605,520)	(89,029,741)
Total Reserves	(88,009,000)	(82,313,000)	(85,605,520)	(89,029,741)
Reserve Shortfall	-	-	-	722,157
Ending Undesignated Fund Balance	22,363,057	13,440,994	2,162,527	-

Financial Plan Notes

¹ 2015-2016 Estimated reflect year end information from EBS as of September 2016.

² 2017-2018 Proposed Budget is consistent with expenditure and revenue data from Hyperion.

³ Outyear projections assume revenue growth of 20% to remove the impact of rebates in 2015-2018, and expenditure growth of 6%.

⁴ Industrial Insurance rates have been lowered in 2015/16 and in 2017/18 due to the decision to rebate excess fund balance to ratepayer agencies.

⁵ Expenditure Reserve is consistent with the actuarial report, reflecting open claims and incurred by not reported claims.

⁶ This plan was updated by T.J. Stutman on 09/14/2016.

RECORDS AND LICENSING SERVICES DIVISION AND REGIONAL ANIMAL SERVICES OF KING COUNTY

Mission

Licensing

With a commitment to exceptional service, we support consumer protection and public safety through licensing and regulation of vehicles, vessels, taxicabs, for-hire drivers, and hobby kennels.

Recorder's Office

The King County Recorder's Office is committed to providing our community with exceptional customer service through prompt and accurate recording; preservation and reproductions of documents; accurate collection of real estate excise tax; and courteous issuance and recording of marriage documents.

Archives, Records Management and Mail Services (ARMMS)

Manage current, inactive, and historic records and information assets in compliance with laws, regulations, and industry standards.

Regional Animal Services (RASKC)

Provide King County with sustainable, cost-effective animal services which protect people and animals, while providing compassionate animal care.

Overview

The Records and Licensing Services Division (RALS) strives to provide customer focused, accessible licensing services; to ensure that all appropriate records related to King County government operations are preserved and easily accessible; to ensure that all County agencies have approved local records management policies and retention schedules; to either adopt, return or transfer all animals that come into the shelter; to resolve all critical animal control calls in a timely and thorough manner; and to provide all internal services in an efficient, responsive, and cost effective manner. The Records and Licensing Services Division is comprised of four sections: Vehicle/Vessel and For-hire Driver Licensing; Recorder's Office; Archives, Records Management and Mail Services; and Regional Animal Services of King County. Major products from these sections include: vehicle/vessel license renewals; tab-registration and title work; For-hire driver's licensing and regulatory services; recorded documents (electronic and paper); public records and maps; referral services for King County archival records; marriage licenses; metered outgoing US mail for County agencies; inter-agency mail distribution; pet licenses; and animal shelter care and field enforcement. Product customers commonly served include: vehicle/vessel owners, licensed for-hire drivers, vehicle owners and applicants, transportation network companies and drivers, title/escrow companies, King County residents and the general public, internal County agencies, pet owners, and contract municipalities.

2017-2018 Problems, Opportunities and Priorities

Systems Upgrades and Continuous Improvements

With new information systems approved and underway and new information management system replacement projects proposed, the 2017-2018 biennium will be a period of great change. The State funded Vehicle and Vessel Licensing system project is underway, with the Department of Licensing planning to implement the new system in December 2016. The recording system in the Recorder's Office is scheduled for replacement, with implementation planned for the first quarter of 2017. The City of Seattle has initiated a project to replace the For-hire (FH) Licensing system, with implementation anticipated in late 2017. Lastly, the County's Electronic Records Management System is in need of an upgrade to the next generation platform. Supporting these new systems post implementation is a key issue for RALS in the 2017-2018 biennium.

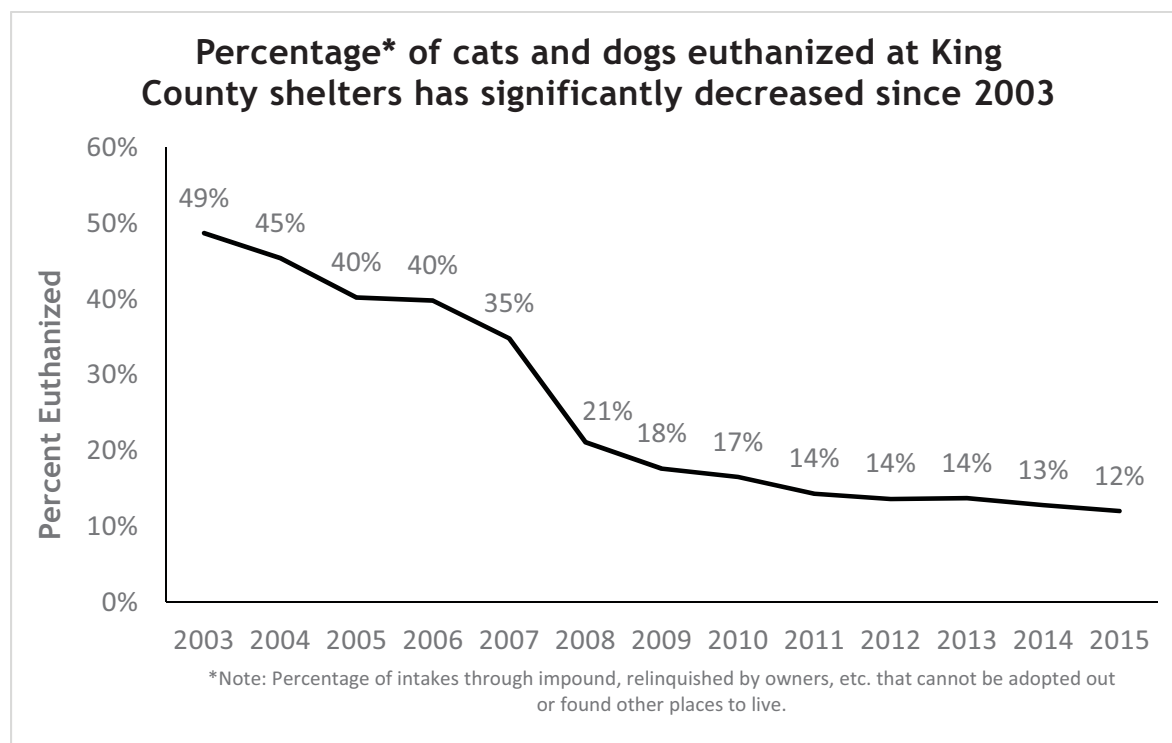
With nearly two years of processing Transportation Network Company (TNC) driver applications for FH permits and vehicle endorsements, a new regulatory approach is needed. Thousands of applications have been reviewed and permits issued, yet many of these drivers may never drive. New and different transportation models are emerging that do not necessarily align with existing code, due to narrow definitions based primarily on characteristics of service. The FH transportation industry is undergoing transformative change, enabled by technology and innovation that is changing the way people choose to move throughout the region. Finding ways to reduce regulatory burdens that unfairly limit competition, or that create unnecessary and inefficient work, establishing certain regulatory standards and roles at the right level of government, and fostering an environment that guides innovation in transportation services that achieve public policy interests, are all major challenges to be addressed in the 2017-2018 biennium.

Another challenge to address is ensuring records management remains a high priority for County agencies, as it is fundamental responsibility of government. Working with County agencies to establish file plans and retention schedules that help organize and simplify records management processes, and implementing an electronic records management system that is more intuitive and user friendly compared to the existing system, are key challenges and opportunities for the 2017-2018 biennium. More information can be found in the line-of-business document.

Lastly, RALS is committed to developing a culture of continuous improvement and Lean approaches to problem solving. While much progress has been made already (e.g., identifying ways to repurpose records management cardboard boxes for RASKC use), RALS intends to continue making progress. With new information management systems coming online, opportunities to redesign core processes around new technology and new capabilities, huge opportunities are anticipated in the coming biennium.

Advancing Municipal Partnerships

Establishing, updating, and/or renewing Interlocal Agreements (ILAs) for RASKC services is a priority issue for RASKC in the coming biennium. With 25 municipal partners in the RASKC program, 18 jurisdictions receiving regulatory services, and opportunities to expand service to more jurisdictions, RALS will spend significant time and effort working to secure agreements for services into the future. The ILAs are purposely designed to meet customer service needs and provide a standard of care that results in animal lives saved. The below chart highlights the success of the ILAs and the RASKC program on the whole, as the percentage of cats and dogs euthanized at King County shelters has significantly decreased since 2003.



Alignment with Executive Strategic Initiatives

Equity and Social Justice

All divisions and offices of DES will continue to use the “Countering Bias” video to train the increasingly diverse hiring panels convened to insure applicants are treated with respect and without bias in the hiring process. There will also be an expansion of ESJ related trainings available to all employees, and each division and office will continue to ensure its supervisors and managers complete the Basic ESJ training, if not already completed, with 6 months of filling the position. An ESJ Academy will be offered to allow employees a mechanism to develop additional skills and become ESJ practitioners.

In the For-hire Licensing group, significant efforts have been and continue to be made with an ESJ interest. The division has placed all training and testing online. This has allowed lower or no cost to applicants, 24/7 availability, and greater overall convenience. Other RALS efforts include: redesigning RALS related web pages to update and reorganize information in a manner that is more customer focused; translating key web pages and various forms into alternative languages (Chinese, Spanish, Vietnamese); hiring staff with bi-lingual skills; and reformatting various forms for easier completion by customers.

In 2017-2018, RALS has several additional efforts planned. The division plans to add greater search capability for recorded documents and to increase the types of documents that can be recorded and obtained online. Additionally, updating the electronic records management system provides an opportunity to make access to records easier and more efficient. RASKC will continue to increase access to no and low cost spay and neuter services through partnerships with non-profit organizations. RALS is evaluating changes to for-hire regulations with intent to increase efficiency and remove potentially disparate provisions that unintentionally limit competitiveness.

Strategic Climate Action Plan (SCAP)

RALS looks to innovate through continuous improvement efforts which have an impact on the division’s environmental footprint. Examples include: redirecting boxes from the Records Center, that are otherwise bound for recycling, to the RASKC Pet Adoption center where they are converted to cat condos and carriers; requiring all company submitted for-hire driver applications to be submitted electronically; annually avoiding over 250,000 paper copies (and associated filing cabinets and office space) and thousands of customer trips to downtown; conducting for-hire license pick-up events where hundreds of pre-processed for-hire driver permits can be picked up during a weekend or evening event to avoid waiting in traffic or a trip to downtown Seattle; and increasing Mail Services delivery locations within the county to include new customers from outlying areas, avoiding unnecessary trips by multiple agencies.

In 2017-2018, RALS will continue to explore and implement innovative ways to increase customer convenience and limit negative impacts to the environment. These include, but are not limited to: increasing access to online services (recording, animal services, licensing); consider shifting for-hire driver licensing requirements, from individual driver permits and vehicle endorsements to licensing these same organizations to operate and auditing them for code compliance; consider restructuring the for-hire regulatory environment to establish standards and oversight responsibility at the appropriate level of government; and creating an intentional shared mobility system that is designed to accommodate the changing mobility solutions that are emerging.

Best Run Government

In June 2013, RALS embarked on a division-wide effort to implement continuous improvement (CI) tools and approaches to improve overall operational performance. The division trained employees in the foundations of continuous improvement work: Plan-Do-Check-Act, visual management, small process improvements, and 360-degree CI Leadership evaluations. As of June 2016, portions of the following major business processes have been redesigned: Regional Animal Services (shelter and field services); Recording Office (document recording and counter operations); dispositioning of records from inactive records storage to Archives or disposal; processing of vehicle/vessel title transactions and sorting of related high volume incoming mail; and For-hire Driver Application Processing, including online training and testing, and electronic application processing. Many efficiencies have emerged from these process redesigns, such as increased productivity of 250 percent in document recording, and identification of records in the Records Center as “potentially eligible for disposition” due to lack of clear filing information, and processing over six times the average annual count of applications for a for-hire license/permit.

In 2017-2018, RALS plans to continue its work on small incremental improvements as well as pursue larger scale improvements, while ensuring the culture required to support continuous improvement is nurtured and grows. RALS will improve its tracking and reporting of key operational metrics, including using more robust customer feedback mechanisms. Additionally, RALS will expand process redesigns in each of the sections.

RALS plans to implement the new recording system in early 2017, allowing the County to fully leverage system capabilities and design, resulting in streamlined and automated functions. In partnership with the City of Seattle, a new For-hire Licensing System will be implemented, allowing for more process improvements and a conversion from a mostly paper based system to an electronic system. Finally, the electronic records management system will be upgraded to the next generation platform, one that is significantly more user friendly, before the legacy system can be retired.

2017-2018 Executive Proposed Operating Budget RECORDS AND LICENSING SERVICES (EN_A47000)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	21,314,011	42,774,828	79.5	0.0
Base Budget Adjustments	562,495	232,894	(3.0)	0.0
Decision Package Adjustments	1,856,765	6,363,124	5.0	0.0
2017-2018 Executive Proposed Budget	23,733,271	49,370,846	81.5	0.0
2017-2018 Executive Proposed Ordinance	23,734,000	49,371,000	81.5	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_001) Licensing Subagent Oversight Administrative Specialist III Add oversight and outreach capacity -- 1.0 FTE (Administrative Specialist III) -- to Vehicle and Vessel Licensing section to increase the quality and accuracy of vehicle and vessel transactions completed through the 22 licensed sub-agents county-wide.	179,645	0	1.0	0.0
(DS_003) For-Hire Status Quo Customer Service Specialist III Add 3.0 FTEs (Customer Service Specialist III) to maintain status-quo resources dedicated to the for-hire licensing effort until regulatory changes are implemented. The continued increase in workload volume has created significant backlogs.	528,594	0	3.0	0.0
(DS_004) Records Management Positions Conversion to General Fund Convert the two existing fee-for service positions in Records Management from the current fee-for-service model into a General Fund supported element of the core Records Management program.	360,290	0	0.0	0.0
Technical Adjustments				

**2017-2018 Executive Proposed Operating Budget
RECORDS AND LICENSING SERVICES (EN_A47000)**

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(TA_001) Landmark System Support Reallocation Functional Analyst Reallocate the resources no longer needed from KCIT, due to the new information management system, to establish a functional analyst position dedicated to the Records Office.	241,268	0	1.0	0.0
(TA_050) Revenue Adjustments Revise budgeted revenues to match current forecast.	0	6,363,124	0.0	0.0
Central Rate Adjustments	546,968	0	0.0	0.0
Total Decision Package Adjustments	1,856,765	6,363,124	5.0	0.0

2017-2018 Executive Proposed Operating Budget REGIONAL ANIMAL SERVICES OF KING COUNTY (EN_A53400)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	14,302,794	14,007,895	40.5	0.0
Base Budget Adjustments	122,609	123,457	2.7	0.0
Decision Package Adjustments	220,091	343,531	0.0	0.0
2017-2018 Executive Proposed Budget	14,645,494	14,474,883	43.2	0.0
2017-2018 Executive Proposed Ordinance	14,646,000	14,475,000	43.2	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Administrative Service Changes				
(AC_001) RASKC Veterinary Services Support Shift a portion of a General Fund supported position to donation supported. There is a companion DP (AC_001) in the Animal Bequest fund.	0	0	0.0	0.0
(AC_002) RASKC General Fund Support Realignment Reduce expenditure authority in an effort to limit or reduce the General Fund contribution.	(32,000)	(71,553)	0.0	0.0
Technical Adjustments				
(TA_050) Revenue Adjustments Revise budgeted revenues to match current forecast.	0	415,084	0.0	0.0
(TA_110) Net Zero Adjustments Net zero changes to reflect current spending patterns.	0	0	0.0	0.0
Central Rate Adjustments	252,091	0	0.0	0.0
Total Decision Package Adjustments	220,091	343,531	0.0	0.0

2017-2018 Proposed Financial Plan
Regional Animal Services of King County Operating Fund / 000001431

Category	2015-2016 Estimated ¹	2017-2018 Proposed Budget ²	2019-2020 Projected ³	2021-2022 Projected ³
Beginning Fund Balance	936,937	663,374	492,763	(22,552)
Revenues				
Pet Licensing Revenue	5,872,579	6,073,416	6,377,087	6,632,170
Animal Business Licensing	2,720	3,000	3,000	3,000
Pet Licensing Late Fees	114,681	160,000	163,200	166,464
Civil Penalties/Pet License Fines	287,972	220,000	224,400	228,888
Animal Adoption Fees	183,407	150,000	153,000	156,060
City Reimbursement for RASKC Services	1,501,820	1,658,000	1,740,900	1,827,945
City Rebate	(6,000)	(12,000)	(12,000)	(12,000)
Enhanced Services	5,603	511,226	511,226	511,226
Other Misc. Fees	209,385	240,800	245,616	250,528
Other Financing Sources (General Fund Transfer)	5,261,994	5,090,441	5,090,441	5,090,441
Contribution Animal Bequest Fund (Donations)	280,000	380,000	380,000	380,000
Total Revenues	13,714,161	14,474,883	14,876,870	15,234,723
Expenditures				
Wages, Benefits and Retirement	(8,212,247)	(8,926,913)	(9,377,773)	(9,914,533)
Capital	(110,884)	(60,000)	(60,000)	(60,000)
Direct Services	(1,745,568)	(2,244,064)	(2,244,064)	(2,244,064)
Intergovernmental Services	(3,169,026)	(3,414,517)	(3,710,348)	(4,057,921)
Total Expenditures	(13,237,724)	(14,645,494)	(15,392,185)	(16,276,518)
Estimated Underexpenditures				
Other Fund Transactions⁴				
GF Refund	(750,000)			
Total Other Fund Transactions	(750,000)	-	-	-
Ending Fund Balance	663,374	492,763	(22,552)	(1,064,348)
Reserves⁵				
Cash Flow Reserve(s)	(150,000)	(150,000)	(150,000)	(150,000)
Total Reserves	(150,000)	(150,000)	(150,000)	(150,000)
Reserve Shortfall	-	-	172,552	1,214,348
Ending Undesignated Fund Balance⁶	513,374	342,763	-	-

Financial Plan Notes (samples below)

¹ 2015-2016 Estimated includes 2015 Actual plus 2016 Budgeted, less estimated underexpenditures for 2016.

² 2017-2018 Proposed Budget is consistent with expenditure and revenue data from Hyperion.

³ Outyear projections assume expenditure growth per budget instructions and reflect the most recent estimates, revenue assumes 5% for licensing and city reimbursement and 2% for other revenues and 0% for GF transfer.

⁴ Other fund transactions include accounting adjustments to balance to budgetary fund balance and a one-time fund balance reduction related to underspent General Fund support in 2013-2015.

⁵ Cash Flow Fund Balance Reserve: Sets aside fund balance to offset fluctuations in revenue/expenditures that result in periods of negative fund balance. This reserve will help avoid negative fund balances that would require interfund loaning at an increased cost to the Animal Services Fund. The current reserve estimate functions as a placeholder pending further fund balance analysis and data availability.

⁶ Ending Fund Balance and Reserve Shortfall are being closely monitored. While there is a positive number in 2017-2018 fund balance, the current budgeted expenditures are greater than budgeted revenue, resulting in an annual reduction in fund balance from a budget perspective. The negative Ending Undesignated Fund Balances signals an increased risk that the fund could dip into a negative fund balance situation depending on the timing of revenues and expenditures.

⁷ This plan was updated by Sean Bouffiu on 08/24/2016 and Andrew Cronholm 9/1/2016.

2017-2018 Executive Proposed Operating Budget ANIMAL BEQUESTS (EN_A53800)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	280,000	200,000	0.0	0.0
Base Budget Adjustments	0	0	0.0	0.0
Decision Package Adjustments	100,000	80,000	0.0	0.0
2017-2018 Executive Proposed Budget	380,000	280,000	0.0	0.0
2017-2018 Executive Proposed Ordinance	380,000	280,000	0.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Administrative Service Changes				
(AC_001) Appropriation Authority to Replace General Fund RASKC Care Increase the Animal Bequest Fund appropriation authority to replace previous General Fund supported veterinary care in RASKC's on-site veterinary clinic.	100,000	80,000	0.0	0.0
Total Decision Package Adjustments	100,000	80,000	0.0	0.0

**2017-2018 Proposed Financial Plan
Animal Bequests /000001432**

Category	2015-2016 Estimated ¹	2017-2018 Proposed Budget ²	2019-2020 Projected ³	2021-2022 Projected ³
Beginning Fund Balance⁴	394,591	415,597	315,597	215,597
Revenues				
Contribution Animal Bequest Fund (Donations) ⁵	301,006	280,000	280,000	280,000
Total Revenues	301,006	280,000	280,000	280,000
Expenditures				
Intergovernmental Services ⁶	(280,000)	(380,000)	(380,000)	(380,000)
Total Expenditures	(280,000)	(380,000)	(380,000)	(380,000)
Estimated Underexpenditures				
Other Fund Transactions⁷				
Due from other funds				
Total Other Fund Transactions	-	-	-	-
Ending Fund Balance	415,597	315,597	215,597	115,597
Reserves⁸				
Cash Flow Reserve(s)	(100,000)	(100,000)	(100,000)	(100,000)
Total Reserves	(100,000)	(100,000)	(100,000)	(100,000)
Reserve Shortfall	-	-	-	-
Ending Undesignated Fund Balance	315,597	215,597	115,597	15,597

Financial Plan Notes (samples below)

¹ 2015-2016 Estimated includes 2015 Actual and 2016 Budgeted, less estimated underexpenditures.

² 2017-2018 Proposed Budget is consistent with expenditure and revenue data from Hyperion.

³ Outyear projections - fixed at 2017-2018 Proposed; no outyear changes anticipated.

⁴ The shown 2015-2016 Beginning Fund Balance is correct, though does not align with FBOD's published number. RALS is actively working with FBOD to update their amount to align with the shown number.

⁵ Donations deposited to balance sheet accounts and not in "revenue" accounts.

⁶ Expense is the Regional Animal Services expense (55394) Expense Type to reimburse RASKC for donation supported services (RASKC Cost Center 534010).

⁷ Other fund transactions include accounting adjustments to balance to budgetary fund balance.

⁸ Reserve established to avoid periods of negative fund balance and to provide time to adjust expenditures should donations decline.

2017-2018 Executive Proposed Operating Budget RECORDERS OPERATION AND MAINTENANCE (EN_A47100)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	4,442,781	3,219,126	6.5	0.0
Base Budget Adjustments	(644,802)	(1,000)	0.0	0.0
Decision Package Adjustments	439,144	392,115	0.0	0.0
2017-2018 Executive Proposed Budget	4,237,123	3,610,241	6.5	0.0
2017-2018 Executive Proposed Ordinance	4,238,000	3,611,000	6.5	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Technical Adjustments				
(TA_050) Revenue Adjustments	0	392,115	0.0	0.0
Revise budgeted revenues to match current forecast.				
Central Rate Adjustments	439,144	0	0.0	0.0
Total Decision Package Adjustments	439,144	392,115	0.0	0.0

2017-2018 Proposed Financial Plan
Recorder's Operations and Maintenance /000001090

Category	2015-2016 Estimated ¹	2017-2018 Proposed Budget ²	2019-2020 Projected ³	2021-2022 Projected ³
Beginning Fund Balance	2,114,273	1,506,198	879,316	347,107
Revenues				
Document Preservation	936,861	1,070,193	1,140,987	1,140,987
Recording Fee Surcharge	1,933,243	2,082,688	2,304,952	2,304,952
Investment Interest less Service Fee	22,956	8,344	10,000	10,000
Other Revenue	10,491	9,000	9,000	9,000
Real Estate Property Tax Admin. Assistance Account (REPTAAA) ⁴	488,018	440,016	440,016	440,016
Total Revenues	3,391,569	3,610,241	3,904,955	3,904,955
Expenditures				
Wages, Benefits and Retirement	(1,148,088)	(1,253,387)	(1,297,547)	(1,381,696)
Direct Services	(488,442)	(885,657)	(885,658)	(885,659)
Intergovernmental Services	(1,423,928)	(1,876,159)	(2,031,880)	(2,222,877)
Transfers to Other Funds ⁵	(939,186)	(221,920)	(222,079)	(222,275)
Total Expenditures	(3,999,644)	(4,237,123)	(4,437,164)	(4,712,507)
Estimated Underexpenditures				
Other Fund Transactions				
Total Other Fund Transactions	-	-	-	-
Ending Fund Balance	1,506,198	879,316	347,107	(460,445)
Reserves⁶				
Expenditure Reserve (s)				
Cash Flow Reserve(s)	(100,000)	(100,000)	(100,000)	(100,000)
Rate Stabilization Reserve(s)				
Rainy Day Reserve (60 days)	(283,705)	(291,833)	(291,833)	(291,833)
Total Reserves	(383,705)	(391,833)	(391,833)	(391,833)
Reserve Shortfall	-	-	44,726	852,278
Ending Undesignated Fund Balance	1,122,493	487,483	-	-

Financial Plan Notes (samples below)

¹ 2015-2016 Estimated includes 2015 Actual and 2016 Budgeted, less estimated underexpenditures.

² 2017-2018 Proposed Budget is consistent with expenditure and revenue data from Hyperion.

³ Outyear projections assume revenue adjustments per the OEFA Forecast (August 2016) and expenditure growth per Budget Instructions.

⁴ Real Estate Excise Tax (REET) Electronic Technology funding source ended July 2010. eREET funding resumed Jan 1, 2014. The funds collected are designated to support the maintenance and operation of an annual revaluation (eReVal Technology Reserve) system for property tax valuation (Assessor); and maintenance and operation of an electronic processing and reporting system (eREET Technology Reserve) for real estate excise tax affidavits (RALS-Recorder's Office). These funds are split 50/50 to each of the two above noted systems.

⁵ Transfers to other funds in 15-16 includes the following: \$336,742 to the Assessor, \$2,448 to KCIT CIP, and \$599,996 to the Records & Licensing Software Application (Anthem) Replacement Project. In 2017-2018, the transfer is 220K Assessments and 1,920 to KCIT.

⁶ Cash Flow Reserve: sets aside fund balance to offset fluctuations in revenue/expenditures that result in periods of negative fund balance. This reserve will help avoid negative fund balances that would require interfund loaning at an increased cost to the Recorder's O&M Fund. The current reserve estimate functions as a placeholder pending further fund balance analysis and data availability. Rainy Day Reserve has been established and is based on 60 days of operating expenditures (excluding capital outlay and contingencies).

⁷ This plan was updated by Sean Bouffiu on 8/22/2016 and Andrew Cronholm on 9/1/2016.

OFFICE OF RISK MANAGEMENT

Mission

A remarkable team whose mission is to balance risks and opportunities, and provide equitable, respectful, and responsive risk management services to our customers

Overview

The Office of Risk Management (ORM) works closely with all County agencies to optimize risk, protect assets, and provide effective risk services at sustainable costs to support agencies in reaching overall business objectives. ORM's primary customers are County agencies, claimants and other government agencies. ORM provides services including Enterprise Risk Management, Insurance Procurement, Insurance and Indemnification in Contracts, and Liability and Recovery Claims investigation.

2017-2018 Problems, Opportunities and Priorities

Insurance Rebate to County Agencies

In the 2017-2018 biennium ORM will refund \$20 million in fund balance to agencies. ORM's goal in developing the Insurance Fund budget is to provide a reliable self-insurance program with financial stability, setting appropriate funding levels without generating excessive surplus or deficit. ORM has used conservative management and budget practices that have led to accumulated fund balance. The Risk Management Committee has approved a lower rate stabilization reserve and refined the process for projecting claim settlements, resulting in lower rates and less accumulation of fund balance.

Self-Insured Retention Level

The Office of Risk Management has several analytical tools and methods to help County agencies understand and address the risks they own. The Enterprise Risk Management (ERM) Program presents significant opportunities for ORM to partner with county agencies in identifying and reducing loss exposures and minimizing the impact of future claims. One of the goals of the ERM program is to reduce severe losses which over time will allow King County to affordably lower the self-insured retention level. ORM is working on several comprehensive loss control projects with Transit to reduce their severe claims with the goal of aligning their self-insured retention with the rest of the county, and reducing the overall retention further.

Consolidation of the Office of Civil Rights and Open Government (OCROG) and the Office of Risk Management (ORM)

ORM and OCROG propose to consolidate in the 2017-2018 biennium, moving the OCROG budget to ORM's internal service fund. The consolidation of these two offices will provide many benefits including improved communication and early identification of emerging issues around employment practices and public records, financial stability for the services provided by OCROG, and program support for currently unsupported roles within OCROG due to General Fund constraints.

This proposal also includes the addition of 1 FTE to provide support to programs and services provided by OCROG. Currently the Director and Program Managers are performing financial and administrative support duties in addition to their program work. This position will provide financial and administrative support to the programs OCROG provides.

Alignment with Executive Strategic Initiatives

Equity and Social Justice

ORM is committed to supporting King County's equity and social justice priority to achieve greater institutional and regional equity and social justice. In 2015, the Deputy Director of ORM completed her ESJ practicum and is a certified trainer for the Basic ESJ training. She is continuing her education in this area so that she can also be a trainer for *Race: The Power of an Illusion and Micro-Aggressions in the Workplace* classes to educate and engage employees in areas of equity and opportunity.

To promote fairness and opportunity in County government practices, ORM has added an ESJ section to the case evaluation worksheet, which is used to brief department directors and the County Executive on claims and lawsuits. The ESJ component of the worksheet provides a formal process for ORM and the Prosecuting Attorney's Office (PAO) to discuss equity considerations when evaluating damages, and ensures consistency and equity in the evaluation of claims and lawsuits.

Best Run Government

In response to the King County Employee Engagement Survey, ORM has worked with Integris to develop an 18-month employee engagement, employee and leadership development, and continuous improvement roadmap. ORM started by building a solid foundation of trust, respect, healthy conflict, and accountability which will enable the office to focus on customer service, continuous improvement, and enterprise alignment.

2017-2018 Executive Proposed Operating Budget RISK MANAGEMENT (EN_A15400)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	67,035,026	63,050,639	21.0	0.0
Base Budget Adjustments	1,103,364	183,961	0.0	0.0
Decision Package Adjustments	17,657,701	(19,716,336)	5.0	0.0
2017-2018 Executive Proposed Budget	85,796,091	43,518,264	26.0	0.0
2017-2018 Executive Proposed Ordinance	85,797,000	43,519,000	26.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Administrative Service Changes				
(AC_001) Agency Consolidation: Office of Civil Rights and Open Governance and Office of Risk Management Consolidates the Office of Civil Rights and Open Governance (OCROG) into the Office of Risk Management (ORM). This transfers 4 FTEs into ORM along with a commensurate amount of non-labor budget from the General Fund into the ORM Internal Service Fund. Includes the addition of 1 FTE to provide support to programs and services provided by OCROG; this partially restores some resources eliminated in previous budgets due to General Fund constraints.	1,852,552	0	5.0	0.0
Technical Adjustments				
(TA_001) Loss Control Adjustment Adjusts the loss control account used for risk reduction and mitigation measures. The resources support the work of the Enterprise Risk Management Program through assisting agencies as risk owners in implementing specific loss control plans to mitigate priority risks.	771,932	0	0.0	0.0

2017-2018 Executive Proposed Operating Budget
RISK MANAGEMENT (EN_A15400)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(TA_002) Claim Expenditure Adjustment Updates the judgments and claim settlement account based on the claims funding requirement recommended by the actuary.	10,276,000	0	0.0	0.0
(TA_003) Major Accident Response Reconstruction Unit Inflationary Adjustment Adjusts the salary and benefits for the cost of two FTEs from the Sheriff's Major Accident Response Reconstruction (MARR) Unit who provide services to the Roads Division.	36,508	0	0.0	0.0
(TA_004) Insurance Premium Adjustment Adjusts the projected insurance premiums in 2017-2018. Premiums are paid for coverage on excess liability, property, marine, foreign liability, flood and fiduciary liability.	3,255,118	0	0.0	0.0
(TA_050) Revenue Adjustments Revise budgeted revenues to match current forecast.	0	(19,716,336)	0.0	0.0
Central Rate Adjustments	1,465,591	0	0.0	0.0
Total Decision Package Adjustments	17,657,701	(19,716,336)	5.0	0.0

**2017-2018 Proposed Financial Plan
Insurance Fund /000005520**

Category	2015-2016 Estimated¹	2017-2018 Proposed Budget²	2019-2020 Projected³	2021-2022 Projected³
Beginning Fund Balance	105,102,000	95,597,735	73,468,762	78,256,043
Revenues				
Internal Service Rates	66,302,771	63,518,264	71,140,456	76,831,692
Internal Service Rate Rebate ⁴	(4,171,930)	(20,000,000)		
Interest	1,200,000	-	-	-
Other Misc Revenue	3,896			
Total Revenues	63,334,737	43,518,264	71,140,456	76,831,692
Expenditures				
Claim and Settlement Expenditures ⁵	(44,456,686)	(49,814,000)	(49,175,000)	(49,801,000)
Insurance Premiums	(18,350,000)	(20,340,304)	(21,560,722)	(22,854,366)
Operating Expenditures	(9,297,416)	(14,611,329)	(14,941,363)	(15,867,727)
Transfers to Other Funds (MARR)	(734,900)	(780,458)	(824,944)	(874,441)
Transfer to FMD Capital ⁶		(250,000)		
Total Expenditures	(72,839,002)	(85,796,091)	(86,502,029)	(89,397,534)
Estimated Underexpenditures⁷		20,148,854	20,148,854	20,148,854
Other Fund Transactions				
Total Other Fund Transactions	-	-	-	-
Ending Fund Balance	95,597,735	73,468,762	78,256,043	85,839,055
Reserves				
Actuarial Reserve for Losses Incurred ⁸	(77,000,000)	(77,000,000)	(85,944,000)	(86,975,000)
Rate Stabilization Reserve ⁹	(7,500,000)	(7,500,000)	(7,500,000)	(7,500,000)
Total Reserves	(84,500,000)	(84,500,000)	(93,444,000)	(94,475,000)
Reserve Shortfall ¹⁰	-	11,031,238	15,187,957	8,635,945
Ending Undesignated Fund Balance	11,097,735	-	-	-

Financial Plan Notes

¹ 2015-2016 Estimated reflect year end information from EBS and are consistent with the Budgetary Fund Balance figures published by FBOD.

² 2017-2018 Proposed Budget is consistent with expenditure and revenue data from Hyperion.

³ Out year projections are based on growth assumptions provided by PSB and assume revenue and expenditure growth of 3% - 12% and reflect the most recent estimates, including the out year impact of proposals.

⁴ The 2017/2018 rebate is based on the ending undesignated fund balance as of December 31, 2015. The Risk Management Committee approved this on March 16, 2016.

⁵ The 2017/2018 claim and settlement expenditures are based on the actuarial study as of 12/31/2016.

⁶ The 2017/2018 transfers to FMD capital reflect the moving costs to accommodate the proposed consolidation of ORM and OCROG.

⁷ The estimated under expenditures reflect the balance between the actuarial estimate for claim and settlement expenditures and the ORM projection. ORM looks at loss payment history, current open claims, and the actuarial estimate to calculate the

⁸ Reserve is per the actuarial recommendation to fund incurred liabilities for losses limited to the self-insured retention level. The actuary's required reserve as of 12/31/2015 was \$88.5 million. Based on 2016 claim payout projections, ORM estimates the required reserve at 12/31/2016 to be \$77 million.

⁹ Rate Stabilization Reserve calculated at one loss with current Self-Insured Retention (SIR) level of \$7.5 million. This will lessen the impact on agency rates if catastrophic losses occur.

¹⁰ The reserve shortfall projected in 2019/2020 is based on financially conservative claim reserving and actuarial projections. ORM is working with county agencies to reduce losses and reduce the projected actuarial reserve for losses incurred which will reduce the projected reserve shortfall in outyears. If necessary, ORM will raise internal service rates in outyears to rebuild the

¹¹ This plan was updated by T.J. Stutman and C. Hellner 9/19/2016.

KING COUNTY INFORMATION TECHNOLOGY (KCIT)

Mission

Deliver smart information technology solutions that support our customers.

Overview

The King County Department of Information Technology (KCIT) manages the County's information technology (IT) infrastructure, resources, and investments to support County departments and agencies in their provision of quality services to County residents. Specifically, KCIT develops and implements countywide IT standards, policies, and guidelines in line with industry standards and best practices. It advises all County elected officials, departments, and divisions on technology planning and project implementation. It also implements measures that ensure the security and integrity of County IT systems and data critical to the day-to-day operations of County departments.

KCIT's services to County departments and agencies include:

- End-User Customer Support and Training
- Business Analysis and Solutions
- Regional Services: Geographic Information Systems (GIS), Institutional Network (I-Net), and emergency radio communication
- IT Project Management

KCIT-Managed Funds

Operating Funds:

- 4501 Radio Communication Services
- 4531 I-Net Operations
- 5481 GIS
- 5531 KCIT Services
- 0100 Cable Communications
- 1511 PSERN Levy

Capital Funds:

- 3473 Radio Services
- 3771 Countywide IT Projects
- 3781 KCIT Capital Projects
- 3361 PSERN Capital Program

The Department also provides fee-based services (GIS, Radio, and I-Net) to external customers such as schools, libraries, government agencies, nonprofits, and other institutions.

Led by the Chief Information Officer, KCIT is organized into three divisions: Infrastructure and Operations, Enterprise Business Services, and Emergency Radio Communications. It manages six operating funds and four main capital funds.

In 2016, KCIT earned a 4th place in the annual Digital Counties Survey conducted by the Center for Digital Government and the National Association of Counties. The survey identifies the best technology practices among US counties. King County was recognized for innovation, improved transparency, and proactively addressing citizen demands and expectations.

2017-2018 Problems, Opportunities and Priorities

Application Modernization

Countywide application modernization has been a priority for KCIT in the past few years. While KCIT has made some progress in this area, application modernization remains a top priority for KCIT in the next biennium. Many of the applications used by County agencies are obsolete or aging quickly given fast-paced advancements in technology in the recent years. The Transit Division of the Department of Transportation alone has over 40 applications that are run in legacy environments. Some of those systems are over 15 years old. These applications are critical to Transit's operations and could pose a serious risk to its business if not updated promptly.

In 2017-2018, the County will add and implement thirty (30) new IT projects totaling \$142 million in new appropriation. Most of these projects will modernize the aging applications used by County agencies that are critical to their core operations. Three quarters of the total portfolio will be invested in modernizing applications and IT systems used by Metro Transit. The 2017-2018 IT investments will contribute significantly to Best-Run Government, Regional Mobility, Physical Behavioral Health Integration, and other Executive priorities and programs. The new technology solutions will enable agencies to improve internal efficiencies and services to the public through effective digital systems and mobility, when feasible.

Data Driven Government

Enabling departments and agencies to better use data already captured or could potentially be captured through use of applications and appropriate data management practices is another top priority in the next biennium. Increased use of data is critical to departments/agencies' understanding of the current processes and outcomes, analyzing opportunities, measuring results, making more informed decisions, and ultimately improving services to County residents.

Specifically, KCIT will develop a countywide data management program to provide standard practices and tools for good enterprise data management. It will also make data modernization a critical component of any new application architecture, separating reporting data from transaction data and designing the framework and architecture that best supports reporting needs. Modernizing legacy IT structures will enable new types of data sourcing, storage, and analysis, helping departments to better

integrate information currently not accessible unless specific reporting programs are created for a specific business need to access that data. Modern data storage will improve the quality and accessibility of data for querying and analysis across lines of business, departments, and agencies.

Digital Security

King County continuously experiences malware and cyberattacks that carry the risk of causing a major disruption to County operations costing the County significant resources and, potentially, putting County residents at risk due to breach of their private information stored on County systems. The threats are becoming increasingly sophisticated and harder to prevent. As part of its efforts to thwart such attacks, KCIT continuously updates security software across all IT infrastructures (servers, desktops, and mobile devices) and makes sure that employees have appropriate authorization to access systems they require to perform their jobs. In 2017-2018, KCIT will also launch a comprehensive information security awareness program for all King County employees. As part of this program, KCIT will inform employees of their information security obligations and what to do to prevent or act upon a security incident. A successful implementation of the information security awareness program will greatly reduce the risks of significant adverse impact on the confidentiality, integrity, and/or availability of County information and the cost of potential disruption and/or litigation.

Emergency Radio Communication

2017-2018 is the first biennial budget for the PSERN operating fund. The fund collects levy funds for the Puget Sound Emergency Radio Network (PSERN), a voter-approved public safety wireless communications program. The program will replace the region's aging emergency radio communications network and upgrade the equipment used in County's 9-1-1 dispatch centers. These investments will increase reliability and coverage of the emergency radio system.

Regional Collaboration

There are significant opportunities for expanding collaboration with regional governments, nonprofits, businesses, and other institutions and leveraging resources to achieve shared objectives. One example is GIS. King County and several other regional agencies have successful GIS operations, while others have only limited GIS capability. Despite interest in a regional approach to GIS in the mid-1990s, actual development and operation has been along jurisdictional lines. Much of the work to operate a GIS could be shared on a regional basis and there are many examples where this occurs successfully across the U.S. and Canada. In 2017-2018, KCIT will work with the City of Seattle and others to develop a plan for a regional, integrated, collaborative, and sustainable GIS that meets the needs of public agencies within the King County region. The Equity and Social Justice section below highlights another example of a regional collaboration opportunity: expansion of broadband and wireless connections for underserved populations/residents.

Alignment with Executive Strategic Initiatives

Equity and Social Justice

Ensuring equal opportunity and access to the internet for all of county residents, regardless of age, income, or ability, allows them to participate in the economy and society. King County plays an important role—both as a service provider and as regional convener—in connecting people to the resources they need to succeed in an increasingly digital world. Some examples that illustrate the advance King County has already made in the areas of digital equity and inclusion are:

- Accessible websites for blind, deaf, and hearing-impaired.
- Open data made available to software developers and interested residents.
- Digital communications portals like the Assessor's Parcel Viewer.
- Affordable broadband internet services for education, municipalities, and nonprofits, benefitting students, teachers, government workers, and non-governmental organizations.

In 2017-2018, KCIT will take the following actions in order to further expand opportunities for underserved County residents to benefit from digital technologies:

- Development of a comprehensive Digital Equity Plan that will outline the vision, goals, and the approach to expanding access to broadband services for underserved communities in King County, especially low-income qualifying residents and students. The plan will identify specific public and private partnerships and initiatives that would utilize existing capabilities and leverage the County's ongoing investments in Best Start for Kids, Youth Action Plan, 311, and Smart Cities.
- Collaboration with Connecting Community Consortium (C3), a regional education nonprofit organization, to activate a fiber network around Lake Washington to provide low-cost access to high speed connectivity and member-managed services.
- Expansion of the I-Net fiber to more schools, governments, and nonprofit organizations throughout the County. This also involves integrating I-Net assets with partner assets to more effectively deliver broadband and wireless connections in rural areas and to underserved populations.

Best Run Government

In 2017-2018 KCIT will continue to improve the costing of its products and services using the Activity Based Costing (ABC) principles. KCIT used the ABC principles to estimate the cost of supporting each application and determining its Application Services Rates by rate-paying agency for 2017-2018. Providing departments with information on how much each application cost to support encouraged the departments to re-assess the value of each application against its cost. As a result, a number of departments identified applications that they no longer deemed to be worthy investments and, together with KCIT, worked out a plan to discontinue the support for such applications, ultimately reducing their costs and allowing KCIT to better focus its resources. Other KCIT services, such as customer support that includes desktop services, have already used the cost per unit method to charge customers, increasing departments' understanding of the cost drivers of the service and thus encouraging optimization of service consumption. Going forward, KCIT will continue looking into expanding the use of the ABC model to further drive down the cost of its services.

In addition, the 2017-2018 portfolio of IT projects will replace outdated software applications and inefficient business processes currently used by many departments and agencies with modern data management systems and more effective, automated analytical tools that will result in substantially reduced manual data processing, reduced time spent on ensuring compliance with various statutory/legislative mandates, increased revenues, and improved services to the public.

Capital Improvement Program

Countywide IT Projects Capital Fund (3771)

The Countywide IT Projects Capital Fund (3771) hosts IT projects sponsored by King County agencies/ departments that do not have their own capital funds (e.g., departments of Executive Services, Assessments, Community and Human Services, Adult and Juvenile Detention, and others). A total of thirteen new IT projects approved by the Executive and one new equipment replacement project will be added to the Countywide 3771 CIP fund in 2017-2018. The new IT projects were selected following a rigorous and transparent prioritization process described in the 2017-2018 Technology Business Plan. The total value of the new projects is \$30.38 million.

KCIT Enterprise Capital Fund (3781)

The KCIT Enterprise Capital Fund (3781) manages several IT enterprise projects, such as Countywide Telecom System Replacement project, Enhanced Wireless Connectivity project, and Westin Network Connection Upgrade projects. The fund also manages various capital equipment replacement projects that follow an established capital equipment spending plan to do a systematic replacement of County IT equipment when it reached the end of its useful life. The 2017-2018 projects include Network, Server, and I-Net replacement projects. These three projects are on KCIT's Equipment Replacement Priority Plan, which is based on the age of each equipment and related technology changes. The KCIT 2017-2018 rates include a collection plan for each of the three projects. The total value of the projects is \$4.35 million.

PSERN Capital Fund (3361)

The PSERN Capital Fund (3361) is designated for the PSERN capital project. As funds are appropriated for the PSERN project, they are transferred from the PSERN operating fund to the PSERN capital fund. In 2017 or 2018, there will be a request for an additional PSERN capital appropriation. The PSERN capital project is subject to Mandatory Phased Appropriation (MPA) requirements of the King County Code.

Radio Communication Capital Fund (3473)

The Radio Communication Capital Fund (3473) is used for upgrades of the 800 MHz trunked radio system and equipment replacement projects for handheld radios. No new projects are being added to the fund in 2017-2018.

2017-2018 Executive Proposed Operating Budget KCIT SERVICES (EN_A43200)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	177,463,600	170,822,905	342.2	5.0
Base Budget Adjustments	6,005,369	(107,581)	0.0	(3.0)
Decision Package Adjustments	9,091,252	16,028,253	7.0	(2.0)
2017-2018 Executive Proposed Budget	192,560,221	186,743,577	349.2	0.0
2017-2018 Executive Proposed Ordinance	192,561,000	186,744,000	349.2	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_003) Transit IT Modernization Modernize approximately 20 business applications critical to DOT Transit operations. If not updated timely and properly, these applications (run in legacy environments, with some being 15 years old) impose a serious risk on the business.	4,994,942	4,994,942	0.0	0.0
(DS_006) IT Project Prioritization System Purchase a third-party application to use for prioritizing County investments in technology modernization. The application will facilitate the County's decision making concerning IT investments, contributing to greater transparency and stakeholder engagement in prioritizing IT projects.	176,000	88,000	0.0	0.0
(DS_008) Employee Security Awareness Program Carry out ongoing security awareness training and programs for county-wide users to minimize security breach.	110,000	0	0.0	0.0
(DS_010) Digital Equity Program Development Develop a regional Digital Equity Action Plan that will bring regional partners together to collaborate on specific initiatives to promote digital equity in the region in concert with the County's existing I-Net efforts.	50,000	50,000	0.0	0.0

2017-2018 Executive Proposed Operating Budget

KCIT SERVICES (EN_A43200)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Administrative Service Changes				
(AC_001) I-Net and Network Service Alignment Combine the resources associated with overall network support by KCIT encompassing KCWAN and I-Net. KCWAN will be a provider of network services to I-Net, consistent with KCIT focus on Manage by Services as described in the KCWAN line of business.	3,429,440	3,847,172	7.0	0.0
(AC_006) Reduced Data Center Space Adjust FMD central rates to remove the building lease cost for the Sabey data center in Tukwila. With the decommissioning of the mainframe and successful servers virtualization efforts, there is less space needed at the data center.	(421,272)	0	0.0	0.0
Technical Adjustments				
(TA_001) Adopted Budget Adjustment Add positions requested by KCIT to balance the proforma budget to the adopted level.	0	0	0.0	0.0
(TA_050) Revenue Adjustments Revise budgeted revenues to match current forecast.	0	7,048,139	0.0	0.0
(TA_097) Removal of TLT Designation Streamline TLT tracking. Number of TLTs fluctuate based on needs. Having the counts in the budget does not provide accurate information but require effort to track and reconcile.	(7,887)	0	0.0	(5.0)
(TA_098) Correction to Proforma Adjustment Correct the FTE and TLT counts in the proforma to match the adopted budget.	14,848	0	(2.5)	3.0
(TA_099) Accounts Realignment Move appropriation within the KCIT service fund (000005531) to align resources with the 2017-18 KCIT services.	0	0	0.0	0.0
(TA_100) Proforma Adjustment Adjust FTEs in the proforma to match the adopted budget counts.	896,747	0	2.5	0.0
(TA_113) Vacancy Rate Adjustment Reflects the salary savings associated with the natural rate of employee turnover for a given agency and provide greater transparency in the budget.	(2,065,130)	0	0.0	0.0

**2017-2018 Executive Proposed Operating Budget
KCIT SERVICES (EN_A43200)**

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(TA_198) Motor Pool Dispatch Rental Remove vehicle dispatch rental rates from the Fleet Motor Pool central rate account 55010 and move them into account 55258 Motor Pool ERR SVS. The amount was estimated based on 2015 actual rental billings and revised based on agency need and estimated usage for 2017-2018.	39,000	0	0.0	0.0
Central Rate Adjustments	1,874,565	0	0.0	0.0
Total Decision Package Adjustments	9,091,252	16,028,253	7.0	(2.0)

**2017-2018 Proposed Financial Plan
KCIT Services/5531**

Category	2015-2016 Estimated ²	2017-2018 Proposed Budget ³	2019-2020 Projected ⁴	2021-2022 Projected ⁴
BEGINNING FUND BALANCE¹	7,315,000	(1,179,258)	(6,995,902)	(9,591,439)
REVENUES				
KCIT Services - Order Forms	153,063,164	176,119,893	187,717,339	208,790,935
KCIT Services - Ad hoc/Project Revenue	11,813,230	5,043,511	5,462,122	5,975,562
Cost Reimbursement for custom PC, PC accessories, elected PC Lease	192,663	-	-	-
Service Reimbursement from KCIT Regional Services	-	1,340,236	1,451,476	1,587,914
Misc. Revenue including External Customers	750,511	839,081	908,725	994,145
Revenue Transfer from Capital Funds and Collection from the Countywide IT Rate for BEUM Network Project bond payment	1,628,503	1,008,000	-	-
Mainframe Bond Repayment from GF	3,810,882	3,810,882	3,810,882	-
Refunds to Agencies (Rebates/True Ups) ⁵	(314,800)	(1,418,026)	-	-
Total Revenues:	170,944,152	186,743,577	199,350,544	217,348,556
EXPENDITURES				
Operating Expenditure	(158,777,930)	(178,573,046)	(193,394,609)	(210,181,095)
Bond Payments	(12,473,230)	(12,509,000)	(6,618,775)	-
Data Center bond defeasance ⁶	(9,000,000)	-	-	-
Debt Service for Data Center ⁷	-	(1,478,175)	(1,486,400)	(1,477,700)
FMD space charge for King Street	(938,585)	-	-	-
Total Expenditures:	(180,251,160)	(192,560,221)	(201,499,784)	(211,658,795)
OTHER FUND TRANSACTIONS				
Equity Transfer from S&P Fund 5471 ⁸	699,133	-	-	-
Transfer from Security Project ⁹	113,617	-	-	-
Total Other Fund Transactions:	812,750	-	-	-
ENDING FUND BALANCE	(1,179,258)	(6,995,902)	(9,145,140)	(3,455,379)
RESERVES				
Reserve for Mainframe Project Extension and Mainframe bond payment ¹⁰	(302,600)	(100,817)	-	-
Reserve for Rebate - Services True up ¹¹	(1,418,026)	-	-	-
Reserve for Contingencies ¹²	-	-	-	-
Total Reserves:	(1,720,626)	(100,817)	-	-
RESERVE SHORTFALL¹³	2,899,884	7,096,719	9,145,140	3,455,379
ENDING UNDESIGNATED FUND BALANCE	-	-	-	-

Financial Plan Notes:

¹ Beginning fund balance is consistent with the Budgetary Fund Balance figures published by FBOD.

² 2015-2016 Estimated reflects updated revenue and expenditure estimates as of June 2016, and the impact of any proposed, but not approved supplementals.

³ 2017-2018 Proposed Budget is consistent with expenditure and revenue data from Hyperion.

⁴ Outyear projections revenue and expenditure growth based on the inflation increase percentages that are provided by PSB.

⁵ Rebate and Service-Level True Up is based on the true up of the number of workstations and servers. This also includes a loan payment from DPH and DPD.

⁶ Bond defeasance may be required to restructure the space at the data center. The Executive Finance Committee has approved interfund loan borrowing up to \$8M until 2023, which will offset the temporarily negative fund balance. KCIT will recoup the balance after the existing KCIT data center and unified communication bonds are paid off with central rates.

⁷ Previously-hosted in General Fund, the bond payments for Sabey Data Center will move to KCIT Operating Fund beginning 2017-2018, until the bond is defeased.

⁸ Equity Transfer represents the fund balance transferred from the KCIT Strategy & Performance Fund (5471) to the KCIT Services Fund (5531) upon consolidation of the two funds.

⁹ Transfer from the Security Project applies the amount disappropriated from the capital project (EBS# 1047286) in the Q1-2016 Omnibus to the Security Awareness Program.

¹⁰ Reserved for the Mainframe bond payment. The collections are normalized, thus over collection in the beginning of the years will be applied to future payments.

¹¹ Reserve for rebate, true up, and service reductions based on inventory true up and customers projection.

¹² Reserve for contingencies will allow KCIT to respond to shifting customer expectations and demand for additional services, as well as to cover unanticipated increases in rates paid by KCIT and any salary & benefit increases. No funding will be available for such reserve until the fund balance becomes positive.

¹³ Reserve shortfall will go down beginning 2021-2022 after existing bonds are paid off (related to Footnote 6). The projected shortfall will be reduced when the decision to defease (one time payments) or not to defease the bond (taking over bond payments) is made. Currently, both scenarios are included in the financial plans.

¹⁴ This plan was updated by Junko Keeseker on 09/13/2016.

2017-2018 Executive Proposed Operating Budget RADIO COMMUNICATIONS (EN_A21300)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	9,181,987	7,786,488	14.0	0.0
Base Budget Adjustments	(1,115,331)	0	0.0	0.0
Decision Package Adjustments	726,590	1,502,865	0.0	0.0
2017-2018 Executive Proposed Budget	8,793,246	9,289,353	14.0	0.0
2017-2018 Executive Proposed Ordinance	8,794,000	9,290,000	14.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_007) Support for PSERN Project Add resources for Radio Communications to support the PSERN project implementation. Funding will be provided by the PSERN project.	1,400,000	1,400,000	0.0	0.0
Administrative Service Changes				
(AC_004) Business Support Services Pay for IT support (Finance/HR) and management oversight provided to Radio Communications by KCIT Services.	57,420	0	0.0	0.0
Technical Adjustments				
(TA_050) Revenue Adjustments Revise budgeted revenues to match current forecast.	0	102,865	0.0	0.0
(TA_113) Vacancy Rate Adjustment Reflects the salary savings associated with the natural rate of employee turnover for a given agency and provide greater transparency in the budget.	(52,874)	0	0.0	0.0
Central Rate Adjustments	(677,956)	0	0.0	0.0
Total Decision Package Adjustments	726,590	1,502,865	0.0	0.0

**2017-2018 Proposed Financial Plan
Radio Communications/000004501**

Category	2015-2016 Estimated ²	2017-2018 Proposed Budget ³	2019-2020 Projected ⁴	2021-2022 Projected ⁴
BEGINNING FUND BALANCE¹	4,582,217	4,220,345	4,716,453	5,147,036
REVENUES				
Access Infrastructure O&M	3,643,663	4,107,082	4,447,969	4,866,078
Radio Services	2,605,845	2,641,207	2,860,428	3,129,308
Revenue from Site Lease and Valleycom Support Agreement and Other Misc. Revenue	926,699	765,688	788,659	812,318
Investment Earnings	41,293	29,540	33,015	36,029
Credit to KCIT Services for M&BF costs collected ⁵	(392,449)	(377,066)	(427,955)	(465,258)
Radio Replacement Reserve	669,653	572,902	572,902	572,902
Revenue from Projects	150,420	1,550,000	1,678,650	1,836,443
Total Revenues:	7,645,125	9,289,354	9,953,669	10,787,821
EXPENDITURES:				
Operating Expenditures	(6,906,998)	(8,793,246)	(9,523,085)	(10,418,255)
Transfer to Capital Fund	(1,100,000)	-	-	-
Total Expenditures:	(8,006,998)	(8,793,246)	(9,523,085)	(10,418,255)
ENDING FUND BALANCE	4,220,345	4,716,453	5,147,036	5,516,602
RESERVES				
Accumulated Radio Reserves ⁶	(2,571,158)	(3,240,811)	(3,813,714)	(4,386,616)
Current Period Contribution to Radio Reserve ⁶	(669,653)	(572,902)	(572,902)	(572,902)
Rainy Day Reserve (30 days)	(287,792)	(366,385)	(396,795)	(434,094)
Total Reserves:	(3,528,603)	(4,180,099)	(4,783,411)	(5,393,612)
RESERVE SHORTFALL	-	-	-	-
ENDING UNDESIGNATED FUND BALANCE	691,743	536,354	363,625	122,990

Financial Plan Notes:

¹ Beginning fund balance is consistent with the Budgetary Fund Balance figures published by FBOD.

² 2015-2016 Estimated reflects updated revenue and expenditure estimates as of June 2016, and the impact of any proposed, but not approved supplementals.

³ 2017-2018 Proposed Budget is consistent with expenditure and revenue data from Hyperion.

⁴ Outyear projections assume revenue and expenditure growth % provided by PSB .

⁵ Credit to KCIT Services represents the Mandatory & Business Foundation (M&BF) rate collected on radio services and transferred to the KCIT Operating Fund.

⁶ Radio Reserve (both Prior Year Accumulation and Current Period Collection from Customers) is held for scheduled replacement of handheld radios; based on the number of radios.

⁷ This plan was updated by Junko Keeseker 9/12/2016.

2017-2018 Executive Proposed Operating Budget CABLE COMMUNICATIONS (EN_A43700)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	783,417	6,161,567	1.5	0.0
Base Budget Adjustments	(17,285)	1	0.0	0.0
Decision Package Adjustments	3,365	346,458	(1.5)	0.0
2017-2018 Executive Proposed Budget	769,497	6,508,026	0.0	0.0
2017-2018 Executive Proposed Ordinance	770,000	6,509,000	0.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Administrative Service Changes				
(AC_003) Cable and I-Net Service Alignment Transfer the Cable FTEs to I-Net due to the service realignment. Cable will pay I-Net its share of the resource cost.	(1,280)	0	(1.5)	0.0
Technical Adjustments				
(TA_050) Revenue Adjustments Revise budgeted revenues to match current forecast.	0	346,458	0.0	0.0
Central Rate Adjustments	4,645	0	0.0	0.0
Total Decision Package Adjustments	3,365	346,458	(1.5)	0.0

2017-2018 Executive Proposed Operating Budget I-NET OPERATIONS(EN_A49000)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	4,882,967	5,497,310	8.0	0.0
Base Budget Adjustments	(514,471)	6,384	0.0	0.0
Decision Package Adjustments	2,564,980	1,211,324	(5.5)	0.0
2017-2018 Executive Proposed Budget	6,933,476	6,715,018	2.5	0.0
2017-2018 Executive Proposed Ordinance	6,934,000	6,716,000	2.5	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_001) I-Net Business Expansion Construct new I-Net sites for new and/or existing customers in King County based on their business needs. KCIT I-Net will provide a financing option for organizations that do not have enough capital funding for the up-front investment.	570,000	300,000	0.0	0.0
(DS_005) Development of I-Net Sites in Underserved Communities Construct new I-Net sites in underserved communities taking advantage of available fibers including those now provided through the C3 consortium agreement. This one-time appropriation will allow KCIT to extend I-Net services, including Internet access, to other government agencies and not-for-profit organizations in underserved communities of King County. This directly responds to Ordinance 2016-0239 and the Executive's Equity and Social Justice strategic initiative.	300,000	0	0.0	0.0

Administrative Service Changes

2017-2018 Executive Proposed Operating Budget

I-NET OPERATIONS(EN_A49000)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(AC_001) I-Net and KCIT Services (Network) Alignment Combine the resources associated with overall network support provided by KCIT encompassing KCWAN and I-Net. The funding will be used to pay for network hardware maintenance and business support services provided by KCIT Services. KCWAN will be a provider of network services to I-Net, consistent with KCIT focus on managing by services as described in the KCWAN line of business. Currently, the resources are split between two funds (I-Net and KCIT Services). The new arrangement will allow better utilization and management of existing resources.	544,550	0	(7.0)	0.0
(AC_002) Transfer of Equipment Replacement Reserve to KCIT Capital Fund Transfer I-Net equipment replacement reserve to the KCIT Capital Fund (3781) for tracking, accounting, and management purposes (consistent with KCIT practice on equipment replacement management).	691,456	0	0.0	0.0
(AC_003) Cable and I-Net Service Alignment Transfer resources from the Cable appropriation to I-Net operations, consolidating resources to improve utilization and management of existing resources.	417,462	416,182	1.5	0.0
Technical Adjustments				
(TA_050) Revenue Adjustments Revise budgeted revenues to match current forecast.	0	495,142	0.0	0.0
(TA_198) Motor Pool Dispatch Rental Remove vehicle dispatch rental rates from the Fleet Motor Pool central rate account 55010 and move them into account 55258 Motor Pool ERR SVS. The amount was estimated based on 2015 actual rental billings and revised based on agency need and estimated usage for 2017-2018.	9,000	0	0.0	0.0
Central Rate Adjustments	32,513	0	0.0	0.0
Total Decision Package Adjustments	2,564,980	1,211,324	(5.5)	0.0

**2017-2018 Proposed Financial Plan
I-Net Operations/000004531**

Category	2015-2016 Estimated ²	2017-2018 Proposed Budget ³	2019-2020 Projected ⁴	2021-2022 Projected ⁴
BEGINNING FUND BALANCE¹	1,112,642	662,067	443,609	532,366
REVENUES				
PEG Fee Cable TV	930,692	1,148,482	1,076,981	1,076,981
Investment Interest & Other Misc Revenue	13,657	4,634	3,105	3,727
Service Fees	4,698,728	5,123,950	5,573,698	5,707,042
KCIT Mandated & Business Foundation Service Fees	(297,965)	(278,230)	(302,652)	(309,892)
Transfer from Cable Communication Fund	-	416,182	439,488	466,297
Construction Reimbursement	-	-	108,000	216,000
Contingency Revenue	-	300,000	316,800	336,125
Total Revenues:	5,345,112	6,715,018	7,215,420	7,496,279
EXPENDITURES				
Operating Expenditure	(4,183,224)	(5,942,020)	(6,435,208)	(7,040,117)
Transfer to Capital Project ⁵	-	(691,456)	(691,456)	(691,456)
One-time Pilot Sites	-	(300,000)	-	-
Bond Payment	(691,875)	-	-	-
Total Expenditures:	(4,875,099)	(6,933,476)	(7,126,664)	(7,731,573)
OTHER FUND TRANSACTIONS⁶				
Internal Loan Repayment	(920,589)	-	-	-
Total Other Fund Transactions:	(920,589)	-	-	-
ENDING FUND BALANCE	662,067	443,609	532,366	297,071
RESERVES				
Rainy Day Reserve (30 days)	(203,129)	(288,895)	(296,944)	(322,149)
Total Reserves:	(203,129)	(288,895)	(296,944)	(322,149)
RESERVE SHORTFALL	-	-	-	25,078
ENDING UNDESIGNATED FUND BALANCE	458,938	154,714	235,421	-

Financial Plan Notes:

¹ Beginning fund balance is consistent with the Budgetary Fund Balance figures published by FBOD.

² 2015-2016 Estimated reflects updated revenue and expenditure estimates as of June 2016, and the impact of any proposed, but not approved supplementals.

³ 2017-2018 Proposed Budget is consistent with expenditure and revenue data from Hyperion.

⁴ Outyear projections expenditure growth based on the inflation increase percentages that are provided by PSB; revenue was based on current rate and projected site increase.

⁵ Transfer of equipment reserve to capital project was to establish funding source dedicated to replace equipment on a routine basis. It was calculated by depreciating the last equipment upgrade (with cost escalation) by 10 year. PEG fee is the source for equipment replacement

⁶ Other fund transactions include Internal loan payments to the Radio Communication Capital Fund (3473). The last payment was made in 2016.

⁷ This plan was updated by Junko Keesecker on 09/13/2016.

2017-2018 Executive Proposed Operating Budget GEOGRAPHIC INFORMATION SYSTEMS(EN_A01100)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	14,621,904	14,010,132	28.0	0.0
Base Budget Adjustments	506,695	0	0.0	0.0
Decision Package Adjustments	2,278,137	2,828,637	6.0	0.0
2017-2018 Executive Proposed Budget	17,406,735	16,838,769	34.0	0.0
2017-2018 Executive Proposed Ordinance	17,407,000	16,839,000	34.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_002) Esri GIS Software Enterprise License Agreement Renewal Renew the current Esri enterprise license agreement set to expire on August 15, 2018. The enterprise license provides the county with unlimited access to Esri software at a stable cost for the life of the agreement. The current annual cost is \$315,000 before sales tax. KCGIS Center is negotiating a new four-year agreement with Esri. KCGIS anticipates an increase of no more than \$80,000 before tax (26%) in annual cost. The enterprise license will provide access to all of the Esri GIS software required to meet current and anticipated future county needs.	87,680	0	0.0	0.0
(DS_004) Collaborative Regional GIS Plan Development Develop a plan to create a regional, integrated, collaborative, and sustainable geographic information system to meet the needs of public agencies within the King County region.	220,750	0	0.0	0.0
(DS_009) E-911 IT Staff Alignment Transfer E911 staff to KCIT Services to align with the County's initiative to consolidate IT services in the Executive Branch.	1,745,150	1,739,591	6.0	0.0

**2017-2018 Executive Proposed Operating Budget
GEOGRAPHIC INFORMATION SYSTEMS(EN_A01100)**

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Administrative Service Changes				
(AC_004) Business Support Services Pay the Regional GIS' share of KCIT business support costs (i.e., payroll, finance, HR, contracts, billing, and regional management).	508,820	0	0.0	0.0
(AC_005) GIS Staff Space Pay the Regional GIS's share of FMD space rates charged to KCIT under A43200 KCIT Services. The amount was calculated based on the number of positions in Regional GIS.	297,000	0	0.0	0.0
Technical Adjustments				
(TA_050) Revenue Adjustments Revise budgeted revenues to match current forecast.	0	1,089,046	0.0	0.0
(TA_198) Motor Pool Dispatch Rental Remove vehicle dispatch rental rates from the Fleet Motor Pool central rate account 55010 and move them into account 55258 Motor Pool ERR SVS. The amount was estimated based on 2015 actual rental billings and revised based on agency need and estimated usage for 2017-2018.	3,000	0	0.0	0.0
Central Rate Adjustments	(584,263)	0	0.0	0.0
Total Decision Package Adjustments	2,278,137	2,828,637	6.0	0.0

2017-2018 Proposed Financial Plan
Geographic Information System (GIS)/000005481

Category	2015-2016 Estimated ²	2017-2018 Proposed Budget ³	2019-2020 Projected ⁴	2021-2022 Projected ⁴
BEGINNING FUND BALANCE¹	1,518,000	689,380	221,414	214,988
REVENUES				
Agency O&M Rates	5,238,920	6,627,023	7,177,066	7,851,710
Agency Matrix Rates	4,571,856	4,203,428	4,552,313	4,980,230
Agency Client Services Rates	1,406,237	2,066,874	2,238,425	2,448,836
E911 Transfer	-	1,739,591	1,837,008	1,939,881
Contingency Imagery Revenue ⁵	-	1,719,500	1,817,512	1,942,920
External Imagery Revenue	744,746	1,142,000	1,207,094	1,290,383
Credit to KCIT for M&BF Costs Collected ⁶	-	(659,647)	(714,398)	(781,551)
Total Revenues:	11,961,759	16,838,769	18,115,019	19,672,409
EXPENDITURES				
Wages, Benefits and Retirement	(7,971,667)	(10,217,297)	(10,789,466)	(11,447,623)
GIS Plan Development	-	(220,750)	-	-
Contribution to Capital	(1,161,602)	-	-	-
Direct Services	(1,489,373)	(4,427,326)	(4,679,684)	(5,002,582)
Intergovernmental Services	(2,167,737)	(2,541,362)	(2,752,295)	(3,011,011)
Total Expenditures:	(12,790,379)	(17,406,735)	(18,221,445)	(19,461,216)
ESTIMATED UNDEREXPENDITURES	-	100,000	100,000	100,000
ENDING FUND BALANCE	689,380	221,414	214,988	526,181
RESERVES				
Prepaid Client Services Reserve ⁷	(100,765)	(100,765)	(100,765)	(100,765)
Revenue Variance Reserve	(308,190)	-	-	-
Strategic Sustainable Capacity Reserve	(280,425)	-	-	-
Total Reserves:	(689,380)	(100,765)	(100,765)	(100,765)
RESERVE SHORTFALL	-	-	-	-
ENDING UNDESIGNATED FUND BALANCE	-	120,649	114,223	425,416

Financial Plan Notes:

¹ Beginning fund balance is consistent with the Budgetary Fund Balance figures published by FBOD.

² 2015-2016 Estimated reflects updated revenue and expenditure estimates as of June 2016, and the impact of any proposed, but not approved supplementals.

³ 2017-2018 Proposed Budget is consistent with expenditure and revenue data from Hyperion.

⁴ Outyear projections expenditure growth is based on the inflation increase percentages provided by PSB; revenue was based on the current rate and projected site increase.

⁵ Contingency Imagery Revenue reflects potential additional revenue from regional customers participants. Actual revenue will be offset by actual expenditures for this purpose.

⁶ Credit to KCIT Operating represents the Mandated & Business Foundation (M&BF) rate collected on GIS services and transferred to the KCIT Operating Fund.

⁷ The Prepaid Client Services Reserve represents the balance of prepaid client services revenue received, minus work completed on account.

⁸ Updated by Junko Keeseker on 09/13/2016

2017-2018 Executive Proposed Operating Budget PUGET SOUND EMERGENCY RADIO NETWORK LEVY (EN_A15100)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	29,152,237	0	4.0	0.0
Base Budget Adjustments	30,473,650	0	0.0	0.0
Decision Package Adjustments	1,738,863	61,086,660	0.0	0.0
2017-2018 Executive Proposed Budget	61,364,751	61,086,660	4.0	0.0
2017-2018 Executive Proposed Ordinance	61,365,000	61,087,000	4.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Technical Adjustments				
(TA_004) Transfer to Capital Increase in expenditure so that it aligns with the total property revenue and fund balance expected to be transferred in 2017-2018.	1,153,704	0	0.0	0.0
(TA_050) Revenue Adjustments Revise budgeted revenues to match current OEFA forecast. This is the first full biennial budget for this fund. Revenues were not previously budgeted.	0	61,086,660	0.0	0.0
Central Rate Adjustments	585,159	0	0.0	0.0
Total Decision Package Adjustments	1,738,863	61,086,660	0.0	0.0

**2017-2018 Proposed Financial Plan
PSERN Levy Fund /000001511**

Category	2015-2016 Estimated ¹	2017-2018 Proposed Budget ²	2019-2020 Projected ³	2021-2022 Projected ³
Beginning Fund Balance	-	278,090	-	-
Revenues				
Levy Proceeds	29,430,327	61,086,660	64,039,009	66,993,813
Total Revenues	29,430,327	61,086,660	64,039,009	66,993,813
Expenditures				
Election Cost	(1,741,063)			
Fire Service Protection ⁴	(1,000,000)	(2,000,000)	(2,000,000)	(2,000,000)
Transition Cost ⁵			(750,000)	
Transfer to Capital	(26,411,174)	(59,364,750)	(61,289,009)	(62,374,466)
Total Expenditures	(29,152,237)	(61,364,750)	(64,039,009)	(64,374,466)
Estimated Underexpenditures				
Other Fund Transactions ⁷				
Total Other Fund Transactions	-	-	-	-
Ending Fund Balance	278,090	-	-	2,619,347
Reserves				
Rate Stabilization Reserve(s) ⁶				(2,619,347)
Total Reserves	-	-	-	(2,619,347)
Reserve Shortfall	-	-	-	-
Ending Undesignated Fund Balance	278,090	-	-	-

Financial Plan Notes

¹ 2015/2016 Estimated reflects updated revenue and expenditure estimates as of August 2016, and the impact of any proposed, but not approved supplementals.

² 2017/2018 Proposed Budget is consistent with expenditure and revenue data from Hyperion, and August 2016 OEFA forecast.

³ Outyear projections assume revenue growth based on August 2016 OEFA forecast.

⁴ Assumed the payments associated with fire district service protection, \$1M annually. If the payments are not made, the fund will set aside this as reserve.

⁵ Transition Cost - This reserve funds the transition costs to the new radio network.

⁶ Rate Stabilization reserve is for mitigation of operating costs for the new system.

⁷ This plan was updated by Junko Keesecker on 09/01/16

CAP SUMMARY REPORT

2017-2018 Biennial - Executive Proposed

3771 OIRM CAPITAL PROJECTS - King County Information Technology

Project Number	Project Name Class Code	Tech Adj	FY17-18	Current Scope
1123944	DOA PTAS STANDALONE		\$504,148	The Department of Assessments' (DOA) Property Tax Administration System (PTAS) project will review DOA's business, technical, and functional requirements for a new PTAS system; conduct an RFI and an RFP; and select a vendor for a modern, stable and accurate system to deliver our tax revenue for the County and the multiple jurisdictions that the County serves.
1124170	DES FBOD CW Elec Pmt Imp Sppt STANDALONE		\$357,752	The Countywide Electronic Payment Implementation Support Project (led by the Finance and Business Operations Division (FBOD) of the Department of Executive Services (DES)) will consolidate Web/online, point-of-sale (POS), and interactive voice response (IVR) payment functions across King County under a single merchant services provider. An RFP has been issued to select a new vendor, which will replace the current vendors (FIS and Bank of America). The selected vendor will also provide an integrated Web-based reporting platform for all electronic payments to give the County full visibility of transactions countywide. The selected vendor will provide a hosted payment gateway to accept cardholder information, thus reducing the County's PCI risk. From a larger perspective, the project will provide effective fiscal, business practice, policy and technical support to departments for the implementation of electronic payments.
1124179	DES HRD Replacement of NeoGOV STANDALONE		\$763,938	The NEOGOV Replacement Project (led by the Human Resources Division (HRD) of the Department of Executive Services (DES)) is working to replace the two NEOGOV systems being used separately by Public Health and all other County departments with a new Applicant Tracking System (ATS). The new ATS will integrate with PeopleSoft and enable King County to standardize its currently highly-varied recruitment business processes. A single system's reporting capabilities, combined with PeopleSoft integration, will enhance the County's visibility into its recruitment processes and outcomes. The visibility offered by these capabilities is critical to enabling process improvement, which the County will need as it continues to compete with very large employers based in the Seattle area (e.g., Starbucks, Boeing, Microsoft, and Amazon). These improvements, combined with a more robust and technically current system that leverages social media, will more effectively reach, attract and retain qualified candidates.
1129348	DES RALS Records Mgmt Sys Upgd STANDALONE		\$1,393,685	The Records Management System Upgrade Project (led by the Records and Licensing Services (RALS) Division of the Department of Executive Services (DES)) will replace the obsolete Autonomy Records Manager (ARM) software currently used to operate the County's Electronic Records Management System (ERMS). ARM is approaching end of life with vendor support ending in February 2017. This project will ensure that files are migrated from ARM and managed in a new solution that meets records management legal and best practice requirements. The new software will provide County employees with an easy to use system that includes improvements for managing and searching records.
1129465	KCEO Tabulation System Rplc STANDALONE		\$3,165,626	The Tabulation System Replacement Project (led by the King County Elections Office (KCEO)) will procure and replace the existing tabulation system (GEMS PCS), including the hardware (servers, computers, scanners, adjudication stations, back-up drives, etc.). Implementation of the new system will include onsite vendor support, extensive testing and training as well as documentation of business processes. The current system is

CAP SUMMARY REPORT

2017-2018 Biennial - Executive Proposed

				operating at its capacity and cannot accommodate any increase in additional registered voters and ballots for tabulation. The XP operating system that hosts the current system is no longer supported by Microsoft.
1129637	DCHS Physical Behav Hlth Int STANDALONE		\$4,930,146	The Physical Behavioral Health Integration Project (led by the Department of Community and Human Services (DCHS)) will expand the King County Behavioral Health Organization data system (implemented on April 1, 2016) into an integrated data system that will support both physical and behavioral health care delivery claims and services. The key components of the integrated model of care will be determined later in the year 2016. These will inform the exact changes to the system that will be needed.
1129638	DCHS PH Data Integration STANDALONE		\$2,714,136	The Data Integration Project will integrate client-level data stored within the Department of Community and Human Services (DCHS), Department of Public Health for Seattle and King County (PHSKC), and the Department of Adult and Juvenile Detention (DAJD). PHSKC maintains aggregate population health data (vital statistics, disease surveillance data, and community health indicators) and client-level data from emergency medical services, Public Health Centers, Jail Health Services, and Healthcare for the Homeless Network. Client-level Medicaid claims are shared between PHSKC and DCHS. DCHS holds client-level behavioral health, Veteran's, developmental disabilities, and employment services data as well as housing and services data within the Homeless Management Information System (HMIS). Client-level county and municipal jail data are also sent to DCHS. These datasets are not currently integrated either within or between their respective Departments. The new system will enable individual client "lookup" for direct care coordination, identification of high-risk groups based on flexible criteria for system-level care coordination, and extracting datasets for analysis of population health, program evaluation, and costs.
1129703	DOT Fleet Vehicle Loc for NRV STANDALONE		\$1,781,050	The Automatic Vehicle Location (AVL) for Non-Revenue Vehicles Project (led by the Fleet Administration Division of the Department of Transportation) will procure and implement a countywide AVL solution to outfit approximately 1,600 non-revenue vehicles used by the Transit and Airport divisions of the Department of Transportation (DOT) and the Solid Waste Division of the Department of Natural Resources and Parks (DNRP). Major project components include installing telematics hardware on the vehicles to capture vehicle location and information such as odometer readings, frequency of use, idle time, engine state, status of vehicle hardware (e.g., plow and sweeper blades, sanding equipment), among others. Additional components include a software interface to view real-time data in a cloud-based platform. The project scope also includes integrating AVL with the County's existing enterprise asset management systems including FASTER and Cityworks.
1129762	DAJD DAN Phase III STANDALONE		\$1,052,755	The Distributed Antenna Network (DAN) Phase III Project (led by the Department of Adult and Juvenile Detention (DAJD)) is a follow on project to DAN Phase I and DAN Phase II. All three projects have one primary purpose of eliminating the 800 MHz communication "dead spots" throughout the King County Correctional Facility (KCCF) and enhancing future 800 MHz capabilities by connecting the facility to the Seattle Simulcast System. These dead spots in the building do not allow DAJD staff to communicate with KCCF's Central Control in areas such as the elevators and stairwells resulting in a public safety issue. Completed in 2012, DAN Phase I provided a design for a small scale proof of concept and addressed the 800 MHz "dead spots" on floors 1-3. Slated for completion in 2016, DAN Phase II is addressing the 800 MHz "dead spots" on floors 4-7. DAN

CAP SUMMARY REPORT

2017-2018 Biennial - Executive Proposed

				Phase III will address the remaining floors 8-12 and connect to the Seattle Simulcast System that will serve all 12 floors of the building.
1129763	DAJD Jail Management System STANDALONE		\$12,189,034	The Jail Management System (led by the Department of Adult and Juvenile Detention (DAJD)) will procure a new, comprehensive and integrated jail management system to equip DAJD with the tools that will help it to achieve more effective and efficient jail operations. The new system will replace a system that has been in place since 1974 and includes dozens of disjointed applications and hundreds of highly inefficient, manual processes. For example, new capabilities will include automated calculation of inmate release date, increase data accuracy, and reduce time spent on locating files and manual processing.
1129863	DES RALS Hire License Sys Col STANDALONE		\$166,500	The Records and Licensing Services (RALS) Division of the King County Department of Executive Services (DES) is partnering with the City of Seattle on a For-Hire Licensing System Collaboration Project. The project will procure and implement a shared system that meets the needs of both RALS and the City. The City will host the software and take the lead on project management and contracting. RALS will provide project support to manage the County's project needs and facilitate implementation for the County functions. Specifically, the new system will support the regulatory functions of the For-hire Licensing Unit, including (a) licensing for-hire transportation companies, vehicles and drivers; (b) licensing taxi and for-hire vehicles and drivers; (c) processing applications for registering process servers; and potentially, (d) other business licensing functions. Expected benefits include: <ul style="list-style-type: none"> • Seamless access between City and County users • Customer facing web portals (B2G and C2G) • Secure Web environments and data • More efficient application processing
1129910	PSB Hyperion Upgrade STANDALONE		\$1,108,081	The Hyperion Upgrade Project (led by the Office of Performance, Strategy, and Budget (PSB)) will upgrade the County's Hyperion budget system to the most recent, stable version, mitigating the risk of the system's incompatibility with the latest versions of Internet Explorer, Microsoft Excel, and Java used by most of the County's Hyperion users, which could cause system issues during the 2019-2020 budget process. The upgrade will also provide enhanced functions and features, making the system more user-friendly.
1130197	KCSC ITA Court Video Improve STANDALONE		\$254,545	The King County Superior Court (KCSC) Involuntary Treatment Act (ITA) Court Video Improvement Project will upgrade Superior Court's video conferencing equipment and infrastructure in order to maintain and enhance the viability of video hearings for ITA Court. The current equipment will soon be nearing end-of-life and is not scalable for future expansion; the current system also provides sub-optimal audio connections with patients and their attorneys. The project includes upgrades to infrastructure, three new mobile video carts, upgrades to all existing video equipment at the hospital endpoints, and setting up a new video system in Swedish Ballard. There will be a total of 9 video conferencing sites at 7 hospitals.
3771 - OIRM CAPITAL PROJECTS		Total	\$30,381,396	
3781 ITS CAPITAL - King County Information Technology				

CAP SUMMARY REPORT

2017-2018 Biennial - Executive Proposed

Project Number	Project Name Class Code	Tech Adj	FY17-18	Current Scope
1047605	KCIT DSS REPLACEMENT KCIT ITS Equipment Replacement		\$2,655,575	As part of the Distributed System Services (DSS) Replacement Project, the King County Information Technology (KCIT) Department will replace platform infrastructure equipment used mostly by applications (i.e., servers, storage, backup, and equipment that support cloud technology where some applications reside). This equipment replacement project is in line with KCIT's internal policies and industry best practice related to replacing capital equipment that has reached the end of its useful life.
1047610	KCIT WAN REPLACEMENT KCIT ITS Equipment Replacement		\$1,000,000	As part of the Wide Area Network (WAN) Replacement Project, the King County Information Technology (KCIT) Department will replace various equipment used to provide network connections that enable County agencies to access specialized business applications, desktop business applications such as Skype for Business, Lync phones, and Cloud services. This equipment replacement project is in line with KCIT's internal policies and industry best practice related to replacing capital equipment that reached the end of its useful life.
1129570	KCIT I-Net ER KCIT ITS Equipment Replacement		\$691,456	As part of the Institutional Network (I-Net) Equipment Replacement (ER) Project, the King County Information Technology (KCIT) Department will replace various network equipment used to provide regional network connectivity for County agencies, as well as many other government and nonprofit agencies. This equipment replacement project is in line with KCIT's internal policies and industry best practice related to replacing capital equipment that reached the end of its useful life.
3781 - ITS CAPITAL		Total	\$4,347,031	
Grand Total			\$34,728,427	

**2017-2018 Proposed Financial Plan
IT Capital Fund / 00003771**

Capital Improvement Program (CIP) Budget					
	2015-2016 Carryforward (YE ITD Balance)¹	2017-2018 Proposed²	2017-2018 Total (Balance + Budget)	2019-2020 Estimated³	2021-2022 Estimated³
CAPITAL BUDGET REVENUE SOURCES					
Revenue Backing from Fund Balance	11,542,756	422,617	11,542,756		-
Revenue for New IT Projects (GF, Dept Transfers, Rates) ⁷	-	22,018,981	22,018,981	-	-
Bond Proceeds for Existing IT Projects	25,056,504	-	25,056,504	-	-
Other Revenue	4,373,295	-	4,373,295	-	-
Biennial Project Funding ⁸	-	7,939,798	-	-	-
Total Capital Revenue:	40,972,555	30,381,396	62,991,536		-
CAPITAL APPROPRIATION					
GF Project Group	(20,103,999)	(17,166,108)	(29,330,309)		-
DES Project Group	(10,901,567)	(2,681,875)	(13,583,442)		-
DPH Project Group	(6,633,137)	-	(6,633,137)		-
DCHS Project Group	(940,955)	(7,644,282)	(8,585,237)		-
Others	(1,970,280)	(2,889,131)	(4,859,411)		-
Total Capital Appropriation:	(40,549,939)	(30,381,396)	(62,991,537)		-

CIP Fund Financial Position						
	2015-2016 Biennial to Date Actuals⁴	2015-2016 Estimated⁵	2017-2018 Biennial to Date Actual	2017-2018 Estimated⁵	2019-2020 Estimated⁶	2021-2022 Estimated⁶
BEGINNING FUND BALANCE	20,631,362	20,631,362	-	12,248,036	18,609,456	(0)
CAPITAL FUNDING SOURCES						
Project Revenue (Dept Transfers, Rates)	14,635,864	16,486,467		3,395,848	3,395,848	-
Bond Proceeds	965,937	2,317,073		17,763,752	7,292,752	-
Refunds and Other Transfers	(403,436)	(5,719,085)		-	(1,818,400)	-
Misc Revenue	(221,364)	315,737		-	-	-
Biennial Project Funding ⁸	-	-		22,018,981	7,939,798	-
Total Capital Revenue:	14,977,001	13,400,192	-	43,178,581	16,809,998	-
CAPITAL EXPENDITURES						
Prior Appropriation - GF Project Group	(3,415,664)	(4,406,098)		(2,388,321)	(17,715,678)	-
Prior Appropriation - DES Project Group	(2,768,406)	(4,415,371)		(10,899,501)	(2,066)	-
Prior Appropriation - DPH Project Group	(3,557,045)	(4,810,418)		-	(6,633,137)	-
Prior Appropriation - "Other" Project Group	(5,012,191)	(3,764,226)		(82,461)	(2,828,774)	-
New Appropriation Request (2017-2018 new projects)		-		(23,146,878)	(7,939,798)	-
Total Capital Expenditures:	(14,753,306)	(17,396,113)	-	(36,517,161)	(35,119,454)	-
OTHER FUND TRANSACTIONS⁹						
Transfer to KCIT Operating Fund ^a	(1,239,256)	(1,928,503)		(300,000)	(300,000)	-
Transfer In/out KCIT Enterprise CIP ^b	(2,372,893)	(2,372,893)		-	-	-
Other GAAP Transactions	(86,009)	(86,009)		-	-	-
ENDING FUND BALANCE	17,156,899	12,248,036	-	18,609,456	(0)	(0)
FUND BALANCE DESIGNATED TO CURRENT PROJECTS¹¹	(16,324,957)	(30,078,939)	-	(27,179,656)	-	-
RESERVES						
Reserve for Refund - Completed/Cancelled Projects	(831,942)	-		-	-	-
Reserve for DOA Project	-	(84,000)		-	-	-
Reserve for Elections Equipment Replacement	-	(338,617)		-	-	-
Reserve for KCIT Wireless Project	-	(705,280)		-	-	-
Total Reserves:	(831,942)	(1,127,897)	-	-	-	-
PROJECTED SHORTFALL	-	18,958,800	-	8,570,200	-	-
ENDING UNDESIGNATED FUND BALANCE	-	-	-	-	-	-

Financial Plan Notes:

¹ 2015-2016 Carryover reflects estimates of year-end inception-to-date appropriation balances or actual balance per the PA_103 report.

² 2017-2018 Proposed Budget is consistent with expenditure and revenue data from PIC and matches the CIP Attachment A.

³ Outyear budget estimates are consistent with Attachment A out years estimates with exceptions noted.

⁴ 2015-2016 Biennial-to-Date Actuals reflects actual revenues and expenditures as of 07/27/2016, using EBS report GL 10 for revenue and PA_103 for expenditure.

⁵ 2015-2016 Estimated reflects updated revenue and expenditure estimates as of June 2016.

⁶ Outyear revenue and spending estimates are based on current revenue estimates and project spending plans.

⁷ Revenue for New IT Projects (GF, Dept Transfers, Rates) includes the revenue associated with the 2017-2018 new IT projects approved by the Executive Office.

⁸ Biennial Project Funding includes new IT projects approved by the Executive Office.

⁹ Other fund transactions include transfers noted below and accounting adjustments to balance to budgetary fund balance.

^a To transfer collected countywide CIP rates to the KCIT operating fund to pay for bond payment funding the business empowerment project and for fund administration and central rates

^b To transfer collected countywide rates or bond proceeds for enterprise projects in 3781: Westin Project, Enhanced Wireless, IP Fax

¹⁰ Fund Balance Designated for Current Projects is for projects that are already appropriated and cannot be used for other projects without disappropriating projects or creating a shortfall in the fund.

¹¹ Prepared by Junko Keesecker on 09/13/2016

**2017-2018 Proposed Budget
KCIT ENTERPRISE CAPITAL FUND / 00003781**

Capital Improvement Program (CIP) Budget					
	2015-2016 Carryforward (YE ITD Balance)¹	2017-2018 Proposed²	2017-2018 Total (Balance + Budget)	2019-2020 Estimated³	2021-2022 Estimated³
CAPITAL BUDGET REVENUE SOURCES					
Revenue Backing from Fund Balance	1,090,576	-	1,090,576	-	-
Transfer from KCIT Operations	-	4,347,031	4,347,031		
Total Capital Revenue:	1,090,576	4,347,031	5,437,607		
CAPITAL APPROPRIATION					
ER Projects and Admin	(1,271,625)	(4,347,031)	(5,618,656)		
Total Capital Appropriation:	(1,271,625)	(4,347,031)	(5,618,656)		

CIP Fund Financial Position						
	2015-2016 Biennial to Date Actuals⁴	2015-2016 Estimated⁵	2017-2018 Biennial to Date Actual	2017-2018 Estimated⁵	2019-2020 Estimated⁶	2021-2022 Estimated⁶
BEGINNING FUND BALANCE	7,480,042	7,480,042		1,090,576	(181,049)	3,002
CAPITAL FUNDING SOURCES						
Service Rates	6,426,306	8,140,914		4,347,031	6,428,080	4,347,031
Other Misc Revenue	-	30,000		-	-	-
Refunds to Agencies	-	(37,434)		-	-	-
Total Capital Revenue:	6,426,306	8,133,480	-	4,347,031	6,428,080	4,347,031
CAPITAL EXPENDITURES						
Major Project / Unified Communications	(3,643,920)	(5,453,900)		-	-	-
Major Project / Mainframe Rehosting	(3,749,614)	(3,749,614)		-	-	-
Major Project / Countywide IT projects	(961,616)	(2,303,593)		(69,301)	-	-
ER Projects and Admin	(325,171)	(3,015,840)		(5,549,356)	(6,244,029)	(4,347,031)
Total Capital Expenditures:	(8,680,321)	(14,522,946)	-	(5,618,656)	(6,244,029)	(4,347,031)
OTHER FUND TRANSACTIONS⁷						
ENDING FUND BALANCE	5,226,027	1,090,576	-	(181,049)	3,002	3,002
FUND BALANCE DESIGNATED TO CURRENT PROJECTS⁸	-	(1,271,625)	-	-	-	-
RESERVES						
Reserve for Specific Projects ⁹	(5,226,027)	(1,896,998)		(1,896,998)	-	-
TOTAL RESERVES	(5,226,027)	(1,896,998)	-	(1,896,998)	-	-
PROJECTED SHORTFALL¹⁰	-	2,078,047	-	2,078,047	-	-
ENDING UNDESIGNATED FUND BALANCE	-	-	-	-	3,002	3,002

Financial Plan Notes:

¹ 2015-2016 Carryover reflects estimates of year end inception to date appropriation balances or actual balance per PA_103 report.

² 2017-2018 Proposed Budget is consistent with expenditure and revenue data from PIC and matches the CIP Attachment A.

³ Outyear budget estimates are consistent with Attachment A out years estimates with exceptions noted.

⁴ 2015-2016 Biennial-to-Date Actuals reflects actual revenues and expenditures as of 05/31/2016, using EBS report GL_010.

⁵ 2015-2016 Estimated reflects updated revenue and expenditure estimates as of 06/30/2016.

⁶ Outyear revenue and spending estimates are based on current revenue estimates and project spending plans.

⁷ Other fund transactions include accounting adjustments to balance to budgetary fund balance.

⁸ Fund balance designated to current projects is for projects that are already appropriated. This fund balance cannot be used for other projects without disappropriating projects or creating a shortfall in the fund.

⁹ The reserve for 2017-2018 and outyears is mainly for servers, database, and storage equipment replacement. This came from a dedicated revenue for equipment replacement.

¹⁰ Temporary projected shortfall is due to the internal loan borrowing for the mainframe project. This is planned to be repaid in 2020 as part of the mainframe loan rates.

¹¹ This plan was update by Junko Keesecker on 9/12/2016.

LEGISLATIVE AGENCIES

Mission

County Council, Administration, and Clerk Earn public trust, enhance quality of life, and protect public health and safety. Ensure adherence to legislative and legal processes and create and maintain accurate and required records to facilitate more effective government and provide consistent quality responsiveness to citizens.

Auditor's Office Promote improved performance, accountability, and transparency in King County government through objective and independent audits and studies.

Hearing Examiner Provide a public hearing process for land use and other critical issues that is fair, efficient, open and accessible to all citizens.

Law Enforcement Oversight Ensure the integrity, transparency, and accountability of the King County Sheriff's Office (KCSO) in misconduct investigations and foster greater community trust in KCSO.

Ombudsman-Tax Advisor Promote public confidence in King County government by responding to citizen complaints in an impartial, efficient and timely manner, and to contribute to the improved operation of County government by making recommendations based upon the results of complaint investigations.

Overview

Legislative agencies include the legislative branch of the County government represented by the County Council and Council Administration, as well as independent agencies represented by the offices of the Auditor, the Ombudsman, the Tax Advisor, the Hearing Examiner, Law Enforcement Oversight, the Board of Appeals/Equalization, and King County Television.

County Council The Council's role is to guide provision of quality regional services to county residents by all County departments and agencies through setting policies, enacting laws, and adopting budgets. The Council's review of ordinances, motions, and budgets help ensure that County government operates in an efficient, transparent, and cost-effective manner, with equal access for all county residents. The Councilmembers oversee the independent agencies and also serve on governing boards for issues that cross jurisdictional boundaries in areas such as transportation, public health, and criminal justice.

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

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

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.

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

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

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 County Assessor, as well as various business license decisions and animal control orders.

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

2017-2018 Executive Proposed Operating Budget COUNTY COUNCIL (EN_A01000)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	3,581,427	0	9.0	0.0
Base Budget Adjustments	119,351	0	0.0	0.0
Decision Package Adjustments	(9,750)	0	0.0	0.0
2017-2018 Executive Proposed Budget	3,691,028	0	9.0	0.0
2017-2018 Executive Proposed Ordinance	3,692,000	0	9.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.

2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.

3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Central Rate Adjustments	(9,750)	0	0.0	0.0
Total Decision Package Adjustments	(9,750)	0	0.0	0.0

2017-2018 Executive Proposed Operating Budget COUNCIL ADMINISTRATION (EN_A02000)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	30,354,918	0	100.1	0.0
Base Budget Adjustments	(181,033)	0	(3.0)	0.0
Decision Package Adjustments	(1,968,660)	0	0.0	0.0
2017-2018 Executive Proposed Budget	28,205,225	0	97.1	0.0
2017-2018 Executive Proposed Ordinance	28,206,000	0	97.1	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Technical Adjustments				
(TA_109) Eliminate Courthouse Screening Rate Remove the courthouse screening rate that was previously charged to General Fund agencies that use King County's courthouses. This cost will instead be included in the budget of the King County Sheriff's Office.	(388,884)	0	0.0	0.0
(TA_113) Vacancy Rate Adjustment Reflect a three percent reduction in expenditures that the Council Administration will manage by holding positions vacant.	(900,000)	0	0.0	0.0
Central Rate Adjustments	(679,776)	0	0.0	0.0
Total Decision Package Adjustments	(1,968,660)	0	0.0	0.0

2017-2018 Executive Proposed Operating Budget HEARING EXAMINER (EN_A03000)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	1,102,615	0	3.0	0.0
Base Budget Adjustments	55,554	0	0.0	0.0
Decision Package Adjustments	41,625	0	0.0	0.0
2017-2018 Executive Proposed Budget	1,199,794	0	3.0	0.0
2017-2018 Executive Proposed Ordinance	1,200,000	0	3.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Technical Adjustments				
(TA_198) Motor Pool Dispatch Rental Remove vehicle dispatch rental rates from the Fleet Motor Pool central rate account 55010 and move them into account 55258 Motor Pool ERR SVS. The amount was estimated based on 2015 actual rental billings and revised based on agency need and estimated usage for 2017-2018.	3,000	0	0.0	0.0
Central Rate Adjustments	38,625	0	0.0	0.0
Total Decision Package Adjustments	41,625	0	0.0	0.0

2017-2018 Executive Proposed Operating Budget COUNTY AUDITOR (EN_A04000)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	4,627,999	1,100,000	16.9	0.0
Base Budget Adjustments	184,840	0	(0.7)	0.0
Decision Package Adjustments	152,239	(1,100,000)	1.1	0.0
2017-2018 Executive Proposed Budget	4,965,077	0	17.3	0.0
2017-2018 Executive Proposed Ordinance	4,966,000	0	17.3	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_001) Increase 0.6 FTE to 1.0 FTE Add 0.4 FTE.	0	0	0.4	0.0
Administrative Service Changes				
(AC_001) Loan-Out Labor (Capital) Adjustment Adjust Loan-Out Labor for Capital Projects Oversight to zero out the cost center.	(29,910)	0	0.0	0.0
Technical Adjustments				
(TA_001) Loan-Out Labor Reduction Reduce Loan-Out Labor for County Auditor's Office.	167,904	0	0.0	0.0
(TA_050) Revenue Adjustments Revise budgeted revenues to match current forecast.	0	(1,100,000)	0.0	0.0
(TA_110) Net Zero Adjustments Net zero changes to reflect current spending pattern.	(88)	0	0.7	0.0
(TA_113)	0	0	0.0	0.0

**2017-2018 Executive Proposed Operating Budget
COUNTY AUDITOR (EN_A04000)**

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Central Rate Adjustments	14,332	0	0.0	0.0
Total Decision Package Adjustments	152,239	(1,100,000)	1.1	0.0

2017-2018 Executive Proposed Operating Budget OMBUDSMAN TAX ADVISOR (EN_A05000)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	2,605,000	0	10.0	0.0
Base Budget Adjustments	182,509	0	0.0	0.0
Decision Package Adjustments	80,914	0	0.0	0.0
2017-2018 Executive Proposed Budget	2,868,423	0	10.0	0.0
2017-2018 Executive Proposed Ordinance	2,869,000	0	10.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.

2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.

3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Central Rate Adjustments	80,914	0	0.0	0.0
Total Decision Package Adjustments	80,914	0	0.0	0.0

2017-2018 Executive Proposed Operating Budget KC CIVIC TELEVISION (EN_A06000)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	1,401,464	0	5.0	0.0
Base Budget Adjustments	(166,746)	0	(1.0)	0.0
Decision Package Adjustments	96,583	0	1.0	0.0
2017-2018 Executive Proposed Budget	1,331,301	0	5.0	0.0
2017-2018 Executive Proposed Ordinance	1,332,000	0	5.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Technical Adjustments				
(TA_110) Net Zero Adjustments Net zero changes to reflect current spending patterns.	530	0	1.0	0.0
Central Rate Adjustments	96,053	0	0.0	0.0
Total Decision Package Adjustments	96,583	0	1.0	0.0

**2017-2018 Executive Proposed Operating Budget
BRD OF APPEALS EQUALIZTN (EN_A07000)**

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	1,547,639	0	4.0	0.0
Base Budget Adjustments	70,590	0	0.0	0.0
Decision Package Adjustments	243,169	0	0.0	0.0
2017-2018 Executive Proposed Budget	1,861,397	0	4.0	0.0
2017-2018 Executive Proposed Ordinance	1,862,000	0	4.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.

2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.

3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Central Rate Adjustments	243,169	0	0.0	0.0
Total Decision Package Adjustments	243,169	0	0.0	0.0

2017-2018 Executive Proposed Operating Budget OFFICE OF LAW ENFORCEMENT OVERSIGHT (EN_A08500)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	1,450,230	0	4.0	0.0
Base Budget Adjustments	73,815	0	0.0	0.0
Decision Package Adjustments	98,417	0	0.0	0.0
2017-2018 Executive Proposed Budget	1,622,462	0	4.0	0.0
2017-2018 Executive Proposed Ordinance	1,623,000	0	4.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.

2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.

3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Technical Adjustments				
(TA_113)	0	0	0.0	0.0
Central Rate Adjustments	98,417	0	0.0	0.0
Total Decision Package Adjustments	98,417	0	0.0	0.0

BOUNDARY REVIEW BOARD

Mission

The Boundary Review Board serves as an independent, quasi-judicial entity to provide a method of guiding and controlling the creation and development of municipalities in metropolitan areas so that residents and businesses may rely on the logical growth of local government.

Overview

The Boundary Review Board (BRB) is an independent quasi-judicial agency established by state mandate (RCW 36.93, et seq) which provides review of proposals for boundary changes by cities, fire districts, water, sewer, and irrigation districts within King County, including city or district annexations, new city incorporations, and district mergers. The Board employs three staff members: an executive director, administrative staff member, and independent legal counsel as required by various statutory mandates. The Board consists of 11 members: four members appointed by the King County Executive; four members appointed by the cities of King County and three members appointed by Special Purpose Districts.

In the case of annexations, mergers, and similar actions, the Board provides both administrative public review and, upon request, a comprehensive public hearing process leading to a final decision on the proposed action. In the case of new city incorporations, the Board oversees preparation of an impartial consultant study to assess the financial feasibility of the proposed new city. Following completion of the study, the Board holds a public hearing, establishes final boundaries, and makes a recommendation to the voters, who make the final decision in an election on the incorporation.

The Boundary Review Board provides a single, integrated product: the review and adjudication for all Notices of Intention (applications) for proposed creation of/changes to jurisdictional boundaries, summarized by a decision report. The primary customers served by this product are municipal governments and regional governing agencies including cities and special purpose districts.

2017-2018 Problems, Opportunities and Priorities

The major issue in the BRB budget for 2017-2018 is transition of urban unincorporated lands to local government. The State Growth Management Act encourages transition of urban unincorporated lands to local jurisdictions. The majority of King County's local jurisdictions have adopted comprehensive plans (including potential annexation areas) and consistent development regulations that permit the incorporation or annexation of unincorporated urban areas.

The workload of the BRB is driven by applications submitted by local jurisdictions for annexations, incorporations, mergers, and similar actions when citizens in those areas petition to join the jurisdiction and when the jurisdiction can provide sufficient resources to govern and serve the incoming populace. For the 2017-2018 biennium, pursuant to the King County Pending Annexations Forecasts, BRB's anticipated workload is based upon a prediction of approximately 41 notices of intention proposing the creation of or changes to the boundaries of cities and special purpose districts.

Alignment with Executive Strategic Initiatives

Equity and Social Justice

The BRB addresses equity and social justice needs by providing all members of a community with notification of and opportunities to participate in both public review and implementation of each notice to create or change jurisdictional boundaries. Specifically, the BRB translates meeting notices into appropriate languages to address diverse populations of potential annexation areas, and ensures that American Disabilities Act (ADA) accessible facilities and interpreters are available to assist customers and stakeholders.

Best Run Government

The BRB achieves the "best run government" initiative by vigorously publicizing, promoting and providing its enhanced Application Planning Services Program (APSP) to regional and local governments. The APSP provides guidance to local jurisdictions and other stakeholders on procedure, legal requirements, technical, fiscal, and infrastructure standards, and tools for assessment of a proposed action. The BRB promotes the APSP by including it on its website, extending specific invitations to participate in APSP to jurisdictions and communities, and general outreach communication to relevant groups.

In addition, the effects of the Board's actions support transition of unincorporated lands to local governments which transfers County budget responsibility to other more resource-appropriate jurisdictions.

2017-2018 Executive Proposed Operating Budget BOUNDARY REVIEW BOARD (EN_A63000)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	741,122	4,000	2.0	0.0
Base Budget Adjustments	66,817	0	0.0	0.0
Decision Package Adjustments	(39,614)	0	0.0	0.0
2017-2018 Executive Proposed Budget	768,325	4,000	2.0	0.0
2017-2018 Executive Proposed Ordinance	769,000	4,000	2.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.

2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.

3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Central Rate Adjustments	(39,614)	0	0.0	0.0
Total Decision Package Adjustments	(39,614)	0	0.0	0.0

OFFICE OF ECONOMIC AND FINANCIAL ANALYSIS

Mission

To promote wise management of the King County budget by providing reliable, accurate and objective economic and revenue data and forecasts and by contributing to the understanding of the effects of current and future economic conditions on County finances.

Overview

The Office of Economic and Financial Analysis (OEFA) provides County decision makers with reliable, accurate, and objective economic and revenue forecasts in order to promote prudent management of the King County budget. The Office also provides expertise on the impact of the current and projected economic conditions on county finances, operations, and services.

OEFA is an independent agency of King County with no affiliation either to the Executive Office or to the King County Council, which enables the creation of unbiased forecasts by professional economists. OEFA's forecasts serve as the bases for the County Executive's preliminary budget preparation, budget proposal and Council adopted budget, and any budget amendments.

OEFA's product families are economic forecasts, additional projects (such as collaborative analysis for county policy), and outreach (such as the OEFA website, Regional Economics and Forecasting Forum, and resources for ESJ analysis). Its customers for these products are the King County Office of Performance, Strategy and Budget (PSB), the County Executive and County Council, various departments within the County, other economic forecasting organizations and agencies, and the residents of King County.

2017-2018 Problems, Opportunities and Priorities

The one issue in OEFA's budget for 2017-2018 is an increase in funds for expenses categorized as supplies/books/subscriptions. These expenses include print and digital subscriptions, as well as regional and national data sources, all of which provide critical information needed for the production of the Office's forecasts.

Alignment with Executive Strategic Initiatives

Equity and Social Justice

In 2015-2016, OEFA has continued its involvement in King County's Equity and Social Justice Initiative (ESJ) and will extend that work into 2017-2018. The office's commitments include the following:

- Continue to incorporate ESJ principles in the forecasting work and continue its research efforts on county economic indicators.
- Develop forecasting presentations that include information on indicators across different margins (e.g. spatially across the county, across housing values, etc.).
- Serve as a resource in King County's efforts to better understand and enhance the determinants of equity by engaging with the ESJ Interagency Branch Team.
- Establish OEFA as a major resource for economic data/analysis that tracks King County's progress on achieving the objectives of ESJ.

Best Run Government

OEFA continues to operate on a relatively small budget, while expanding the scope and improving the quality of products it delivers. In addition to preparing and presenting two forecasts as required by the King County Charter, the office has provided a revised final forecast in August/September in order to provide the most up-to-date information for budget decision making. Since 2012, OEFA has more than doubled the number of tax revenue streams that it forecasts. In addition, OEFA continues to expand its role of providing cross-agency support and guidance related to revenue tracking, ad hoc forecasting and analysis, and other activities that are essential to county operations.

Despite OEFA's limited discretionary budget and its status as a non-revenue generating agency, it has been able to enhance County General Fund revenues via the sales tax miscode project. OEFA audits Washington State Department of Revenue data for misallocated sales taxes on a monthly basis. Recent work through the second quarter of 2016 indicates a cumulative recovery of \$160,431 in sales tax revenue. The total cumulative recovery since the project's inception in 2010 through the first two quarters of 2016 is \$1.5 million.

OEFA's work product encourages a growing and diverse King County by providing vital information that facilitates the wise use of County resources within the context of an ever-changing regional economy. In addition, OEFA focuses on delivering a high-quality, professional product that is responsive to the needs of the County and the community; contributing directly to the sound financial management of the County in order to build King County's long-term fiscal strength; and advancing public engagement by making OEFA's work accessible not only to offices within King County, but also to the community via the Web and through participation in outside activities.

2017-2018 Executive Proposed Operating Budget **OFFICE OF ECONOMIC AND FINANCIAL ANALYSIS (EN_A08700)**

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	982,047	0	2.5	0.0
Base Budget Adjustments	44,671	0	0.0	0.0
Decision Package Adjustments	(43,224)	0	0.0	0.0
2017-2018 Executive Proposed Budget	983,494	0	2.5	0.0
2017-2018 Executive Proposed Ordinance	984,000	0	2.5	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Administrative Service Changes				
(AC_001) Subscriptions, estimated increases Increases the proposed budget for data services and periodicals to which OEFA subscribes. Cost increases, based on past increases by publishers, are estimated at 5% per year.	2,500	0	0.0	0.0
Central Rate Adjustments	(45,724)	0	0.0	0.0
Total Decision Package Adjustments	(43,224)	0	0.0	0.0

ADMINISTRATIVE AGENCIES

This section covers a group of cost centers that do not belong to any one particular department. Budgets in this category include the transfer to the Cultural Development Authority (CDA), Federal Lobbying, the Miscellaneous Grants fund, Memberships and Dues, and the State Auditor. Listed below are the 2017-2018 Proposed Budgets for these agencies.

Cultural Development Authority - \$6,396,000 Expenditure

This appropriation transfer funds to 4Culture, which is the County's Cultural Development Authority (CDA). In 2017-2018, the transfer will fund the one percent for Art program and the management of the County's art collection. This request includes a contingency to transfer funds to 4Culture to be used if the County sells General Fund owned property or if new capital projects are approved during the biennium generating additional contributions for the one percent for Art program. This appropriation request is less than in prior years because the County will not be receiving lodging tax revenues again until 2021. Under state law, the lodging tax revenue will be used to pay off CenturyLink Field debt from 2016 to 2020.

Federal Lobbying - \$520,000 Expenditure

The 2017-2018 Proposed Budget to fund Federal Lobbying is a contract extension for lobbying contract costs, and reflects the County Executive and King County Council collaborating to share a single lobbying firm. The contract is budgeted at 2015 – 2016 level.

Grants Fund - \$32,257,763 Expenditure / 53.89 FTEs

King County is projected to receive an estimated \$29 million of new grant awards into the Miscellaneous Grants Fund in the 2017-2018 biennium. The Proposed Budget includes a request for anticipated funding for new or expanded grants, and for funds remaining in existing grants. Budget appropriations for grants expire at the end of the budget period and are no longer carried over. Agencies and PSB will engage in a zero-base budget process in the next budget period to ensure that grant appropriations are updated and current.

Memberships and Dues - \$1,553,739 Expenditure

This appropriation funds the County's membership dues in the Puget Sound Regional Council, National Association of Counties, Washington Association of County Officials, Washington State Association of Counties, and support for economic development organizations. Additionally, funding for the Ethnic Heritage Council and HistoryLink is proposed. The table below provides detail for each contribution.

Organization Name	Amount
National Association of Counties (NACO)	\$77,250
Puget Sound Regional Council (PSRC)	\$72,758
Washington Association of County Officials (WACO)	\$462,291
Washington State Association of Counties (WSAC)	\$461,440
Economic Development Organizations	\$350,000
Ethnic Heritage Council	\$20,000
HistoryLink	\$110,000
Total	\$1,553,739

State Auditor - \$2,097,679 Expenditure

The State Auditor 2017-2018 budget increased by \$124,533, which is driven by an increase in total hours and an hourly rate increase compared to the prior biennium. This rate change comes in response to two major factors: a COLA increase for state audit staff and an increase in hours in response to feedback the County provided as part of the State Auditor's Office Perception Survey.

2017-2018 Executive Proposed Operating Budget CULTURAL DEVELOPMENT AUTHORITY (EN_A30100)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	57,596,322	57,596,322	0.0	0.0
Base Budget Adjustments	(54,693,000)	(54,693,000)	0.0	0.0
Decision Package Adjustments	3,492,678	3,492,678	0.0	0.0
2017-2018 Executive Proposed Budget	6,396,000	6,396,000	0.0	0.0
2017-2018 Executive Proposed Ordinance	6,396,000	6,396,000	0.0	0.0

Notes

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3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_001) 1% For Art Program Contribution Increase the 1% for Art Program contribution to \$3,911,000 based on proposed capital projects.	1,911,000	1,911,000	0.0	0.0
Technical Adjustments				
(TA_001) Contingent Budget Authority Provide contingent budget authority to transfer funds to 4Culture related to the potential sale of General Fund owned property and for contributions to the 1% for Art program expected in the mid-biennium ordinance.	1,565,000	1,565,000	0.0	0.0
(TA_050) Revenue Adjustments Increase budgeted General Fund revenue by inflation to support the management of the County's art collection.	0	16,678	0.0	0.0
(TA_100) Status Quo Adjustment Adjust for the inflationary increase of managing the County's art collection.	16,678	0	0.0	0.0
Central Rate Adjustments	0	0	0.0	0.0
Total Decision Package Adjustments	3,492,678	3,492,678	0.0	0.0

**2017-2018 Proposed Financial Plan
CDA Fund /000001170, 1171, 1172**

Category	2015-2016 Estimated¹	2017-2018 Proposed Budget²	2019-2020 Projected³	2021-2022 Projected³
Beginning Fund Balance	1,067,005	2,558,464	2,058,464	2,058,464
Revenues				
Hotel/Motel Lodging Tax ⁴	25,203,633	-	-	26,252,742
General Fund Support ⁵	528,452	520,000	545,099	572,804
1% for Art Contributions	2,652,936	3,911,000	4,099,776	4,345,762
Bond Proceeds ⁶	28,788,531	-	-	-
Other/Contingency ⁷	135,648	1,965,000	-	-
Total Revenues	57,309,200	6,396,000	4,644,875	31,171,308
Expenditures				
Transfer to 4Culture	(28,385,021)	(4,431,000)	(4,644,875)	(31,171,308)
Building For Culture Transfer ⁶	(26,017,720)	-	-	-
Forecast Contingency ⁷		(1,965,000)		
Total Expenditures	(54,402,741)	(6,396,000)	(4,644,875)	(31,171,308)
Estimated Underexpenditures				
Other Fund Transactions				
GAAP Adjustment Budgetary Fund Balance	(1,415,000)			
Bond Proceeds Transfer to HPP ⁸		(500,000)		
Total Other Fund Transactions	(1,415,000)	(500,000)	-	-
Ending Fund Balance	2,558,464	2,058,464	2,058,464	2,058,464
Reserves				
Barn Again Reserve ⁸	(500,000)	-		
Preservation Action Fund ⁹	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)
Total Reserves	(2,500,000)	(2,000,000)	(2,000,000)	(2,000,000)
Reserve Shortfall	-	-	-	-
Ending Undesignated Fund Balance	58,464	58,464	58,464	58,464

Financial Plan Notes

¹ 2015-2016 Estimated is forecast based on revenue and expenditures from EBS and are consistent with the Budgetary Fund Balance figures published by FBOD.

² 2017-2018 Proposed Budget is consistent with expenditure and revenue data from Hyperion.

³ Outyear General Fund and 1% for Art Contributions are assumed to increase by Seattle CPI-W.

⁴ The County will not receive lodging tax revenue from 2016 through 2020. Lodging tax receipts will resume in 2021 with 37.5% of the total dedicated to arts and culture.

⁵ The General Fund transfers cash to 4Culture to support the stewardship of the county's art collection.

⁶ The CDA received bond proceeds in 2015 for the Building for Culture program. The majority of those proceeds will be transferred to 4Culture by the end of 2016.

⁷ The contingency in 2017-2018 provides authority to transfer revenue to 4Culture derived from the sale of General Fund owned properties and additional 1% for art contributions.

⁸ The Building 4Culture bonds included \$500,000 for the Barn Again program administered by DNRP. The bond proceeds will be moved to DNRP when expenditures are incurred.

⁹ The Building 4Culture bonds included \$2,000,000 for the Preservation Action Fund. The bond proceeds will be moved to 4Culture when the program is approved by Council.

This plan was updated by Aaron Rubardt on 9/1/2016.

2017-2018 Executive Proposed Operating Budget FEDERAL LOBBYING (EN_A64500)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	520,000	0	0.0	0.0
Base Budget Adjustments	0	0	0.0	0.0
Decision Package Adjustments	0	0	0.0	0.0
2017-2018 Executive Proposed Budget	520,000	0	0.0	0.0
2017-2018 Executive Proposed Ordinance	520,000	0	0.0	0.0

Notes

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3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

2017-2018 Executive Proposed Operating Budget SHERIFF GRANTS (EN_A20300)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	5,282,498	5,282,500	2.0	0.0
Base Budget Adjustments	(188,510)	(140,000)	0.0	0.0
Decision Package Adjustments	(2,064,264)	(2,112,776)	0.0	0.0
2017-2018 Executive Proposed Budget	3,029,724	3,029,724	2.0	0.0
2017-2018 Executive Proposed Ordinance	3,030,000	3,030,000	2.0	0.0

Notes

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Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Technical Adjustments				
(TA_002) Projected Biennial Grant Revenues - Sheriff's Office Adjusts Sheriff's Office Grant Fund revenues for projected grants in the 2017-18 biennium.	0	3,029,724	0.0	0.0
(TA_003) Projected Biennial Grant Expenditures - Sheriff's Office Adjusts Sheriff's Office expenditures for projected grants in the 2017-18 biennium.	2,507,968	0	0.0	0.0
(TA_101) Clear Revenue Accounts Clears revenue accounts for input of new projections for current and anticipated grant revenues in the 2017-18 biennium.	0	(5,142,500)	0.0	0.0
(TA_103) Clear Expenditure Accounts This clears non-labor, non-central-rate expenditure accounts for input of anticipated expenditures in the 2017-18 biennium.	(4,580,978)	0	0.0	0.0
Central Rate Adjustments	8,746	0	0.0	0.0
Total Decision Package Adjustments	(2,064,264)	(2,112,776)	0.0	0.0

2017-2018 Executive Proposed Operating Budget EXECUTIVE ADMINISTRATION GRANTS (EN_A40300)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	3,318,025	3,318,030	6.0	2.0
Base Budget Adjustments	155,387	0	0.0	0.0
Decision Package Adjustments	2,192,077	2,347,458	2.0	(2.0)
2017-2018 Executive Proposed Budget	5,665,488	5,665,488	8.0	0.0
2017-2018 Executive Proposed Ordinance	5,666,000	5,666,000	8.0	0.0

Notes

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Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Technical Adjustments				
(TA_002) Projected Biennial Grant Revenues - Department of Executive Services Adjusts the Department of Executive Services Grant Fund revenue for projected grants in the 2017-18 biennium.	0	5,665,488	0.0	0.0
(TA_003) Projected Biennial Grant Expenditures - Department of Executive Services Adjusts the Department of Executive Services Grant Fund expenditures for projected grants in the 2017-18 biennium.	3,684,212	0	0.0	0.0
(TA_004) Convert two OEM TLTs to FTEs Converts two Department of Executive Services, Office of Emergency Management positions from TLT to FTE status, in accordance with audit recommendation.	0	0	2.0	(2.0)
(TA_101) Clear Revenue Accounts Clears revenue accounts for input of new projections in current and anticipated grant revenues for the 2017-18 biennium.	0	(3,318,030)	0.0	0.0
(TA_103) Clear Expenditure Accounts Clears non-labor, non-central-rate expenditure accounts for input of anticipated expenditures in the 2017-18 biennium.	(1,509,240)	0	0.0	0.0

**2017-2018 Executive Proposed Operating Budget
EXECUTIVE ADMINISTRATION GRANTS (EN_A40300)**

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Central Rate Adjustments	17,105	0	0.0	0.0
Total Decision Package Adjustments	2,192,077	2,347,458	2.0	(2.0)

2017-2018 Executive Proposed Operating Budget PROSECUTOR GRANTS (EN_A50300)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	2,749,993	2,750,000	0.7	0.0
Base Budget Adjustments	(2,569,141)	(2,750,000)	0.0	0.0
Decision Package Adjustments	2,662,148	2,843,000	0.0	0.0
2017-2018 Executive Proposed Budget	2,843,000	2,843,000	0.7	0.0
2017-2018 Executive Proposed Ordinance	2,843,000	2,843,000	0.7	0.0

Notes

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Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Technical Adjustments				
(TA_002) Projected Biennial Grant Revenue - Prosecuting Attorney's Office Adjusts the Prosecuting Attorney's Office Grant Fund Revenues for projected grants in the 2017-18 biennium.	0	2,843,000	0.0	0.0
(TA_003) Projected Biennial Grant Expenditures - Prosecuting Attorney's Office Adjusts the Prosecuting Attorney's Office Grant Fund Expenditures for projected grants in the 2017-18 biennium.	2,662,148	0	0.0	0.0
Total Decision Package Adjustments	2,662,148	2,843,000	0.0	0.0

2017-2018 Executive Proposed Operating Budget SUPERIOR COURT GRANTS (EN_A51300)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	9,292,743	9,293,000	37.7	0.0
Base Budget Adjustments	803,373	240,000	2.5	0.0
Decision Package Adjustments	(740,116)	(177,000)	0.0	0.0
2017-2018 Executive Proposed Budget	9,356,000	9,356,000	40.2	0.0
2017-2018 Executive Proposed Ordinance	9,356,000	9,356,000	40.2	0.0

Notes

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Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Technical Adjustments				
(TA_002) Projected Biennial Grant Revenues - Superior Court Adjusts Superior Court's Grant Fund revenues for projected grants in the 2017-18 biennium.	0	9,356,000	0.0	0.0
(TA_003) Projected Biennial Grant Expenditures - Superior Court Adjusts Superior Court's Grant Fund expenditures for projected grants in the 2017-18 biennium.	1,148,860	0	0.0	0.0
(TA_101) Clear Revenue Accounts Clears revenue accounts for input of new projections in current and anticipated grant revenues for the 2017-18 biennium.	0	(9,533,000)	0.0	0.0
(TA_103) Clear Expenditure accounts Clears non-labor, non-central-rate expenditure accounts for input of anticipated expenditures in the 2017-18 biennium.	(1,829,580)	0	0.0	0.0
Central Rate Adjustments	(59,396)	0	0.0	0.0
Total Decision Package Adjustments	(740,116)	(177,000)	0.0	0.0

2017-2018 Executive Proposed Operating Budget ELECTIONS GRANTS (EN_A53590)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	1,595,981	1,595,981	0.0	0.0
Base Budget Adjustments	1	1	0.0	0.0
Decision Package Adjustments	(995,982)	(995,982)	0.0	0.0
2017-2018 Executive Proposed Budget	600,000	600,000	0.0	0.0
2017-2018 Executive Proposed Ordinance	600,000	600,000	0.0	0.0

Notes

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Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Technical Adjustments				
(TA_002) Projected Biennial Grant Revenue - Elections Adjusts Elections' Grant Fund revenue for projected grants in the 2017-18 biennium.	0	365,000	0.0	0.0
(TA_003) Projected Biennial Grant Expenditures - Elections Adjusts Elections Grant Fund expenditures for projected grants in the 2017-18 biennium.	600,000	0	0.0	0.0
(TA_101) Clear Revenue Accounts Clears revenue accounts for input of new projections in current and anticipated grant revenues for the 2017-18 biennium.	0	(1,360,982)	0.0	0.0
(TA_103) Clear Expenditure Accounts Clears non-labor, non-central-rate expenditure accounts for input of anticipated expenditures in the 2017-18 biennium.	(1,595,982)	0	0.0	0.0
Central Rate Adjustments	0	0	0.0	0.0
Total Decision Package Adjustments	(995,982)	(995,982)	0.0	0.0

2017-2018 Executive Proposed Operating Budget JUDICIAL ADMINISTRATION GRANTS (EN_A54300)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	325,361	325,354	2.0	0.0
Base Budget Adjustments	13,880	5,896	0.0	0.0
Decision Package Adjustments	310	8,301	0.0	0.0
2017-2018 Executive Proposed Budget	339,551	339,551	2.0	0.0
2017-2018 Executive Proposed Ordinance	340,000	340,000	2.0	0.0

Notes

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Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Technical Adjustments				
(TA_002) Projected Biennial Grant Revenues - Judicial Administration Adjusts Judicial Administration's Grant Fund revenues for projected grants in the 2017-18 biennium.	0	339,551	0.0	0.0
(TA_101) Clear Revenue Accounts Clears revenue accounts for input of new projections in current and anticipated grant revenues for the 2017-18 biennium.	0	(331,250)	0.0	0.0
(TA_103) Clear Expenditure Accounts Clears non-labor, non-central-rate expenditure accounts for input of anticipated expenditures in the 2017-18 biennium.	(26)	0	0.0	0.0
Central Rate Adjustments	336	0	0.0	0.0
Total Decision Package Adjustments	310	8,301	0.0	0.0

2017-2018 Executive Proposed Operating Budget PUBLIC DEFENSE 214 GRANTS (EN_A95300)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	2,687,977	2,687,970	1.0	0.0
Base Budget Adjustments	(294,071)	0	(1.0)	0.0
Decision Package Adjustments	2,030,094	1,736,030	1.0	0.0
2017-2018 Executive Proposed Budget	4,424,000	4,424,000	1.0	0.0
2017-2018 Executive Proposed Ordinance	4,424,000	4,424,000	1.0	0.0

Notes

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Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Technical Adjustments				
(TA_001) Add Grants Position Adds the DPD Grants position plus additional expenditure to match expected revenue.	613,862	0	1.0	0.0
(TA_002) Projected Biennial Grant Revenues - Public Defense Adjusts Public Defense's Grant Fund revenues for projected grants in the 2017-18 biennium.	0	4,424,000	0.0	0.0
(TA_003) Projected Biennial Grant Expenditures - Public Defense Adjusts Public Defense's Grant Fund expenditures for projected grants in the 2017-18 biennium.	3,809,970	0	0.0	0.0
(TA_101) Clear Revenue Accounts Clears revenue accounts for input of new projections in current and anticipated grant revenues for the 2017-18 biennium.	0	(2,687,970)	0.0	0.0
(TA_103) Clear Expenditure Accounts Clears non-labor, non-central-rate expenditure accounts for input of anticipated expenditures in the 2017-18 biennium.	(2,306,466)	0	0.0	0.0

**2017-2018 Executive Proposed Operating Budget
PUBLIC DEFENSE 214 GRANTS (EN_A95300)**

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Central Rate Adjustments	(87,272)	0	0.0	0.0
Total Decision Package Adjustments	2,030,094	1,736,030	1.0	0.0

2017-2018 Executive Proposed Operating Budget NON DEPARTMENTAL GRANTS (EN_A99300)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	6,000,000	6,000,000	0.0	0.0
Base Budget Adjustments	0	0	0.0	0.0
Decision Package Adjustments	0	0	0.0	0.0
2017-2018 Executive Proposed Budget	6,000,000	6,000,000	0.0	0.0
2017-2018 Executive Proposed Ordinance	6,000,000	6,000,000	0.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.

2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.

3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Central Rate Adjustments	0	0	0.0	0.0
Total Decision Package Adjustments	0	0	0.0	0.0

2017-2018 Executive Proposed Operating Budget MEMBERSHIPS AND DUES (EN_A65000)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	1,543,024	0	0.0	0.0
Base Budget Adjustments	(30,000)	0	0.0	0.0
Decision Package Adjustments	40,715	0	0.0	0.0
2017-2018 Executive Proposed Budget	1,553,739	0	0.0	0.0
2017-2018 Executive Proposed Ordinance	1,554,000	0	0.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Administrative Service Changes				
(AC_001) Memberships and Dues Increase Add inflationary increase for the County's various memberships and dues which average 6 percent for the biennium.	40,715	0	0.0	0.0
Total Decision Package Adjustments	40,715	0	0.0	0.0

2017-2018 Executive Proposed Operating Budget STATE AUDITOR (EN_A61000)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	1,973,146	0	0.0	0.0
Base Budget Adjustments	19,596	0	0.0	0.0
Decision Package Adjustments	104,937	0	0.0	0.0
2017-2018 Executive Proposed Budget	2,097,679	0	0.0	0.0
2017-2018 Executive Proposed Ordinance	2,098,000	0	0.0	0.0

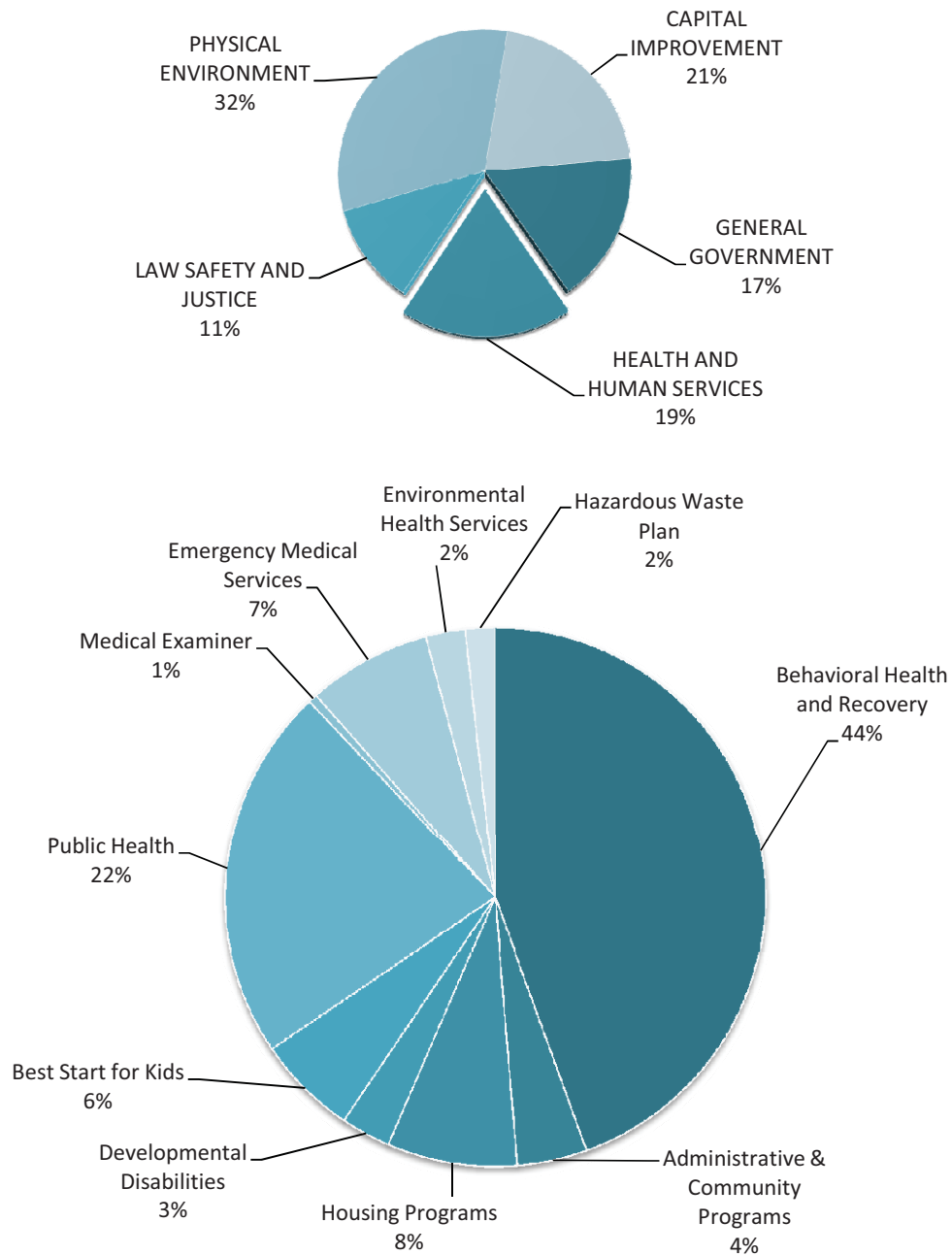
Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Administrative Service Changes				
(AC_001) Increase in Hours and Hourly Rate Increase total hours by 2.4% and hourly rate by 3.8% from last biennium. This rate change comes in response to two major factors: a COLA increase for state audit staff and the feedback from the County provided as part of the State Auditor's Office Perception Survey.	104,250	0	0.0	0.0
Central Rate Adjustments	687	0	0.0	0.0
Total Decision Package Adjustments	104,937	0	0.0	0.0

HEALTH AND HUMAN SERVICES

Health and Human Services \$2.2 Billion



Organization of the Pie Chart: The following agencies were combined to make the pie chart more readable.

Behavioral Health and Recovery: Behavioral Health, and Mental Illness and Drug Dependency Fund

Administrative & Community Programs: Veterans' Services, Human Services, Employment Education, Community & Human Services

Due to rounding, figures in pie chart may not add to 100%

INTRODUCTION

The King County Health and Human Services departments provide services to many of the most vulnerable residents of King County, and include the Department of Community and Human Services (DCHS) and the Department of Public Health – Seattle and King County (Public Health). The work of these two departments is crucial to the well-being of the community.

These departments are primarily funded by state and federal funds, fees for service, grants, the County General Fund, and partnerships with other local governments. The overarching issue facing DCHS and Public Health is the lack of predictable revenue. For Public Health, this uncertainty is exacerbated by the static or declining status of state and federal funds. This downward pressure on Public Health resources will continue to challenge the ability of HHS agencies to provide critical services to low-income and vulnerable populations of King County. Adding to the revenue complexity, both departments face the integration of physical and behavioral health, as well as pending payment reform for Public Health.

- DCHS is responsible for a wide range of programs and services designed to strengthen communities and provide equitable opportunities for people to be healthy, happy, self-reliant, and connected to community. DCHS serves as the regional coordinator for most of the human services it provides to eligible County residents, and therefore plays a strong role in ensuring stability of the region's human services infrastructure. The majority of DCHS programs and services are provided through contracts with community-based agencies.

While the department provides a wide range of services, its efforts focus on five key areas: behavioral health and recovery services; early intervention services; job training and employment services; improving housing stability; and community development and services.

- The overriding goal of Public Health is to protect and improve the health and well-being of all people in King County, as defined by per person healthy years lived. Public Health is transitioning to the Foundational Public Health Services framework; during the transition, Public Health's vision, mission, goals, and objectives are based on the policy framework outlined in the Public Health Operational Master Plan (PHOMP). The PHOMP identifies three main functions for Public Health:
 1. Health Protection includes tracking and preventing disease and other threats, regulating dangerous environmental and workplace exposures, and ensuring the safety of water, air and food;
 2. Health Promotion focuses on leading efforts to promote health and prevent chronic conditions and injuries; and
 3. Health Provision emphasizes helping assure access to high quality health care for all populations within King County.

Public Health prioritizes programs in each of these functions that are based on science and evidence, driven by social justice, focused on prevention, and centered on the community.

DEPARTMENT OF COMMUNITY AND HUMAN SERVICES

Mission

Provide equitable opportunities for people to be healthy, happy, self-reliant, and connected to community.

Overview

The King County Department of Community and Human Services (DCHS) is responsible for a wide range of programs and services designed to strengthen communities and provide equitable opportunities for people to be healthy, happy, self-reliant, and connected to community.

Services include alcohol and drug abuse prevention, intervention, treatment, and recovery support; recovery-focused mental health treatment; early intervention for infants and toddlers with developmental delays; employment services for people with developmental disabilities; services for older adults, survivors of domestic violence and sexual assault, and low-income people needing civil legal aid; housing and community development, including homelessness services; employment and education programs for low-income youth and adults; and veterans' services.

In addition, the department provides oversight and management of the programs and revenues from three significant County initiatives with dedicated funding sources: the Veterans and Human Services (VHS) Levy, the Mental Illness and Drug Dependency (MIDD) dedicated sales tax, and the Best Starts for Kids (BSK) Levy. The department provides coordination to All Home (formerly known as the Committee to End Homelessness in King County) and regional efforts to end homelessness. In collaboration with Public Health-Seattle & King County, DCHS contributes leadership in implementation of the Health and Human Services Transformation Plan.

DCHS serves as the regional coordinator for most human services it provides to eligible County residents, and therefore plays a strong role in sustaining the stability of the region's human services infrastructure. The majority of DCHS programs and services are provided through contracts with community-based agencies, which make up over approximately 85 percent of the total DCHS budget. The work of DCHS is accomplished through the efforts of the Director's Office staff, the Behavioral Health and Recovery Division (BHRD), the Developmental Disabilities Division (DDD), and the Community Services Division, which includes Community Services, Regional Housing and Community Development, Employment and Education Resources (EER), and the King County Veterans Program (KCVP).

2017-2018 Problems, Opportunities, and Priorities

This section identifies five of the highest profile, most complex, and most challenging issues facing DCHS over the next biennium. Each issue also represents DCHS's greatest opportunities – to change how the County delivers services, to change people's lives for the better, to make communities healthier and stronger, and to demonstrate innovation and leadership not just to the region and state, but nationally. All of these issues complement the DCHS mission, vision, and goals; connect directly to the King County Strategic Plan and the Equity and Social Justice initiative; and will influence the future of housing and human services delivery for years to come.

Best Starts for Kids, approved by voters in 2015, is the most comprehensive plan in the nation for supporting the health and development of children and youth. Children who grow up in lower income neighborhoods have far more challenges to success than children raised in more affluent areas. Data shows that persons of color are more likely to reside in economically depressed areas and are therefore more likely to lag behind their peers.

BSK is designed to support every child to achieve his or her fullest potential in life, regardless of race, place, or family income. BSK will help King County transition to less expensive, more effective upstream solutions to the costly challenges that can occur later in life, such as homelessness, addiction, chronic depression, school drop-out, poor health, and criminal justice involvement. Science tells us that lifelong problems can often be prevented entirely by investing heavily in children before age five, and then sustaining that gain by making strategic investments at critical points in childhood and adolescence up to age 24. The implementation of BSK is based on that research.

MIDD Renewal. In 2007, the County Council voted to approve a dedicated one-tenth of one percent sales tax to generate funding to pay for a broad range of programs outlined in the MIDD Action Plan. The first MIDD Service Improvement Plan (SIP), which guided the implementation of MIDD sales tax-funded programs from 2008-2016, expires on Dec. 31, 2016. The County Council voted to extend the collection of the MIDD sales tax through Dec 31, 2026. DCHS has conducted very deliberate work and extensive community engagement to develop a revised MIDD SIP, which was transmitted to Council in August 2016.

The proposed MIDD SIP focuses on delivering services along the continuum of behavioral health: 1) prevention and intervention to ensure people get the help they need to stay healthy and keep problems from escalating; 2) crisis diversion so that people who are in crisis get the help they need to avoid unnecessary hospitalization or incarceration; 3) recovery and reentry so people become healthy and safely reintegrate into the community after crisis; and 4) system improvements to strengthen the behavioral health system to become more accessible and deliver on outcomes. The proposed MIDD SIP continues funding for King County's vital therapeutic courts offering diversion and/or pathways from criminal justice to housing, community treatment, and family reunification.

Veterans and Human Services Levy Renewal. First in 2005 and again in 2011, King County voters agreed to a property tax levy to help local veterans, their families and other individuals and families in need by approving the VHS Levy. The VHS Levy raises about \$18 million annually, split evenly between programs and services for veterans and other local residents. VHS Levy goals are outlined in the adopted SIP: 1) prevent/reduce homelessness; 2) reduce unnecessary criminal justice and emergency medical system involvement; and 3) increase the self-sufficiency of veterans and other vulnerable populations. In 2015, the Levy served 37,500 people, including 7,550 veterans.

The VHS Levy expires on December 31, 2017. Beginning in 2016 and continuing in 2017, DCHS and the County have the opportunity to talk to human services providers, veteran services organizations, city leaders, advocates, and other partners to discuss the renewal Levy. This provides an opportunity to engage the community in those discussions and to plan for the future. The 2017-2018 Proposed Budget only includes expenditures for the 2017 calendar year. If the VHS Levy is put forth to voters and renewed, a supplemental ordinance will be needed to implement the updated SIP.

Health Integration. The goal of the Health and Human Services Transformation Plan is to create services that help the “whole” person. A key step in eliminating fragmented and segmented services is the integration of physical health and behavioral health into one seamless system of care. State legislation passed in 2014 (Senate Bill 6312) calls for integrated behavioral health (mental health and substance use disorder) services through a single managed care entity by April 1, 2016 (phase one) and the full integration of physical health and behavioral health services by January 1, 2020 (phase two).

Phase one of the pathway to integration was successful. BHRD was designated as the Behavioral Health Organization for King County and the integration of mental health and substance use disorder services into one managed care system was implemented on April 1, 2016. Now the focus shifts to phase two: full integration of physical and behavioral health care by 2020. Work to create this new system of care will run throughout the biennium.

Homelessness. In 2015, King County Executive Dow Constantine stood with Seattle Mayor Ed Murray to declare homelessness a state of emergency. Despite having helped more than 40,000 people to exit homelessness and having built more than 6,000 units of homeless housing over the previous ten years, homelessness in King County was, and is, unacceptably high.

Looking ahead at the next two years, the region has the opportunity to come together in new and different ways and with a coordinated, collaborative and concerted effort, and begin to turn the tide of rising homelessness. Leading the regional effort is **All Home**, which brings together many partners in funding and implementing initiatives to tackle homelessness. The vision is that homelessness in King County will be rare, brief, and a one-time occurrence.

Key new and ongoing efforts to address homelessness in King County include:

- **Youth and Family Homelessness Prevention Initiative** –Funded by the BSK Levy, this \$19 million initiative is targeted to families with children and youth/young adults. The prevention plan will look to quickly stabilize people at imminent risk of homelessness.
- **Redesigning the current homeless shelter system** – With onsite case management and linkages to housing and community services, homeless shelters can become a pathway out of homelessness. King County is exploring a number of innovative and low-barrier temporary housing models, including modular units and tiny houses, along with shelter models that offer longer operating hours to facilitate case management services and other supports to move people toward housing stability.
- **Implementing Coordinated Entry for All** – Providing a clear and consistent way to access housing and services reduces barriers and creates a clear path to housing stability using a standardized assessment tool and a coordinated referral and placement process.

- **New transit-oriented development** – Ultimately, the biggest hurdle to ending homelessness is the lack of affordable housing. King County Executive Dow Constantine and the King County Council approved a plan in 2016 to invest \$87 million in new transit-oriented development that will create more than 1,000 units of housing connected to schools, shopping, job centers, and transportation hubs.
- **Opening up the private rental market** – Since 2009, King County and All Home have invested in efforts to engage local landlords to increase access to market rate housing for individuals and families with barriers to accessing housing. Over 3,000 households have been placed, thanks to partnerships with over 200 local landlords representing 412 properties.

Alignment with Executive Strategic Initiatives

Equity and Social Justice

An Equity and Social Justice (ESJ) lens is being integrated into every area of business for DCHS – in the approach to workforce development, recruitment and retention, service delivery, community partnerships, and system reforms needed to achieve equitable outcomes for employees, and for all residents, regardless of race, income, or geographic location. Examples of DCHS’s key internally-focused ESJ efforts include:

Employee Training – the DCHS Director’s Office is providing resources specifically targeted at becoming a fully inclusive and just workplace and promoting service delivery that is culturally responsive to the needs of residents. Management capacity to retain and develop a diverse workforce is being built through “360° reviews” as well as training focused on equity, inclusion, and social justice. A range of ESJ-focused training that began in 2015-2016 continues for all staff.

Recruitment, Hiring, and Retention – achieving workforce diversity within DCHS is focused on ensuring that 1) DCHS staff is representative of the diversity of King County at all levels of the organization; and 2) DCHS staff is supported in advancing their careers within the County. DCHS has seen improvement over the past three years in hiring persons of color by making a concerted effort to revise hiring and recruitment procedures.

Equity and Inclusion Manager – demonstrating the department’s commitment to ESJ, DCHS is creating a new full time position as the Equity and Inclusion Manager to provide leadership and consistency to department-wide activities around ESJ and to represent DCHS on countywide planning teams. This new position will provide counsel on employee engagement efforts, hiring and retaining a diverse workforce, training and professional development, and supporting community partners in providing culturally competent service delivery.

Contracts and Requests for Proposal - DCHS is working to make its contracting and procurement processes more inclusive. DCHS seeks to improve processes and remove barriers to contracting with King County for smaller and more culturally diverse organizations, which will help DCHS to improve culturally competent service delivery.

Supported Employment - King County government is a strong advocate for supported employment for people with developmental disabilities. The Developmental Disabilities Division works with hundreds of employers in the region to hire persons with disabilities, and to support this commitment, the Director's Office is adding a new supported employment position for a person with disabilities in 2017.

Examples of DCHS's key externally-focused ESJ efforts include:

Addressing institutional barriers and focusing on upstream strategies:

- *Best Starts for Kids* – in King County, where there is such prosperity and promise, it is troubling that race, income, and geography are major predictors of future success, health, and longevity. The BSK Levy is intended to change that and open doors of opportunity for all. The BSK implementation will mirror the County's commitment to ESJ as it works to challenge inequities by focusing on institutional policies, practices, and systems. Juvenile justice is one of the areas where the disparities are most extreme, and too few youth receive appropriate services before a crisis occurs. These are areas where BSK has programs outlined to positively affect change, to close the school to prison pipeline, and create pathways to education, employment, and stable futures.
- *Veterans and Human Services Levy/MIDD* – VHS Levy efforts include those focused on outreach to women veterans and to veterans of color; homeless outreach and linking clients to housing with onsite linkages to community services; programs for low-income new parents to learn how to be better parents and support the healthy growth of their children; and cultural navigator programs working with immigrants and refugees and others with limited English speaking knowledge to build peer support systems for families with children. For the MIDD, there are programs focused on reducing jail use, reducing homelessness, reducing psychiatric hospitalizations, and other services that help people of all ages who are poor, homeless, disabled, and disconnected from community.

Better access for and outreach to limited English proficiency populations:

- *Website Redesign* – DCHS is undertaking a significant website redesign and restructure to make information on accessing DCHS programs and services easier to find and easier to understand. A key piece of the redesign will be developing a special section of the website where information and materials will be available in different languages to improve access for non-English speaking residents. This work began in 2016 and continues in 2017.
- *Developmental Disabilities Family Outreach* – DDD has been working to improve outreach and engagement for limited or non-English speaking families. The division provides immediate translation for attendees at the annual legislative forum in multiple languages so that parents and caregivers can attend and follow along with the testimony from the evening forum even if their understanding of English is limited. The Birth to Three Early Intervention Program has translated its information materials into several languages and works with community groups to provide outreach to non-English speaking parents and parent groups. The School to Work program prepared both printed and video invitations in several languages to encourage participation in the program's annual resource fairs by non-English speaking parents and students.

Best Run Government

DCHS has implemented or plans to implement a number of initiatives that support Executive Constantine's goal of establishing King County as the best run government in the nation. The department has embraced Lean continuous improvement and visual management. In all areas of work, DCHS has created strong partnerships – across DCHS, across county government, with other levels of government, and with the business, faith, and philanthropic communities. There are many examples, both internal and external to the department.

Staff Recruitment – Improvements in recruitment and selection processes have increased the diversity of DCHS' workforce. Training for managers and supervisors to build skill sets and competencies, to learn to be more effective leaders, and to increase job satisfaction and employee retention have also proven successful.

Alternatives to Hospital Boarding Task Force – Joining with Governor Jay Inslee, Executive Constantine convened a task force of experts in the areas of mental health, involuntary commitment, psychiatric hospitalization, legal services, community treatment, law enforcement, and public defense to discuss and formulate recommendations to ease the crisis of hospital boarding. The task force developed new community alternatives to hospitalization, a new hospital bed placement protocol to facilitate placements for those most challenging to serve, facilitated the funding for new hospital treatment beds in King County, and developed a set of recommendations for future efforts, including a legislative package to continue to improve and strengthen the public mental health system for people in crisis. Ongoing implementation of Task Force recommendations will continue into the 2017-2018 biennium.

Heroin and Opiate Addiction Task Force – the Executive convened a panel of subject matter experts to focus on the crisis of this region's increasing heroin and opioid drug use, abuse, addiction, and overdose. The task force brought together an extraordinary mix of subject matter experts to strategize and identify action steps. In the first month, they announced their first action: the distribution of naloxone to homeless housing providers and local law enforcement in King County and in just weeks, that effort was already saving lives. The final report presented in September 2016 included additional recommendations to promote prevention, increase access to a range of treatment options, and offer ideas for improving user health and safety. Ongoing implementation of Task Force recommendations will continue into the 2017-2018 biennium.

Major Division-Level Initiatives

DCHS Administration/Director's Office

In addition to providing general oversight for all programs and services contracted or provided by the department, the Director's Office oversees critical business functions that connect the department and its various lines of business. These include finance and budget preparation and oversight, payroll, human resources, communications, emergency/disaster response, legislative coordination, performance measurement design and oversight, and data and evaluation.

The Director's Office administers the DCHS Administration Fund. The DCHS Administration Fund also includes the planning and resource coordination for All Home and the regional efforts to end homelessness. Funds to support the Director's Office functions come from a cost allocation formula applied to all of the funds in DCHS. Funds to support All Home are not involved in the cost allocation formula, and come from multiple local, state, federal, and private grant sources.

Initiatives coordinated by the Director's Office include efforts such as the Health and Human Services Transformation Plan, planning and preparation for health care integration, the Youth Action Plan, BSK, Communities of Opportunity, and Familiar Faces.

All Home, formerly the Committee to End Homelessness (CEH) in King County, provides regional leadership and coordination to the efforts to make homelessness in King County rare, brief, and one-time. All Home is a coalition of governments, nonprofit organizations, faith communities, business and philanthropy, and people who have experienced homelessness working together to plan and implement housing and services for individuals and families who are homeless.

Beginning in 2014, CEH (now All Home) took on responsibility as the Continuum of Care for purposes of applying for federal homeless McKinney/HEARTH Act funding and meeting other requirements set forth by HUD for homelessness plans.

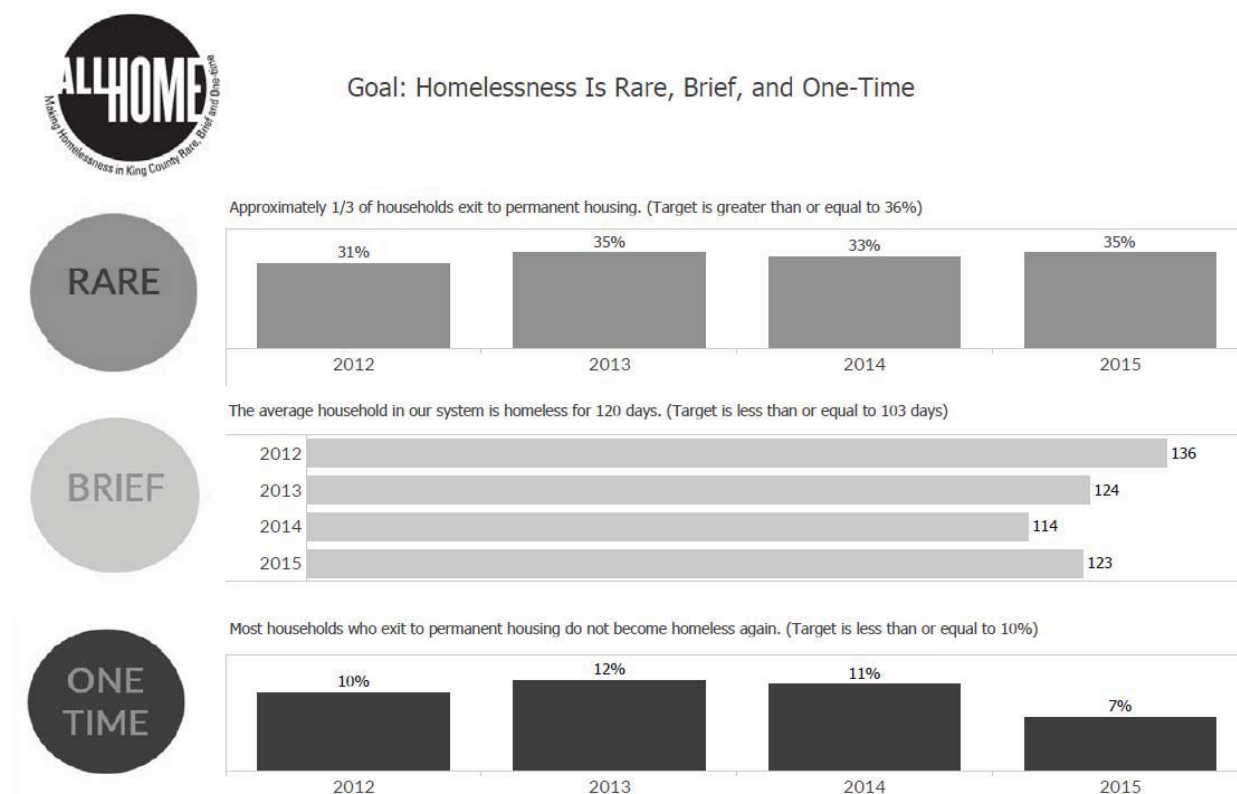
Key 2017-2018 change drivers for the Director's Office/DCHS Administration include:

Health and Human Services Transformation – both DCHS and Public Health play roles in coordinating the implementation of initiatives under the Transformation umbrella, including Familiar Faces and physical and behavioral health integration. As BSK is implemented, it may influence changes to Communities of Opportunity or other Transformation plan activities over the biennium.

Best Starts for Kids – Planning and implementation to launch BSK are significant endeavors that will require time, effort, and resources. The 2017-2018 DCHS biennial budget includes funding for programs and strategies outlined in the implementation plan and staffing necessary to be successful.

Homelessness – The crisis of homelessness presses on nearly all DCHS lines of business, especially All Home, Housing and Community Development, and the Director's Office. Regional planning, collaboration, and funding are integral to the search for solutions to homelessness. The System Wide Analytics and Projection (SWAP) project may drive changes to the King County homelessness system in general, and specifically to Housing and Community Development budgets.

All Home's goal is to make homelessness rare, brief, and one-time. The following graphic shows King County's trends over the past four years (2012-2015) on each of these three metrics.



Note: 45,650 homeless households were served in King County in 2015. 2015 annual targets were calculated based on achieving a 10% improvement over 2014 performance.

Intergovernmental Relations – Partnerships and intergovernmental relations are vital to many regional efforts, particularly around homelessness, BSK, physical and behavioral health integration, MIDD renewal, and planning for VHS Levy renewal. These are all county-wide efforts that are more successful when partners and other jurisdictions participate in their development and implementation, so building and strengthening these relationships is critical.

Rural Services – The department continues to explore how best to meet the human service needs of the rural and unincorporated areas. DCHS hosted a series of community meetings in summer 2016 to gather information from rural residents on the challenges to accessing services and the preferred models for service delivery. The department will continue to act on these findings in the 2017-2018 biennium, with investments such as a grant-based initiative in the proposed MIDD SIP to improve access to behavioral health services in rural King County.

Community Services Division

The Community Services Division oversees a wide range of services and administers six funds:

Community Services Operating (CSO) Fund – CSO supports services for senior centers serving older adults in unincorporated areas, sexual assault and domestic violence services for people in crisis, and civil legal services for people living on low incomes.

Veterans Program/Veterans Relief Fund – Funding for the Veterans Relief Fund comes from dedicated millage from property taxes per state law. The KCVP has served low-income, homeless, and disabled veterans and their families since the 1950s.

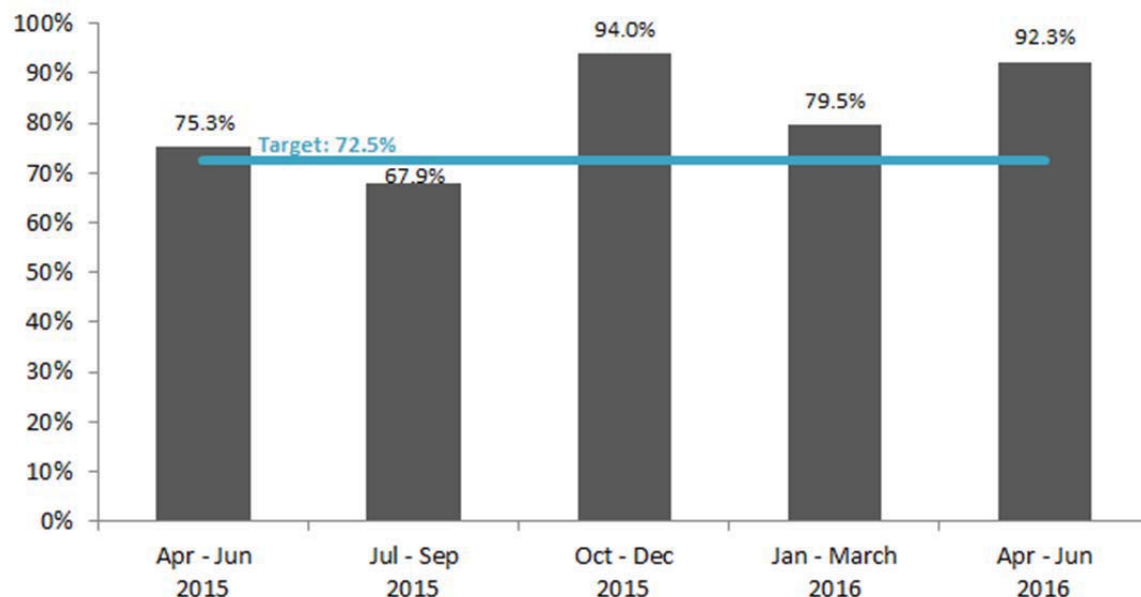
Veterans and Family Levy Fund and Human Services Levy Fund – The VHS Levy was first approved by King County voters in 2005 and renewed in 2011 to fund programs and services to help veterans and military personnel, their families, and other individuals and families in need.

Housing and Community Development (HCD) Fund – HCD includes funding and oversight for the development of affordable and special needs housing, homeless prevention and support services, housing repair, and community development projects that improve the livability of poorer neighborhoods and communities.

Employment and Education Resources (EER) Fund – EER supports youth and adult employment and education programs in collaboration with many community partners. EER serves at-risk youth who have dropped out of school or who are at risk of dropping out as well as juvenile justice and gang-involved youth. Adult clients are low-income job seekers, dislocated workers, and people with barriers to employment, such as limited English proficiency, homelessness, and prior criminal justice involvement. Employment and education are at the heart of the County's goals of building opportunity and equity. Rising out of poverty depends on the ability to earn a living wage. Data from EER shows that clients are predominantly persons of color, low and very low-income, have a lack of education, and have criminal justice experience. Many have struggled with homelessness or disabilities that make it challenging to enter the work place and to succeed there.

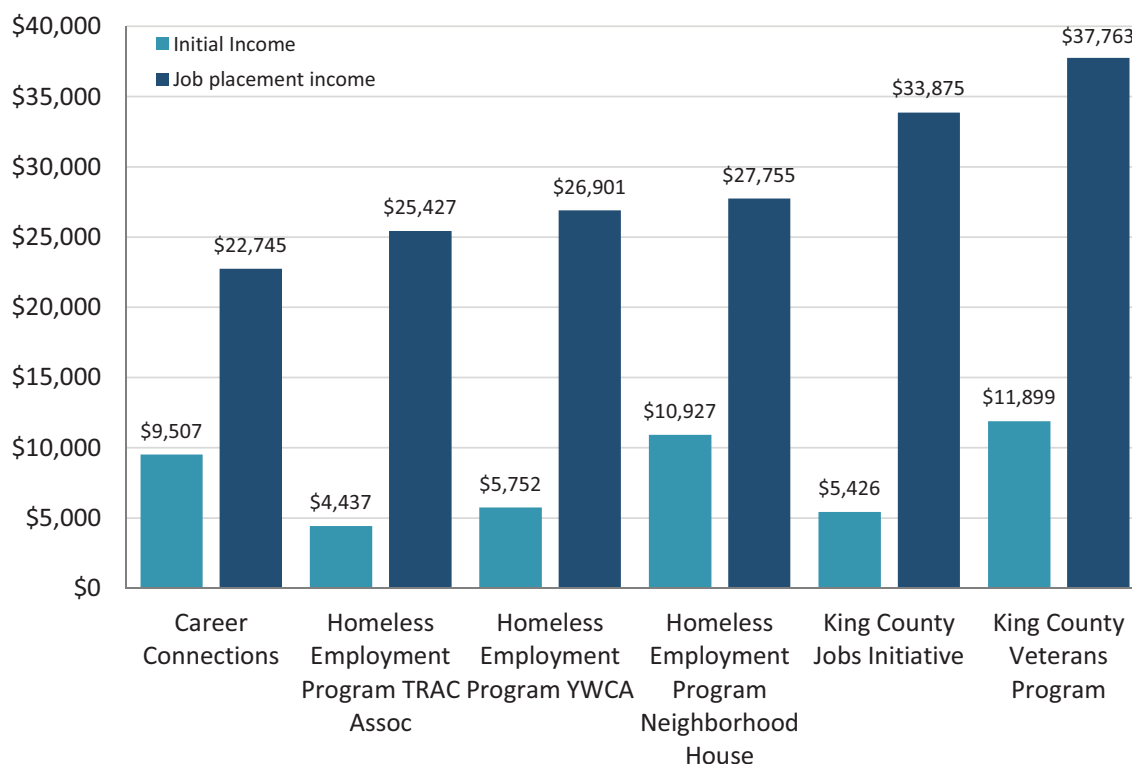
One of the EER program's goals is that at least 72.5 percent of youth in EER federally-funded programs are engaged in employment and/or post-secondary education at program completion. The following chart shows that EER has met or exceeded this target in four of the last five quarters.

Employment and Education Resources youth programs consistently exceeded their targets for employment and/or post-secondary education.



Another key metric that EER tracks is how much a job placement increases a person's annual income. The following chart shows 2015-2016 average annual income for program participants upon entering the program and upon receiving a job placement. For all programs, the average annual income post-job placement is higher than when the participant entered the program.

Job placements from July 1, 2015 to June 30, 2016 through King County's EER programs increased participants' average annual income from \$8,468 to \$30,269 per year.



The following change drivers impact the 2017-2018 budget for funds administered by the Community Services Division:

Community Services Operating Fund:

- **WorkSource Renton Lease** – The lease for the WorkSource Renton site will expire in August 2017 and a decision must be reached on whether to stay or leave. The Renton operation currently houses two floors of classrooms, computer labs, interview rooms, and office space.
- **Older Adult Population Changes** – As tens of thousands of baby boomers get older, this “age wave” may necessitate changes to housing planning and other services to accommodate them.
- **Human Services Contracting and Funding Allocation Changes** – Agencies applying for funds in certain human service areas will be evaluated based on the ability to meet the projected scope, including outcomes, core services, and eligibility criteria. This new process will be applied to funding decisions for this biennium.

Veterans Program/Veterans Relief Fund and the Veterans and Human Services Levy

- **Changing Needs of Veterans** – Thanks to the VHS Levy, King County has been better able to respond to the needs of veterans, including increasing Post Traumatic Stress treatment and establishing services and supports for military families. The differing needs of aging veterans and younger returning veterans are a continuing challenge.
- **Homelessness** – Homelessness is a crisis in King County and although progress was made in 2016 to move hundreds of veterans from homelessness to housing, about 300 veterans – many with vouchers in hand – are still searching for housing.
- **Veterans and Human Services Levy** – The VHS Levy expires at the end of 2017. The County has not yet decided whether to place a renewal measure before voters in 2017 and if so, in what form or amount. Therefore, it is unknown if a VHS Levy will exist past December 2017, which would mean a loss of considerable KCVP services that are levy-funded.

Regional Housing and Community Development

- **Transit-Oriented Development** – King County is implementing State legislation that allows it to bond against future hospitality revenues to generate funds to purchase land near transportation hubs for development of affordable housing. Implementation began in 2016 and the 2017-2018 Proposed Budget includes investments of this revenue in the upcoming biennium as well.
- **Coordinated Entry for All** – All Home collaborated with many partners to design a system of coordinated entry into homeless housing and services, piloted first for homeless families, then for youth/young adults, and then for veterans. In 2016, it comes together as Coordinated Entry for All – one system to provide coordinated entry for all homeless populations – and moves from All Home to HCD to manage.
- **Homeless Management Information System** – For many years, the region has struggled with a weak data system, which has hampered performance management and analysis. Over the past few years, DCHS worked together with the City of Seattle and provider partners to develop a new HMIS for the region that DCHS will manage. Real time data from HMIS will help facilitate Coordinated Entry for All placements and also help enhance efforts to measure the most effective programs and providers.

- **Homeless Shelter Transformation** – King County has made it a priority to invest in creating pathways out of homelessness and has moved toward contracting with providers that offer case management and linkages to community supports in addition to a shelter bed. HCD is both a funder and a homeless shelter and services provider. Looking ahead, HCD will continue to work with its partners to build steps to exit homelessness, including exploring new models for shelter to achieve this goal.
- **Fund Consolidation** – In the last biennial budget, DCHS had two housing funds. The Housing Opportunity Fund included dedicated revenue from state-authorized document recording fees and other sources to support homeless housing projects, including capital investments, supportive services, and operating support. The Federal Housing and Community Development Fund contained revenue from HUD that supported Community Development Block Grant, HOME Investment Partnerships, and other programs – providing the funding for housing repair programs, homeless prevention, and low-income housing and community development. For efficiency and better coordination, DCHS proposes to consolidate housing revenues and expenditures into one fund called the Housing and Community Development Fund.

Employment and Education Resources

- **Basic Food and Education (BFET) Program** – BFET is a multi-component program with a recently expanded \$1.3 million budget that includes funding for the King County Jobs Initiative, KCVP, Career Connections, Clear Path to Employment, and BHRD. The decision to take on the BFET program has brought in significant revenues for EER and significantly helped to improve revenue stability for EER. There may be opportunities to continue to expand this role.
- **Best Starts for Kids** – BSK will bring funding and more responsibility to EER, particularly in programs working to eliminate the school-to-prison pipeline. EER has established itself as a regional leader in engaging and serving youth at risk and gained new partners in the last biennium. It is anticipated that this role will continue to grow as BSK programs ramp up.
- **Communities of Opportunity** – Through Communities of Opportunity investments, BSK will support programs to increase employment opportunities for people in poorer neighborhoods who traditionally are unemployed or underemployed.

Developmental Disabilities Division (DDD)

DDD provides services and supports to enhance the lives of residents with developmental disabilities and their families. Services include early intervention services for infants and toddlers with developmental delays; employment services for youth transitioning from high school and for adults to obtain and maintain community employment; Community Access services to assist adults with individualized skill development, independent living, and community integration to learn how to actively engage in their local communities; in-home interventions to help families manage behavioral and emotional challenges; and community information and education services to assist individuals and families.

The State of Washington funds DDD to manage and deliver services through contracts with the State Department of Social and Health Services (DSHS) Developmental Disabilities Administration (DDA), the DSHS Division of Vocational Rehabilitation (DVR), and the State Department of Early Learning (DEL). The division also receives a small amount of revenue generated by County millage funding. DDD provides the majority of services via contracts with community-based agencies.

The following change drivers impact the 2017-2018 Developmental Disabilities Division budget:

Best Starts for Kids and Early Intervention – With its focus on supporting the youngest county residents to prepare for school and life, BSK and DDD are natural partners. DDD will help support the implementation of the BSK Help Me Grow framework, which provides a new system of teamwork to support families and children through strong community and system linkages. This will make it more efficient and effective for medical providers, home visitors, child care providers, and community-based programs to identify concerns about child development and respond to the needs of children and families in King County.

The Invest Early BSK strategy areas focused on Prenatal to 5 Years will result in an increase in referrals to the early intervention system and children accessing the early intervention services they need. DDD will need to work with its early intervention providers to increase their capacity to provide these services. In addition, DDD will need to increase coordination and collaboration with county BSK partners implementing BSK efforts as these efforts will also impact the early intervention system.

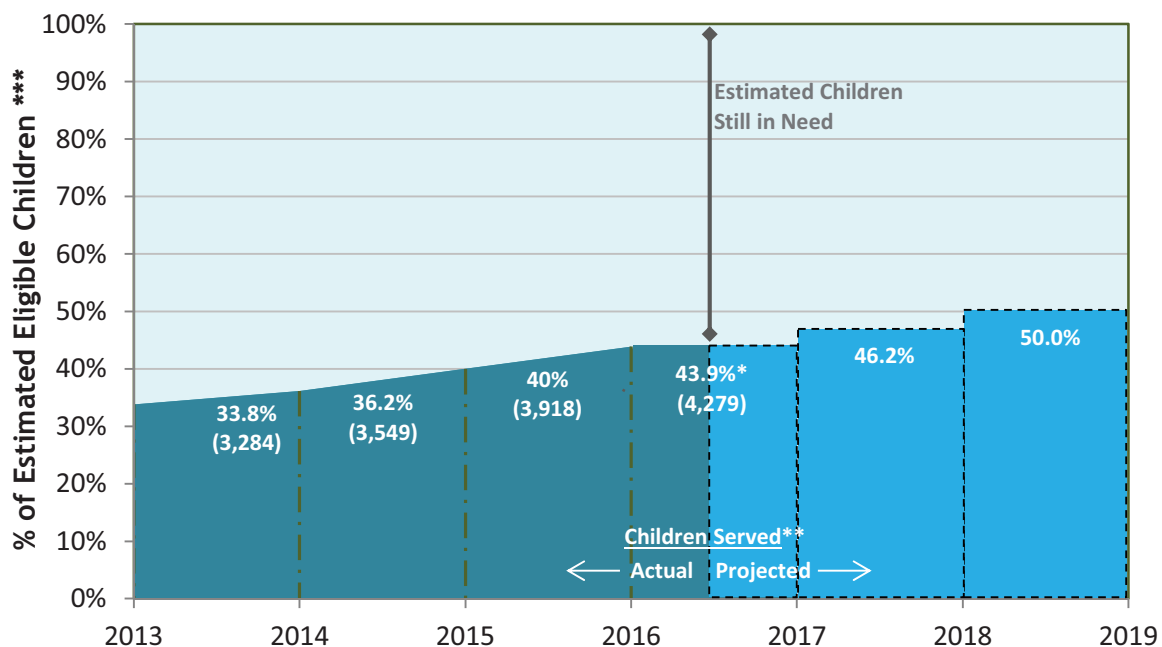
Outreach to Non-English Speaking Families – DDD has achieved success in efforts to improve outreach and engagement to limited or non-English speaking families and is dedicated to continue these efforts. Approximately 55 percent of families receiving early intervention services are families of color and approximately 25 percent of families receive services via interpreters. With the increase in funding for early intervention, DDD will be able to enhance outreach and access for immigrant and refugee and other non-English speaking families.

Adult Supported Employment – King County has a strong history of providing employment services and supports for people with developmental disabilities. The State's Working Age Adult Policy establishes employment supports as the primary use of employment and day program funds for adults with developmental disabilities. Washington was the first state in the nation to have "employment first" legislation. The Legislature approved additional funding for employment services, which will help DDD meet the high demand.

Early Intervention Program – DDD is looking to increase its capacity to serve children birth to three with developmental delays or disabilities. King County continues to experience an increase in the number of infants and toddlers utilizing early intervention services, but there are many more not getting the help they need. These services are essential to helping very young children get their best start in life. Providers have received a 43 percent decrease in rates over the last eight years due to stagnant state funding and increased numbers of children served.

The following chart shows DDD's progress in serving children 0 to 3 years old that are potentially eligible for early intervention services, based on the assumption that about one in eight infants and toddlers (13%) would be eligible for early intervention services. From 2013 to 2016, the percent of estimated eligible children served increased from 33.8% to 43.9%. By the end of 2018, DDD projects it will reach 50% of estimated eligible children.

DCHS Developmental Disabilities Division is increasing the proportion of children served who are potentially eligible for Early Intervention services.



Data source: Washington State Department of Early Learning, Early Support for Infants and Toddlers (ESIT).

Notes: * For 2016, approximately 5,503 children unserved. (Calculated from annual birth rate population in 2016 x 13%)

** King County Birth to Three population count based on actual births for 3 prior years.

*** Rosenberg, S., Zhang, D. & Robinson, C. (2008). Prevalence of developmental delays and participation in early intervention services for young children. *Pediatrics*, 121(6) e1503-e1509, identified that 13% of children 0-3 had developmental delays.

High School Transition – King County has a very successful School to Work Program that works with high school youth with developmental disabilities before graduation to introduce them to the world of employment. Through training and job placements, DDD and provider agencies help young adults learn there is a place for them in the community when they graduate, which reduces isolation and fosters involvement and inclusion. School to Work has a 60 percent success rate in getting enrolled youth hired into jobs in the community by graduation. Largely due to its success in engaging and placing youth, King County received additional funding from the Legislature to serve youth in the last biennium. As youth graduate and become adults they are eligible for adult services.

Behavioral Health and Recovery Division (BHRD)

BHRD provides oversight and management of publicly funded mental health and substance use disorder services for eligible King County residents, with an emphasis on prevention, intervention, and recovery. The division changed its name in 2016 from Mental Health, Chemical Abuse and Dependency Services to Behavioral Health and Recovery to reflect the significant system change implemented on April 1, 2016 – the integration of publicly-funded mental health and substance use disorder services into a single managed care contract with the state – and the continuing focus on recovery.

Mental health services include crisis services, outpatient treatment, inpatient and residential services, and involuntary hospitalization. The majority of services are provided through contracts with community-based agencies. Treatment is tailored to individual client needs, including case management, family counseling, individual or group counseling, residential care, medication management, emergency/crisis assistance, and vocational or school-based services. Specialized services include deaf/hearing impaired services, children’s services, ethnic/cultural services, homeless outreach, and co-occurring mental health and substance abuse treatment.

Substance use disorder (SUD) treatment is provided primarily through contracts with community-based agencies. Contracted services include prevention, substance abuse information and referral, detoxification, sobering services, opioid treatment programs, outpatient treatment, and youth outpatient treatment. In 2016, BHRD took on new responsibilities for SUD residential services. Direct services from BHRD staff include 24/7 crisis intervention and involuntary treatment outreach; investigation provided by designated mental health professionals to people in emotional crisis; and 24/7 street outreach and triage service by the Emergency Services Patrol in downtown Seattle to assist those impaired by drugs and alcohol. Alcohol and Other Drug Prevention Program staff work with local communities to support substance abuse and violence prevention efforts.

The primary funding source for BHRD is Medicaid funding, augmented by state and other federal funds. When state cuts are made, they are primarily to non-Medicaid funds. On an ongoing basis, the division looks at ways to transition programs and services to make them Medicaid-eligible. Revenues are also generated by County millage, the MIDD sales tax, and competitive grants awarded to BHRD.

BHRD administers the County’s Behavioral Health and MIDD funds. The following change drivers impact the 2017-2018 BHRD budget:

Treatment on Demand – Building a system of “treatment on demand” is the future state and the goal for the behavioral health system. In this future system, people can access the treatment they need, at the right level of care, in their own community, and when and where they need it. BHRD is working to ensure same-day access to exactly the care that people need to begin their journey to recovery when they are ready.

Health Integration – Implementation of the Behavioral Health Organization and increased roles and responsibilities around the provision of integrated mental health and substance use disorder services necessitate additional staffing to strengthen administrative and operational support for system change. BHRD is also moving forward with phase two planning of Senate Bill 6312, which calls for integration of behavioral health and primary care no later than 2020.

Information Technology and Integration Planning – As BHRD proceeds with planning for full physical and behavioral health integration, data system and technology infrastructure needs are also emerging. If the County opts to take on greater responsibility for physical health care, significant data infrastructure changes will be needed to accommodate new requirements and responsibilities and an expanded provider network. Additionally, the County would need to interface with other system partners, including managed care plans and multiple electronic health record systems. These system connections will need to be made in a more advanced way than what happens today, requiring additional interfaces, applications, and IT support.

MIDD Renewal – The MIDD was passed in 2007 and MIDD-funded services started in 2008. The 2017-2018 budget reflects the proposed MIDD 2 SIP that focuses on prevention and early intervention, crisis diversion, recovery and reentry, and system improvements.

Psychiatric Boarding – For many years, King County and the rest of the state struggled with a serious shortage of inpatient involuntary treatment beds for people in psychiatric crisis. The practice of “boarding,” where people had to wait hours and even days in an emergency room or a non-psychiatric inpatient facility for a psychiatric bed to open, happened far too often. A Washington State Supreme Court decision in 2014 ruled that hospital boarding of individuals in a mental health crisis, absent a medical need to be in the hospital, was unconstitutional. King County has been working to implement short and long-term solutions to the shortage of involuntary psychiatric treatment beds. A joint State/King County Task Force convened to seek solutions to the bed shortage issued their recommendations in 2016. Flexible resources, like the MIDD, have been helpful in expanding treatment capacity.

Heroin and Opioid Addiction – More people in King County are accessing detox for heroin and opioid addiction than for alcoholism. The death toll for opioid overdose is the highest it has ever been, and the problem of addiction is occurring in every zip code in King County. Executive Constantine was joined by Seattle Mayor Ed Murray, Auburn Mayor Nancy Backus, and Renton Mayor Denis Law in co-convening a Heroin and Prescription Opiate Addiction Task Force in 2016 to develop recommendations to solve the problem of use and abuse. The final recommendations of the Executive’s Heroin and Prescription Opiate Addiction Task Force may generate action steps and/or legislative asks for the 2017-2018 session, which could impact the BHRD budget.

Involuntary Treatment Act Evaluation Timelines – Under state statute, designated mental health professionals (DMHPs) must meet established timelines for completion of an evaluation for involuntary commitment. Changes to commitment laws and criteria have increased demand for evaluations. Insufficient numbers of DMHPs made it difficult to meet the need for crisis outreach and evaluation. Significant efforts in 2015 and 2016 sought to analyze the changes to law, identify the reasons for missed timelines, and improve protocols and procedures to achieve efficiencies, which will continue into the 2017-2018 biennium.

Behavioral Health Workforce Shortages – Insufficient recruitment and retention of qualified behavioral health workers is presenting problems for community providers and hospitals. Integrated care is driving an increasing need for workers with multiple credentials. High caseloads and low wages are causing good workers to leave the field, making it increasingly difficult for providers to hire the staff they need. Without workforce improvements, the problem will only get worse, not just for King County but statewide.

Familiar Faces – BHRD and its partners are looking to reduce, prevent, or divert people who cycle through jails and other crisis services by providing better connections to treatment and housing for these individuals. Discussions continue with the state around flexible care funding and outreach, and other fund sources may be sought to help increase care teams to assist the target population with individualized care plans.

Therapeutic Courts – MIDD 2 revenues will continue to support the therapeutic courts – Adult Drug Court, Juvenile Drug Court, Family Treatment Court, Regional Mental Health and Veterans Courts, and Seattle Mental Health Municipal Court.

2017-2018 Executive Proposed Operating Budget COMMUNITY AND HUMAN SERVICES ADMINISTRATION (EN_A93500)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	11,545,034	11,280,925	22.3	3.9
Base Budget Adjustments	(670,937)	(1,104,907)	0.8	(3.9)
Decision Package Adjustments	804,191	1,216,658	2.0	0.0
2017-2018 Executive Proposed Budget	11,678,288	11,392,676	25.0	0.0
2017-2018 Executive Proposed Ordinance	11,679,000	11,393,000	25.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_001) ESJ Equity and Inclusion Manager Create 1.0 FTE to support increased DCHS equity and social justice (ESJ) efforts, including driving organizational changes to become a fully inclusive and just workplace, and driving evaluation and program design changes to improve program and services' ability to reach and serve ESJ populations.	279,105	279,105	1.0	0.0
(DS_002) Supported Employment Administrative Position Add expenditure authority for DCHS Director's Office to loan-in 1.0 FTE from Human Resources Department (HRD) to provide administrative assistance due to additional administrative workload created by significant departmental growth. This position will be a Supported Employment position, which provides DCHS an opportunity to lead by example by supporting the Supported Employment program, which provides employment opportunities to people with intellectual or developmental disabilities.	143,693	143,693	0.0	0.0
Administrative Service Changes				

2017-2018 Executive Proposed Operating Budget

COMMUNITY AND HUMAN SERVICES ADMINISTRATION (EN_A93500)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(AC_001) Budget Adjustment for DCHS Director's Office Adjust expenditure authority and budgeted revenue to align budget with 2017-2018 projections. Revenues are increasing more than expenditures because some increase in expenditures occurs in central rate decision packages. Expenditure increases reflected here include inflationary increases to supplies, equipment, consultant contracts, and transfers to other funds.	129,449	276,519	0.0	0.0
(AC_002) General Fund Target Reduction - HHSTP Eliminate the General Fund transfer to the Health and Human Services Transformation Plan (HHSTP) to meet required General Fund balancing target. DCHS is proposing to reduce this transfer but to continue funding HHSTP activities from other sources, resulting in no service impact to the community.	(501,000)	(501,000)	0.0	0.0
(AC_003) All Home Budget Alignment Adjustments Adjust All Home's expenditure authority and budgeted revenue to align budget with 2017-2018 projections.	(166,276)	383,027	0.0	0.0
Technical Adjustments				
(TA_001) Transfer Strategic Policy Advisor From HCD to Director's Office Transfer a DCHS Strategic Policy Advisor from the Housing and Community Development (HCD) Fund to the DCHS Administration Fund (Director's Office) to better reflect the department-wide scope of policy work conducted by this position. This position will now be funded by the DCHS overhead allocation.	312,002	310,315	1.0	0.0
(TA_002) Transfer CoC Planning Revenue and Expenditures to All Home from HCD Eliminate double budgeting of Continuum of Care (CoC) planning dollars between the All Home program in the DCHS Administration Fund (1080) and the Housing and Community Development Fund (2460). This adjustment is incorporated in DS_002 in the Housing and Community Development proposed budget.	300,000	300,000	0.0	0.0
(TA_050) Revenue Adjustments Revise budgeted revenues to match current forecast.	0	25,000	0.0	0.0
(TA_113) Vacancy Rate Adjustment Reflects the salary savings associated with the natural rate of employee turnover for a given agency and provide greater transparency in the budget.	(212,000)	0	0.0	0.0

**2017-2018 Executive Proposed Operating Budget
COMMUNITY AND HUMAN SERVICES ADMINISTRATION (EN_A93500)**

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(TA_198) Motor Pool Dispatch Rental Remove vehicle dispatch rental rates from the Fleet Motor Pool central rate account 55010 and move them into account 55258 Motor Pool ERR SVS. The amount was estimated based on 2015 actual rental billings and revised based on agency need and estimated usage for 2017-2018.	23,000	0	0.0	0.0
Central Rate Adjustments	496,218	0	0.0	0.0
Total Decision Package Adjustments	804,191	1,216,658	2.0	0.0

**2017-2018 Proposed Financial Plan
DCHS Administration / 000001080**

Category	2015-2016 Estimated¹	2017-2018 Proposed Budget²	2019-2020 Projected³	2021-2022 Projected³
Beginning Fund Balance	179,479	644,945	359,333	(80,392)
Revenues				
Federal	500,000	762,420	500,000	500,000
Local	2,438,370	1,725,824	1,848,358	1,979,591
General Fund	476,000	-	-	-
Interfund Transfers	8,511,026	8,904,433	9,631,336	10,348,999
Other	12,000	-	-	-
Total Revenues	11,937,396	11,392,676	11,979,694	12,828,590
Expenditures				
Salaries, Wages & Benefits	(7,066,939)	(7,739,464)	(8,180,613)	(8,671,450)
Supplies and Other	(69,000)	(55,000)	(58,190)	(61,798)
Contracted Services	(1,250,711)	(973,498)	(1,029,961)	(1,093,818)
Intergovernmental Services	(2,716,841)	(2,854,610)	(3,091,543)	(3,382,148)
Intragovernmental Contributions	(368,439)	(55,716)	(59,112)	(63,005)
Total Expenditures	(11,471,930)	(11,678,288)	(12,419,419)	(13,272,219)
Estimated Underexpenditures				
Other Fund Transactions				
Total Other Fund Transactions	-	-	-	-
Ending Fund Balance	644,945	359,333	(80,392)	(524,021)
Reserves⁴				
Expenditure Reserve (s)	(148,700)	(34,524)	-	-
Rainy Day Reserve (60 days of All Home expenditures)	(318,168)	(304,919)	(323,840)	(345,491)
Total Reserves	(466,868)	(339,443)	(323,840)	(345,491)
Reserve Shortfall	-	-	404,232	869,512
Ending Undesignated Fund Balance	178,077	19,890	-	-

Financial Plan Notes

¹ 2015-2016 Estimated reflects updated revenue and expenditure estimates as of 8/31/2016.

² 2017-2018 Proposed reflects current proposed budget for this fund.

³ Outyear expenditure projections assume growth in accordance with King County Office of Performance, Strategy, and Budget planning assumptions.

⁴ The Expenditure Reserve represents private funding with designated uses in 2017-18 and 2019-2020. In addition, this fund carries a 60 day Rainy Day Reserve for All Home expenditures.

2017-2018 Executive Proposed Operating Budget COMMUNITY SERVICES OPERATING (EN_A88800)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	11,014,258	10,286,566	11.5	0.0
Base Budget Adjustments	(663,710)	(920,000)	0.1	0.0
Decision Package Adjustments	1,108,214	1,290,460	0.0	0.0
2017-2018 Executive Proposed Budget	11,458,762	10,657,026	11.6	0.0
2017-2018 Executive Proposed Ordinance	11,459,000	10,658,000	11.6	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_001) Emerging Needs Funding Provide expenditure authority for emerging human services needs in the 2017-2018 biennium.	100,000	100,000	0.0	0.0
(DS_008) Expand Men's Homeless Shelter Service Expand County-operated men's homeless shelter service from 5.5 months to 12 months per year, from 50 beds to 120 beds, and from 9.5 hours per night to between 11 and 15 hours per night depending on location. This increase is funded by the county's Document Recording Fee revenues.	1,469,651	1,469,651	0.0	0.0
Administrative Service Changes				
(AC_001) Transfer to EER to Support WorkSource Renton Lease Renewal and Moving Costs Transfer funding from the Community Services Operating Fund to the Employment and Education Resources (EER) Fund to support decision package AC_001 in EER. The WorkSource Renton lease expires in August 2017, and this transfer will support one-time moving and tenant improvement costs.	400,000	0	0.0	0.0

**2017-2018 Executive Proposed Operating Budget
COMMUNITY SERVICES OPERATING (EN_A88800)**

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(AC_100) MIDD Supplantation Transfers All MIDD supplantation costs must be removed from the MIDD starting January 1, 2017. This amount reflects the portion of MIDD expenditures moving to the Community Services Operating Fund and the corresponding general fund support.	525,352	525,000	0.0	0.0
Technical Adjustments				
(TA_001) Budget Adjustment for Community Services Operating Fund Adjust expenditures and budgeted revenue downward to align budget with 2017-2018 projections.	(991,537)	(1,294,861)	0.0	0.0
(TA_050) Revenue Adjustments Revise budgeted revenues to match current forecast.	0	490,670	0.0	0.0
Central Rate Adjustments	(395,252)	0	0.0	0.0
Total Decision Package Adjustments	1,108,214	1,290,460	0.0	0.0

**2017-2018 Proposed Financial Plan
Community Service Operating Fund /000001421**

Category	2015-2016 Estimated ¹	2017-2018 Proposed Budget ²	2019-2020 Projected ³	2021-2022 Projected ³
Beginning Fund Balance	1,650,661	844,336	42,600	54,460
Revenues				
General Fund	7,694,330	7,939,000	8,399,462	8,920,229
Intergovernmental - MIDD ⁴	512,676	-	-	-
Interfund Transfers - CSD Overhead ⁵	1,814,864	2,713,654	2,906,323	3,133,017
Interest & Other	182,339	4,372	4,626	4,912
Total Revenues	10,204,209	10,657,026	11,310,411	12,058,158
Expenditures				
Salaries, Wages & Benefits	(2,149,996)	(2,255,740)	(2,384,317)	(2,527,376)
Supplies and Other	(105,000)	(102,132)	(108,056)	(114,755)
Contracted Services	(6,891,594)	(7,347,428)	(7,773,579)	(8,255,541)
Intergovernmental Services	(1,292,328)	(950,054)	(1,028,908)	(1,125,626)
Interfund Transfers ⁶	(571,616)	(803,408)	(3,691)	(4,038)
Total Expenditures	(11,010,534)	(11,458,762)	(11,298,551)	(12,027,336)
Estimated Underexpenditures				
Other Fund Transactions				
Total Other Fund Transactions	-	-	-	-
Ending Fund Balance	844,336	42,600	54,460	85,282
Reserves				
Total Reserves ⁷	-	-	-	-
Ending Undesignated Fund Balance	844,336	42,600	54,460	85,282

Financial Plan Notes:

¹ 2015/2016 Estimated reflects updated revenue and expenditure estimates as of 04/30/2016, as well as the impact of any proposed but not approved supplemental.

² 2017/2018 Proposed includes all services and adjustments for the next budget periods.

³ Out year projections reflect expenditure and revenue growth in line with King County's Office of Performance, Strategy and Budget's published planning assumptions, last updated March 2016.

⁴ All MIDD supplantation costs must be removed from the MIDD starting January 1, 2017. Therefore, MIDD transfers to the Community Services Operating Fund will end after the 2015-2016 biennium.

⁵ Although the Veterans and Human Services Levy expires at the end of 2017 unless renewed, this financial plan assumes Levy revenue for all years shown. If this levy is not renewed, expenditures and revenues will need to be adjusted.

⁶ Interfund transfers in 2017-2018 include one-time transfers to Employment and Education Resources Fund and Housing and Community Development Fund that will not continue in outyears.

⁷ This fund is not required to carry any reserves because it is primarily funded by interfund transfers from the General Fund and other funds in the Community Services Division, which carry their own reserves.

2017-2018 Executive Proposed Operating Budget EMPLOYMENT EDUCATION RESOURCE (EN_A93600)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	23,572,769	23,324,505	37.5	0.0
Base Budget Adjustments	1,318,619	158,190	0.0	0.0
Decision Package Adjustments	(2,964,469)	(1,849,939)	3.0	0.0
2017-2018 Executive Proposed Budget	21,926,919	21,632,756	40.5	0.0
2017-2018 Executive Proposed Ordinance	21,927,000	21,633,000	40.5	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_001) Communities of Opportunity Employment and Education Program Manager Implement the Employment and Education Resources Division's portion of the Communities of Opportunity Strategy, as described in the Best Starts for Kids Implementation Plan. This position designs and implements strategies to integrate WorkSource system resources and services within COO communities to reduce poverty and income disparities.	279,105	279,105	0.0	0.0
(DS_002) Open Doors Program Youth Outreach and Engagement Program Manager Create a 1.0 FTE Youth Outreach and Engagement Program Project Manager position for the Open Doors Program to provide outreach and recruitment to Opportunity Youth and underserved communities to link them with education and employment programs. This body of work is currently being done by a TLT, but is a growing, long-term need. The Open Doors program, including this position, is primarily funded by state and private funds.	247,781	247,782	1.0	0.0

2017-2018 Executive Proposed Operating Budget EMPLOYMENT EDUCATION RESOURCE (EN_A93600)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(DS_003) BFET Social Services Specialist Create a 1.0 FTE Social Services Specialist position to coordinate the King County Jobs Initiative (KCJI) Basic Food Education and Training (BFET) program, which provides training and education to Basic Food clients to attain living wage jobs. This program is rapidly expanding, and this FTE will do program coordination internally and externally with key stakeholders, increase outreach efforts, and work with funding partners. This position will be supported by BFET revenue.	184,359	184,097	1.0	0.0
(DS_005) BFET Fiscal Specialist Create a 1.0 FTE Basic Food and Education (BFET) Fiscal Specialist position to manage the fiscal side of this expanding program, including reviewing and approving vouchers, reporting, and general financial management. This body of work is currently done by a special duty assignment. This position will be supported by BFET revenue.	182,736	182,523	1.0	0.0
Administrative Service Changes				
(AC_001) WorkSource Renton Lease Moving and Tenant Improvement Costs Support moving costs and needed tenant improvements to consolidate DCHS staff at the WorkSource Renton location into less square footage than they currently occupy. This move and tenant improvements are supported by an interfund transfer from the Community Services Operating Fund (AC_001 in Fund 1421). Ongoing lease adjustments to reflect the consolidation of space are reflected in AC_002 in the Employment and Education Resources Fund.	400,000	400,000	0.0	0.0
(AC_002) WorkSource Renton Ongoing Lease Cost Adjustment Renew the WorkSource Renton lease for less square footage than the current lease and at a per-square foot rate in line with current market analysis. Adjust ongoing lease costs and associated partner revenue downward.	(398,243)	(398,243)	0.0	0.0
(AC_100) MIDD Supplantation Transfers All MIDD supplantation costs must be removed from the MIDD starting January 1, 2017. This amount reflects the portion of MIDD expenditures moving to the EER Fund and the corresponding general fund support.	235,358	235,000	0.0	0.0
Technical Adjustments				
(TA_001) Budget Adjustment for Employment and Education Resources Adjust expenditures and budgeted revenue downward to align budget with 2017-2018 projections.	(4,636,783)	(3,300,883)	0.0	0.0

**2017-2018 Executive Proposed Operating Budget
EMPLOYMENT EDUCATION RESOURCE (EN_A93600)**

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(TA_050) Revenue Adjustments Revise budgeted revenues to match current forecast.	0	320,680	0.0	0.0
(TA_113) Vacancy Rate Adjustment Reflects the salary savings associated with the natural rate of employee turnover for a given agency and provide greater transparency in the budget.	(310,000)	0	0.0	0.0
Central Rate Adjustments	851,218	0	0.0	0.0
Total Decision Package Adjustments	(2,964,469)	(1,849,939)	3.0	0.0

2017-2018 Proposed Financial Plan
Employment and Education Resources (EER) Fund /000002240

Category	2015-2016 Estimated ¹	2017-2018 Proposed Budget ²	2019-2020 Projected ³	2021-2022 Projected ³
Beginning Fund Balance	1,452,856	1,304,347	1,010,184	1,559,213
Revenues				
Federal	7,575,911	6,972,904	7,377,332	7,834,727
State	1,973,939	1,502,000	1,589,116	1,687,641
General Fund	6,827,594	7,418,000	7,848,244	8,334,835
Intergovernmental ⁴	5,455,773	868,293	918,654	975,611
Interfund Transfers ^{4,5}		4,269,704	4,517,347	4,797,422
Other	1,503,757	601,855	636,763	676,242
Total Revenues	23,336,974	21,632,756	22,887,456	24,306,478
Expenditures				
Salaries, Wages & Benefits	(9,309,756)	(9,777,259)	(10,334,563)	(10,954,636)
Supplies and Other	(150,000)	(107,428)	(113,659)	(120,706)
Contracted Services	(8,222,097)	(7,084,553)	(6,543,257)	(6,948,938)
Intergovernmental Services	(4,403,630)	(4,068,997)	(4,406,724)	(4,820,956)
Participant Costs	(1,400,000)	(888,682)	(940,226)	(998,520)
Total Expenditures	(23,485,483)	(21,926,919)	(22,338,428)	(23,843,756)
Estimated Underexpenditures				
Other Fund Transactions				
Total Other Fund Transactions	-	-	-	-
Ending Fund Balance	1,304,347	1,010,184	1,559,213	2,021,935
Reserves				
Rainy Day Reserve (30 days) ⁶	(978,562)	(913,622)	(930,768)	(993,490)
Total Reserves	(978,562)	(913,622)	(930,768)	(993,490)
Reserve Shortfall	-	-	-	-
Ending Undesignated Fund Balance	325,785	96,563	628,445	1,028,445

Financial Plan Notes

¹ 2015-2016 Estimated reflects updated revenue and expenditure estimates as of June 30, 2016.

² 2017-2018 Proposed reflects updated revenue and expenditure estimates by program including estimated grant awards.

³ Out year projections reflect expenditure and revenue growth in line with King County's Office of Performance, Strategy and Budget's published planning assumptions, last updated March 2016.

⁴ The financial plan now separates intergovernmental revenues (revenue from external sources) and interfund transfers (revenue from other King County funds).

⁵ Although the Veterans and Human Services Levy expires at the end of 2017 unless renewed and the Best Starts for Kids Levy expires at the end of 2021 unless renewed, the financial plan assumes revenue from both sources for all years shown. If either or both of these levies are not renewed, expenditures and revenues will need to be adjusted.

⁶ The Rainy Day Reserve reflects 30 days of expenditures.

2017-2018 Executive Proposed Operating Budget HOUSING AND COMMUNITY DEVELOPMENT (EN_A35000)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	35,152,972	35,152,974	31.8	3.0
Base Budget Adjustments	75,250,663	71,928,392	1.0	(3.0)
Decision Package Adjustments	60,167,656	60,366,368	0.0	0.0
2017-2018 Executive Proposed Budget	170,571,291	167,447,734	32.8	0.0
2017-2018 Executive Proposed Ordinance	170,572,000	167,448,000	32.8	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_001) Increased State Emergency Shelter Grant Revenue Add expenditure authority to allow spending of increased State Emergency Solution Grant (ESG) revenue. Funding will be used for emergency shelters for homeless families, rapid rehousing, and prevention programs for homeless families and individuals. DCHS passes through all ESG funding to community-based organizations serving vulnerable populations.	1,431,294	1,431,294	0.0	0.0
(DS_002) Increased Federal Grant Revenue Add expenditure authority to allow spending of increased revenue from the US Department of Housing and Urban Development (HUD) Continuum of Care (CoC) and Scattered Sites programs. HUD grants fund long-term rental assistance for previously homeless people with chronic disabilities. CoC is a rental assistance program which requires those receiving assistance to participate in treatment and support services - it is a highly effective permanent supportive housing program.	12,720,748	12,720,748	0.0	0.0

2017-2018 Executive Proposed Operating Budget

HOUSING AND COMMUNITY DEVELOPMENT (EN_A35000)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(DS_003) Transit Oriented Development Bonds Build affordable housing projects near high-capacity transit in King County and the City of Seattle and hire staff to manage this program and funding. All projects will be located near high capacity transit areas. Expenditures will be funded by Transit Oriented Development Bonds and follow the Bond Allocation Plan previously approved by the King County Council.	29,755,293	30,000,000	1.0	0.0
(DS_004) Adjust Interim Loan Program Authority Adjust expenditure authority for the Interim Loan Program to the intended level of \$6 million. This program allows DCHS to use existing fund balance from committed, multi-year capital and operating projects to provide short-term loans to acquire property for affordable housing development.	2,653,113	0	0.0	0.0
(DS_005) Document Recording Fee-supported Homeless Housing Programs Increase expenditure authority for homeless housing programs such as emergency shelters, transitional housing, and permanent supportive housing to allow DCHS to pass through all expected Document Recording Fee revenues in 2017-18 to community-based organizations.	1,155,605	0	0.0	0.0
(DS_007) MIDD 2 Initiative Implementation Implement the Housing and Community Development portions of Crisis Diversion Initiatives CD-02 and CD-13 and Recovery and Reentry Initiatives RR-01, RR-03, and RR-04, as described in the proposed MIDD 2 Service Improvement Plan transmitted to Council on August 24, 2016.	8,652,628	8,652,628	0.0	0.0
(DS_008) Transfer to Support Expansion of Men's Homeless Shelter Service Transfer Document Recording Fee revenue to the Community Services Operating (CSO) Fund to support decision package DS_008 in the CSO Fund to expand men's homeless shelter service in the 2017-18 biennium.	1,469,651	0	0.0	0.0
Administrative Service Changes				
(AC_001) Move budget for Developmental Disability (DD) housing funding to the DD Fund Discontinue double budgeting of Developmental Disabilities housing programs between the Developmental Disabilities Fund and the Housing and Community Development Fund. This will not include any impact to services, as services will continue to be contracted and paid for out of the Developmental Disabilities Fund.	(400,000)	(400,000)	0.0	0.0
Technical Adjustments				

2017-2018 Executive Proposed Operating Budget
HOUSING AND COMMUNITY DEVELOPMENT (EN_A35000)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(TA_001) Transfer Strategic Policy Advisor From HCD to Director's Office Transfer a DCHS Strategic Policy Advisor from the Housing and Community Development (HCD) Fund to the DCHS Administration Fund (Director's Office) to better reflect the department-wide scope of policy work conducted by this position.	(310,575)	0	(1.0)	0.0
(TA_002) Move Housing Repair Budget to Correct Cost Center Move positions and budget for the Housing Repair program to the correct cost center. This is a net zero change that has no impact on total budget or on services provided.	0	0	0.0	0.0
(TA_003) Eliminate Loan-in and Loan-out Labor Due to Fund Consolidation Eliminate previously budgeted Loan-in and Loan-out labor accounts that are no longer needed due to consolidation of the two housing funds. This has no impact on actual planned expenditures.	2,368,286	0	0.0	0.0
(TA_004) Revenue Adjustments Adjust budgeted revenue to reflect 2017-2018 projections.	0	7,937,660	0.0	0.0
(TA_005) Budget Adjustments for HCD Fund Adjust expenditures to align budget with 2017-2018 projections.	(318,370)	0	0.0	0.0
(TA_006) Adjust Contribution to DCHS Overhead to Match Formula Adjust the Housing and Community Development Fund's contribution to DCHS Overhead costs in the DCHS Administration Fund to match the DCHS overhead allocation formula.	581,564	0	0.0	0.0
(TA_007) Combine DCHS Housing Funds Combine Fund 2460 - Federal Housing and Community Development (FHCD) and Fund 2464 – Housing Opportunity Fund (HOF) into a single fund called Housing and Community Development (HCD). FHCD has traditionally held all federal housing dollars and all FTEs from both funds, while HOF held the state and local housing dollars and associated expenditures. There is no financial impact from this fund consolidation.	0	0	0.0	0.0
(TA_050) Revenue Adjustments Revise budgeted revenues to match current forecast.	0	24,038	0.0	0.0

**2017-2018 Executive Proposed Operating Budget
HOUSING AND COMMUNITY DEVELOPMENT (EN_A35000)**

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(TA_113) Vacancy Rate Adjustment Reflects the salary savings associated with the natural rate of employee turnover for a given agency and provide greater transparency in the budget.	(388,000)	0	0.0	0.0
(TA_198) Motor Pool Dispatch Rental Remove vehicle dispatch rental rates from the Fleet Motor Pool central rate account 55010 and move them into account 55258 Motor Pool ERR SVS. The amount was estimated based on 2015 actual rental billings and revised based on agency need and estimated usage for 2017-2018.	23,000	0	0.0	0.0
Central Rate Adjustments	773,419	0	0.0	0.0
Total Decision Package Adjustments	60,167,656	60,366,368	0.0	0.0

2017-2018 Proposed Financial Plan
Housing and Community Development (HCD) Fund¹/000002460

Category	2015-2016 Estimated ²	2017-2018 Proposed Budget	2019-2020 Projected ³	2021-2022 Projected ³
Beginning Fund Balance	32,936,233	39,249,592	38,782,452	35,684,624
Revenues				
State Authorized Recording Fees	25,299,198	24,927,932	25,925,049	26,702,801
State Grants - HEN, CHG & REDI	29,840,000	27,340,000	27,340,000	27,340,000
Federal Grants Direct	40,277,096	50,403,468	50,403,468	50,403,468
Federal Grants Indirect	783,158	1,863,390	1,863,390	1,863,390
Other Revenues ⁴	17,404,849	62,912,943	72,912,943	66,747,943
Total Revenues	113,604,301	167,447,733	178,444,850	173,057,602
Expenditures				
Wages & Benefits	(6,636,982)	(8,668,674)	(9,160,916)	(9,699,944)
Supplies	(59,000)	(62,726)	(66,364)	(70,479)
Contracted Services	(96,487,060)	(155,665,663)	(165,665,663)	(153,200,663)
Intragovernmental Services (Central Rates)	(3,607,900)	(4,696,081)	(5,085,856)	(5,563,926)
Intragovernmental Contribution	-	(1,478,147)	(1,563,880)	(1,660,840)
REDI Fund Contingency	(3,500,000)	-	-	-
TOD Debt Service ⁵	-	-	-	(6,300,000)
Total Expenditures	(110,290,942)	(170,571,291)	(181,542,678)	(176,495,852)
Estimated Underexpenditures				
Other Fund Transactions				
Receivables for Interim Loan ⁶	3,000,000	2,656,418	-	-
Total Other Fund Transactions	3,000,000	2,656,418	-	-
Ending Fund Balance	39,249,592	38,782,452	35,684,624	32,246,374
Reserves				
Reserve for Encumbrances/Committed Projects ⁷	(37,608,313)	(34,992,267)	(31,437,298)	(28,209,332)
Rainy Day Reserve (30 days) ⁸	(1,641,279)	(3,790,185)	(4,247,326)	(4,037,041)
Total Reserves	(39,249,592)	(38,782,452)	(35,684,624)	(32,246,374)
Ending Undesignated Fund Balance	-	-	-	-

Financial Plan Notes

¹ The 2017-2018 Proposed budget assumes consolidation of DCHS's two current housing funds (Fund 2460, Federal Housing and Community Development and Fund 2464, Housing Opportunity Fund) into a single fund called Housing and Community Development. This financial plan reflects the consolidation of funds.

² 2015-2016 Estimated reflects updated revenue and expenditure estimates as of 7/31/2016, and the impact of the proposed, but not approved 2016 supplementals.

³ Outyear projections assume revenue and expenditure growth based on August 2016 OEFA forecasts and reflect the most recent estimates including the outyear impact of proposed but not yet approved supplementals.

⁴ Although the Veterans and Human Services Levy expires at the end of 2017 unless renewed and the Best Starts for Kids Levy expires at the end of 2021 unless renewed, the financial plan assumes revenue from both sources for all years shown. If either or both of these levies are not renewed, expenditures and revenues will need to be adjusted.

⁵ Transit Oriented Development (TOD) Bond issuance on hotel/motel tax would occur in 2021 in the amount of \$87 million. The debt service on these bonds will be about \$6.3M annually beginning in 2022.

⁶ The Interim Loan program uses fund balance from committed, multi-year projects to provide short-term loans to acquire property for affordable housing. This line item reflects estimated repayments of previous loans.

⁷ Reserve for Encumbrances/Committed Projects reflects the out year portion of multi-year capital and service projects as well as funding committed through the RFP process for future capital projects.

⁸ The Rainy Day Reserve, in accordance with the County reserve policy, is based on 30 days of the HCD annual adopted budget, excluding various one-time and external grant supported expenditures (from sources such as term limited grant awards from State, County and various private foundations), as well as duplicated spending authorities in its adopted budget for credit enhancement and interim housing development loans. The rainy day reserve will serve to reduce and minimize disruptions to HCD programs and services in the event of unexpected revenue shortfalls.

2017-2018 Executive Proposed Operating Budget

HUMAN SERVICES LEVY (EN_A11800)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	18,285,679	17,691,228	5.0	0.0
Base Budget Adjustments	(746,152)	295,606	0.0	0.0
Decision Package Adjustments	(8,199,588)	(8,709,991)	(5.0)	0.0
2017-2018 Executive Proposed Budget	9,339,939	9,276,843	0.0	0.0
2017-2018 Executive Proposed Ordinance	9,340,000	9,277,000	5.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Administrative Service Changes				
(AC_001) Levy Renewal Special Project Manager Fund 1.0 TLT to support Veterans and Human Services Levy renewal efforts, since the Levy expires at the end of 2017. This TLT will support Levy renewal program development, logistics, internal and external coordination with stakeholders, and community engagement.	180,743	0	0.0	0.0
Technical Adjustments				
(TA_001) Adjust Budget to Match Service Improvement Plan Adjust expenditures and budgeted revenue to match adopted Veterans and Human Services Levy Service Improvement Plan for 2017.	411,654	0	0.0	0.0
(TA_050) Revenue Adjustments Revise budgeted revenues to match current forecast.	0	(8,704,202)	0.0	0.0
(TA_100) Remove 2018 Budget Authority Remove all expenditure authority and budgeted revenue for the 2018 calendar year. The current Veterans and Human Services Levy expires on January 1, 2018, so there are currently no allowable revenues or expenditures in the 2018 calendar year.	(8,784,949)	(5,789)	(5.0)	0.0

2017-2018 Executive Proposed Operating Budget
HUMAN SERVICES LEVY (EN_A11800)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(TA_198) Motor Pool Dispatch Rental Remove vehicle dispatch rental rates from the Fleet Motor Pool central rate account 55010 and move them into account 55258 Motor Pool ERR SVS. The amount was estimated based on 2015 actual rental billings and revised based on agency need and estimated usage for 2017-2018.	5,000	0	0.0	0.0
Central Rate Adjustments	(12,036)	0	0.0	0.0
Total Decision Package Adjustments	(8,199,588)	(8,709,991)	(5.0)	0.0

**2017-2018 Proposed Financial Plan
Human Services Levy Fund/000001142**

Category	2015-2016 Estimated ¹	2017-2018 Proposed Budget ^{2,3}	2019-2020 Projected ³	2021-2022 Projected ³
Beginning Fund Balance	1,645,863	1,005,145		
Revenues				
Local - Veterans and Human Services Levy	17,634,704	9,271,054	-	-
Interest & Other	11,578	5,789	-	-
Total Revenues	17,646,282	9,276,843	-	-
Expenditures				
Salaries, Wages & Benefits	(1,129,586)	(774,052)	-	-
Supplies and Other	(168,746)	(15,192)	-	-
Contracted Services ⁴	(16,233,846)	(93,983)	-	-
Intergovernmental Services	(754,822)	(437,366)	-	-
Interfund Transfers ⁴		(8,019,346)	-	-
Total Expenditures	(18,287,000)	(9,339,939)	-	-
Estimated Underexpenditures				
Other Fund Transactions				
Total Other Fund Transactions	-	-	-	-
Ending Fund Balance	1,005,145	942,049	-	-
Reserves				
Rainy Day Reserve (60 days) ⁵	(1,523,916)	(1,556,656)	-	-
Total Reserves	(1,523,916)	(1,556,656)	-	-
Reserve Shortfall	518,771	614,607	-	-
Ending Undesignated Fund Balance	-	-	-	-

Financial Plan Notes:

¹ 2015-2016 Estimated reflects updated revenue and expenditure estimates as of June 30, 2016.

² 2017-2018 Proposed includes all services and adjustments for the next budget period.

³ The Veterans and Human Services Levy expires on December 31, 2017. No revenues or expenditures are assumed for 2018 and beyond.

⁴ Contracted Services and Interfund Transfers show fluctuations between 2015-2016 and 2017-2018 because DCHS has adjusted where expenditures are budgeted to better align budget and actuals. This is a presentation change and does not reflect program/service changes.

⁵ Rainy Day reserve is equal to 60 days of expenditures. Please note the 2017-2017 Biennium only includes revenues, expenditures, and associated reserves for one calendar year (2017).

2017-2018 Executive Proposed Operating Budget VETERAN AND FAMILY LEVY (EN_A11700)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	17,897,205	17,792,956	11.0	1.0
Base Budget Adjustments	(1,013,521)	295,606	0.0	(1.0)
Decision Package Adjustments	(7,543,745)	(8,806,204)	(11.0)	0.0
2017-2018 Executive Proposed Budget	9,339,939	9,282,358	0.0	0.0
2017-2018 Executive Proposed Ordinance	9,340,000	9,283,000	11.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Administrative Service Changes				
(AC_001) Levy Renewal Program Manager Fund 1.0 TLT to support Veterans and Human Services Levy renewal efforts, since the Levy expires at the end of 2017. This TLT will lead Levy renewal program development, logistics, internal and external coordination with stakeholders, and community engagement.	180,743	0	0.0	0.0
Technical Adjustments				
(TA_001) Adjust Budget to Match Service Improvement Plan Adjust expenditures and budgeted revenue to match adopted Veterans and Human Services Levy Service Improvement Plan for 2017.	1,070,101	(45,349)	0.0	0.0
(TA_050) Revenue Adjustments Revise budgeted revenues to match current forecast.	0	(8,704,202)	0.0	0.0
(TA_100) Remove 2018 Budget Authority Remove all expenditure authority and budgeted revenue for the 2018 calendar year. The current Veterans and Human Services Levy expires on January 1, 2018, so there are currently no allowable revenues or expenditures in the 2018 calendar year.	(8,472,026)	(56,653)	(11.0)	0.0

**2017-2018 Executive Proposed Operating Budget
VETERAN AND FAMILY LEVY (EN_A11700)**

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(TA_198) Motor Pool Dispatch Rental Remove vehicle dispatch rental rates from the Fleet Motor Pool central rate account 55010 and move them into account 55258 Motor Pool ERR SVS. The amount was estimated based on 2015 actual rental billings and revised based on agency need and estimated usage for 2017-2018.	13,000	0	0.0	0.0
Central Rate Adjustments	(335,563)	0	0.0	0.0
Total Decision Package Adjustments	(7,543,745)	(8,806,204)	(11.0)	0.0

**2017-2018 Proposed Financial Plan
Veterans and Family Levy Fund /000001141**

Category	2015-2016 Estimated ¹	2017-2018 Proposed Budget ²	2019-2020 Projected ³	2021-2022 Projected ³
Beginning Fund Balance	2,361,096	1,869,408		
Revenues				
Local - Veterans and Human Services Levy	17,634,704	9,271,054		
Interest & Other	22,608	11,304		
Total Revenues	17,657,312	9,282,358	-	-
Expenditures				
Salaries, Wages & Benefits	(3,635,538)	(1,814,490)		
Supplies and Other ⁴	(251,568)	(47,540)		
Contracted Services ⁴	(11,133,717)	(2,416,967)		
Intergovernmental Services	(1,712,415)	(1,949,022)		
Interfund Transfers - Participants Costs ⁴	(1,415,762)	(3,111,920)		
Total Expenditures	(18,149,000)	(9,339,939)	-	-
Estimated Underexpenditures				
Other Fund Transactions				
Total Other Fund Transactions	-	-	-	-
Ending Fund Balance	1,869,408	1,811,827	-	-
Reserves				
Reserve for Encumbrances/Committed Projects ⁵	(80,000)			
Rainy Day Reserve (60 days) ⁶	(1,512,416)	(1,556,656)	-	-
Total Reserves	(1,592,416)	(1,556,656)	-	-
Reserve Shortfall	-	-	-	-
Ending Undesignated Fund Balance	276,992	255,171	-	-

Financial Plan Notes:

¹ 2015/2016 Estimated reflects updated revenue and expenditure estimates as of May 31, 2016 and the impact of any proposed but not approved supplementals.

² 2017-2018 Proposed include all services and adjustment for the next budget period.

³ The Veterans and Human Services Levy expires on December 31, 2017. No revenues or expenditures are assumed for 2018 and beyond.

⁴ Contracted Services and Interfund Transfers show fluctuations between 2015-2016 and 2017-2018 because DCHS has adjusted where expenditures are budgeted to better align budget and actuals. This is a presentation change and does not reflect program/service changes.

⁵ Expenditure reserve is for committed 2016 NW Justice Center Project.

2017-2018 Executive Proposed Operating Budget VETERANS SERVICES (EN_A48000)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	6,341,641	6,092,298	9.0	0.0
Base Budget Adjustments	13,926	61,444	0.0	0.0
Decision Package Adjustments	(182,572)	(5,132)	1.0	0.0
2017-2018 Executive Proposed Budget	6,172,995	6,148,610	10.0	0.0
2017-2018 Executive Proposed Ordinance	6,173,000	6,149,000	10.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_001) Veterans Homeless Housing Program Project Manager Create 1.0 FTE Program Manager position for the King County Veterans Program to coordinate resources and services available to homeless veterans; oversee contracts, amendments, and interlocal agreements for veterans services; and implement data analysis and reporting improvements for the veterans programs at King County.	279,106	0	1.0	0.0
Technical Adjustments				
(TA_001) Technical Budget Adjustment Adjust expenditure authority and budgeted revenue downward to align budget with 2017-2018 projections.	(399,231)	(341,732)	0.0	0.0
(TA_002) Sub-lease Revenue from WDVA Adjust budgeted revenue to reflect total rent received from the Washington Department of Veterans Affairs (WDVA). DCHS holds the master lease for a facility that is partially sub-leased to WDVA. The expenditure side of this lease is reflected in the CR_022 Long-Term Lease Decision Package.	0	104,000	0.0	0.0

**2017-2018 Executive Proposed Operating Budget
VETERANS SERVICES (EN_A48000)**

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(TA_050) Revenue Adjustments Revise budgeted revenues to match current forecast.	0	232,600	0.0	0.0
Central Rate Adjustments	(62,447)	0	0.0	0.0
Total Decision Package Adjustments	(182,572)	(5,132)	1.0	0.0

**2017-2018 Proposed Financial Plan
Veterans Relief RCW Fund / 000001060**

Category	2015-2016 Estimated ¹	2017-2018 Proposed Budget	2019-2020 Projected ²	2021-2022 Projected ³
Beginning Fund Balance	399,025	413,223	388,839	277,824
Revenues				
Federal		126,964	134,328	142,657
State	300	-		
Local	5,598,079	5,888,446	6,173,036	6,457,865
Interfund Transfers	250,000	-		
Other	14,223	133,200	140,926	149,663
Total Revenues	5,862,602	6,148,610	6,448,290	6,750,185
Expenditures				
Salaries, Wages & Benefits	(1,865,132)	(2,257,304)	(2,385,969)	(2,529,127)
Supplies and Other	(38,686)	(29,999)	(31,740)	(33,708)
Contracted Services ⁴	(1,693,333)	(2,328,876)	(2,463,938)	(2,616,702)
Intergovernmental Services ⁴	(783,244)	(1,554,152)	(1,674,772)	(1,820,150)
Interfund Transfers ⁴	(1,467,909)	(2,664)	(2,885)	(3,156)
Total Expenditures	(5,848,304)	(6,172,995)	(6,559,305)	(7,002,844)
Estimated Underexpenditures				
Other Fund Transactions				
FBOD Fund Balance Adjustment ⁵	(100)			
Total Other Fund Transactions	(100)	-	-	-
Ending Fund Balance	413,223	388,839	277,824	25,165
Reserves				
Rainy Day Reserve (30 days) ⁶	(243,679)	(257,208)	(273,304)	(291,785)
Total Reserves	(243,679)	(257,208)	(273,304)	(291,785)
Reserve Shortfall	-	-	-	266,620
Ending Undesignated Fund Balance	169,544	131,631	4,520	-

Financial Plan Notes

¹ 2015-2016 Estimated reflects updated revenue and expenditure estimates as of June 31, 2016, King County Office of Economic and Financial Analysis (OEFA) Forecasts adopted in August 2016, and King County Finance and Business Operations Division (FBOD's) estimated beginning budgetary fund balance for 2015.

^{2,3} Out year projections are based on financial planning assumptions published by the King County Office of Performance, Strategy and Budget, as updated March 8, 2016, and August 2016 OEFA Forecasts.

⁴ Contracted Services, Intergovernmental Services, and Interfund Transfer show fluctuations between 2015-2016 and 2017-2018 because DCHS has adjusted where expenditures are budgeted to better align budget and actuals. This is a presentation change and does not reflect program/service changes.

⁵ Reflects an accounting adjustment to align ending fund balance with FBOD's fund balance calculation.

⁶ Rainy Day Reserve is calculated based on 30 days of total expenditures.

2017-2018 Executive Proposed Operating Budget BEST START FOR KIDS LEVY (EN_A93700)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	8,619,000	5,081,000	8.0	0.0
Base Budget Adjustments	2,348,744	5,081,000	0.0	0.0
Decision Package Adjustments	121,072,255	117,096,296	18.0	0.0
2017-2018 Executive Proposed Budget	132,039,999	127,258,296	26.0	0.0
2017-2018 Executive Proposed Ordinance	132,040,000	127,259,000	26.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_001) Best Starts for Kids Implementation Implement the Best Starts for Kids Implementation Plan as transmitted to the County Council.	113,593,075	(99,653)	18.0	0.0
Technical Adjustments				
(TA_001) Central Rate Budget Adjustment Adjust expenditure authority for central rates in the Best Starts for Kids Fund to reflect expected total central rate charges.	2,679,152	0	0.0	0.0
(TA_050) Revenue Adjustments Revise budgeted revenues to match current forecast.	0	117,195,949	0.0	0.0
(TA_100) Public Health Services Transfer Adjustment Adjusts public health services transfer to cover gap in existing health services and previously approved public health positions supported by BSK.	4,797,036	0	0.0	0.0
Central Rate Adjustments	2,992	0	0.0	0.0
Total Decision Package Adjustments	121,072,255	117,096,296	18.0	0.0

**2017-2018 Proposed Financial Plan
Best Starts for Kids (BSK) Fund/000001480**

Category	2015-2016 Estimated ¹	2017-2018 Proposed Budget	2019-2020 Projected ²	2021-2022 Projected ²
Beginning Fund Balance		46,720,000	41,938,296	22,747,683
Revenues				
Local	59,455,000	127,031,262	138,423,387	73,695,853
Other	112,000	227,034	234,000	246,000
Total Revenues	59,567,000	127,258,296	138,657,387	73,941,853
Expenditures				
Salaries, Wages & Benefits	(1,260,000)	(6,335,589)	(6,695,000)	(3,441,000)
Supplies and Other	(20,000)	(72,239)	(80,000)	(50,000)
Contracted Services	(2,964,000)	(59,268,295)	(72,155,000)	(38,666,000)
Intergovernmental Services	(475,000)	(3,146,355)	(3,260,000)	(1,679,000)
Interfund Transfers	(8,128,000)	(63,217,523)	(75,658,000)	(41,942,000)
Total Expenditures	(12,847,000)	(132,040,000)	(157,848,000)	(85,778,000)
Estimated Underexpenditures				
Other Fund Transactions				
Total Other Fund Transactions	-	-	-	-
Ending Fund Balance	46,720,000	41,938,296	22,747,683	10,911,536
Reserves				
Youth and Family Homelessness Reserve ³	(15,833,000)	(9,499,000)	(3,165,000)	-
Fire and Park District Services Reserve ⁴	(604,000)	(647,479)	(19,021)	-
Expenditure Reserve (s) ⁵	(28,141,833)	(20,788,483)	(6,409,662)	
Rainy Day Reserve (60 days) ⁶	(2,141,167)	(11,003,333)	(13,154,000)	(14,296,333)
Total Reserves	(46,720,000)	(41,938,296)	(22,747,683)	(14,296,333)
Reserve Shortfall	-	-	-	3,384,798
Ending Undesignated Fund Balance	-	-	-	-

Financial Plan Notes:

¹ 2015-2016 Estimated reflects updated OEFA revenue projections as of August 2016, expenditure appropriation approved in Ordinances 18207, 18239 and 18287, plus additional expenditures proposed but not yet approved in the BSK Implementation Plan.

² Outyear projections are based on OEFA projections as of August 2016, and proposed but not yet approved BSK Implementation Plan. The current levy lid lift ends on January 1, 2022.

³ The Youth and Family Homelessness Prevention (YFHP) Reserve represents \$19 million set aside in 2016, less estimated YFHP expenditures.

⁴ The Fire and Park District Services Reserve is to set aside funds for eligible services provided by fire and park districts impacted by prorationing due to the BSK Levy.

⁵ The expenditure reserve represents all estimated revenue less the YFHP Reserve and the Fire and Park District Services Reserve, approved appropriation authorized by ordinances 18207, 18239 and 18287, plus additional reserves for expenditures as proposed in BSK Implementation Plan.

⁶ The Rainy Day reserve represents 60 days of estimated expenditures.

2017-2018 Executive Proposed Operating Budget DEVELOPMENTL DISABILITIES (EN_A92000)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	60,904,428	59,075,597	16.0	0.0
Base Budget Adjustments	(2,083,915)	(2,122,787)	0.0	0.0
Decision Package Adjustments	6,475,718	6,925,131	3.0	0.0
2017-2018 Executive Proposed Budget	65,296,231	63,877,941	19.0	0.0
2017-2018 Executive Proposed Ordinance	65,297,000	63,878,000	19.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_001) Increased Adult Employment, Adult Day Services, and Community Information, Outreach, and Referral Funding	5,366,098	6,059,742	0.0	0.0
Increase funding and expenditure authority to account for various changes from the 2015-2016 budget, such as (1) additional state funding for Adult Employment Services, Adult Day Services, and Community Information, Outreach, and Referral; (2) anticipated additional revenue for School to Work; and (3) increasing number of residents from neighboring counties receiving services in King County, which is reimbursed by the county of residence.				
(DS_002) Increased Early Intervention Funding	604,376	604,376	0.0	0.0
Adjust funding and expenditure authority for the Early Intervention Program Line of Business to reflect increased revenue from the Washington State Department of Early Learning.				

2017-2018 Executive Proposed Operating Budget DEVELOPMENTAL DISABILITIES (EN_A92000)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(DS_003) Contract and Quality Assurance Team Manager Create 1.0 FTE Contracting and Quality Assurance Team Manager position. This team is responsible for monitoring and tracking contract compliance and administering and supporting the Developmental Disabilities Division's data management system. This position will supervise the team and work to improve contract monitoring processes, performance measurement, reporting, and use of data in program decision making. This body of work has been supported by TLTs in the current biennium, but a permanent position is needed to support this ongoing work.	279,105	0	1.0	0.0
(DS_004) School-to-Work Program Outreach Manager Create 1.0 FTE in the Developmental Disabilities Division's School-to-Work Program to conduct outreach to culturally and linguistically diverse communities who are potentially underserved in the current program. This will increase the County's ability to support transition-aged youth with developmental disabilities to obtain and maintain employment.	224,775	0	1.0	0.0
(DS_005) Community Information, Outreach, and Referral Manager Create 1.0 FTE Community Information, Outreach, and Referral (CIOR) Program Manager within the Developmental Disabilities Division. This position will ensure that all CIOR work will be coordinated and managed centrally to better serve the needs of the community and the Board for Developmental Disabilities, and to provide high-level guidance on how best to support the County's and the Division's Strategic Plans. This body of work has been supported by TLTs in the current biennium, but a permanent position is needed to support this ongoing work.	279,105	0	1.0	0.0
Technical Adjustments				
(TA_001) Technical Budget Adjustment Adjust expenditures downward to align budget with 2017-2018 projections.	(340,887)	0	0.0	0.0
(TA_050) Revenue Adjustments Revise budgeted revenues to match current forecast.	0	261,013	0.0	0.0
(TA_198) Motor Pool Dispatch Rental Remove vehicle dispatch rental rates from the Fleet Motor Pool central rate account 55010 and move them into account 55258 Motor Pool ERR SVS. The amount was estimated based on 2015 actual rental billings and revised based on agency need and estimated usage for 2017-2018.	7,000	0	0.0	0.0
Central Rate Adjustments	56,146	0	0.0	0.0

**2017-2018 Executive Proposed Operating Budget
DEVELOPMENTL DISABILITIES (EN_A92000)**

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Total Decision Package Adjustments	6,475,718	6,925,131	3.0	0.0

**2017-2018 Proposed Financial Plan
Developmental Disabilities / 000001070**

Category	2015-2016 Estimated ¹	2017-2018 Proposed Budget	2019-2020 Projected ²	2021-2022 Projected ²
Beginning Fund Balance	7,252,284	6,051,317	4,633,027	3,076,820
Revenues ³				
Federal	4,437,179	4,951,770	4,951,770	4,951,770
State	47,687,755	51,488,890	52,403,338	54,977,765
Local	6,314,604	6,640,143	6,991,379	7,332,299
Intergovernmental	795,511	792,294	792,294	792,294
Other	(4,783)	4,844	4,844	4,844
Total Revenues	59,230,266	63,877,941	65,143,625	68,058,972
Expenditures ³				
Salaries, Wages & Benefits	(4,302,705)	(5,108,015)	(5,399,172)	(5,723,122)
Supplies and Other	(236,439)	(59,320)	(62,761)	(66,652)
Contracted Services	(53,179,019)	(57,627,206)	(58,541,654)	(59,456,102)
Intragovernmental Services	(1,671,995)	(1,978,316)	(2,142,516)	(2,343,913)
Interfund Transfers	(1,041,075)	(523,374)	(553,730)	(588,061)
		-		
Total Expenditures	(60,431,233)	(65,296,231)	(66,699,832)	(68,177,850)
Estimated Underexpenditures				
Other Fund Transactions				
Total Other Fund Transactions	-	-	-	-
Ending Fund Balance	6,051,317	4,633,027	3,076,820	2,957,942
Reserves				
Rainy Day Reserve (30 days) ⁴	(2,517,968)	(2,720,676)	(2,779,160)	(2,840,744)
Total Reserves	(2,517,968)	(2,720,676)	(2,779,160)	(2,840,744)
Reserve Shortfall	-	-	-	-
Ending Undesignated Fund Balance	3,533,349	1,912,351	297,660	117,198

Financial Plan Notes:

¹ 2015-2016 Estimated reflects updated revenue and expenditure estimates as of June 30, 2016, King County Office of Economic and Financial Analysis (OEFA) Forecasts adopted in August 2016, and King County Finance and Business Operations Division (FBOD's) estimated beginning budgetary fund balance for 2015.

² Outyear projections are based on the following assumptions:

- (1) August 2016 OEFA projections for Property Tax Revenues,
- (2) Assumed the State will continue to increase the division's revenue each year due the growth and success rate in the School to Work Program,
- (3) PSB outyear budget assumptions and guidance for salary and wages and central rates, and
- (4) DDD Program Managers' known changes for upcoming contract expenditures and revenues.

³ Although the Best Starts for Kids Levy expires at the end of 2021 unless renewed, this financial plan assumes revenue from this source, and associated expenditures, for all years shown. If this levy is not renewed, expenditures and revenues will need to be adjusted.

⁴ This fund is a Special Revenue Fund and has a Rainy Day Reserve set at 30 days of expenditures.

2017-2018 Executive Proposed Operating Budget BEHAVIORAL HEALTH (EN_A92400)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	487,884,513	483,819,950	125.1	1.0
Base Budget Adjustments	7,899,114	4,765,660	(0.1)	(1.0)
Decision Package Adjustments	362,133,734	372,804,013	12.8	0.0
2017-2018 Executive Proposed Budget	857,917,361	861,389,623	137.8	0.0
2017-2018 Executive Proposed Ordinance	857,918,000	861,390,000	137.8	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_001) Mental Health Medicaid Services and Funding Increase revenue assumptions and expenditure authority for mental health Medicaid services in King County to reflect new levels of service under the Affordable Care Act and Behavioral Health Integration.	181,464,602	203,722,236	0.0	0.0
(DS_002) Substance Use Disorder Medicaid Services and Funding Increase revenue assumptions and expenditure authority for substance use disorder Medicaid services in King County to reflect new levels of service under the Affordable Care Act and Behavioral Health Integration.	156,732,359	162,677,764	0.0	0.0
(DS_003) Wraparound with Intensive Services Program Manager Create 1.0 FTE Wraparound with Intensive Services (WiSe) Program Manager position to oversee the implementation and expansion of the State-required and State-funded WiSe program. This body of work ramped up in 2015-2016 and is currently provided by a TLT, but the ongoing nature of the work should be provided by a permanent position.	279,105	0	1.0	0.0

**2017-2018 Executive Proposed Operating Budget
BEHAVIORAL HEALTH (EN_A92400)**

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(DS_004) Behavioral Health Supported Employment Program Manager Create 1.0 FTE position to continue and expand the successful Substance Use Disorder Employment Pilot and manage and expand the Supported Employment Program for people with mental health diagnoses. These programs help individuals with behavioral health disorders secure and maintain integrated employment in the community that pays at or above minimum wage.	279,105	0	1.0	0.0
(DS_005) Peer Bridger Program Manager Create 1.0 FTE Peer Bridger Program Manager position to continue the successful Peer Bridger pilot that has been supported by 1.0 TLT in the current biennium. The Peer Bridger program provides peer support to psychiatric inpatient clients and has proven successful in reducing hospital lengths of stay and readmissions.	279,105	0	1.0	0.0
(DS_006) Diversion Program Manager Create 1.0 FTE Diversion Program Manager position to oversee Diversion and Reentry Services (DRS) work, including managing provider contracts, providing clinical practice oversight and making sure staff are appropriately trained in harm reduction, outreach, motivational interviewing, and trauma-informed approaches.	247,781	0	1.0	0.0
(DS_007) Department of Public Defense Crisis and Commitment Legal Services Increase the Behavioral Health Fund's expenditure authority to reflect updated estimates of Department of Public Defense's (DPD's) costs to provide legal services to crisis and commitment defendants.	4,153,674	0	0.0	0.0
Administrative Service Changes				
(AC_001) Administrative and Financial Staffing for BHRD Create 5.0 FTE positions to increase administrative and financial management capacity within the Behavioral Health and Recovery Division (BHRD) to provide adequate support for new and expanding responsibilities of the division. Major growth areas include Behavioral Health Integration, Medicaid expansion, and associated new and complex programs.	960,613	0	5.0	0.0

2017-2018 Executive Proposed Operating Budget BEHAVIORAL HEALTH (EN_A92400)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(AC_002) IT System for Physical and Behavioral Health Integration Expand the King County Behavioral Health Organization (BHO) data system (implemented April 1, 2016) into a system that will support both physical and behavioral health care claims and services. State law requires physical and behavioral health services to be integrated by 2020, and this project will allow DCHS to continue its progress toward integration of services.	5,257,634	0	0.0	0.0
(AC_003) IT System for Integrated Data Invest in new IT system to integrate client-level health and human services data across the King County Department of Community and Human Services (DCHS) and Public Health Seattle/King County (PHSKC) to support cross-sector care coordination and decisions and population-level assessment and evaluation. The need for integrated data is pressing, especially to support emerging changes such as Accountable Community of Health work, Best Starts for Kids, and MIDD renewal - all programs that fund and oversee cross-sector services and population health initiatives.	2,000,000	0	0.0	0.0
(AC_100) MIDD Supplantation Transfers All MIDD supplantation costs must be removed from the MIDD starting January 1, 2017. This amount reflects the portion of MIDD expenditures moving to the Behavioral Health Fund and the corresponding general fund support.	7,244,141	7,218,000	3.8	0.0
Technical Adjustments				
(TA_001) General Fund Target Reduction Reduce the General Fund transfer to the Behavioral Health fund to meet required General Fund balancing target. DCHS is proposing to reduce this transfer without cutting any services by taking advantage of substance use disorder Medicaid funding changes under Behavioral Health Integration. Substance use disorder Medicaid revenue now comes fully matched, so the County no longer needs to use this General Fund amount to match Medicaid dollars.	0	(1,075,000)	0.0	0.0
(TA_002) Net Zero Changes to Implement New General Ledger Structure Implement the Behavioral Health Fund's new General Ledger structure through a set of net zero changes. The updated structure better reflects the new integrated Behavioral Health Organization, is aligned with other structures in DCHS, and allows for more meaningful and efficient reporting.	0	0	0.0	0.0

**2017-2018 Executive Proposed Operating Budget
BEHAVIORAL HEALTH (EN_A92400)**

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(TA_004) Adjust Contribution to DCHS Overhead Increase the Behavioral Health Fund's Contribution to the DCHS Administration Fund for DCHS Overhead functions, in alignment with DCHS overhead allocation formulas.	1,426,740	0	0.0	0.0
(TA_050) Revenue Adjustments Revise budgeted revenues to match current forecast.	0	261,013	0.0	0.0
(TA_113) Vacancy Rate Adjustment Reflects the salary savings associated with the natural rate of employee turnover for a given agency and provide greater transparency in the budget.	(1,064,000)	0	0.0	0.0
(TA_198) Motor Pool Dispatch Rental Remove vehicle dispatch rental rates from the Fleet Motor Pool central rate account 55010 and move them into account 55258 Motor Pool ERR SVS. The amount was estimated based on 2015 actual rental billings and revised based on agency need and estimated usage for 2017-2018.	30,000	0	0.0	0.0
Central Rate Adjustments	2,842,875	0	0.0	0.0
Total Decision Package Adjustments	362,133,734	372,804,013	12.8	0.0

**2017-2018 Proposed Financial Plan
Behavioral Health Fund /000001120**

Category	2015-2016 Estimated ¹	2017-2018 Proposed Budget	2019-2020 Projected ²	2021-2022 Projected ²
Beginning Fund Balance	54,495,951	72,200,584	75,672,846	89,639,078
Revenues				
Federal	11,339,892	40,165,504	42,495,103	45,129,800
State-Medicaid	396,485,082	670,586,370	709,480,379	753,468,163
State-Non Medicaid	71,966,497	71,558,188	75,708,563	80,402,494
State (Medicaid & Non-Med & Others)	4,937,336	52,817,172	55,880,568	59,345,163
Local	6,269,654	6,607,657	6,954,724	7,302,460
Intergovernmental	3,843,248	6,258,492	6,621,485	7,032,017
Interfund Transfers	8,010,985	6,067,740	6,419,669	6,817,688
Other	2,400,590	1,185,500	1,254,259	1,332,023
General Fund	-	6,143,000	6,499,294	6,902,250
Total Revenues	505,253,283	861,389,623	911,314,044	967,732,058
Expenditures				
Salaries, Wages, & Benefits	(21,533,526)	(34,710,658)	(36,689,166)	(38,890,516)
Supplies	(159,703)	(316,698)	(335,066)	(355,841)
Other Operating Charges	(447,212,788)	(787,673,245)	(833,358,293)	(885,026,507)
Central Rates	(18,565,233)	(35,096,760)	(26,845,286)	(29,341,898)
Capital	-	(120,000)	(120,000)	(120,000)
Total Expenditures	(487,471,250)	(857,917,361)	(897,347,812)	(953,734,761)
Estimated Underexpenditures				
Other Fund Transactions				
GAAP Adjustments ³	(77,400)			
Total Other Fund Transactions	(77,400)	-	-	-
Ending Fund Balance	72,200,584	75,672,846	89,639,078	103,636,374
Reserves ⁴				
Medicaid Risk & Inpatient Reserve ^{4a}	(25,311,889)	(37,888,130)	(40,085,641)	(42,570,951)
Non-Medicaid Risk & Inpatient Reserve ^{4b}	(2,714,188)	(3,685,247)	(3,898,991)	(4,140,728)
Medicaid Operating Reserve ^{4c}	(11,199,951)	(27,847,122)	(42,214,083)	(44,831,356)
Non-Medicaid Operating Reserve ^{4d}	(1,280,277)	(1,792,584)	(4,012,554)	(4,261,332)
Rainy Day Reserve ^{4e}	(31,694,279)	(4,459,764)	(4,716,922)	(5,005,894)
Total Reserves	(72,200,584)	(75,672,846)	(94,928,191)	(100,810,262)
Reserve Shortfall	-	-	5,289,113	-
Ending Undesignated Fund Balance	-	-	-	2,826,112

Financial Plan Notes

¹ 2015-2016 Estimated reflects updated revenue and expenditure estimates as of 8/31/2016.

² Outyear projections assume revenue and expenditure growth per King County Office of Performance, Strategy, and Budget planning assumptions and adopted August 2016 OEFA forecasts.

³ GAAP adjustments include non-cash items.

⁴ Reserve descriptions:

^{4a} Medicaid Risk & Inpatient Reserve. Minimum of 11.3% and maximum of 19.2% of annual Medicaid revenues, as set by State actuarial analysis and required by State contract.

^{4b} Non-Medicaid Risk & Inpatient Reserve. Minimum of 10.3% and maximum of 14.7% of annual State non-Medicaid revenues, as set by State actuarial analysis and required by State contract.

^{4c} Medicaid Operating Reserve is to set aside funds to offset fluctuations in revenue/expenditures related to Medicaid operations. Minimum of 11.9% and maximum of 19.8% of annual Medicaid revenues, as set by State actuarial analysis and required by State contract.

^{4d} Non-Medicaid Operating Reserve is to set aside funds to offset fluctuations in revenue/expenditures related to Non-Medicaid operation. Minimum of 10.6% and maximum of 15.0% of annual State non-Medicaid revenues, as set by State actuarial analysis and required by State contract.

^{4e} The Assigned-Rainy Day Reserve represents up to 30 days of revenues, excluding revenues reserved for in the state-mandated reserves 4a-4d, and excluding revenues from interfund transfers.

2017-2018 Executive Proposed Operating Budget MENTAL ILLNESS AND DRUG DEPENDENCY FUND (EN_A99000)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	94,930,852	111,221,415	13.0	0.0
Base Budget Adjustments	(87,189,953)	2,632,791	0.0	0.0
Decision Package Adjustments	108,563,355	20,219,147	4.0	0.0
2017-2018 Executive Proposed Budget	116,304,254	134,073,353	17.0	0.0
2017-2018 Executive Proposed Ordinance	116,305,000	134,074,000	17.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_001) MIDD 2 Prevention and Intervention Implement DCHS's portions of the Prevention and Early Intervention initiatives in the proposed MIDD 2 Service Improvement Plan transmitted to Council on August 24, 2016.	36,708,438	0	1.0	0.0
(DS_002) MIDD 2 Crisis Diversion Implement DCHS's portions of the Crisis Diversion initiatives in the proposed MIDD 2 Service Improvement Plan transmitted to Council on August 24, 2016.	34,603,786	0	1.0	0.0
(DS_003) MIDD 2 Recovery and Reentry Implement DCHS's portions of the Recovery and Reentry initiatives in the proposed MIDD 2 Service Improvement Plan transmitted to Council on August 24, 2016.	19,682,691	0	0.0	0.0
(DS_004) MIDD 2 System Improvement Implement DCHS's portions of the System Improvement initiatives in the proposed MIDD 2 Service Improvement Plan transmitted to Council on August 24, 2016.	12,268,166	0	0.0	0.0

2017-2018 Executive Proposed Operating Budget
MENTAL ILLNESS AND DRUG DEPENDENCY FUND (EN_A99000)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(DS_005) MIDD 2 Therapeutic Courts Implement DCHS's portions of the Therapeutic Court initiatives in the proposed MIDD 2 Service Improvement Plan transmitted to Council on August 24, 2016.	3,374,096	0	0.0	0.0
Administrative Service Changes				
(AC_001) MIDD 2 Administration and Evaluation Implement the Administration and Evaluation components of the proposed MIDD 2 Service Improvement Plan transmitted to Council on August 24, 2016.	3,975,636	5,617	2.0	0.0
(AC_100) MIDD Supplantation Transfers	(760,710)	0	0.0	0.0
All MIDD supplantation costs must be removed from the MIDD starting January 1, 2017. This amount reflects the portion of supplantation expenditures leaving this appropriation unit.				
Technical Adjustments				
(TA_050) Revenue Adjustments Revise budgeted revenues to match current forecast.	0	20,213,530	0.0	0.0
(TA_113) Vacancy Rate Adjustment Reflects the salary savings associated with the natural rate of employee turnover for a given agency and provide greater transparency in the budget.	(136,000)	0	0.0	0.0
(TA_198) Motor Pool Dispatch Rental Remove vehicle dispatch rental rates from the Fleet Motor Pool central rate account 55010 and move them into account 55258 Motor Pool ERR SVS. The amount was estimated based on 2015 actual rental billings and revised based on agency need and estimated usage for 2017-2018.	2,900	0	0.0	0.0
Central Rate Adjustments	(1,155,647)	0	0.0	0.0
Total Decision Package Adjustments	108,563,355	20,219,147	4.0	0.0

**2017-2018 Proposed Financial Plan
MIDD /000001135**

Category	2015-2016 Estimated¹	2017-2018 Proposed Budget	2019-2020 Projected²	2021-2022 Projected²
Beginning Fund Balance	16,257,983	11,869,049	11,291,165	15,953,585
Revenues				
Local	120,379,332	133,955,400	142,561,984	153,447,642
Other	366,105	117,953	117,953	117,953
Total Revenues	120,745,437	134,073,353	142,679,937	153,565,595
Expenditures				
Salaries, Wages & Benefits	(24,354,116)	(21,030,823)	(21,556,594)	(22,117,065)
Supplies and Other	(107,668)	(166,212)	(170,367)	(174,797)
Contracted Services	(96,082,708)	(94,083,893)	(96,435,990)	(98,943,326)
Intergovernmental Services	(4,567,098)	(4,509,170)	(4,621,899)	(4,742,069)
other	(22,781)	(14,861,139)	(15,232,667)	(15,628,717)
Total Expenditures	(125,134,371)	(134,651,237)	(138,017,517)	(141,605,973)
Estimated Underexpenditures				
Other Fund Transactions				
Total Other Fund Transactions	-	-	-	-
Ending Fund Balance	11,869,049	11,291,165	15,953,585	27,913,207
Reserves				
Revenue Reserves ³	(6,319,915)			
Services Stabilization Reserve ⁴	(895,000)	-		
Rainy Day Reserve (60 days) ⁵	(4,654,134)	(11,220,936)	(11,501,460)	(11,800,498)
Total Reserves	(11,869,049)	(11,220,936)	(11,501,460)	(11,800,498)
Reserve Shortfall	-	-	-	-
Ending Undesignated Fund Balance	-	70,229	4,452,125	16,112,709

Financial Plan Notes

¹ 2015-2016 Estimated reflects updated revenue and expenditure estimates as of 7/31/2016.

² Out year projections assume revenue growth per August 2016 OEFA forecasts and King County Office of Performance, Strategy and Budget planning assumptions.

³ Revenue Reserve is equal to 5.25% of MIDD tax receipts. In 2017-2018 the fund will switch to a 60 day expenditure reserve (see also footnote 5).

⁴ The Services Stabilization Reserve is designated to fund MIDD 1 services during transition to MIDD 2 to avoid service disruptions for vulnerable populations.

⁵ The Rainy Day Reserve is to provide a 60 day expenditure reserve.

PUBLIC HEALTH - SEATTLE AND KING COUNTY

Mission

To identify and promote the conditions under which all people can live within healthy communities and can achieve optimum health.

Overview

King County's goal is to protect and improve the health and well-being of people in King County, as defined by per person healthy years lived. Public Health seeks to ensure all children are born healthy and thrive, adults live long and healthy lives, and our communities support and promote health for all. In the context of achieving these goals, whenever possible, King County employs strategies, policies, and interventions to reduce health disparities across all segments of the population. Public Health works towards this goal by providing services for residents of King County and the City of Seattle in three overarching functions:

1. **Health Protection:** King County has fundamental, statutorily defined responsibilities and powers to protect the public's health. Examples of these responsibilities include tracking disease and other health threats; preventing and treating communicable diseases; responding to infectious disease outbreaks; regulating dangerous environmental and workplace exposures; ensuring the safety of water, air, and food; and preparing for and responding to natural and human-made threats and disasters. Health protection actions, including regulatory activities, must be balanced against limiting personal freedoms, but should be undertaken when the results will yield significant improvements to the health and safety of individuals and the community.
2. **Health Promotion:** Public Health is responsible for leading efforts to promote health and prevent illness and disability arising, for example, from chronic conditions such as heart disease, diabetes, and obesity, or from injuries from traffic accidents or unsafe handling of firearms. These complex health challenges often are best addressed through policy, systems, and environmental (PSE) change, as well as voluntary actions by individuals and communities. Through a collaborative and educational approach, Public Health encourages adoption of science-based, effective interventions that promote PSE change and help make the right health choice the easy choice.

3. **Health Provision:** Public Health's role in personal health care provision is to help assure access to high quality health care for all populations. Helping to assure this access includes convening and leading system-wide efforts to improve access and quality, advocating for access to quality health care for all, forming partnerships with service providers, and directly providing individual health services when there are important public health reasons to do so.

To implement these strategies, the department is organized into the following areas: Cross-cutting services, Prevention (Communicable Disease, Medical Examiner's Office, and Vital Statistics), Chronic Disease and Injury Prevention, Community Health Services (CHS), Environmental Health (EH), Emergency Medical Services (EMS), Jail Health Services, and Administrative Services.

2017-2018 Problems, Opportunities, and Priorities

As in 2015-2016, Public Health faces significant financial challenges driven largely by flat or reduced federal and state revenue in spite of increasingly complex issues facing King County as a large metro area. The complex finances of the Public Health Fund improved in 2017-2018 primarily due to the Best Starts for Kids levy and the Hospital Services Agreement with Harborview Medical Center. Public Health is also actively engaged with partners from across the state in developing Foundational Public Health Services, a national framework being adopted by the state's public health system. The framework provides a crucial opportunity for policy, funding, and structural conversations at the state level with a goal of a new, sustainable revenue source. Key priorities and focus areas for Public Health in 2017-2018 include:

- **Financial sustainability.** The financial position of the Public Health Fund has improved from the 2015-2016 budget. This is primarily due to the passage of Best Starts for Kids, which stabilized many of the Public Health Center services, and implementation of the Hospital Services Agreement with Harborview Medical Center. However, the Public Health Fund has a significant deficit and without securing new revenues faces a projected gap of \$10-\$12 million in the 2019-2020 biennium. Addressing this through reductions would put the public's health further at risk particularly as the growth and vibrancy of the region brings increasing demands, complexity, and health risks. A priority for the County is to participate in statewide planning on Foundational Public Health Services and identify additional revenue sources for health departments to deliver essential public health services.
- **Capacity to protect the public from health risks.** Facing severe financial constraints, the department is increasingly at risk of not having the capacity needed to protect the public's health. For example, an unexpected disease outbreak or other similar event could leave Public Health unable to meet demands to respond appropriately and potentially putting residents at risk. Moreover, the department does not have the capacity to respond to emerging concerns about health risks such as lead and vaping (electronic cigarettes).
- **Public Health's role in transforming healthcare system.** This is an unprecedented time of change in the healthcare system where Public Health and its partners can lead in developing innovative ways of working across systems of care (e.g., physical and behavioral) to achieve the triple aim – better patient care, improving the health of populations (prevention), and reducing

the cost of health care. To that end, Public Health will continue to engage with transformation initiatives with a variety of partners.

- **Advancing health in all communities and reducing inequities.** Public Health’s mission is to promote and improve health for every resident in King County while reducing health disparities. This involves providing public health services for all residents, and also targeted services to reach particular populations. For example, the department provides health care services to primarily low income residents through health centers and visiting nurse services. Public Health serves the incarcerated population, which is a group of people with historically less access to healthcare services than the community at large. The department’s prevention focus also includes helping people most at risk, for example, through the Healthy Eating, Active Living program and Communities of Opportunity.
- **Skilled, adaptive, and diverse workforce.** Public Health is working to develop a workforce that has 21st century skills and reflects the diverse community of King County. The employee engagement process has provided a strategic direction as many employees identified training and professional development as a key need. Recruitment in the increasingly competitive health field for qualified medical professionals is a critical issue for the department to remain a top tier public health department.
- **Increasing financial transparency and alignment.** Public Health is proposing to create the new Public Health Administration Fund to contain department and King County administrative costs and overhead and King County central rates. Administrative costs would be allocated to other funds and programs in the department using a variety of distribution methodologies depending on the basis for the original cost. Public Health is also proposing to move the Medical Examiner's Office (MEO) to the General Fund to better align with Foundational Public Health Services framework and the MEO’s primary funding source, the General Fund.

Alignment with Executive Strategic Initiatives

Equity and Social Justice

Public Health has several programs to address both internal and external inequities. For example, Public Health has a robust Equity and Partnerships Workgroup that has led ESJ work in several key areas including training and finance and budget. The department has also made significant investments in changing the workplace culture and setting employee expectations with employees regarding the value of equity and social justice. Over 200 employees have received ESJ Basic training, which is incorporated in the Public Health New Employee Orientation initiative. This strategy has been an effective component in shifting the internal culture of the department. Additional examples of the ESJ work being done include:

- **Increasing Access to Services**
 - The CHS Division has worked to successfully enroll eligible residents of King County in health insurance and Metro’s reduced fare cards (Orca-LIFT). Other efforts include increasing access to dental services to serve more low-income adults and strengthening family planning (FP) services, such as the FP FLASH Curriculum that won a national award, to better serve people of color who have been traditionally underserved.

- The EMS division has begun a Vulnerable Populations Strategic Initiative in partnership with the University of Washington to ensure the EMS system effectively supports people from all cultural backgrounds and who may speak languages other than English.
- The Preparedness section is working to build community resilience with an emphasis on communities that have been underserved. Most recently, this work focused on the Latino and West African communities.
- The Chronic Disease & Injury Prevention section has made strides in increasing access to physical activity opportunities and environments with healthy foods and beverages by targeting geographical areas with documented inequities. This division has also been instrumental in providing county leadership on strategies to assure access to healthy, affordable food as part of the King County Local Food Initiative.
- **Improving Service Delivery**
 - The Prevention Division is providing training on and discussions about how to incorporate the Equity Impact Review Checklist into key decision points.
 - The Preparedness section has also worked to incorporate the needs of populations experiencing health disparities into all emergency response capabilities.
 - The Contracting Unit in Contracting, Procurement, and Real Estate Services (CPRES) is working to understand barriers and promote the engagement of community-based organizations for which the process is burdensome – most typically minority and women-owned businesses.
 - Healthy Eating/Active Living (HEAL) staff in the Chronic Disease and Injury Prevention section are providing technical assistance to three childcare training organizations (Child Care Resources, City of Seattle, and Horn of Africa Services) on incorporating both healthy eating and active living best practice activities into their training with childcare providers. These three organizations have been trained by HEAL staff in the Lets Move/Nutrition and Physical Activity Self-Assessment for Child-Care (NAP SACC) curricula and are now able to provide tailored technical assistance to childcare providers.

Strategic Climate Action Plan (SCAP)

Public Health is making inroads in its everyday operations to reduce energy and resource use. In SCAP Goal Area 1, Fleet Management has helped to convert 77% of Public Health's vehicles to highly efficient C-Max and Prius hybrids. The fleet goal for 2017 includes piloting an all-electric Nissan Leaf. The Facilities Team has also significantly reduced the facility footprint in the last three Public Health Community Health Center moves in Kent, Renton, and Greenbridge and plans to similarly reduce the land use footprint that is associated with relocating the Northshore Public Health Center. In Goal Area 4, Consumption and Materials Management the CPRES Contracting team is putting plans in place to reduce paper and improve workflow through the implementation of a new electronic contract management system. Additionally, the CPRES Facilities team is targeting select lighting retrofit projects in facilities and tracking and monitoring energy consumption. CPRES is also planning to incorporate a battery recycling program at Public Health Centers. Public Health is also working to evaluate key environmental health indicators related to health impacts of climate change. Public Health continues to make progress in these areas without dedicated funding to carry out this work.

Best Run Government

Public Health strives to demonstrate the attributes of the Best Run Government, including visual management boards at all levels, Line of Business (LoB) planning, and Lean process improvement. CHS, for example, has integrated LoB planning into its regular business management and use of visual management boards. In another example, the preparedness unit within the cross cutting services section will utilize a well-defined process for continuous improvement for emergency responses, conducting after action reviews after each event and documenting lessons learned and improvement items, with twice-yearly follow up on all outstanding improvement plan items.

Additionally, over the past 18 months, the department has embarked on a series of improvements to its financial management practices with the support of the Office of Performance, Strategy and Budget (PSB) and the Finance and Business Operations Division (FBOD). Much progress has been made particularly in the area of financial forecasting and reporting. Additional work remains for Public Health to improve financial management practices, increase transparency, and identify and address risks early. With the support of PSB and FBOD, the department will continue these efforts to identify further improvements.

2017-2018 Executive Proposed Operating Budget PUBLIC HEALTH (EN_A80000)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	338,163,430	345,318,259	841.0	11.2
Base Budget Adjustments	12,047,926	(10,058,033)	6.9	(8.2)
Decision Package Adjustments	26,483,822	42,993,823	(52.1)	0.5
2017-2018 Executive Proposed Budget	376,695,178	378,254,050	795.7	3.5
2017-2018 Executive Proposed Ordinance	376,696,000	378,255,000	800.1	6.5

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_001) BSK Implementation in Public Health Fund the Best Starts for Kids programs and services for supporting strategies and funding allocations according to the BSK Implementation Plan under separate review.	41,984,070	43,502,183	25.0	0.5
(DS_002) Harborview Medical Center Agreement Revenue Provide revenue for services provided to the "mission population" as defined in the Hospital Services Agreement with Harborview Medical Center/University of Washington. Programs include primary care and STD and tuberculosis prevention.	0	10,000,000	0.0	0.0
(DS_003) Health and Human Services Transformation Project Revenue Adjustment Reduce General Fund support for the project and instead rely on alternative funding streams to support continued work on initiatives including Accountable Communities of Health, Familiar Faces, Physical and Behavioral Health Integration, and Communities of Opportunity.	0	(962,000)	0.0	0.0

2017-2018 Executive Proposed Operating Budget

PUBLIC HEALTH (EN_A80000)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(DS_021) Breast, Cervical & Colon Health Program Efficiency Shift program management expenditures to provide more clinical services. The change reduces FTE support for program management, adds part-time clerical support, and enables service to an estimated additional 280+ breast and cervical clients.	0	0	(0.5)	0.0
(DS_022) Federal Grants Shut Down - PICH & PCORI Reduce budgeted expenditures and FTEs to align with expiration of the Partnerships to Improve Community Health (PICH) and Patient Centered Outcomes Research (PCORI) grants. PICH, a federal grant focusing on healthy eating, physical activity, and tobacco prevention, is slated to end September 2017. PCORI funds the King County Asthma Program and is scheduled to end January 2017.	(4,931,971)	(5,992,522)	(6.9)	0.0
(DS_024) Nutritional Activities (SNAP-Ed) Alignment Reduce federal Supplemental Nutrition Assistance Program – Education (SNAP-Ed) funds and relocate the program within the Healthy Eating & Active Living (HEAL) program in the Chronic Disease and Injury Prevention (CDIP) section. Combining the staff from the two programs into one division will align nutrition work across Public Health.	(262,190)	(347,946)	(1.4)	0.0
(DS_031) STD Clinic Hours Support Continue the restoration of STD Clinic hours to the 2014 level as initiated in the 2015-2016 mid-biennium omnibus, relying on a mix of increased patient generated revenue and General Fund support.	598,033	598,033	0.0	0.0
(DS_051) Dental Service Upgrades and Expansion Increase the capacity of the Downtown Dental Clinic by 50% and add a seventh chair at the Renton Dental Clinic to provide care to approximately 1,000 additional patients. The expansion is supported by increased patient-generated revenue and will add one dentist and two dental assistant positions.	1,170,182	1,123,000	3.0	0.0
(DS_052) MIDD 2 Implementation Implement Public Health's portion of the Outreach & In reach System of Care Initiative CD-03, Prevention and Early Intervention Behavioral Health for Adults Over 50 Initiative PRI-03, and Hospital Re-Entry Respite Beds Initiative RR-08, as described in the proposed MIDD 2 Service Improvement Plan transmitted to Council on August 24, 2016.	814,924	814,924	0.0	0.0

Administrative Service Changes

2017-2018 Executive Proposed Operating Budget

PUBLIC HEALTH (EN_A80000)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(AC_001) Revised Allocation of King County IT Overhead Revise methodology for allocating KCIT expenditures within Public Health in association with AC_001 in other Public Health appropriation units.	2,086,943	0	0.0	0.0
(AC_003) Public Health Administration Fund Create the new Public Health Administration Fund to contain department and King County administrative costs and overhead and King County central rates. Administrative costs in this fund are allocated to other funds and programs in the department using a variety of distribution methodologies depending on the basis for the original cost.	0	0	(75.3)	0.0
(AC_005) General Fund Inflationary Increase for MEO Increase the King County General Fund transfer to MEO. This is the MEO portion of the overall Public Health inflationary increase from the Proforma budget and is a reduction in revenue to the Public Health appropriation unit in association with the corresponding increase in AC_005 in the MEO appropriation unit.	0	(404,000)	0.0	0.0
(AC_007) Medicaid Administration Accountant Improve Medicaid Administration revenue management by creating a new Medicaid Administration FTE accountant funded half by additional Medicaid revenue and half by Best Starts for Kids.	153,432	153,432	0.5	0.0
(AC_011) Vroom Program Manager Develop the King County Vroom activation plan and manage the implementation by hiring one grant-funded FTE program manager. Vroom is an early learning initiative focused on childhood brain development.	278,497	275,000	0.0	1.0
(AC_014) Electronic Health Records Central Support and Legacy System Reduction Provide central support for Public Health's Health Improvement Technology (HIT) electronic health records program and reduce legacy vendor maintenance costs for retiring systems. Includes the addition of three HIT functional analysts, two partial-year functional analyst TLTs for transition support, and one partial-year program manager TLT for address federal meaningful use requirements. Also includes the reduction of a vacant partial FTE associated with a legacy system. The decision package shows zero TLT positions because they all expire before the end of 2018.	(421,652)	300,000	2.1	0.0

2017-2018 Executive Proposed Operating Budget

PUBLIC HEALTH (EN_A80000)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(AC_031) Video Direct Observed Therapy Efficiency Begin using video technology to observe patients taking their tuberculosis medication via video direct observed therapy (VDOT), following a successful pilot program and standard practice. This change will allow a reduction in FTE support and require the purchase of appropriate technology, while also reducing the need for General Fund support.	(87,733)	(100,000)	(1.0)	0.0
(AC_032) Vital Statistics and MEO Staffing Reduction Align program staffing level with reduced IT needs. With the launch of the MEO's Electronic Death Records System and plans for limited changes to the VertiQ system, less support is required in 2017-2018. Vital Statistics will operate with a more efficient management structure, requiring less support. This change reduces a 0.5 FTE vacant position in association with AC_032 in the Public Health appropriation unit.	(145,546)	0	(0.5)	0.0
(AC_033) Nurse Epidemiologist Expenditures Allocated to Environmental Health Align budget with current practice of a Nurse Epidemiologist in Environmental Health coordinating disclosures of foodborne illness outbreaks. Moves a nurse epidemiologist partial FTE from Communicable Disease (Public Health) to Environmental Health in association with AC_033 in the Public Health appropriation unit.	(129,244)	0	(0.5)	0.0
Technical Adjustments				
(TA_001) Budget Clean Up Remove all remaining expenditure authority and revenue estimates for the Emergency Medical Services (EMS) grants and Environmental Health Services (EHS) projects. In the 2015-2016 Budget EMS Grants was moved to the EMS Levy and EHS was moved to the Environmental Health Fund.	(173,585)	300,000	0.0	0.0
(TA_002) Transfer Release of Information Position Transfer position managing releases of information (ROI) for patient medical records from Jail Health to Public Health's Business Standards and Accountability (BSA) unit where ROI requests are handled centrally.	182,752	0	1.0	0.0
(TA_012) Allocation of Costs for Existing Health Information Technology and Public Health Chiefs Allocate to divisions the central support costs for the Health Information Technology (HIT) electronic health records system and Public Health Chiefs, including inflation and true-up to actual costs.	1,203,046	0	0.0	0.0

**2017-2018 Executive Proposed Operating Budget
PUBLIC HEALTH (EN_A80000)**

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(TA_013) Emergency Preparedness Budget Clean-up Align budgeted expenditures and revenues within the Emergency Preparedness section to projections based on actual costs and revenues.	(149,660)	150,000	0.0	0.0
(TA_014) Administrative Special Projects Budget Clean Up Align budgeted expenditures and revenues within the Administrative Special Projects section to projections based on actual costs and revenues.	(12)	9,586	0.0	0.0
(TA_021) Longevity Pay Alignment an ADPE Expenditure Reductions to Match Actual Expenditures Remove longevity pay in the Assessment, Policy Development, and Evaluation (APDE) section to match labor expenditures and match grants and miscellaneous expenditures to projected out-year amounts.	(207,387)	0	0.0	0.0
(TA_022) Alignment of Expenditures for Youth Marijuana Prevention Grant Update budgeted FTE amount in the Youth Marijuana Prevention & Education Program (YMPEP) and Tobacco Program to match the current grant.	122,413	0	0.5	0.0
(TA_023) Grant Alignment - Peer-Aid Grant Ended 2016 Remove residual expenditures and revenues for the Peer-Aid Grant, which ended in 2016.	(24,420)	(360,000)	0.0	0.0
(TA_024) Grant Alignment - BCCHP & Tobacco Program Revenue Update Update anticipated revenues for the Breast, Cervical & Colon Health Program based on current estimates for fees, fines, and Washington State Department of Health grant funds.	0	49,410	0.0	0.0
(TA_031) Prevention Division Budget Clean-Up Align budget with current spending and grant revenue projections in the Prevention division. Includes adjustments to longevity pay, lease costs, Health Improvement Technology (HIT) vender costs, supply costs, and grant revenues and expenditures. Also includes allocation of partial FTE from the Medical Examiner's Office, in association with TA_031 in the MEO appropriation unit and Environmental Health support foodborne illness investigations, in association with TA_031 in Environmental Health.	(846,096)	(675,127)	0.3	0.0

2017-2018 Executive Proposed Operating Budget

PUBLIC HEALTH (EN_A80000)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(TA_032) Lab Adjustments Reset lab fees based on expenses and projected volumes to fully recover costs. Includes both revenue increases in the lab and expenditure increases in HIV program. Also includes a partial FTE true-up for the clinical quality assurance program.	961,988	214,399	0.5	0.0
(TA_034) Prevention Division Overhead Allocation Allocate Prevention division overhead based on the number of FTEs in each division cost center and project.	61,962	0	0.0	0.0
(TA_035) Orca LIFT Access and Outreach Position Conversion Convert a budgeted TLT position to a career service FTE position in the Orca LIFT program based on a commitment from the Seattle Department of Transportation to continue funding the program through at least 2020. As the TLT had been budgeted, this is a net zero impact on the 2017-2018 budget and has no service impact.	0	0	1.0	(1.0)
(TA_050) Revenue Adjustments Adjust revenues including patient generated revenue, Medicaid Administrative Claiming, miscellaneous revenue, and the General Fund transfer.	0	(3,238,107)	0.0	0.0
(TA_051) Grant/Contract True Up of Revenues and Expenses Adjust federal and state grants and local contracts. Updates include Orca Lift, Healthcare for the Homeless, City of Seattle, and Housing and Urban Development.	(5,042,164)	(6,928,013)	0.0	0.0
(TA_052) True Up of Miscellaneous Revenues and Expenses Align budget with current projections of revenues and expenditures, including leases, supplies, and miscellaneous expenditures.	1,349,929	(335,464)	0.0	0.0
(TA_054) Distribution of Shared Costs Allocate costs associated with Federally Qualified Health Center (FQHC) eligibility and the federal 330(h) grant to the Community Health Services and Prevention divisions.	264,358	0	0.0	0.0
(TA_055) Distribution of CHS Division Overhead and other Shared Costs Allocate Community Health Services overhead within the division.	92,516	0	0.0	0.0

**2017-2018 Executive Proposed Operating Budget
PUBLIC HEALTH (EN_A80000)**

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(TA_064) Public Health Veterinarian Support Add revenue from Environmental Health to the communicable disease program for providing veterinarian support to Environmental Health on cases involving animals, in association with TA_064 in the Environmental Health appropriation unit.	0	50,000	0.0	0.0
(TA_095) Indirect Overhead Allocation Allocate Public Health overhead, including King County IT charges, via the Public Health salary and wage overhead allocation model.	(1,423,440)	0	0.0	0.0
(TA_096) Distribution of Administrative Costs Allocate administrative costs in Public Health not spread via the Public Health salary and wage overhead allocation model, including vehicles, garages, accounting services, contract management, Medicaid administration oversight and facilities charges.	447,178	0	0.0	0.0
(TA_100) Best Starts for Kids Implement approved Best Starts for Kids Levy planning.	0	4,797,036	0.0	0.0
(TA_110) Net Zero Adjustments Make Net Zero changes to reflect current spending patterns.	0	0	0.0	0.0
(TA_113) Vacancy Rate Adjustment Reflects the salary savings associated with the natural rate of employee turnover for a given agency and provide greater transparency in the budget.	(6,388,008)	0	0.0	0.0
(TA_200) Community Services Area (CSA) Contribution Update Update this agency's costs in the CSA's cost allocation model, which is based on projected CSA staff hours per agency over the biennium. Overall costs for the program increased due to the growth in labor costs (general wage increase, benefits) and central rates.	131	0	0.0	0.0
Central Rate Adjustments	(5,055,425)	0	0.0	0.0
Total Decision Package Adjustments	26,483,822	42,993,823	(52.1)	0.5

**2017-2018 Proposed Financial Plan
Public Health Fund / 000001800**

Category	2015-2016 Estimated¹	2017-2018 Proposed Budget²	2019-2020 Projected³	2021-2022 Projected³
Beginning Fund Balance	\$ (11,727,782)	(3,278,050)	(1,719,179)	(405,209)
Revenues				
City of Seattle	42,725,333	41,832,635	43,939,603	47,584,040
Fees for Services	14,907,081	14,171,157	14,339,224	14,339,224
Grants	93,953,953	83,144,700	83,407,577	88,598,158
Intragovernmental ⁴	11,995,742	11,907,656	12,367,762	13,137,427
Medicaid Administration ⁵	7,520,568	7,610,881	7,613,048	7,613,048
Other Revenues ⁶	3,455,880	2,431,150	2,533,426	2,691,085
Patient Generated Revenue ⁷	78,593,741	76,920,446	79,269,671	80,543,059
State Flexible	24,983,325	24,595,572	24,595,572	24,595,572
KC General Fund Flexible	56,240,816	49,993,632	52,524,483	55,793,163
BSK Revenue ⁸	4,072,000	55,646,221	67,949,526	76,119,490
HVMC Contract	5,000,000	10,000,000	10,000,000	10,000,000
Foundational Public Health Revenue ⁹	-	-	12,000,000	25,500,000
One time Revenues	7,641,049	-	-	-
Total Revenues	351,089,489	378,254,050	410,539,894	446,514,266
Expenditures				
Personnel	(192,069,228)	(186,340,844)	(197,988,241)	(210,099,106)
Contracts	(88,222,766)	(115,205,574)	(132,388,369)	(150,450,788)
Overhead ¹⁰	(26,850,254)	(42,805,907)	(45,607,894)	(49,806,967)
Facilities and Motor Vehicle	(14,402,710)	(14,387,008)	(15,151,759)	(16,546,766)
Supplies and Office Equipment	(4,564,172)	(3,495,781)	(3,524,881)	(3,744,240)
Medical Supplies & Pharmaceuticals	(8,369,860)	(9,760,459)	(10,318,444)	(10,960,576)
Contingencies and Contrasts	-	(66,840)	(66,840)	(66,840)
Other Expense ¹¹	(4,980,086)	(4,632,765)	(4,179,496)	(4,179,496)
One time Expenditures	(3,180,680)	-	-	-
Total Expenditures	(342,639,757)	(376,695,178)	(409,225,924)	(445,854,780)
Estimated Underexpenditures				
Total Other Fund Transactions	-	-	-	-
Ending Fund Balance¹²	(3,278,050)	(1,719,179)	(405,209)	254,277
Reserves				
Expenditure Reserve (s)				
Cash Flow Reserve				
Rainy Day Reserve (30 days) ¹³	(11,131,272)	(10,797,820)	(11,516,006)	(12,533,529)
Total Reserves	(11,131,272)	(10,797,820)	(11,516,006)	(12,533,529)
Reserve Shortfall	14,409,322	12,516,998	11,921,216	12,279,252
Ending Undesignated Fund Balance	-	-	-	-

Financial Plan Notes

¹ 2015-2016 Estimates reflect year end information from EBS GL10 for 2015 actuals and the Public Health Q2 Estimate for 2016.

² 2017-2018 Proposed Budget is consistent with expenditure and revenue data from Hyperion.

- ³ Out year projections assume average annual revenue and expenditure growth by category, reflecting the most recent estimate: including the out year impact of approved supplemental.
- ⁴ Includes revenue from the Vets & Human Services Levy for the entire biennium under the assumption that the levy will be renewed beyond its current end date of December 31, 2017.
- ⁵ The 2017-2018 Medicaid Administration budget proposal is based on 2015-2016 estimated revenue that was right sized to account for the anticipated changes in the claiming for allowable expenditures as agreed between the Centers for Medicare & Medicaid Services (CMS); the Washington State HCA, and other Washington State Local Health Jurisdictions.
- ⁶ Other Revenues included in the 2017-2018 Proposed Budget consists of Respite Services (\$1.9 million), rebates (\$352,000), donations (\$137,000) and other minor revenues (\$47,000).
- ⁷ Patient Generated Revenue (PGR) projection in the 2017-2018 proposed budget is based on the current assumptions related to visits, patient mix and payer mix based on recent experiences. The reimbursement rate under the Federally Qualified Health Center (FQHC) will be rebased in 2017 which will likely lower revenues compared to the 2015 actual revenue and the 2016 estimated, and has been reduced accordingly.
- ⁸ Includes revenue from the Best Starts for Kids Levy for the entire 2021-2022 biennium under the assumption that the levy will be renewed beyond its current end date of December 31, 2021.
- ⁹ PHSKC is partnering with other Washington State local health jurisdictions and the State Department of Health (DOH) on legislative efforts regarding Foundational Public Health Services. PHSKC anticipates an additional investment from the Washington State Legislature into foundational public health services beginning in 2019-2020.
- ¹⁰ The creation of the Public Health Administration Fund (000001890) in the 2017-2018 Agency Proposed realigned the expenses in the Public Health Fund, resulting in an increase to the Overhead Expense Category while reducing costs in other categories, including Personnel.
- ¹¹ Other Expenses included in the 2017-2018 Agency Proposed Budget consists of Travel/Training & Licenses (\$2.5 million), Equipment/Furniture (\$1.2 million), and various other expenses (\$1.1 million)
- ¹² PHSKC is projecting a negative ending fund balance for the 2015-2016 of \$3.3M. PHSKC has committed to eliminating the negative fund balance and moving back into a positive condition by no later than 2021/2022. In order to achieve this fund balance improvement, PHSKC is reliant upon additional revenue from external sources, while maintaining constant pressure to minimize expenditure growth.
- ¹³ The rainy day reserve was calculated using a 30 day expenditures average, adjusted for inter County Revenues which maintain
- ¹⁴ This plan was updated by Chris McGowan on 9/1/2016

2017-2018 Executive Proposed Operating Budget PUBLIC HEALTH ADMINISTRATION (EN_A89000)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	0	0	0.0	0.0
Base Budget Adjustments	0	0	0.0	0.0
Decision Package Adjustments	64,436,516	64,436,516	75.3	0.0
2017-2018 Executive Proposed Budget	64,436,516	64,436,516	75.3	0.0
2017-2018 Executive Proposed Ordinance	64,437,000	64,437,000	75.3	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Administrative Service Changes				
(AC_003) Public Health Administration Fund	64,436,516	64,436,516	75.3	0.0
Create the new Public Health Administration Fund to contain department and King County administrative costs and overhead and King County central rates. Administrative costs in this fund are allocated to other funds and programs in the department using a variety of distribution methodologies depending on the basis for the original cost.				
Central Rate Adjustments	0	0	0.0	0.0
Total Decision Package Adjustments	64,436,516	64,436,516	75.3	0.0

2017-2018 Proposed Financial Plan
Public Health Administration Fund / 000001890

Category	2015-2016 Estimated ¹	2017-2018 Proposed Budget ²	2019-2020 Projected ³	2021-2022 Projected ³
Beginning Fund Balance	\$ -	-	-	-
Revenues				
Emergency Medical Services Levy		7,748,650	8,247,517	8,914,067
Environmental Health Services Fund		4,592,252	4,887,906	5,282,938
King County General Fund ⁴		7,273,849	7,742,148	8,367,854
Public Health Fund		44,821,766	47,707,449	51,563,080
		-	-	-
Total Revenues	-	64,436,516	68,585,020	74,127,939
Expenditures⁵				
Contracts, Procurement & Real Estate Services	-	(3,289,234)	(3,494,831)	(3,708,608)
Finance and Accounting	-	(8,566,146)	(9,101,580)	(9,658,320)
PHSKC Director's Office	-	(11,647,997)	(12,376,065)	(13,133,104)
King County Central Rates ⁶	-	(40,933,139)	(43,612,544)	(47,627,907)
	-	-	-	-
Total Expenditures	-	(64,436,516)	(68,585,020)	(74,127,939)
Estimated Underexpenditures				
Total Other Fund Transactions	-	-	-	-
Ending Fund Balance⁷	-	-	-	-
Reserves				
Expenditure Reserve				
Cash Flow Reserve				
Rainy Day Reserve (60 days) ⁸	-	-	-	-
	-	-	-	-
Total Reserves	-	-	-	-
Ending Undesignated Fund Balance	-	-	-	-

Financial Plan Notes

- ¹ In an effort to improve transparency in the Public Health Fund, Public Health, Seattle-King County (PHSKC) will create the new Public Health Administration Fund (PHAF) in the 2017-2018 Adopted Budget. There is no estimated performance for 2015-2016 for this Fund.
- ² 2017-2018 Proposed Budget is consistent with expenditure and revenue data from Hyperion.
- ³ Out year projections assume average annual revenue and expenditure growth of 3.63% and is consistent with the Public Health Funds assumption of expenditure growth in the out years.
- ⁴ The King County General fund on this Plan consists of Appropriation Units for the Jail Health Services (A82000) and Medical Examiner's Office (A87000).
- ⁵ All expenditures will be fully recovered in the PHAF annually from the Public Health Fund (1800), the Environmental Health Fund (1850), the Emergency Services Levy (1190), and the General Fund (0010) from the Jail Health Services Appropriation (A82000) and the Medical Examiner's Office Appropriation (A87000).
- ⁶ King County Central Rates include all central rates for the Public Health Fund (000001800) and the King County Information Technology (KCIT) Division's Overhead costs (including repayment of the intrafund loan), allocated to all funds in PHSKC.
- ⁷ The PHAF is not expected to maintain a fund balance as all costs will be recovered annually via the PHSKC Certified Indirect Rate (CIR) or direct allocation of expenditures. Any fund balance will be distributed back to the public health funds.
- ⁸ There is no rainy day reserve as the PHAF is supported by revenues from other PHSKC Funds with associated Rainy Day reserves.
- ⁹ This plan was updated by Michelle Larson on 09/01/2016

2017-2018 Executive Proposed Operating Budget MEDICAL EXAMINER (EN_A81000)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	11,324,911	11,039,396	28.4	0.0
Base Budget Adjustments	588,270	36,000	0.3	0.0
Decision Package Adjustments	(11,913,181)	(11,075,396)	(28.7)	0.0
2017-2018 Executive Proposed Budget	0	0	0.0	0.0
2017-2018 Executive Proposed Ordinance	0	0	0.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Administrative Service Changes				
(AC_001) Revised Allocation of King County IT Overhead Revise methodology for allocating KCIT expenditures within Public Health in association with AC_001 in other Public Health appropriation units.	405,336	0	0.0	0.0
(AC_004) MEO Transfer to the General Fund Move the Medical Examiner's Office (MEO) to the General Fund to better align with Foundational Public Health Services framework and the MEO's primary funding source, the General Fund.	(12,090,677)	(11,429,226)	(27.9)	0.0
(AC_005) General Fund Inflationary Increase for MEO Increase the King County General Fund transfer to MEO. This is the MEO portion of the overall Public Health inflationary increase from the Proforma budget in association with the corresponding decrease in AC_005 in the Public Health appropriation unit.	0	404,000	0.0	0.0

2017-2018 Executive Proposed Operating Budget

MEDICAL EXAMINER (EN_A81000)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(AC_032) Vital Statistics and MEO Staffing Reduction Align program staffing level with reduced IT needs. With the launch of the MEO's Electronic Death Records System and plans for limited changes to the VertiQ system, less support is required in 2017-2018. Vital Statistics will operate with a more efficient management structure, requiring less support. This change reduces a 0.5 FTE vacant position in association with AC_032 in the Public Health appropriation unit.	(131,368)	0	(0.5)	0.0
Technical Adjustments				
(TA_031) Medical Examiner Technical Adjustments Align budgeted expenditures and revenues to projections based on actual costs and revenues. Also includes allocation of partial FTE to Public Health Chronic Disease and Injury Prevention, in association with TA_031 in the Public Health appropriation unit.	(111,416)	(74,000)	(0.3)	0.0
(TA_034) Prevention Division Overhead Allocation Allocate Prevention division overhead based on the number of FTEs in each division cost center and project.	4,396	0	0.0	0.0
(TA_050) Revenue Adjustments Adjust revenues including a partial inflation of the General Fund transfer.	0	23,830	0.0	0.0
(TA_095) Indirect Overhead Allocation Allocate Public Health overhead, including King County IT charges, via the Public Health salary and wage overhead allocation model.	102,334	0	0.0	0.0
(TA_096) Distribution of Administrative Costs Allocate administrative costs in Public Health not spread via the Public Health salary and wage overhead allocation model, including vehicles, garages, accounting services, contract management, Medicaid administration oversight and facilities charges.	(46,297)	0	0.0	0.0
(TA_110) Net Zero Adjustments Make net zero changes to reflect current spending patterns.	0	0	0.0	0.0
(TA_113) Vacancy Rate Adjustment Reflects the salary savings associated with the natural rate of employee turnover for a given agency and provide greater transparency in the budget.	(120,000)	0	0.0	0.0
Central Rate Adjustments	74,511	0	0.0	0.0
Total Decision Package Adjustments	(11,913,181)	(11,075,396)	(28.7)	0.0

2017-2018 Executive Proposed Operating Budget MEDICAL EXAMINER (EN_A87000)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	0	0	0.0	0.0
Base Budget Adjustments	0	0	0.0	0.0
Decision Package Adjustments	11,780,835	3,038,000	27.9	0.0
2017-2018 Executive Proposed Budget	11,780,835	3,038,000	27.9	0.0
2017-2018 Executive Proposed Ordinance	11,781,000	3,038,000	27.9	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Administrative Service Changes				
(AC_004) MEO Transfer to the General Fund Move the Medical Examiner's Office (MEO) to the General Fund to better align with Foundational Public Health Services framework and the MEO's primary funding source, the General Fund.	11,761,064	11,181,226	27.9	0.0
(AC_006) Burial and Cremation Review Fee Increase Increase the King County burial and cremation review fee from \$60 to \$70, effective January 1, 2017. A fee increase is needed to allow the King County Medical Examiner's Office to cover the full cost of its disposition authorization program for the next biennium. King County code requires all deaths be reported to the medical examiner's office for review prior to burial or cremation to ensure jurisdiction over appropriate cases before disposition occurs.	0	270,000	0.0	0.0
Technical Adjustments				
(TA_001) Remove General Fund Transfer Remove General Transfer to the Medical Examiner's Office (MEO) given the MEO move to the General Fund makes such a transfer unnecessary.	0	(8,413,226)	0.0	0.0

**2017-2018 Executive Proposed Operating Budget
MEDICAL EXAMINER (EN_A87000)**

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(TA_095) Indirect Overhead Allocation Allocate Public Health overhead, including King County IT charges, via the Public Health salary and wage overhead allocation model, in association with TA_095 in the former MEO appropriation unit.	19,771	0	0.0	0.0
Central Rate Adjustments	0	0	0.0	0.0
Total Decision Package Adjustments	11,780,835	3,038,000	27.9	0.0

2017-2018 Executive Proposed Operating Budget EMERGENCY MEDICAL SVCS (EN_A83000)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	149,615,297	147,981,804	142.0	0.0
Base Budget Adjustments	7,518,981	3,820,514	0.0	0.0
Decision Package Adjustments	5,210,362	6,692,501	0.0	0.0
2017-2018 Executive Proposed Budget	162,344,641	158,494,819	142.1	0.0
2017-2018 Executive Proposed Ordinance	162,345,000	158,495,000	142.1	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Administrative Service Changes				
(AC_001) Revised Allocation of King County IT Overhead Revise methodology for allocating KCIT expenditures within Public Health in association with AC_001 in other Public Health appropriation units.	(1,300,404)	0	0.0	0.0
(AC_002) Alternative Responses to Low-Acuity Calls to 9-1-1 Expand funding to mitigate the effects of low-acuity 9-1-1 calls in the 2017-2018 budget to make data on alternative county wide strategies available for regional decision making. Includes allocating funds from EMS Strategic Initiatives to fund alternative approaches to addressing the needs of individuals using 9-1-1 for low acuity incidents and increases the levy funding for Community Medical Technician (CMT) units (from 50% to 66% of cost of units) to have sufficient funding to complete CMT pilot in 2017. Funds for both approaches are included in the EMS Strategic Plan and are within the lifetime budgets (levy 6-year lifetime budgets) of the programs.	1,057,142	0	0.0	0.0

Technical Adjustments

2017-2018 Executive Proposed Operating Budget

EMERGENCY MEDICAL SVCS (EN_A83000)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(TA_011) EMS Levy Fund Adjustments Adjust budget for emergency medical services as described in the Medic One/Emergency Medical Services 2014-2019 Strategic Plan and adopted by ordinance 17578. Changes allow continuity in allocations of funds to Advanced Life Support (ALS), Basic Life Support (BLS), Regional Support (RS), and EMS Strategic Initiatives.	6,562,436	(81,632)	0.0	0.0
(TA_012) EMS Grants and Entrepreneurial Projects - Update Reconcile grant awards in the Center for Evaluation of EMS (CEEMS), the EMS grants group. Three grants are scheduled to end in 2016, and new grants are being added, with funding extending as far as 2020.	(3,946)	(1,620,792)	0.0	0.0
(TA_013) KCM1 – Vehicle Replacement Replace a non-motor pool vehicle with one managed by King County's motor pool. Expenditures cover the initial purchase price, per motor pool policy.	40,000	0	0.0	0.0
(TA_050) Revenue Adjustments Adjust revenues based on economic forecasts.	0	8,394,925	0.0	0.0
(TA_095) Indirect Overhead Allocation Allocate Public Health overhead, including King County IT charges, via the Public Health salary and wage overhead allocation model.	118,481	0	0.0	0.0
(TA_096) Distribution of Administrative Costs Allocate administrative costs in Public Health not spread via the Public Health salary and wage overhead allocation model, including vehicles, garages, accounting services, contract management, Medicaid administration oversight and facilities charges.	(408,877)	0	0.0	0.0
(TA_110) Net Zero Adjustments Net zero changes to reflect current spending patterns.	0	0	0.0	0.0
(TA_113) Vacancy Rate Adjustment Reflects the salary savings associated with the natural rate of employee turnover for a given agency and provide greater transparency in the budget.	(968,000)	0	0.0	0.0
Central Rate Adjustments	113,530	0	0.0	0.0
Total Decision Package Adjustments	5,210,362	6,692,501	0.0	0.0

**2017-2018 Proposed Financial Plan
EMS Fund /000001190**

Category	2015-2016 Estimated¹	2017-2018 Proposed Budget²	2019-2020 Projected³	2021-2022 Projected³
Beginning Fund Balance	39,515,583	41,093,867	37,244,045	
Revenues				
Property Taxes	146,948,558	154,363,917	80,183,001	
Charges for Services	884,422	1,644,044	840,000	
Other incl interest income	991,176	1,132,398	636,200	
Grant related income	704,249	1,354,460	694,160	
Total Revenues	149,528,405	158,494,819	82,353,361	-
Expenditures				
Advanced Life Support (ALS)	(88,614,793)	(90,378,771)	(47,244,652)	
Basic Life Support (BLS) Services	(34,150,961)	(36,135,102)	(18,974,665)	
Community Medical Tech Units (CMT)	(1,351,251)	(2,555,542)	(36,541)	
Regional Services (RS)	(19,123,486)	(19,956,874)	(10,371,327)	
Strategic Initiatives (SI)	(1,181,459)	(3,561,169)	(1,585,320)	
Use of Designations/Program Balances	(1,000,000)	(2,200,000)	(1,100,000)	
Use of Reserves	(1,000,000)	(4,371,658)	(2,050,000)	
King County Auditor's Office	(90,000)	(230,000)		
EMS Grants & Non-levy projects	(1,391,019)	(2,955,525)	(2,955,509)	
Total Expenditures	(147,902,969)	(162,344,641)	(84,318,014)	-
Estimated Underexpenditures				
Other Fund Transactions⁴				
Unrealized gains/losses	(47,152)			
Total Other Fund Transactions	(47,152)	-	-	-
Ending Fund Balance	41,093,867	37,244,045	35,279,392	-
Reserves⁵				
Designations ⁵	(8,084,811)	(4,950,106)	(3,582,998)	
Expenditure Reserves ⁶	(4,530,079)	(6,579,139)	(7,952,139)	
Cash Flow Reserve ⁷	(7,662,126)	(5,633,784)	(5,633,784)	
Rate Stabilization Reserve ⁸	(5,114,510)	(5,114,510)	(5,114,510)	
Rainy Day/Required Levy Reserve (90 days) ⁹				
Total Reserves	(25,391,526)	(22,277,539)	(22,283,431)	-
Reserve Shortfall	-	-	-	-
Ending Undesignated Fund Balance	15,702,341	14,966,506	12,995,961	-

Financial Plan Notes (samples below)

¹ 2015-2016 Estimated reflects 2015 year end information from EBS and 2016 forecast and are consistent with the Budgetary Fund Balance figures published by FBOD; EMS Grants and non-levy projects were located in Public Health Fund 1800 in 2015.

² 2017-2018 Proposed Budget is consistent with expenditure and revenue data from Hyperion.

³ Outyear projections assume revenue and expenditure growth as forecast by Office of Economic Analysis consistent with EMS Strategic Plan; current EMS levy ends in 2019; 2019-2020 expenditures include 2019 ONLY; potential revenues and expenditures related to future 2020-2025 levy (specifically 2020 and 2021-2022 biennium) not included.

⁴ Other fund transactions include accounting adjustments to balance to budgetary fund balance and unrealized gains/losses related to investment pool.

⁵ Designations include program balances related to funds set aside by ALS providers and regional services to cover future year expenses.

⁶ Expenditure reserves include ALS Capacity, Equipment, Operational and Risk Abatement and Community Medical Technician Unit Reserves

⁷ Cash flow reserve covers cash flow needs related to 6-year levy; includes difference between revenues and expenditures for remainder of levy plus four months of future year expenses (based on first half of levy funds due end of April) minus available reserves to cover these expenses.

⁸ Rate Stabilization reserve can be used in several ways: reserve can be used if Assessed Value (AV) falls and levy rate is capped or to "buy down" levy rate for future levy; reserve also doubles as part of rainy day reserve.

⁹ Rainy day and 90 day levy requirement included in above reserves; If funded reserves do not cover rainy day reserve required funds would be added to Rainy Day Reserve.

¹⁰ This plan was updated by Cynthia Bradshaw on September 2nd, 2016.

2017-2018 Executive Proposed Operating Budget ENVIRONMENTAL HEALTH SERVICES (EN_A85000)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	46,593,887	48,237,040	143.5	1.0
Base Budget Adjustments	4,864,055	2,520,298	(0.8)	0.0
Decision Package Adjustments	274,667	1,031,093	5.8	0.5
2017-2018 Executive Proposed Budget	51,732,609	51,788,431	148.5	1.5
2017-2018 Executive Proposed Ordinance	51,733,000	51,789,000	148.5	4.5

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_001) BSK Implementation in Environmental Health Fund the Best Starts for Kids programs and services for supporting strategies and funding allocations according to the BSK Implementation Plan under separate review.	641,429	641,429	2.0	0.0
(DS_021) Increase Permit Processing Capacity Add administrative support to the food program to manage increasing demands (a 20% increase in permits over five years and growth of the inspection staff by 20 positions without a corresponding increase in administrative support). Additional anticipated late-fee revenue will cover the cost of this add.	185,574	185,574	1.0	0.0
(DS_022) Enhanced Reporting Functional Analyst II Add a reporting analyst to provide reporting capacity for all programs throughout the division. Expenditures will be offset by a decrease in King County IT costs per the new cost allocation model within Public Health per AC_001.	232,363	0	1.0	0.0

2017-2018 Executive Proposed Operating Budget ENVIRONMENTAL HEALTH SERVICES (EN_A85000)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(DS_023) EH, Solid Waste, Rodents, and Zoonotic Diseases Program Capacity Improve permit handling in the Solid Waste, Rodents, and Zoonotic Diseases program by increasing staff by one permanent position and one seasonal temporary position to manage a backlog of new facility permit applications, solid waste facilities plans, and rodent and illegal dumping complaints.	310,507	0	1.0	0.5
(DS_025) Food and Facilities Program Capacity Improve the quality and consistency of food inspections by converting an existing temporary position to a permanent position. Also improves capacity to respond to outbreaks and emergencies.	315,645	315,645	1.0	0.0
(DS_029) OSS Program Staff Reduction Align On-Site Septic (OSS) Operations and Maintenance (O&M) staff to available resources from existing O&M revenues collected through the Title Transfer Fee and Time of Sale Fee. Net result is a reduction of one position in 2018.	(307,653)	236,200	(1.0)	0.0
(DS_030) OSS Operation & Maintenance Program Improvement Add capacity to increase existing Operation & Maintenance (O&M) program. Includes two TLT program managers to lead a customer-focused inspection notification pilot program to increase homeowner compliance with existing fee and improve customer relations. Also includes one TLT program manager to sustain customer service and provide technical support for the Quartermaster Harbor program. The decision package shows zero TLT positions because they all expire before the end of 2018.	478,375	0	0.0	0.0
(DS_031) OSS Title Transfer Fee Increase Increase the Title Transfer Fee submitted by real estate agents at the time of sale to match current processing costs. Uses portion of increased fee revenue - pending Board of Health approval - to fund capacity to process additional Title Transfer Reports and collaborate with real estate agents submitting the fee. Would reinstate the position reduction in DS_029.	141,709	498,500	1.0	0.0
Administrative Service Changes				
(AC_001) Revised Allocation of King County IT Overhead Revise methodology for allocating KCIT expenditures within Public Health in association with AC_001 in other Public Health appropriation units.	(609,316)	0	0.0	0.0

2017-2018 Executive Proposed Operating Budget ENVIRONMENTAL HEALTH SERVICES (EN_A85000)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(AC_033) Nurse Epidemiologist Expenditures Allocated to Environmental Health Align budget with current practice of a Nurse Epidemiologist in Environmental Health coordinating disclosures of foodborne illness outbreaks. Moves a nurse epidemiologist partial FTE from Communicable Disease (Public Health) to Environmental Health in association with AC_033 in the Public Health appropriation unit.	129,244	0	0.5	0.0
Technical Adjustments				
(TA_020) Net Zero EH Expenditure Adjustment Make a net zero adjustment to move expenditures from lower level detailed expenditure accounts to summary level roll-up accounts.	0	0	0.0	0.0
(TA_021) OSS Grant Adjustment Reduce grant revenue and related expenses associated with the Marine Recovery Area and Pollution Identification and Control grants that ended in 2016. Separate adjustment to scope of work covered in DS_029.	(200,000)	(1,131,600)	0.0	0.0
(TA_023) Net Zero EH Revenue Adjustment Make a net zero adjustment to revenues among detailed accounts.	0	0	0.0	0.0
(TA_024) One-Time Funding Adjustment Remove one-time grant and miscellaneous revenues that will not be available in 2017-2018.	0	(390,000)	0.0	0.0
(TA_025) Net Zero Food Program Adjustment Make a Net Zero adjustment to revenue accounts in the food program.	0	0	0.0	0.0
(TA_026) Net Zero Expenditures Adjustment Make a Net Zero adjustment to expenditure accounts across the division.	0	0	0.0	0.0
(TA_028) EH Overhead Cost Center Adjustment Make a Net Zero adjustment to move Public Health overhead costs to a designated cost center.	0	0	0.0	0.0
(TA_029) Net Zero Contingency Account Adjustment Make a Net Zero adjustment to redistribute a contingency reserve account among projects.	0	0	0.0	0.0

2017-2018 Executive Proposed Operating Budget

ENVIRONMENTAL HEALTH SERVICES (EN_A85000)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(TA_031) Foodborne Illness Prevention Support Increase expenditures to support foodborne illness investigations in Prevention division, addressing the increased body of work performed by the nurses and epidemiologists from Prevention who conduct the patient and epidemiologic components of investigation. Associated with TA_031 in the Public Health appropriation unit.	253,000	0	0.0	0.0
(TA_035) EH Direct Distribution Costs Allocation Make a Net Zero allocation of administrative direct costs to division programs.	0	0	0.0	0.0
(TA_036) EH Administration Overhead Distribution Make a Net Zero allocation of division administrative overhead costs to division programs in tandem with TA_068.	0	0	0.0	0.0
(TA_037) EH Permit Administration Overhead Distribution Make a Net Zero allocation of division permit administrative overhead costs to division programs.	0	0	0.0	0.0
(TA_038) LHWMP Adjustment Align Local Hazardous Waste Management Program (LHWMP) budgeted expenditures with revenues.	(391,234)	398,985	0.0	0.0
(TA_039) EH Cost Allocations by Projects Make a Net Zero move of costs to correct project accounts.	0	0	0.0	0.0
(TA_040) Vacant Position Reduction Remove a position made vacant by a volunteer for the King County early retirement program in 2015.	(269,005)	0	(1.0)	0.0
(TA_041) Grant Management Alignment Allocate a partial position to the Tacoma Smelter Plume (TSP) grant to match budget to actual practice.	77,849	0	0.3	0.0
(TA_043) Retired Project Code Adjustment Make a Net Zero move of costs from retired project codes to current project codes in the Local Hazardous Waste cost center.	0	0	0.0	0.0
(TA_044) Solid Waste Expenditure Adjustment Increase budgeted expenditures for overtime, parking, and training for the Solid Waste program to align budget to actual projections.	32,000	0	0.0	0.0
(TA_045) New Project Code Adjustment Make a Net Zero move of costs to new project codes in the Healthy Community Planning cost center.	0	0	0.0	0.0

2017-2018 Executive Proposed Operating Budget ENVIRONMENTAL HEALTH SERVICES (EN_A85000)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(TA_048) Project Costs Adjustment Reduce budgeted expenditures to align budget to actual projections.	(10,044)	0	0.0	0.0
(TA_051) Interest Revenue Budget revenue from interest following the 2016 change moving Environmental Health to an interest-bearing Tier 1 fund.	0	261,360	0.0	0.0
(TA_052) Grant Revenue Adjustment Budget revenue for the Climate Change grant slated to end in 2017.	0	15,000	0.0	0.0
(TA_064) Veterinary Support from Public Health Add expenditure for Environmental Health use of veterinarian support from Prevention division, in association with TA_064 in the Public Health appropriation unit.	50,000	0	0.0	0.0
(TA_068) EH Overhead Distribution Make net zero clean up adjustments to overhead allocations across the division in tandem with TA_036.	0	0	0.0	0.0
(TA_095) Overhead Allocation Allocate Public Health Department overhead, including King County IT charges, via the Public Health salary and wage overhead allocation model.	95,139	0	0.0	0.0
(TA_096) Distribution of Administrative Costs Allocate administrative costs in Public Health not spread via the Public Health salary and wage overhead allocation model, including vehicles, garages, accounting services, contract management, Medicaid administration oversight and facilities charges.	(639,684)	0	0.0	0.0
(TA_113) Vacancy Rate Adjustment Reflects the salary savings associated with the natural rate of employee turnover for a given agency and provide greater transparency in the budget.	(1,253,976)	0	0.0	0.0
(TA_199) Parking Fees Increase fees at County parking facilities commensurate with local market rates. These changes will affect agencies that pay or reimburse for privately-operated vehicles and for agency-assigned Fleet vehicles that park in the Goat Hill Garage, Chinook Building, KC Correctional Facility, and (as of June 2017) King Street Center.	71,542	0	0.0	0.0

**2017-2018 Executive Proposed Operating Budget
ENVIRONMENTAL HEALTH SERVICES (EN_A85000)**

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(TA_200) Community Services Area (CSA) Contribution Update Update this agency's costs in the CSA's cost allocation model, which is based on projected CSA staff hours per agency over the biennium. Overall costs for the program increased due to the growth in labor costs (general wage increase, benefits) and central rates.	131	0	0.0	0.0
Central Rate Adjustments	941,071	0	0.0	0.0
Total Decision Package Adjustments	274,667	1,031,093	5.8	0.5

**2017-2018 Proposed Financial Plan
Environmental Health Services /000001850**

Category	2015-2016 Estimated ¹	2017-2018 Proposed Budget ²	2019-2020 Projected ³	2021-2022 Projected ³
Beginning Fund Balance	9,921,689	11,974,856	12,030,678	12,187,648
Revenues				
Licenses and Permits ⁴	30,516,955	33,360,779	34,194,798	35,391,616
Federal Grants Indirect	298,771	50,000	50,000	50,000
State Grants	741,881	1,056,000	1,105,632	1,158,702
State Entitlements	387,731	775,462	811,909	850,880
Intergovernmental Payments ⁵	7,627,519	9,680,135	10,135,101	10,621,586
Charge for Services	4,946,123	4,852,662	4,949,715	5,122,955
Fines and Forfeits	245,811	215,574	200,000	210,000
Miscellaneous Revenue (incl. interest)	50,000	276,360	266,587	275,918
Non Revenue Receipts (incl. contingencies)		407,860	416,017	430,578
Other Financial Sources (incl. GF/BSK)	236,085	1,113,599	1,165,938	1,221,903
Total Revenues	45,050,876	51,788,431	53,295,698	55,334,139
Expenditures				
Wages and Benefits	(30,057,394)	(37,505,887)	(39,268,664)	(41,153,559)
Supplies	(490,236)	(405,676)	(424,742)	(445,130)
Services-Other Charges	(2,500,570)	(2,342,375)	(2,452,467)	(2,570,185)
Intragovernmental Services	(9,625,782)	(10,451,629)	(10,942,856)	(11,468,113)
Capital Outlay/Contra Expenditures/Contingency	(200,000)	(1,027,043)	(50,000)	(50,000)
Applied Overhead	(123,727)	-		
Total Expenditures	(42,997,709)	(51,732,609)	(53,138,728)	(55,686,987)
Estimated Underexpenditures				
Other Fund Transactions				
Total Other Fund Transactions	-	-	-	-
Ending Fund Balance	11,974,856	12,030,678	12,187,648	11,834,800
Reserves⁶				
Expenditure Reserve (s)				
Capital & IT Project Reserve	(900,000)	(900,000)	(700,000)	(400,000)
Program Reserves	-	-	-	-
Cash Flow Reserve(s)				
Rate Stabilization Reserve(s)				
Rainy Day Reserve (45 days)	(2,660,101)			
Rainy Day Reserve (60 days)		(4,132,664)	(4,326,899)	(4,534,590)
Total Reserves	(3,560,101)	(5,032,664)	(5,026,899)	(4,934,590)
Reserve Shortfall	-	-	-	-
Ending Undesignated Fund Balance	8,414,755	6,998,014	7,160,749	6,900,210

Financial Plan Notes:

¹ 2015-2016 Estimates reflect year end information from EBS for 2015 and estimate for 2016 with Budgetary Fund Balance figures published by FBOD.

² 2017-2018 Proposed Budget is consistent with expenditure and revenue data from Hyperion.

³ Outyear projections assume revenue and expenditure growth of 2 to 4.8 % and reflect the most recent estimates, including the outyear impact of supplementals.

⁴ Permits and Licenses 2016 estimate is lower than 2015 actuals or 2017 budget due to a change in accounting methodology to deferred revenues for multi-year food establishment permits. This change will result in a one time reduction in food permit revenue by over \$2 Million. Without this accounting change EH's expenditures would not match the revenues.

⁵ LHWMP fund intergovernmental revenues are based on actual expenditures which are lower than budgeted in 2015 and 2016.

⁶ Reserve Notes:

Expenditure Reserves:

Capital & IT Project Reserve: This reserve provides funding for capital expenditures that occur periodically, but not in even annual increments.

Program Reserve: This reserve sets aside funds collected from clients in one year for multi-year permit fees where services are expected to still be performed in the following year.

Rainy Day Reserve: This reserve currently reflects 45 days for 2015-2016 and 60 days for 2017-2018 of operating funds. This does not include KC General Fund Revenue, Capital Outlay, Contingencies or Contra Expenditures.

⁷ The financial plan was updated by Regina Edwards on 9/2/16.

2017-2018 Executive Proposed Operating Budget LOCAL HAZARDOUS WASTE (EN_A86000)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	36,398,706	30,907,583	0.0	0.0
Base Budget Adjustments	(53,192)	(424,767)	0.0	0.0
Decision Package Adjustments	2,382,274	2,125,780	0.0	0.0
2017-2018 Executive Proposed Budget	38,727,788	32,608,596	0.0	0.0
2017-2018 Executive Proposed Ordinance	38,728,000	32,609,000	0.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Administrative Service Changes				
(AC_001) Expenditure Update Increase expenditures to continue providing program services at 2016 levels while accounting for increase in costs at partner agencies (labor costs, overhead, and inflationary adjustments to non-labor costs including materials and contracts) associated with the work performed for the Local Hazardous Waste Management Program. These adjustments have been approved by the Program's Board, the Management Coordinating Committee, and are reflected in the Program's long-term financial plan.	2,202,274	0	0.0	0.0
Technical Adjustments				
(TA_050) Revenue Adjustments Update the 2017-2018 revenue for the Local Hazardous Waste Fund (LHWF) with current revenue data. Revenue data includes: current usage data for solid waste customer accounts, self-haul transfer station visits and tonnage, and updated projections from the King County Investment Rate, private and municipal sewer flow, and projections from agency partners. LHWF also received a 2-year renewal of a Coordinated Prevention Grant (CPG) from the Washington Department of Ecology.	0	2,125,780	0.0	0.0

2017-2018 Executive Proposed Operating Budget
LOCAL HAZARDOUS WASTE (EN_A86000)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(TA_075) Secure Medicine Return Drop Boxes Carry forward into 2017-2018 part of the budget for medicine return drop boxes that was not spent in 2015-2016 due to a legal delay in program implementation. This amount is also reflected in the King County Department of Natural Resources and Parks (DNRP), Water and Land Resources Division budget. As a product stewardship program, all other collection system operating costs are paid by pharmaceutical manufacturers regulated by the Board of Health's Secure Medicine Return Regulations, which requires the industry to operate and fully fund the collection infrastructure.	180,000	0	0.0	0.0
Central Rate Adjustments	0	0	0.0	0.0
Total Decision Package Adjustments	2,382,274	2,125,780	0.0	0.0

2017-2018 Proposed Financial Plan
Local Hazardous Waste Operating Fund / 000001280

Category	2015-2016 Estimated ¹	2017-2018 Proposed Budget ²	2019-2020 Projected ³	2021-2022 Projected ³
Beginning Fund Balance	\$ 13,244,176	\$ 12,187,593	\$ 6,068,402	\$ 6,513,380
Revenues				
State Grants	926,639	427,859	-	-
Intergovernmental Payment	20,324,484	20,372,123	26,218,304	26,055,444
Charges for Services	11,782,079	11,738,754	15,201,686	15,201,686
Miscellaneous Revenue	145,026	69,860	70,500	53,500
Total Revenues	\$ 33,178,229	\$ 32,608,596	\$ 41,490,490	\$ 41,310,630
Expenditures				
Services & Other Charges	(7,561,900)	(8,321,577)	(8,896,759)	(9,418,508)
Intragovernmental Service	(26,662,143)	(30,406,211)	(32,148,754)	(34,479,997)
Total Expenditures	\$ (34,224,044)	\$ (38,727,788)	\$ (41,045,512)	\$ (43,898,505)
Estimated Underexpenditures				
Other Fund Transactions				
GAAP Adjustment ⁴	(10,768)	-		
Ending Fund Balance	\$ 12,187,593	\$ 6,068,402	\$ 6,513,380	\$ 3,925,505
Reserves				
Rainy Day Reserve ⁵	(2,852,004)	(3,227,316)	(3,420,459)	(3,658,209)
Total Reserves	(2,852,004)	(3,227,316)	(3,420,459)	(3,658,209)
Reserve Shortfall	-	-	-	-
Ending Undesignated Fund Balance	\$ 9,335,589	\$ 2,841,086	\$ 3,092,921	\$ 267,295

Financial Plan Notes:

¹ 2015-2016 Estimated reflects actual revenue and expenditure totals for 2015 and 2016 recent estimates. Data was generated using EBS report GL 30 for 2015 actuals, run date 6/15/16.

² 2017-2018 Proposed Budget reflects King County guidance, program partner projections and most recent revenue forecasts. The 2017-2018 Budget was approved by the Program's Board-Management Coordination Committee on May 17, 2016.

³ 2019-2022 outyear projections assume expenditure growth of 3.36% average and reflect the most recent estimates based on King County guidance, and program partner projections. A proposed fee increase of 29.5% in 2019 is projected to balance the four year period.

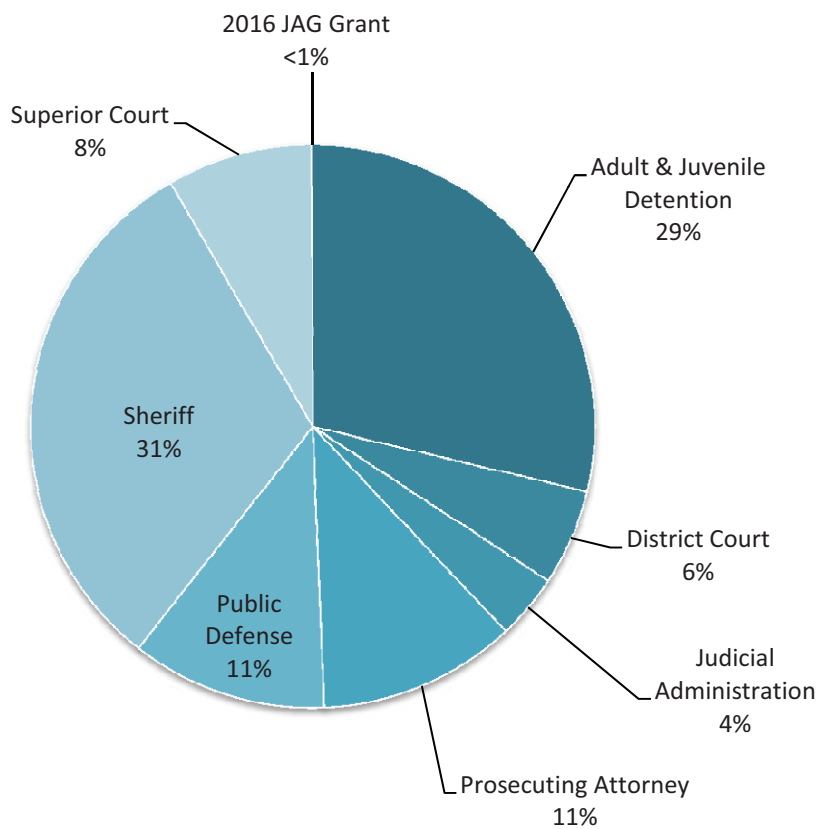
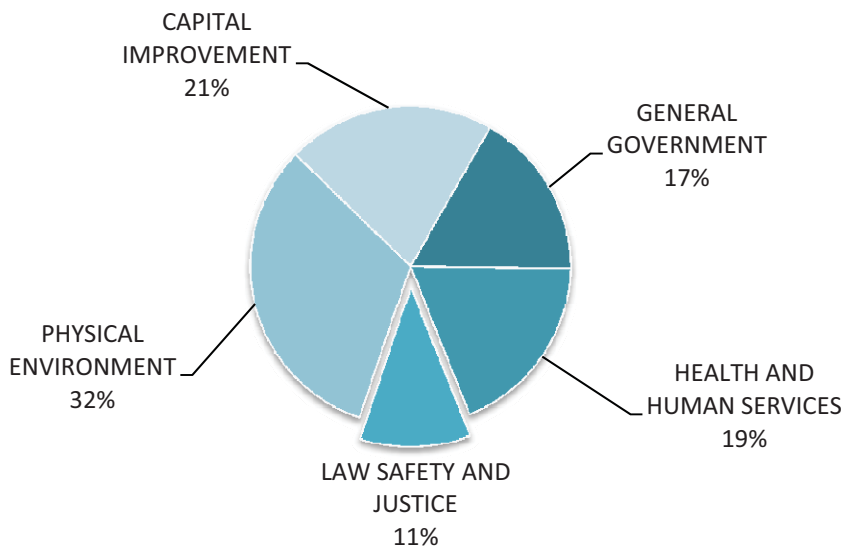
⁴ Other Fund Transactions reflect the 2015 year-end accounting GAAP adjustment by King County Finance and Business Operations Division.

⁵ Per Local Hazardous Waste Management Financial Policy to maintain 60 days operating target fund balance.

This plan was updated by Madelaine Yun on 08/31/2016

LAW, SAFETY AND JUSTICE

Law, Safety and Justice \$1.3 Billion



Due to rounding, figures in pie chart may not add to 100%.

INTRODUCTION

The Law, Safety, and Justice program area includes multiple King County agencies responsible for law enforcement, courts, prosecution, public defense, and detention activities for the residents of King County. In many of these areas the County provides regional services for the benefit of all County residents. In some areas the County also provides local services in its role as service provider for unincorporated King County, as well as through contracts to provide law enforcement, legal, or court services for municipalities.

Law, safety, and justice agencies constitute approximately 75 percent of the General Fund and due to the structural financial challenges of the General Fund are facing constant pressure to reduce budgets and become more efficient. Listed below are short descriptions of each agency included in this section.

Adult and Juvenile Detention

The Department of Adult and Juvenile Detention (DAJD) operates two adult detention facilities, the Maleng Regional Justice Center in Kent and the King County Correctional Facility in downtown Seattle, and one youth detention facility in Seattle. The department also maintains the Community Corrections Division, which operates alternatives to secure detention for adult offenders. DAJD is largely supported by the General Fund, with additional revenue from Jail Services Agreements with the City of Seattle, other cities, and the Washington State Department of Corrections.

Jail Health Services

Jail Health Services (JHS), a division of Public Health – Seattle & King County, provides high-quality medical, psychiatric, and dental services to people detained in the King County adult jails. JHS ensures that inmates receive constitutionally guaranteed health services that meet community and professional standards of care. The JHS workload is driven by the number of adult inmates in the jails, the acuity of their health needs, and legal and accreditation requirements, none of which is controlled by JHS. JHS is almost entirely funded by the General Fund.

District Court

The King County District Court is the County's court of limited jurisdiction. It adjudicates 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 with District Court for municipal court services. Among other responsibilities, District Court handles civil matters, small claims, anti-harassment orders, and traffic infractions. District Court manages the Regional Mental Health Court (RMHC) and Regional Veterans Court (RVC), therapeutic courts for eligible defendants with mental illnesses. District Court is largely supported by the General Fund. The Mental Illness and Drug Dependency (MIDD) Fund supports RMHC and RVC. District Court generates revenues from various fees and fines, and city contracts for court services.

Judicial Administration

The Department of Judicial Administration (DJA) serves as the keeper of record, fiscal case manager, and customer service office for the King County Superior Court and is commonly known to the public and case litigants as the Superior Court Clerk's Office or the County Clerk's Office. DJA also manages justice system programs such as King County Adult Drug Diversion Court (KCADDC). DJA is largely supported by the General Fund, with additional state and federal funding for specific purposes, such as child support enforcement, and MIDD funding for KCADDC. DJA collects revenue through fines and fees, a portion of which is retained by the General Fund. Fines and fees are frequently waived or reduced based on income.

Prosecuting Attorney's Office

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, various independent boards and commissions, and some school districts. Under agreements with the State of Washington, the PAO also establishes and enforces child support obligations, and is an integral part of the mental health civil commitment process. The PAO is largely supported by the General Fund. The PAO also generates revenue from the entities for which it provides legal counsel and receives state and federal funding for specific programs and services.

Public Defense

The King County Department of Public Defense (DPD) provides legal counsel and representation to indigent individuals in legal proceedings, including those in Superior and District Courts for King County. DPD is led by the Public Defender, who reports to the Executive, and is divided into four divisions to prevent conflicts of interest. In addition to providing counsel to defendants in King County Superior Court and District Court, DPD also provides public defense services to Seattle Municipal Court (SMC) under contract to the City of Seattle. The General Fund is DPD's primary funding source, with additional support coming from the MIDD Fund for representation in therapeutic courts. DPD generates revenues through the SMC contract, contracts with the Washington State Office of Public Defense for representation in dependency and sexually violent predator cases, and from the Behavioral Health Organization for representation in involuntary treatment cases.

Sheriff

The King County Sheriff is elected by all county voters and serves as the chief law enforcement officer in King County. As such, the Sheriff is responsible to all residents regardless of jurisdiction. The King County Sheriff's Office (KCSO) is sworn to uphold all county and state laws, and is responsible for responding to and investigating criminal incidents, preventing crime through proactive policing, and effective management of department resources.

In addition to serving as the law enforcement agency for unincorporated King County, KCSO contracts to provide police services to 12 municipalities, Metro Transit, Sound Transit, and the Muckleshoot Tribe, and also serves as the security and firefighting agency for the King County International Airport. KCSO also operates the Automated Fingerprint Identification System (AFIS), which provides the staff and technology to support criminal fingerprint identification services for all 39 cities and unincorporated areas of King County. KCSO is a General Fund agency, and AFIS is supported by a separate fund backed

by a voter-approved property tax levy that expires at the end of 2018. KCSO's contracting program generates significant revenues, which cover the marginal cost of the contracts and also contribute towards departmental administration.

Superior Court

King County Superior Court is King County's general jurisdiction trial court. Under the Washington Constitution and state statute, Superior Court has responsibility for felony criminal cases, civil matters, family law, probate and guardianship matters, juvenile cases, and mental illness and involuntary commitment matters. Superior Court manages or participates in three therapeutic court programs funded by the MIDD Fund: Family Treatment Court, King County Adult Drug Diversion Court (KCADDC), and Juvenile Drug Court. Superior Court is largely supported by the General Fund, with additional support from state and federal funding for specific programs and services, including child support enforcement and a portion of judge salaries. Superior Court collects revenue from service fees, many of which are reduced or waived based on income.

ADULT AND JUVENILE DETENTION

Mission

The Department of Adult and Juvenile Detention contributes to the public safety of the citizens of King County and Washington State by operating safe, secure and humane detention facilities and community corrections programs in an innovative and cost-effective manner.

Overview

The Department of Adult and Juvenile Detention (DAJD) operates two adult detention facilities, the Maleng Regional Justice Center (MRJC) in Kent and the King County Correctional Facility (KCCF) in downtown Seattle, and one youth detention facility in Seattle. The department also maintains the Community Corrections Division (CCD), which operates alternatives to secure detention for adult offenders. The Administration Division provides organizational support to all DAJD operations.

DAJD's functions range from housing the most dangerous criminals, to monitoring lower-risk adult offenders in community-based alternatives, to providing secure and alternative detention services for juvenile offenders. The department's workload is largely driven by the County's criminal justice system; local law enforcement actions drive the number of individuals booked into the jail and juvenile detention, while the prosecutors and courts determine how long inmates will stay in DAJD facilities and programs.

Since 2013, DAJD has participated in the Adult Detention Line of Business (AD LoB) with Jail Health Services (JHS) and with the Sheriff's Office Automated Fingerprint Identification System (AFIS) as a stakeholder. The AD LoB's strategic planning efforts in 2015-2016 focused on three areas of work: Recidivism Reduction and Reentry (RRR), Restrictive Housing (RH), and the biennial budget challenge in the County's General Fund. The AD LoB Plan, submitted with the 2017-2018 Proposed Budget, provides detail on the strategic planning work of this LoB.

2017-2018 Problems, Opportunities, and Priorities

While DAJD's complex environment contains many change drivers, both within the criminal justice system and with external stakeholders, the department has identified the following major issues and priorities for 2017-2018:

The General Fund Shortfall – The financial gap in the General Fund resulted in a significant 2017-2018 budget reduction target for DAJD. As with all General Fund agencies, this target reduction is in addition to ongoing reductions implemented through several previous budget cycles. Continued budget constraints not only limit the development or enhancement of services and programs to address strategic initiatives, but also challenge the department's ability to maintain operations without compromising safety.

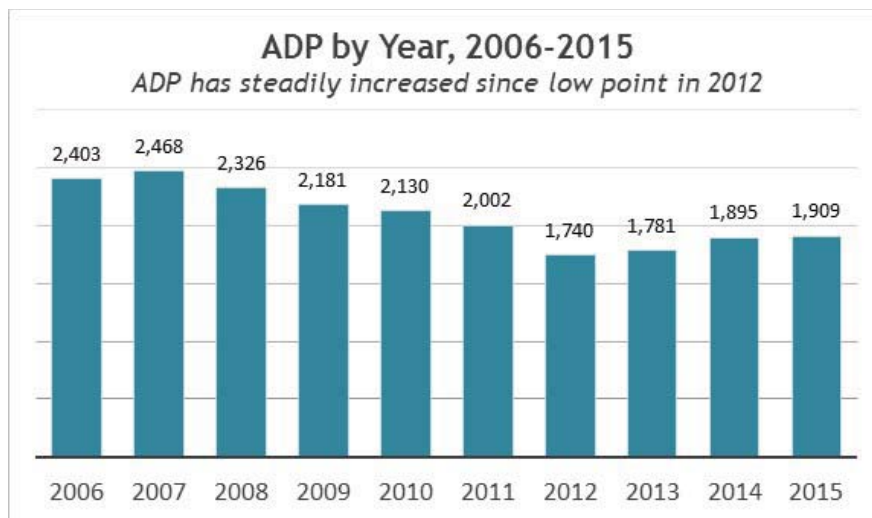
While budget reductions in the 2017-2018 Proposed Budget will eliminate entire programs and many services, it also provides an opportunity for DAJD to look at other, and potentially better, programs and ways the department delivers services to support both staff and individuals in its care. Both the Juvenile Division and CCD have proposed reorganizations to do precisely that.

Community Corrections Division Reorganization – CCD is proposing a reorganization to remove management redundancies and better align staff to support programs and participants in order to meet the County's desire to be a best run government and improve program outcomes for participants.

Closure of Work Education Release (WER) and Electronic Home Detention (EHD). WER and EHD are proposed for closure on January 1, 2018, in order to achieve DAJD's budget reduction target. These closures will reduce the number alternatives to jail available to the courts and increase the jail population. DAJD and other partners in the criminal justice system will continue exploring alternative approaches to WER and EHD that could potentially mitigate the negative impact of the closures in 2018.

Closure of Intake/Transfer/Release (ITR) Booking at MRJC. ITR booking at the MRJC is proposed for closure on January 1, 2018, in order to achieve DAJD's budget reduction target. This closure will negatively impact law enforcement in south King County who currently book at the MRJC but will instead need to travel to Seattle for booking.

Staff Additions to Address Increased Average Daily Population (ADP) and Overtime. As indicated in the chart below, ADP has steadily increased in recent years since a low point in 2012. In 2017-2018, ADP is expected to grow due to increases in the ADP "floor" in the jail contract with the City of Seattle and the closure of WER and EHD in 2018. In addition, DAJD's recent high rate of overtime usage, particularly mandatory overtime, has increased pressure to add staff resources. The 2017-2018 Proposed Budget includes additional corrections officers to address both increased ADP and overtime issues.



Source: DAJD

Integration with the County's RRR Initiative – With Mental Illness and Drug Dependency (MIDD) sales tax funding, DAJD will address recidivism and reentry by implementing a Risk/Needs/Responsivity assessment tool as well as a new substance use disorder treatment program in the jail.

Restrictive Housing – Separately and through the AD LoB, DAJD and JHS are reviewing and revising practices related to the use of restrictive housing in the adult secure detention facilities. There is increased attention nationally and locally on restrictive housing practices and development of standards.

Accreditation – KCCF is required to be accredited by the National Commission on Correctional Health Care (NCCHC), pursuant to a 1998 King County lawsuit settlement (the “Hammer” agreement). Compliance with the settlement is monitored by the ACLU. KCCF was accredited from 1992-2014, and MRJC from 1998-2014. The most recent accreditation review took place in September of 2014, resulting in withdrawal of accreditation at both facilities. An application for re-accreditation has been submitted. DAJD has identified re-accreditation as a priority and will continue efforts with JHS in 2017-2018 to meet NCCHC required standards in the KCCF.

Revenue Increase – Jail Services Agreements with cities that use County jail facilities require a rate reset in 2016 for new rates in 2017. The contract with Seattle also includes a 2017 increase in the minimum population “floor” Seattle must send to King County jail facilities. Together, these contract adjustments result in revenue increases that will support increased costs in adult detention.

Succession Planning – The majority of DAJD's upper management can retire in the next 3-5 years. In addition, almost 10 percent of the department's line staff will be eligible to retire within the same timeframe. The average age of the department is approximately 50 years of age. DAJD hopes to invest in the current workforce and prepare internal staff members to fill those positions. DAJD must continue to train, educate, and prepare staff within the department, to build internal capacity, maintain continuity, and stay on course to be a nationally recognized organization.

The 2017-2018 Proposed Budget includes funding for two projects in the Information Technology budget.

- **Jail Management System (JMS).** DAJD's current JMS is over 40 years old and has dozens of disjointed applications and hundreds of highly inefficient, manual processes. DAJD's data does not integrate with other criminal justice systems and cannot produce many reports that would be useful for system-wide analysis. With this project, DAJD will acquire a new, comprehensive, and integrated JMS that will provide tools to help the department achieve more efficient and effective jail operations.
- **Distributed Area Network (DAN) III.** DAN III follows phases I and II of this project to eliminate the 800MHz communication "dead spots" throughout KCCF, and to enhance future 800 MHz capabilities by connecting the facility to the Seattle Simulcast System.

Alignment with Executive Strategic Initiatives

Equity and Social Justice

While DAJD does not control who is booked into jail, or how long they stay, the department is committed to addressing disproportionality and equity impacts for those persons under its care. Examples of programs and services DAJD provides include:

- Education programs for individuals in the jails to achieve a GED diploma and become familiar with digitized learning.
- Inmate video visitation provides a low-cost option for families and friends to stay connected with individuals in the jail without driving to the facilities. More importantly, this visitation option can reduce the impact to children entering the jail for family visits. Rates are affordable for the general public and the first visit is free.
- DAJD has an internal ESJ team – the Diversity, Equity and Social Justice Committee (DESJC). DESJC invites and engages staff to join ESJ activities, updates ESJ trainings, and coordinates other ESJ activities such as book discussions and poster contests.
- A total of 85 supervisors and management staff received ESJ training on cultural competence.

DAJD, separately and through the AD LoB, has actively supported and participated in the countywide Recidivism, Reduction, and Reentry initiative. Working directly with the RRR coordinator in 2015-2016, DAJD reviewed its inmate/participant program offerings for value-added benefits to the jail population. Items needing additional review have been identified, and plans and metrics are in development.

In addition, the 2015-2016 AD LoB work included participation in efforts to research and purchase a comprehensive Risk/Needs/Responsivity analysis tool to implement in the King County jails and in the CCD's Community Corrections Alternative Program (CCAP). The new Risk/Needs/Responsivity tool will identify an individual's behavioral health and criminogenic risks and needs, in order to provide the best

services and treatment for the specific person while in jail and for follow-up/referral upon release. DAJD sought, and received, funding from MIDD for FTEs to implement the tool, and for a separate request to provide jail-based substance use disorder treatment at the MRJC.

Strategic Climate Action Plan (SCAP)

DAJD supports SCAP through recycling, composting, and energy efficiency measures in all locations. Staff continually review vehicle needs and requirements with the Fleet Division Manager and team. For the 2017-2018 biennium DAJD will turn in a vehicle and promote Fleet-recommended safety and efficiency training, which is expected to reduce fuel consumption.

In addition, DAJD is working with Facilities Management Division staff on the feasibility of installing solar panels on the roof of the Maleng Regional Justice Center.

Best Run Government

Employee Engagement is a high priority for DAJD. The Director and team members meet with staff on each shift to provide team members on non-standard shifts an opportunity to meet face-to-face with the Director and share department initiatives/ideas and, more importantly, to listen. DAJD senior management is engaged in employee surveys and in department culture change to enhance positive contact with inmates, service providers, and the general public. The department enhanced the Department of Adult and Juvenile Detention (DAJD) Intranet Web Page, which features the Director's Blog, Employee Spotlight, Academy Graduates, News, Awards, Recognition, Employee Engagement, and other pertinent topics.

A CCD reorganization is in process to remove management redundancies and to better align staff to support programs and participants, which is critical to meet the County's desire to be a best run government and improve program outcomes for participants. CCD will focus on reallocating supervisory positions and increasing line level staff to better support participant programs. The division will also continue its work with the RRR initiative to provide better programs and treatment to meet the specific needs of its participants.

A reorganization in the Juvenile Division is also underway to align positions and functions with the division's mandated services, current initiatives, and future vision that includes preparing for a move into the new Children and Family Justice Center (CFJC) facility. The number and classification of youth admitted to secure detention has changed over the years, however the population remains highly disproportionate. The reorganization will change operations support positions to provide more and better data and analysis, better programming, and restorative justice resources.

2017-2018 Executive Proposed Operating Budget ADULT AND JUVENILE DETENTION (EN_A91000)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	287,016,711	45,704,372	893.3	0.0
Base Budget Adjustments	5,671,642	(2,776,464)	0.0	0.0
Decision Package Adjustments	(10,736)	7,929,985	(26.8)	0.0
2017-2018 Executive Proposed Budget	292,677,618	50,857,893	866.5	0.0
2017-2018 Executive Proposed Ordinance	292,678,000	50,858,000	892.5	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_001) Work Education Release (WER)/Electronic Home Detention (EHD) Closure Eliminate the Work Education Release program and the Electronic Home Detention program in the Community Corrections Division (CCD) on January 1, 2018. The change is needed to achieve cost savings to meet DAJD's budget reduction target. It also aligns with the CCD division reorganization plans.	(2,104,948)	(511,000)	(17.0)	0.0
(DS_003) Elimination of MRJC Intake/Transfer/Release Booking Eliminate the booking function at the MRJC on January 1, 2018 as part of DAJD's 2017-2018 budget reduction.	(932,133)	0	(8.0)	0.0
(DS_005) Competency Evaluation Transports Increase expenditure budget for costs associated with increased transports of inmates for competency evaluations mandated by the recent ruling on Trueblood et al. v. DSHS. The increase is for overtime to meet the new transport requirements.	50,000	0	0.0	0.0

2017-2018 Executive Proposed Operating Budget ADULT AND JUVENILE DETENTION (EN_A91000)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(DS_006) Community Corrections Division Reorganization Reorganize the Community Corrections Division (CCD) to a structure that allows for better management, service delivery for participants, removal of management redundancies, and cost savings.	476,233	0	2.0	0.0
(DS_007) Helping Hands Program Reorganization Reorganize staffing for the Helping Hands program in the Community Corrections Division. Eliminate two administrative positions, add a caseworker position, and align services to provide more direct support to clients.	(185,864)	0	(1.0)	0.0
(DS_008) King County Supported Employment Position Expand DAJD's participation in the Supported Employment Program to accommodate a 0.5 position in the Juvenile Division who can no longer perform prior duties. This is a loan-in labor expenditure from FTE authority in the Human Resources Division.	91,632	0	0.0	0.0
(DS_010) Staffing for Increased Jail Population Increase staffing for projected County-responsible and Seattle jail population increases.	1,012,719	0	4.0	0.0
(DS_011) Staffing Adjustment to Reduce Overtime Add 3.0 FTEs in the Adult Divisions to reduce usage rate of mandatory overtime.	701,246	0	3.0	0.0
(DS_025) Implement Risk/Needs/Responsivity Assessment Tool in Adult Detention Implement Adult and Juvenile Detention's portion of Recovery and Reentry Initiative RR-07, Behavioral Health Risk Assessment Tool for Adult Detention, as described in the proposed MIDD 2 Service Improvement Plan transmitted to Council on August 24, 2016.	712,192	712,192	3.0	0.0
(DS_026) Jail-Based Substance Use Disorder Treatment Implement Recovery and Reentry Initiative RR-12, Jail-Based SUD Treatment, as described in the proposed MIDD 2 Service Improvement Plan transmitted to Council on August 24, 2016.	900,000	900,000	0.0	0.0
(DS_027) Juvenile Dialectical Behavior Therapy (DBT) Add Dialectical Behavior Therapy program in the Juvenile Division. This therapy approach provides individuals with tools and skills to change negative patterns of behavior.	215,000	0	0.0	0.0

Administrative Service Changes

2017-2018 Executive Proposed Operating Budget ADULT AND JUVENILE DETENTION (EN_A91000)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(AC_001) Corrections Program Supervisor (CPS) Schedule Adjustment Eliminate 1.0 FTE Corrections Program Supervisor by changing from a 4 days/10 hours schedule to 5 days/8 hours schedule with varied furloughs throughout the week.	(283,632)	0	(1.0)	0.0
(AC_002) Corrections Program Specialist (CPS) Schedule Adjustment Eliminate 4.0 FTE Corrections Program Specialists by changing from a 4 days/10 hours schedule to a 5 days/8 hours schedule with varied furloughs throughout the week. This schedule change will eliminate two positions each at the Maleng Regional Justice Center and at the King County Correctional Facility.	(951,831)	0	(4.0)	0.0
(AC_003) Administrative Staff Reduction Eliminate 1.0 FTE in the King County Correctional Facility bookkeeping team. The duties of this position will be absorbed by other staff.	(275,239)	0	(1.0)	0.0
(AC_004) 2015-2016 Expenditure Restriction 2 Release Release funds and FTE authority associated with Expenditure Restriction 2 from the 2015-2016 Adopted Budget.	(1,342,231)	0	(5.8)	0.0
(AC_005) Juvenile Division Reorganization Restructure the Juvenile Division organization to align positions and functions with division requirements, initiatives, and future vision in a new facility. This proposal releases loan-out labor in DAJD's budget, eliminates 4.0 FTEs in various administrative positions and adds 3.0 FTEs for analysis/monitoring, best-practice programming, and for restorative justice training and implementation.	173,224	0	(1.0)	0.0
(AC_006) Community Work Program Budget Adjustments Adjust the Community Work Program's (CWP) budget to (a) bring revenue into alignment with the 2017 and 2018 daily rate increases, and (b) to bring expenses into alignment with actual spending patterns, including expenses needed for CWP's new leased space (utilities, garbage, etc.).	54,940	10,600	0.0	0.0
(AC_009) Administrative Division Reorganization Eliminate 1.0 IT Project Manager and add 1.0 Program Manager IV to align positions with expected project work.	(9,674)	0	0.0	0.0
(AC_100) Transfer DAJD MIDD Expenditures to General Fund Transfers remaining DAJD MIDD supplantation expenditures back to the General Fund.	809,728	0	0.0	0.0

Technical Adjustments

2017-2018 Executive Proposed Operating Budget ADULT AND JUVENILE DETENTION (EN_A91000)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(TA_005) Local 21AD Labor Agreement Increase budget for the fiscal impacts in the 2017-2018 biennium from labor agreement with Local 21AD.	398,117	0	0.0	0.0
(TA_050) Revenue Adjustments Revise budgeted revenues to match current forecast Revise budgeted revenues to match current forecast. Adjustments include 2017-2018 changes to city contract rates and population floors.	0	6,818,193	0.0	0.0
(TA_109) Eliminate Courthouse Screening Rate This change removes the courthouse screening rate that was previously charged to General Fund agencies that use King County's courthouses. This cost will instead be included in the King County Sheriff's Office budget.	(876,280)	0	0.0	0.0
(TA_110) Net Zero Adjustments Net zero changes to reflect current spending patterns.	0	0	0.0	0.0
(TA_113) Vacancy Rate Adjustment Reflects the salary savings associated with the natural rate of employee turnover for a given agency and provide greater transparency in the budget.	(1,622,570)	0	0.0	0.0
(TA_114) Special Pay Adjustments Update special pay accounts for general wage increase (GWI) plus associated payroll taxes and retirement benefits.	1,349,493	0	0.0	0.0
(TA_198) Motor Pool Dispatch Rental Remove vehicle dispatch rental rates from the Fleet Motor Pool central rate account 55010 and move them into account 55258 Motor Pool ERR SVS. The amount was estimated based on 2015 actual rental billings and revised based on agency need and estimated usage for 2017-2018.	8,000	0	0.0	0.0
(TA_199) Parking Fees Increase fees at County parking facilities commensurate with local market rates. These changes will affect agencies that pay or reimburse for privately-operated vehicles and for agency-assigned Fleet vehicles that park in the Goat Hill Garage, Chinook Building, KC Correctional Facility, and (as of June 2017) King Street Center.	287,040	0	0.0	0.0
Central Rate Adjustments	1,334,101	0	0.0	0.0
Total Decision Package Adjustments	(10,736)	7,929,985	(26.8)	0.0

2017-2018 Executive Proposed Operating Budget INMATE WELFARE ADULT (EN_A91400)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	3,984,897	2,043,500	1.0	0.0
Base Budget Adjustments	(390,625)	(37,500)	0.0	0.0
Decision Package Adjustments	(992,904)	(100,000)	0.0	0.0
2017-2018 Executive Proposed Budget	2,601,369	1,906,000	1.0	0.0
2017-2018 Executive Proposed Ordinance	2,602,000	1,906,000	1.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Administrative Service Changes				
(AC_016) Video Visitation Adjustment Reduce expenditures that had been held for contingency for the video visitation project. This is a result of lower than expected costs for completion of the project.	(996,678)	0	0.0	0.0
Technical Adjustments				
(TA_050) Revenue Adjustments Revise budgeted revenues to match current forecast.	0	(100,000)	0.0	0.0
Central Rate Adjustments	3,774	0	0.0	0.0
Total Decision Package Adjustments	(992,904)	(100,000)	0.0	0.0

2017-2018 Executive Proposed Operating Budget INMATE WELFARE - JUVENILE (EN_A91500)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	8,000	1,440	0.0	0.0
Base Budget Adjustments	0	0	0.0	0.0
Decision Package Adjustments	0	0	0.0	0.0
2017-2018 Executive Proposed Budget	8,000	1,440	0.0	0.0
2017-2018 Executive Proposed Ordinance	8,000	2,000	0.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.

2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.

3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

**2017-2018 Proposed Financial Plan
Inmate Welfare Fund /000000016**

Category	2015-2016 Estimated¹	2017-2018 Proposed Budget²	2019-2020 Projected³	2021-2022 Projected³
Beginning Fund Balance	3,891,526	3,706,292	3,004,364	2,303,804
Revenues				
Charges for Services- IWF Commissary	1,156,669	900,000	900,000	900,000
Charges for Services- IWF Telecom	1,212,503	1,000,000	1,000,000	1,000,000
Charges for Services- IWF Misc Revenue	6,914	6,000	6,000	6,000
Charges for Services- Juvenile Welfare Fund (JWF)	1,380	1,440	1,440	1,440
Total Revenues	2,377,465	1,907,440	1,907,440	1,907,440
Expenditures				
Direct Services- JWF	(4,795)	(8,000)	(8,000)	(8,000)
Direct Services- IWF	(894,814)	(1,040,791)	(1,214,721)	(1,186,876)
Intergovernmental Services- GF Transfer	(1,654,727)	(1,547,407)	(1,385,279)	(1,413,124)
Intergovernmental Services- CR25 Fin Mgmt Svc	(2,286)	(6,552)	-	-
Intergovernmental Services- CR48 Bus Res DP Svc	0	-	-	-
Intergovernmental Services- ABT Debt Svc	(6,078)	(6,618)	-	-
Total Expenditures	(2,562,699)	(2,609,368)	(2,608,000)	(2,608,000)
Estimated Underexpenditures				
Ending Fund Balance	3,706,292	3,004,364	2,303,804	1,603,244
Reserves				
Juvenile Welfare Fund ⁴	(41,616)	(35,056)	(28,496)	(21,936)
Special Projects ⁵	(1,000,000)			
Program Sustainability Reserve @ 60 days of expenditures ⁶	(328,183)	(328,183)	(213,699)	(213,699)
Total Reserves	(1,369,799)	(363,239)	(242,195)	(235,635)
Ending Undesignated Fund Balance	2,336,493	2,641,125	2,061,609	1,367,609

Financial Plan Notes

¹ 2015/2016 Actuals reflect year end information from EBS and are consistent with the Budgetary Fund Balance figures published by FBOD.

² 2017/2018 Proposed Budget is consistent with expenditure and revenue data from Hyperion.

³ Outyear projections assume revenue remains constant and expenditure growth limited to a 1% Cost of Living increase for those positions reimbursed by the IWF in the GF transfer. All positions are at Step 10 and do not receive Merit above Step 10. Because the JWF does not have a stable base of revenue, there is 0% growth projected in expenditures.

⁴ Juvenile Welfare Fund Balance is designated for juvenile expenditures.

⁵ Reserve for Special/Capital Projects, i.e. Video Visitation, \$1MM in 2015/2016

⁶ Based on 60 days of expenditures

⁷ This plan was update by David Pierce on 07/14/2016.

JAIL HEALTH SERVICES

Mission

To assess and stabilize serious health problems for the detained population of the King County Correctional Facility (KCCF) and the Maleng Regional Justice Center (MRJC) with a focus on transition from jail.

Overview

Jail Health Services (JHS), a division of Public Health – Seattle & King County (Public Health), provides high quality medical, psychiatric, and dental services to people detained in the King County adult jails – the King County Correctional Facility in Seattle and the Maleng Regional Justice Center in Kent. JHS ensures that inmates receive constitutionally guaranteed health services that meet community and professional standards of care. Health care services include: management of emergency situations, diagnosis and treatment of serious medical needs, prevention of deterioration in pre-existing conditions, treatment of pain, prevention of communication of disease or loss of function, and release planning for continuity of care into the community.

The JHS workload is driven by the number of adult inmates in the jails, the acuity of their health needs, and legal and accreditation requirements, none of which is controlled by JHS. However, JHS continues to pursue process improvements and efficiencies to accommodate population changes and resource allocation.

Since 2013, JHS has participated in the Adult Detention Line of Business (AD LoB) with the Department of Adult and Juvenile Detention (DAJD) and with the Sheriff's Office Automated Fingerprint Identification System (AFIS) as a stakeholder. The AD LoB's strategic planning efforts in 2015-16 focused on three areas of work: Recidivism Reduction and Reentry (RRR), Restrictive Housing (RH), and the biennial budget challenge in the County's General Fund. The AD LoB Plan, submitted with the 2017-2018 Proposed Budget, provides detail on the strategic planning work of this LoB.

2017-2018 Problems, Opportunities, and Priorities

As with all General Fund agencies, the General Fund shortfall, in addition to ongoing reductions implemented through several previous budget cycles, is JHS' major challenge for the 2017-2018 biennium. JHS has limited ability to eliminate positions and reduce expenditures without reducing mandated service to inmate-patients.

Additional issues and priorities include:

Accreditation – KCCF is required to be accredited by the National Commission on Correctional Health Care (NCCHC), pursuant to a 1998 King County lawsuit settlement (the “Hammer” agreement). Compliance with the settlement is monitored by the ACLU. KCCF was accredited from 1992-2014, and MRJC from 1998-2014. The most recent accreditation review took place in September of 2014, resulting in withdrawal of accreditation at both facilities. An application for re-accreditation at the KCCF has been submitted. DAJD has identified re-accreditation as a priority and will continue efforts with JHS in 2017-2018 to meet NCCHC required standards in the KCCF.

Succession Planning and Recruitment – JHS is projecting that three of six JHS Leadership Team members will retire in the next biennium and the average age of JHS employees is approximately 50. Anticipated retirements over the next five years are 17% of the total workforce. In addition, JHS is challenged to recruit health care workers, given both the secure work environment (considered by many to be less desirable than other healthcare environments) and the litigious nature of the practice. When JHS is unable to fill vacancies, the division must use overtime and temporary staff to maintain safe staffing levels, often at an increased cost. JHS is pursuing multiple options to address this issue.

Restrictive Housing – Separately and through the AD LoB, JHS and DAJD are reviewing and revising practices related to the use of restrictive housing in the adult secure detention facilities. There is increased attention nationally and locally on restrictive housing practices and development of standards.

Efficiencies and Improvements – Ongoing efficiencies, improvements, and measurement of progress will continue to be a priority for JHS. Developing measures and monitoring progress with DAJD in the AD LoB, for both restrictive housing and RRR, will be on the 2017-2018 workplan.

Alignment with Executive Strategic Initiatives

Equity and Social Justice

Jail Health Services has recently added a representative to the Public Health Department's Equity and Social Justice (ESJ) Team. In 2016 this individual has committed to receive ESJ training, and in the 2017-18 biennium will extend this same training to groups of JHS employees.

JHS has six budgeted release planners who are able to provide pre-release services to only a small proportion of the total jail population, based on priority health conditions. Release planning addresses continuity for healthcare and community services to help decrease health disparities and increase social determinants of health. Working directly with the RRR coordinator, JHS will review release planning in 2017 to consider whether there are opportunities to address broader behavioral and criminogenic needs more fully, including inmate-patients who do not meet current program criteria. The goal is to improve re-entry and recidivism reduction efforts.

JHS, separately and through the AD LoB, has actively supported and participated in the Countywide RRR initiative. The 2015-16 AD LoB work included participation in efforts to research and purchase a comprehensive Risk/Needs/Responsivity analysis tool to implement in the King County jails and in the Community Corrections Alternative Program (CCAP). The tool will assess an individual's behavioral health and criminogenic risks and needs in order to provide the best services and treatment for the individual while in jail and for follow-up/referral upon release. Funding from the Mental Illness and Drug Dependency Fund will provide JHS with an additional release planner to extend reentry planning and linkages to community services.

Best Run Government

Lean – JHS strives to infuse Lean thinking in everything the division does, including identifying waste, looking for efficiencies, and improving customer service. JHS has:

- developed and implemented Daily Kaizen with six JHS workgroups, and will continue to spread it throughout the division;
- developed a Daily Management system in the KCCF clinic, with plans to spread it to the MRJC clinic;
- expanded the use of the A3 approach to address problems (examples include optimizing nurse staffing at MRJC and engaging a union); and
- continued to focus on development of JHS Leadership competencies, which will be ongoing work.

Performance Management – JHS has continued development and refinement of Tier 3 visual management boards and measures and will continue this work in establishing Tier 2 and Tier 1 boards. In addition, the division has developed a QA/QI Major Service Areas Performance board and will continue to refine and use this board.

Employee Engagement – JHS worked with staff in eight separate employee groups to identify strategies to improve their sense of engagement and satisfaction. The division is actively working to follow-up on the identified strategies, which include such things as: developing problem solving and consistency between supervisors, increasing and standardizing communication, providing opportunities for team-building to create cohesive work teams, addressing the personal impact of working with difficult inmate-patients in a stressful environment, acknowledging differences in operations between facilities, expanding use of Daily Kaizen, and improving supervisors and managers competencies in addressing human resource issues.

2017-2018 Executive Proposed Operating Budget JAIL HEALTH SERVICES (EN_A82000)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	59,953,100	1,150,527	145.3	0.0
Base Budget Adjustments	5,683,454	14,285	0.0	0.0
Decision Package Adjustments	1,802,791	(377,547)	15.6	2.0
2017-2018 Executive Proposed Budget	67,439,345	787,265	160.9	2.0
2017-2018 Executive Proposed Ordinance	67,440,000	788,000	160.9	2.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_001) Psychiatric Evaluation Specialist Add 1.0 FTE Psychiatric Evaluation Specialist to meet National Commission on Correctional Health Care (NCCCHC) increased accreditation requirements.	343,412	0	1.0	0.0
(DS_002) Discontinue Health Assessments at MRJC Eliminate 1.0 FTE Registered Nurse and discontinue 14-day health assessments at the MRJC.	(289,700)	0	(1.0)	0.0
(DS_025) Release Planner Implement Jail Health Services' portion of Recovery and Reentry initiative RR-07, Behavioral Health Risk Assessment Tool for Adult Detention, as described in the proposed MIDD 2 Service Improvement Plan transmitted to Council on August 24, 2016.	241,851	241,851	1.0	0.0
Administrative Service Changes				
(AC_001) Revised KCIT Distribution Methodology Implement the revised methodology for allocating King County Information Technology (KCIT) expenditures to Public Health divisions.	(557,028)	0	0.0	0.0

2017-2018 Executive Proposed Operating Budget
JAIL HEALTH SERVICES (EN_A82000)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(AC_014) Health Information Technology Central Support – Expanded Costs Increase staffing to provide maintenance and support for implementing the Health Information Technology (HIT) electronic health records system project.	180,693	0	0.0	0.0
(AC_021) Right-size Expenditures Reduce expenditure budgets in pharmaceuticals, medical-dental supplies and off-site medical services accounts to align with recent utilization trends.	(374,093)	0	0.0	0.0
(AC_022) Reduce Reliance on Overtime Convert overtime and associated benefits to five full-time Registered Nurse positions.	0	0	5.0	0.0
(AC_023) Administrative Specialist Positions Add 2.0 TLT Administrative Specialists to address scanning needs under the new Health Information Technology (HIT) electronic health records system.	371,948	0	0.0	2.0
(AC_100) Transfer JHS MIDD to General Fund Transfer remaining JHS MIDD supplantation expenditures to the General Fund.	4,230,289	0	11.5	0.0
Technical Adjustments				
(TA_001) Net Zero Adjustments Move all JHS positions out of Project 0000000 and into operating projects. This is a net zero change.	0	0	0.0	0.0
(TA_002) Transfer Release of Information Position Transfer 1.0 FTE Administrative Specialist III from JHS to the Public Health Business Standards and Accountability unit for centralized work related to public disclosure requests.	(182,752)	0	(1.0)	0.0
(TA_012) Health Information Technology Central Support – Existing Costs Update inflation, true-up, and re-allocation of existing Health Information Technology (HIT) costs to Public Health divisions.	71,559	0	0.0	0.0
(TA_032) Lab Fee Adjustment and Clinical Medical Technologist Adjust the JHS budget for Public Health lab services costs. Move budget from an overhead account to a labor account for mandatory clinical quality assurance of the JHS labs, and allocate 0.1 FTE of a Clinical Medical Technologist to JHS.	54,422	0	0.1	0.0

2017-2018 Executive Proposed Operating Budget

JAIL HEALTH SERVICES (EN_A82000)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(TA_050) Revenue Adjustments Revise budgeted revenues to match current forecast. The revenue reduction is primarily due to a loss of MIDD supplantation support.	0	(644,000)	0.0	0.0
(TA_095) Indirect Overhead Allocation Allocate Public Health overhead, including KCIT charges, via the salary and wage overhead allocation model.	11,453	0	0.0	0.0
(TA_096) Distribution of Public Health Administrative Costs Distribute Public Health administrative overhead costs for Vehicles, Garages, Accounting Services, Contract Management, Medicaid Administration oversight and FMD Charges.	(68,487)	0	0.0	0.0
(TA_101) Technical Correction Correct a double-entry technical error during the 2015-2016 budget process that resulted in a negative budget amount.	71,880	0	0.0	0.0
(TA_102) Distribute 2015-2016 Target Contra Distribute the 2015-2016 target reduction contra to ongoing accounts in the Jail Health Services 2017-2018 budget.	(656,408)	24,602	(1.0)	0.0
(TA_110) Net Zero Adjustments Change budget amounts between accounts to reflect current spending patterns. This is a net-zero change.	0	0	0.0	0.0
(TA_113) Vacancy Rate Adjustment Reflects the salary savings associated with the natural rate of employee turnover for a given agency and provide greater transparency in the budget.	(366,694)	0	0.0	0.0
(TA_114) Special Pay Adjustments Update special pay accounts for general wage increase (GWI) plus associated payroll taxes and retirement benefits.	363,611	0	0.0	0.0
(TA_198) Motor Pool Dispatch Rental Remove vehicle dispatch rental rates from the Fleet Motor Pool central rate account 55010 and move them into account 55258 Motor Pool ERR SVS. The amount was estimated based on 2015 actual rental billings and revised based on agency need and estimated usage for 2017-2018.	4,000	0	0.0	0.0
(TA_199) Parking Fees Increases fees at County parking facilities commensurate with local market rates. These changes will affect agencies that pay or reimburse for privately-operated vehicles and for agency-assigned Fleet vehicles that park in the Goat Hill Garage, Chinook Building, KC Correctional Facility, and (as of June 2017) King Street Center.	10,992	0	0.0	0.0

2017-2018 Executive Proposed Operating Budget
JAIL HEALTH SERVICES (EN_A82000)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Central Rate Adjustments	(1,658,156)	0	0.0	0.0
Total Decision Package Adjustments	1,802,791	(377,547)	15.6	2.0

DISTRICT COURT

Mission

The King County District Court's mission is to serve the public by:

- Providing an accessible forum for the fair, efficient and understandable resolution of civil and criminal cases; and by
- Maintaining an atmosphere of respect for the dignity of all individuals.

Overview

The King County District Court is the County's court of limited jurisdiction. It adjudicates 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 with District Court for municipal court services. The Court will have 25 elected judges in 2017-2018.

District Court's legislatively mandated jurisdiction includes misdemeanor and gross misdemeanor criminal cases, domestic violence and anti-harassment orders of protection, first appearance felony bookings, civil matters (up to \$100,000), small claims (up to \$5,000), name changes, impound hearings, traffic infractions, parking cases, and authorization of search warrants. District Court also conducts death inquests, bench trials, and jury trials, and operates innovative justice programs, including Relicensing Court and supervised probation.

District Court manages the Regional Mental Health Court (RMHC) and Regional Veterans Court (RVC), therapeutic courts for eligible defendants with mental illnesses. The Mental Illness and Drug Dependency (MIDD) Fund supports RMHC and RVC.

2017-2018 Problems, Opportunities, and Priorities

Key issues for District Court in 2017-2018 are completion of the Case Management System and implementing changes to address budget challenges of the General Fund. District Court will also implement changes related to renewal of the MIDD.

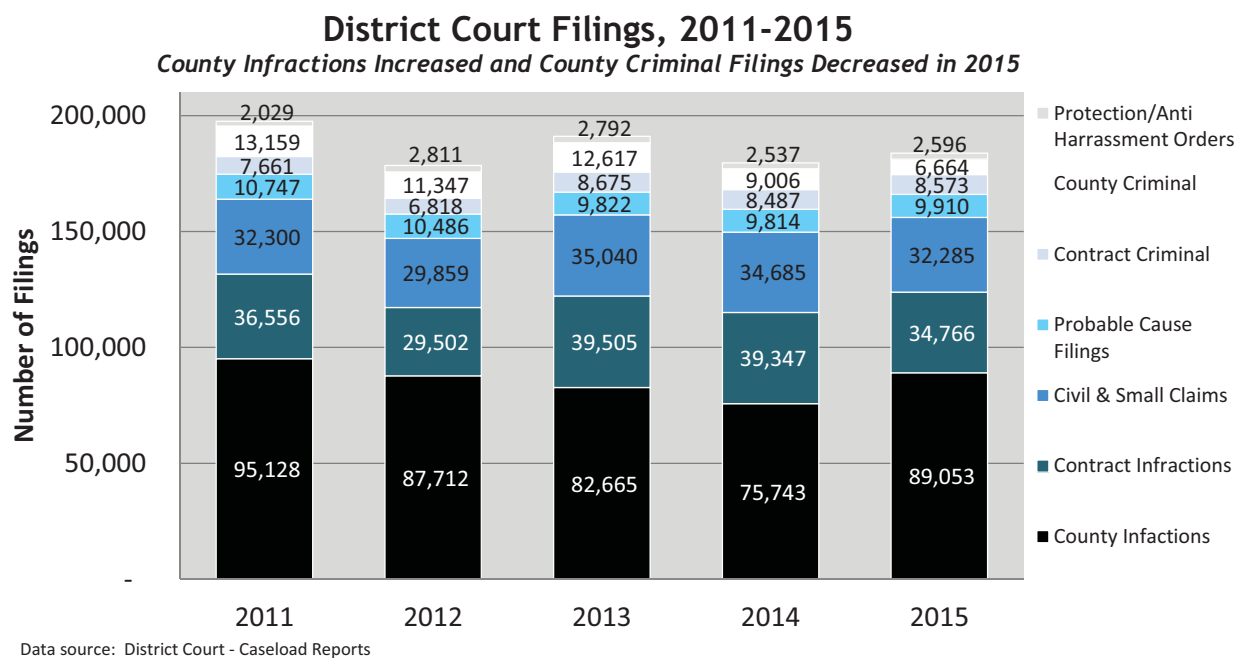
Improving operations through a new Case Management System (CMS): District Court obtained approval and funding for a capital improvement project to implement a new, comprehensive case management system in the 2015-2016 biennium. In early 2016, District Court successfully completed the request for proposal (RFP) process and entered into a contract with Journal Technologies, Inc. to implement this system. District Court anticipates that its primary focus in 2017-2018 will be to complete the transition from the outdated system to the new system. This transition will include installation and upgrades of hardware and software, internal training, pilot programs, the rollout of the system to the entire Court, and training of external customers on electronic filing and the use of the attorney and public features. King County District Court will also serve as the pilot court for a new statewide Electronic Data Repository (EDR), which is being developed by the state Administrative Office of the Courts (AOC).

Budget challenges and changes: The structural financial imbalance in the County's General Fund will be a key issue for the next biennium. District Court is primarily funded by the General Fund, and 79 percent of its budget is allocated to salaries and benefits. District Court has already made a number of aggressive cuts in prior budget cycles. District Court has addressed the General Fund budget shortfall in 2017-2018 through identifying new sources of revenue, identifying savings in internal services, and efficiency reductions. District Court has worked hard to identify reductions that will not negatively affect services to the public.

- **Revenue changes:** Beginning in 2017, District Court will bill Sound Transit and Metro Transit for the cost to process transit infractions and criminal filings. These transit costs were previously borne by the General Fund.
- **Efficiencies:** District Court's efforts to use existing resources more efficiently will allow the Court to eliminate the Office Aide classification in 2018. District Court took a variety of other actions to save General Fund resources in 2017-2018, including reducing KCIT charges by removing unused workstations, canceling an approved awning project, and reduction in debt service payments due to CMS cost savings.
- **Required increases:** The 2017-2018 Proposed Budget includes increased funding for judge pro tems to reflect actual ongoing need. Judge pro tems are temporary judges who serve as substitutes when judges are absent due to sick leave, vacation, or inquest proceedings. District Court employees took more Paid Parental Leave in 2016 than was initially anticipated. In order to cover these absences without negatively affecting court operations, the 2017-2018 budget includes additional funding for court clerks. Finally, hourly rates for interpreters will increase to

MIDD 2: The MIDD 2 Service Improvement Plan, transmitted to Council August 24, 2016, includes funding for RMHC and RVC, as well as funding to determine the design and feasibility of a Community Court. Community Court would provide an alternative to mainstream court for high-needs, low-risk individuals with behavioral health issues.

Filing trends: As shown in the following chart, county infractions increased in 2015 and county criminal filings decreased. Some of this change is due to the Prosecuting Attorney's Office (PAO) 2014 change to Driving While License Suspended III (DWLS 3) from a criminal filing to an infraction. Filing trends affect District Court workloads and revenue associated with filings.



Alignment with Executive Strategic Initiatives

Equity and Social Justice

District Court has a long history of implementing programs to further equity and social justice, such as development of incarceration alternatives, creating specialty courts (RMHC, RVC, and Relicensing Court), time-payment programs, and developing and utilizing a web-based interpreter scheduling program.

RMHC and RVC provide alternative solutions to those who find themselves in the criminal justice system due to mental illnesses and substance abuse. The therapeutic courts provide structure and accountability along with treatment options for mental illness and substance abuse to persons who suffer major mental illnesses and to veterans who suffer from post-traumatic stress disorder.

Public safety, fairness, equity, and accessible justice is District Court's core mission. However, this mission is compromised by the outdated technology of the current case management system with its increasing inefficiencies, errors, and downtime. Upgrading District Court's case management system will play a key role in improving access to justice by improving reliability and increasing efficiency in day-to-day operations.

Strategic Climate Action Plan (SCAP)

District Court is not among the agencies with a major leadership role in implementing the SCAP. However, District Court has several programs and processes in place that reduce travel and paper usage, which contribute to lower carbon emissions. These include E-filing, E-Mitigation, and Video Court.

Best Run Government

District Court has engaged in a number of activities and initiatives that align with the County's Best Run Government initiative. In conjunction with the implementation of District Court's new case management system, District Court is seeking to engage employees, improve performance, and streamline processes. Specific efforts include:

- **Employee Engagement and Development:** The implementation of a new, modern electronic case management system requires a significant change in processes and procedures, and District Court has been using the opportunity to provide growth opportunities for employees. Activities include the creation of a change management team, a technical skills assessment to be followed up with directed training, and an initiative to allow employees to participate in the change management training offered by the County. District Court has conducted employee performance evaluations organization-wide for the first time in many years. Furthermore, the Court is conducting an employee engagement project in every location and division.
- **Continuous Improvement:** District Court expects to see vastly improved efficiencies with the implementation of the new case management system. The Court is committed to utilizing Lean process improvements as part of the implementation and maintenance of the system.

Customer Service: The Court uses a centralized call center, which conducts over 200,000 customer interactions via telephone and live chat each year, and a centralized payment center, which processes over two-thirds of all payments received by the Court. District Court continually assesses and updates its external website to ensure the best content for parties, attorneys, and other stakeholders in the justice system. District Court anticipates a significant training need among its customers with the implementation of the new CMS, and will provide training on the new system for attorneys, criminal justice agencies, and the general public.

2017-2018 Executive Proposed Operating Budget DISTRICT COURT (EN_A53000)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	64,337,404	29,440,733	248.5	0.0
Base Budget Adjustments	2,732,226	(759,841)	(1.0)	0.0
Decision Package Adjustments	11,265	2,693,479	(4.3)	0.0
2017-2018 Executive Proposed Budget	67,080,894	31,374,371	243.3	0.0
2017-2018 Executive Proposed Ordinance	67,081,000	31,375,000	247.3	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_001) Increase Hourly Rate for Interpreters Increase the hourly rate that is paid contracted interpreters by \$10 (to \$50 for non-certified and \$55 for certified interpreters), effective January 1, 2018. The proposed rate increase is intended to assist with securing qualified interpreters for court matters in a timely fashion as well as to provide equitable compensation relative to other area courts.	159,220	0	0.0	0.0
(DS_004) Office Aide Reductions Eliminate four Office Aide positions effective January 1, 2018. The work performed by the positions is no longer needed in District Court. District Court is working with the Human Resources Division and Office of Performance, Strategy, and Budget to identify new positions for the impacted employees. Three of the positions are Supported Employment positions.	(262,907)	0	(4.0)	0.0
(DS_005) Pro Tem Judges Fund judge pro tems at the level of actual projected need. Judge pro tems are judges or attorneys who serve as substitutes when judges are absent due to sick leave, vacation, or inquest proceedings. Pro tem funding was increased in 2015-2016 using a one-time funding source. This decision package is an ongoing increase.	315,408	0	0.0	0.0

2017-2018 Executive Proposed Operating Budget DISTRICT COURT (EN_A53000)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(DS_006) Public Records Request Support Provide staffing from the Office of Civil Rights and Open Government (OCROG) to manage public records requests in District Court. GR 31.1 changed the policy related to access to administrative records in the courts effective January 1, 2016. This one-time funding will be reevaluated for the 2019-2020 budget when more data on public records requests are available.	121,989	0	0.0	0.0
Administrative Service Changes				
(AC_001) Metro/Sound Transit Services Charge Metro Transit and Sound Transit for the cost to District Court of processing infractions and adjudicating criminal filings issued by transit police. These expenses were previously paid by the General Fund. Agencies will be charged for the previous year's expenses beginning in 2017. Estimated revenue is based on 2015 service.	0	1,207,866	0.0	0.0
(AC_002) Clerk Positions to Cover Paid Parental Leave (PPL) Absences Fund the equivalent of 2.5 court clerk FTEs in 2017-2018 to cover absences due to Paid Parental Leave (PPL). More PPL has been granted in District Court than was projected. This one-time funding will be reevaluated for the 2019-2020 budget when more data on leave patterns are available.	433,371	0	0.0	0.0
Technical Adjustments				
(TA_001) Allocate Existing Therapeutic Court Expenditures to District Court MIDD Appropriation Allocate judicial staff, pro tem expenditures, and interpreter expenditures to the District Court Mental Illness and Drug Dependency (MIDD) appropriation unit based on current resource use in Regional Mental Health Court and Regional Veterans Court. This Decision Package corresponds with TA_001 in EN_A98400.	(149,022)	0	(0.3)	0.0
(TA_002) Allocate Financial Management Services Charges to CMS Project Allocate costs related to the Case Management System (CMS) project to the capital project.	(118,826)	0	0.0	0.0
(TA_003) CMS Training Costs Allocate funding approved in the 2015-2016 budget to 2017 training costs for District Court's case management system replacement project. Funds will be used for judges pro tem to cover judicial workload while judges are trained on the new system. The related 2015-2016 funds will be dis-appropriated in the 2016 final omnibus.	256,000	0	0.0	0.0

2017-2018 Executive Proposed Operating Budget

DISTRICT COURT (EN_A53000)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(TA_050) Revenue Adjustments Revise budgeted revenues to match current forecast.	0	1,485,613	0.0	0.0
(TA_100) 2015-2016 Target Ongoing Savings Remove budget for three positions and add \$66,500 each year to the Court Administration cost center to meet 2015-2016 ongoing savings target.	(598,404)	0	0.0	0.0
(TA_103) CMS Operating Costs Fund operating expenses for case management system replacement project approved in the 2015-2016 budget	533,000	0	0.0	0.0
(TA_109) Eliminate Courthouse Screening Rate Remove the courthouse screening rate that was previously charged to General Fund agencies that use King County's courthouses. This cost will instead be included in the King County Sheriff's Office budget.	(3,191,168)	0	0.0	0.0
(TA_110) Net Zero Adjustments Net zero changes to reflect current spending patterns.	0	0	0.0	0.0
(TA_113) Vacancy Rate Adjustment Reflects the salary savings associated with the natural rate of employee turnover for a given agency and provide greater transparency in the budget.	(370,000)	0	0.0	0.0
(TA_198) Motor Pool Dispatch Rental Remove vehicle dispatch rental rates from the Fleet Motor Pool central rate account 55010 and move them into account 55258 Motor Pool ERR SVS. The amount was estimated based on 2015 actual rental billings and revised based on agency need and estimated usage for 2017-2018.	12,000	0	0.0	0.0
(TA_199) Parking Fees Increase fees at County parking facilities commensurate with local market rates. These changes will affect agencies that pay or reimburse for privately-operated vehicles and for agency-assigned Fleet vehicles that park in the Goat Hill Garage, Chinook Building, KC Correctional Facility, and (as of June 2017) King Street Center.	7,100	0	0.0	0.0
Central Rate Adjustments	2,863,504	0	0.0	0.0
Total Decision Package Adjustments	11,265	2,693,479	(4.3)	0.0

2017-2018 Executive Proposed Operating Budget DISTRICT COURT MIDD (EN_A98400)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	2,114,917	0	8.5	0.0
Base Budget Adjustments	221,628	0	1.0	0.0
Decision Package Adjustments	440,793	0	0.3	0.0
2017-2018 Executive Proposed Budget	2,777,338	0	9.8	0.0
2017-2018 Executive Proposed Ordinance	2,778,000	0	9.8	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_004) Community Court Planning Implement Therapeutic Court Initiative TX-CCPL, Community Court Planning, as described in the proposed MIDD 2 Service Improvement Plan transmitted to Council on August 24, 2016. Resources will be used for collaborative design and planning efforts for a potential Community Court that would address the comprehensive needs of repeat, low-level offenders with drug and alcohol, mental health, housing, and/or other challenges.	100,000	0	0.0	0.0
Technical Adjustments				
(TA_001) Allocate Existing Therapeutic Court Expenditures to MIDD Appropriation Unit Allocate judicial staff, pro tem judge expenditures, and interpreter expenditures to the District Court Mental Illness and Drug Dependency (MIDD) appropriation unit based on current resource use in Regional Mental Health Court (RMHC) and Regional Veterans Court (RVC). This Decision Package corresponds with TA_001 in EN_A53000.	149,022	0	0.3	0.0

**2017-2018 Executive Proposed Operating Budget
DISTRICT COURT MIDD (EN_A98400)**

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(TA_198) Motor Pool Dispatch Rental Remove vehicle dispatch rental rates from the Fleet Motor Pool central rate account 55010 and move them into account 55258 Motor Pool ERR SVS. The amount was estimated based on 2015 actual rental billings and revised based on agency need and estimated usage for 2017-2018.	432	0	0.0	0.0
Central Rate Adjustments	191,339	0	0.0	0.0
Total Decision Package Adjustments	440,793	0	0.3	0.0

DEPARTMENT OF JUDICIAL ADMINISTRATION

Mission

Deliver professional, high-quality Superior Court record services and justice system programs.

Overview

The Department of Judicial Administration (DJA) serves as the keeper of record, fiscal case manager, and customer service office for the King County Superior Court and is commonly known to the public and case litigants as the Superior Court Clerk's Office or the County Clerk's Office. DJA is responsible for:

- Maintaining the official Superior Court case files, records, and indexes;
- Facilitating the public's right to record inspection;
- Receipting and accounting for all fines, fees, and payments into the court's registry and appropriately disbursing funds to the state, the county, restitution recipients, etc. in compliance with laws and court orders; and
- Managing justice system programs such as King County Adult Drug Diversion Court (KCADDC).

DJA, a dual reporting department of just over 200 employees, is a unique and purposefully placed department within the County's organizational structure (King County Charter 350.20.20). The department is administered by the Superior Court Clerk, a judicial branch Superior Court employee, whereas all other DJA personnel are executive branch employees.

DJA operates three publicly accessible Superior Court Clerk's Office locations within King County, in the: (1) King County Courthouse in downtown Seattle, (2) Maleng Regional Justice Center in Kent, and (3) Youth Service Center – Juvenile Court facility in central Seattle. In addition, a courtroom clerk is present at every Superior Court proceeding held within the three courthouses, the two Harborview courtrooms for Involuntary Treatment Act matters, and any other Superior Court hearing location. DJA managed records for over 60,000 new Superior Court cases in 2015.

DJA manages the Electronic Court Records System (ECR), the enterprise wide technology system that facilitates electronic filing; the management and storage of the electronic case record (the official court record); and the document retrieval and file viewing solution for the court, clerk's office staff, the public, and law, safety, and justice partner agencies connected to King County's Wide Area Network (WAN). KCADDC is a nationally recognized pre-adjudication program managed by DJA that provides eligible defendants the opportunity to receive drug treatment in lieu of incarceration. KCADDC is funded by the Mental Illness and Drug Dependency (MIDD) Fund.

General Fund support for the King County Law Library is also budgeted in DJA's appropriation unit, although the Law Library is an independent entity with its own board of trustees and the majority of its revenue does not come from the County's General Fund.

2017-2018 Problems, Opportunities, and Priorities

Significant anticipated changes in DJA's 2017-2018 budget include implementing several efficiencies in response to General Fund financial challenges and the renewal of the MIDD. Pressing key strategic and operational issues DJA is facing over the next two years relate to changing technology, court operations, and customer expectations.

Efficiencies: DJA will eliminate 6.0 FTEs (five full-time positions and two half time positions) in 2017 to meet budgetary challenges. In order to accommodate that reduction, DJA has reclassified certain staff positions, which allows for more cross training, and a broader range of responsibilities, yielding a more effective use of employees. In addition, DJA will institute an increase in the use of electronic documents, and reduce courtroom clerk staff commensurate with a reduction in judicial officer positions being proposed in the Superior Court budget. DJA also reorganized to allow for more efficient supervisor-level staffing. DJA has worked hard to identify changes that will not negatively affect direct service to customers.

MIDD 2: The MIDD 2 Service Improvement Plan, transmitted to Council August 24, 2016 includes funding for KCADDC, including new resources for housing vouchers. The Step Up program, currently administered by DJA and funded by MIDD, will be transferred to Superior Court and be funded by the General Fund, beginning in 2017. The change complies with MIDD supplantation policies and facilitates Step Up coordination with existing Superior Court juvenile programs.

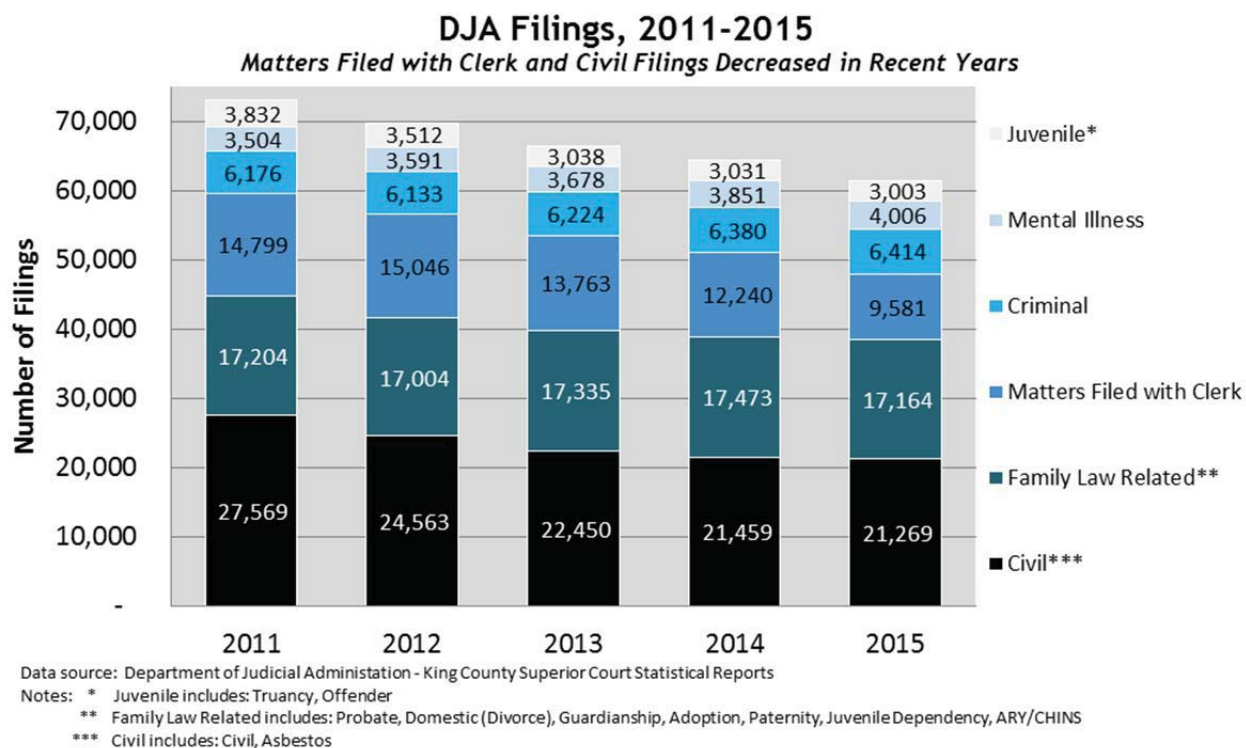
Technology: Technology plays a vital role in access to justice and facilitating informed decision-making. DJA continues to pursue technology that enables business workflow efficiencies, streamlines access to court records, and facilitates customers' interactions with the court and clerk's office. Pressing issues include modernizing old systems and processes, development of a plan to move some servers and storage off-premises, and standardizing and improving DJA's IT methodology in light of growing technology assets.

The highest technology priority for DJA is successful completion of DJA's Systems Replacement Project (SRP), an expansive technology system and DJA business operations re-engineering and modernization project, which is expected to be fully implemented in early 2018.

Clerk Operations: DJA serves as the record keeper and a customer service provider for Superior Court. Changes within court operations, including budget decisions in Superior Court and other law, safety, and justice agencies, affect DJA business operations, planning, and policy decisions. Recent changes influencing operations include a modification to the local court rule that restricted online access to certain Superior Court documents and rule changes that made electronic service via DJA's e-filing application mandatory.

Customer Expectations: With the advancement and sophistication of technology resources and solutions available in daily lives, DJA's customers increasingly expect remote access to services. As DJA makes changes to accommodate this demand and modernize systems, the department must also make considerations for customers who do not have immediate access to electronic resources and services. The SRP's *eCourt* solution will bring important tangible benefits for internal and external customers, including more efficient and adaptable functionality, a local collections system with the ability to track payments in real time, and the ability to respond to customer inquiries in real time based on improved accessibility of data.

Filing Trends: As shown in the chart below, civil filings and Matters Filed with Clerk have declined substantially over the past five years, while Mental Illness filings have increased.



Alignment with Executive Strategic Initiatives

Equity and Social Justice

As a customer service department with mandated court record maintenance and access requirements, DJA's process improvement decisions and efforts to address equity and social justice (ESJ) issues are on-going and mindfully formulated to address equitable access and opportunity for all customers and employees.

The KCADDC program continually assesses the ethnic, racial, and economic makeup of program participants with the goal of meeting individual needs, assuring services are appropriate and accessible, and assuring that marginalized populations are enjoying success in the program at an equal or greater level than less marginalized populations. The 2017-2018 Proposed Budget includes new MIDD funding for housing vouchers for KCADDC participants. Recovery-oriented transitional housing improves program compliance and participant graduation rates, which in turn reduces jail day usage, recidivism, symptoms of substance use disorder (SUD), and also leads to long-term housing improvement.

Communication and access are priorities emphasized by the department's commitment to plain language upgrades, expanded translations and language line usage, professional development opportunities, and increased self-serve and online resources. All DJA employees receive ESJ information about the County and departmental efforts and priorities at their new employee orientation, participate in the department's 4-hour ESJ Awareness training program, and identify an ESJ related goal on yearly performance assessments. DJA's employee-based Equity, Social Justice, and Diversity (ESJD) Advisory Committee actively maintains an employee resource website that promotes events, training opportunities, and a suggestion box for others to share ESJD related ideas or issues impacting co-workers, customers or the County's community of services.

Best Run Government

Developing and maintaining a quality workforce is imperative for DJA to continue to meet the mission and goals of the department. In planning for the future, DJA management is actively addressing succession planning, employee cross-training and professional growth opportunities, and engaging in analysis of employment position requirements. With the SRP, DJA has prioritized the implementation of employee-based change management best practices and techniques.

In the 2017-2018 Proposed Budget, DJA reduced expenditures through efficiencies and reorganizations, without a negative impact on direct service. For example, DJA utilizes Electronic Court Records (ECR) technology to electronically move the work directly to the employees, capitalizing on the workforce as a whole, including employees in all three office locations, the many courtrooms, and those working from home. Another instance of more efficient use of resources is DJA's continued use of a broader classification when filling positions, rather than hiring into very specific limited-scope positions. This effort increases expertise within the department, allows for a much more efficient use of resources, and provides greater employee growth opportunities.

Fair and just considerations are the driving force in the expansion of temporary long-term assignment opportunities, special duty assignments, in-house promotional hiring, and a new employment classification. Employees are also encouraged to participate in career development training and discuss their person growth action plan and goals annually.

DJA's Lean activities have resulted in process improvements for the office and customers alike. The collaborative efforts have also provided an opportunity to grow employee skills and confidence. The SRP activities and outcomes align with Lean principles and the department's dedication to workflow and service level efficiencies.

2017-2018 Executive Proposed Operating Budget JUDICIAL ADMINISTRATION (EN_A54000)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	43,535,940	25,446,695	193.0	0.0
Base Budget Adjustments	1,544,019	290,607	(0.6)	0.0
Decision Package Adjustments	(1,427,771)	(3,008,798)	(6.5)	0.0
2017-2018 Executive Proposed Budget	43,652,188	22,728,504	185.9	0.0
2017-2018 Executive Proposed Ordinance	43,653,000	22,729,000	185.9	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_001) Adult Drug Diversion Court Housing Vouchers Implement Recovery and Reentry Initiative RR-05, Housing Vouchers for Adult Drug Court, as described in the proposed MIDD 2 Service Improvement Plan transmitted to Council on August 24, 2016. Will provide up to 20 units of recovery-oriented and supportive housing for King County Drug Diversion Court (KCDDC) participants. These expenditures are revenue backed by the Mental Illness and Drug Dependency (MIDD) fund.	468,282	468,282	0.0	0.0
Administrative Service Changes				
(AC_001) Allocate Existing Therapeutic Court Staff to DJA MIDD Appropriation Unit Allocate partial positions to the Mental Illness and Drug Dependency (MIDD) appropriation unit to reflect actual workload in the therapeutic courts. This Decision package corresponds with AC_001 in A58300.	(84,420)	0	(0.5)	0.0

2017-2018 Executive Proposed Operating Budget

JUDICIAL ADMINISTRATION (EN_A54000)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(AC_002) Judicial Services Supervisor II Reduction Eliminate one judicial services supervisor position on January 1, 2017. The Department of Judicial Administration (DJA) conducted a reorganization and as a result has the capacity to reduce one supervisor position. The reorganization combined closely related work and put that work together under a single supervisor.	(259,775)	0	(1.0)	0.0
(AC_003) Lunchtime Customer Service Reductions Eliminate two vacant half-time customer service positions assigned to staff the lunch time service office at the Seattle and Kent courthouses on January 1, 2017. Lunch staffing is now covered by other employees.	(210,664)	0	(1.0)	0.0
(AC_004) Customer Service Reductions Eliminate two vacant customer service positions on January 1, 2017 - one in Seattle and one in Kent. These positions supported the printing, delivery, retrieval, and scanning of motions and orders submitted electronically to the Clerk for Ex Parte consideration. Superior Court has agreed to review these documents electronically, saving the work involved with printing, delivering, retrieving and scanning.	(349,593)	0	(2.0)	0.0
(AC_005) Court Clerk Reductions Eliminate two court clerk positions on January 1, 2017. The Department of Judicial Administration (DJA) changed its staffing model several years ago so that staff are assigned to cover court and also assigned to cover and meet a certain threshold of office productivity, such as docketing or providing customer service. Superior Court will be including in its proposal a reduction in the number of judicial officers, which allows DJA to reduce its staffing level without impacting direct service provision.	(320,412)	0	(2.0)	0.0
Technical Adjustments				
(TA_001) Law Library Fund the Law Library at requested levels in 2017. The Public Law Library of King County operates branches at the King County Courthouse (KCCH) and the Maleng Regional Justice Center (MRJC). The Law Library is currently drawing down fund reserves as income from filing fees declines. The Office of Performance, Strategy and Budget will work with the Law Library in early 2017 to develop a sustainable budget for 2018 and beyond.	95,000	0	0.0	0.0
(TA_050) Revenue Adjustments Revise budgeted revenues to match current forecast.	0	(3,477,080)	0.0	0.0

**2017-2018 Executive Proposed Operating Budget
JUDICIAL ADMINISTRATION (EN_A54000)**

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(TA_109) Eliminate Courthouse Screening Rate This change removes the courthouse screening rate that was previously charged to General Fund agencies that use King County's courthouses. This cost will instead be included in the King County Sheriff's Office budget.	(895,890)	0	0.0	0.0
(TA_110) Net Zero Adjustments Net zero changes to reflect current spending patterns.	0	0	0.0	0.0
(TA_113) Vacancy Rate Adjustment Reflects the salary savings associated with the natural rate of employee turnover for a given agency and provide greater transparency in the budget.	(524,000)	0	0.0	0.0
(TA_198) Motor Pool Dispatch Rental Remove vehicle dispatch rental rates from the Fleet Motor Pool central rate account 55010 and move them into account 55258 Motor Pool ERR SVS. The amount was estimated based on 2015 actual rental billings and revised based on agency need and estimated usage for 2017-2018.	4,000	0	0.0	0.0
Central Rate Adjustments	649,701	0	0.0	0.0
Total Decision Package Adjustments	(1,427,771)	(3,008,798)	(6.5)	0.0

2017-2018 Executive Proposed Operating Budget JUDICIAL ADMIN MIDD (EN_A58300)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	3,763,059	0	12.5	2.0
Base Budget Adjustments	(219,516)	0	0.6	(2.0)
Decision Package Adjustments	(201,747)	0	(1.5)	0.0
2017-2018 Executive Proposed Budget	3,341,797	0	11.6	0.0
2017-2018 Executive Proposed Ordinance	3,342,000	0	11.6	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Administrative Service Changes				
(AC_001) Allocate Existing Therapeutic Court Staff to the DJA MIDD Appropriation Unit Allocate staff to the Department of Judicial Administration(DJA) Mental Illness and Drug Dependency (MIDD) appropriation unit to reflect actual workload in the therapeutic courts. This Decision Package corresponds with AC_001 in EN_A54000.	84,420	0	0.5	0.0
(AC_006) Transfer the Step Up Program from the Department of Judicial Administration to Superior Court Transfer the Step Up program and staffing from the Department of Judicial Administration (DJA) to Superior Court. With the implementation of the Family Intervention and Restorative Services (FIRS) program and the close work between the Step Up program staff and the Juvenile Probation Counselors it will be more efficient for the program to be managed by one entity. This program was formerly funded by the MIDD fund, but will move to the General Fund to comply with state law on supplantation. This Decision Package corresponds with AC_006 in EN_A51000.	(411,197)	0	(2.0)	0.0

Technical Adjustments

2017-2018 Executive Proposed Operating Budget
JUDICIAL ADMIN MIDD (EN_A58300)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(TA_198) Motor Pool Dispatch Rental Remove vehicle dispatch rental rates from the Fleet Motor Pool central rate account 55010 and move them into account 55258 Motor Pool ERR SVS. The amount was estimated based on 2015 actual rental billings and revised based on agency need and estimated usage for 2017-2018.	5,000	0	0.0	0.0
Central Rate Adjustments	120,031	0	0.0	0.0
Total Decision Package Adjustments	(201,747)	0	(1.5)	0.0

PROSECUTING ATTORNEY'S OFFICE

Mission

The mission of the King County Prosecuting Attorney's Office is to do justice. We exercise the power given to us by the people with fairness and humility. We serve our diverse community, support victims and families, and hold individuals accountable. We develop innovative and collaborative solutions for King County and the State of Washington.

Overview

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, various independent boards and commissions, and some school districts. Under agreements with the State of Washington, the PAO also establishes and enforces child support obligations, and is an integral part of the mental health civil commitment process.

The PAO manages or participates in several programs that provide alternatives to the mainstream criminal justice system. These include three therapeutic court programs funded by the Mental Illness Drug Dependency (MIDD) Fund: Regional Mental Health Court/Regional Veterans Court, King County Adult Drug Diversion Court (KCADDC), and Juvenile Drug Court. Juvenile-specific initiatives include the 180 Program and Family Intervention and Restorative Services (FIRS) program, and alternative programs for adult offenders with mental health and substance use disorder challenges include the Familiar Faces Initiative and Law Enforcement Assisted Diversion (LEAD).

2017-2018 Problems, Opportunities, and Priorities

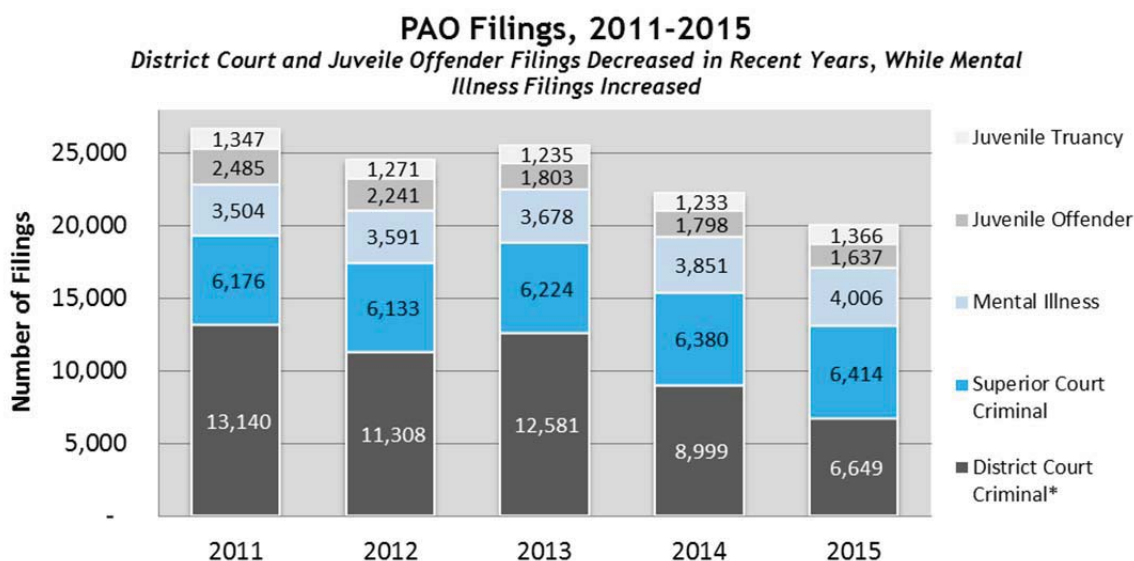
Key issues in 2017-2018 include the challenge of implementing budget reductions and the PAO's increasing involvement in programs funded by the Mental Illness and Drug Dependency (MIDD) Fund.

Budget reductions: The ongoing challenge presented by the structural financial imbalance in the County's General Fund requires the PAO, along with all criminal justice stakeholders, to adopt a business model that maximizes efficiencies, encourages innovation, and develops new practices that save money throughout the criminal justice system.

Over the past eight years, the PAO has made substantial changes in the way in which it operates, and has developed new practices and new policies that have created significant savings to the County's General Fund, particularly in public defense, court, and jail costs. The PAO has also reduced attorneys and other staff in response to budget challenges. In addition to the specific budget proposals described below, the PAO will implement reductions in 2017-2018 that will result in \$2,000,000 in General Fund savings.

At current staffing levels, there is already a backlog of criminal cases awaiting filing decisions. These can be very serious cases, such as residential burglary, auto theft, major economic crimes, and DUI, which are delayed because Deputy Prosecuting Attorneys (DPAs) are focusing on violent cases. Further reductions in DPAs and other staff necessary in 2017-2018 may have significant impacts on the PAO's daily operations and lead to trial delays, backlogs, and prioritization of the most serious cases while other serious offenses are not prosecuted in a timely manner.

As shown in the chart below, District Court criminal filings decreased 26 percent from 2014 to 2015. Some of this decline is due to the PAO's 2014 change to Driving While License Suspended III (DWLS 3) from a criminal filing to an infraction. Over the five-year period, Juvenile Offender filings have consistently decreased (34 percent), while Mental Illness filings have increased (14 percent). Superior Court filings have increased slightly from a low in 2012.



Data sources: District Court - Caseload Statistics; Department of Judicial Administration - King County Superior Court Statistical Reports

Note: * District Court Criminal includes Misdemeanors and Expedited Felonies

MIDD 2: The MIDD 2 Service Improvement Plan, transmitted to Council August 24, 2016 includes continued funding for the therapeutic courts, PAO resources to staff the LEAD program and the Familiar Faces Initiative, and funding for the FIRS program.

- **Law Enforcement Assisted Diversion (LEAD):** The LEAD program diverts individuals who are engaged in low-level drug crime, prostitution, and other collateral crime due to drug involvement, from the justice system to treatment. The program bypasses prosecution and jail time, to directly connect drug-involved individuals to case managers who can provide immediate assessment and crisis response, as well as long-term wrap-around services to address the cycling of individuals with behavioral issues through the criminal justice system. MIDD 2 funds two DPAs and one paralegal dedicated to handling the special circumstances of individuals participating in LEAD.
- **Familiar Faces:** The Familiar Faces Initiative provides systems coordination for individuals who are high utilizers of the King County jail (defined as having been booked four or more times in a twelve-month period) and who also have a mental health and/or substance use condition. A DPA, dedicated solely to the work of this initiative, will work closely with the Familiar Faces Intensive Care Management Team (FF-ICMT) to track, on a weekly basis, any new bookings, pending cases/charges, pre-existing criminal history, and any post adjudication hearings and requirements involving all active FF-ICMT participants. This dedicated DPA will also serve as a liaison between the FF-ICMT steering committee and law enforcement regarding the ever-changing status of pending cases, outstanding warrants, or court hearings.
- **Family Intervention Restorative Services (FIRS):** The PAO first proposed a domestic violence alternative program in the 2015-2016 Budget and played a key role in designing and implementing FIRS, which is budgeted in other agencies. The program is a partnership between Superior Court, the Department of Judicial Administration (DJA), the Department of Public Defense (DPD), the Department of Adult and Juvenile Detention (DAJD), the Prosecuting Attorney's Office (PAO), and the City of Seattle. FIRS represents a new approach for the handling of youth domestic violence. The program offers services such as family therapy and group counseling at the time of crisis and provides an alternative to detention. The program began operating on a pilot basis in 2016.

Alignment with Executive Strategic Initiatives

Equity and Social Justice

Because of the nature of its work, the PAO is involved in programs, like its 180 Program and its truancy dropout prevention program, which positively affect youth of color.

Similarly, the PAO is involved in programs that offer treatment as an alternative to arrest and incarceration such as King County Adult Diversion Drug Court, Juvenile Drug Court, and Regional Mental Health Court. The PAO also dedicates staff to the LEAD program and Familiar Faces Initiative; these programs provide services to individuals with underlying behavioral health challenges involved in the criminal justice system.

The PAO also initiated the development of the FIRS program, which diverts youth caught in the cycle of domestic violence against parents and siblings out of the system and into evidence-based programs that will give families new tools on how to resolve conflict. Youth who engage in these programs will not have charges filed against them. Instead, the goal is to have families engage in healthier behavior without formal justice system involvement.

2017-2018 Executive Proposed Operating Budget PROSECUTING ATTORNEY (EN_A50000)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	134,845,488	36,517,066	470.5	4.0
Base Budget Adjustments	9,304,101	(278,886)	0.0	0.0
Decision Package Adjustments	(3,760,843)	3,517,818	(14.0)	0.0
2017-2018 Executive Proposed Budget	140,388,746	39,755,998	456.5	4.0
2017-2018 Executive Proposed Ordinance	140,389,000	39,756,000	456.5	4.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_003) PAO Staff Reductions Eliminate positions and expenditures to achieve \$2.0 million in savings over the biennium. The Prosecuting Attorney's Office (PAO) expects these reductions to impact its capacity to bring cases to trial in a timely manner. The specific positions and expenditures have not yet been identified, but will be removed in the 2019-2020 Pro Forma budget.	(2,000,000)	0	0.0	0.0
(DS_004) Familiar Faces Deputy Prosecuting Attorney Implement Recovery and Reentry Initiative RR-13, Familiar Faces Deputy, as described in the proposed MIDD 2 Service Improvement Plan transmitted to Council on August 24, 2016. The Deputy Prosecuting Attorney (DPA) will serve as a liaison between the Familiar Faces (FF-ICMT) steering committee and law enforcement and will work with the FF-ICMT to track new bookings, pending cases/charges, pre-existing criminal history and any post adjudication hearings and requirements involving all active FF-ICMT participants. The position is an existing DPA that will now be funded by the Mental Illness and Drug Dependency (MIDD) fund.	0	288,213	0.0	0.0

2017-2018 Executive Proposed Operating Budget

PROSECUTING ATTORNEY (EN_A50000)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(DS_005) LEAD PAO Staff Implement the Prosecuting Attorney's Office (PAO) portion of Crisis Diversion Initiative CD-01, Law Enforcement Assisted Diversion (LEAD), as described in the proposed MIDD 2 Service Improvement Plan transmitted to Council on August 24, 2016. The LEAD program diverts individuals who are engaged in low-level drug crime, prostitution, and other collateral crime due to drug involvement, from the justice system to case managers who can provide immediate assessment, crisis response, and long-term wrap-around services. The positions are two existing attorneys and one paralegal that will now be funded by MIDD.	0	762,655	0.0	0.0
Administrative Service Changes				
(AC_001) Deputy Prosecuting Attorney Assistants to Cover PPL Absences Fund Deputy Prosecuting Attorney Assistants to cover attorney absences due to Paid Parental Leave (PPL). More PPL has been granted in the PAO than was projected. This one-time funding will be reevaluated for the 2019-2020 budget when more data on leave patterns are available.	250,000	0	0.0	0.0
Technical Adjustments				
(TA_001) Allocate Existing Therapeutic Court Staff to the PAO MIDD Appropriation Unit Allocate positions to the Prosecuting Attorney's Office (PAO) Mental Illness and Drug Dependency (MIDD) appropriation unit to reflect actual workload in the therapeutic courts. Remove loan out labor expenditures that previously funded the work.	(133,970)	0	(3.0)	0.0
(TA_050) Revenue Adjustments Revise budgeted revenues to match current forecast.	0	2,466,951	0.0	0.0
(TA_100) 2015-2016 Target Reductions Remove 11 FTEs to meet the 2015-2016 budget reduction target. The associated contra of \$2,550,000 in the 2015-2016 budget was removed.	(2,596,943)	0	(11.0)	0.0
(TA_101) Contra Removal Remove historical Annexation Contra and Personnel Contra no longer applicable to the budget.	395,182	0	0.0	0.0
(TA_102) Salary Adjustment for Non-Senior Deputies Fund the Deputy Prosecuting Attorneys I, II, III and IV pay scales, which are incompatible with the centrally loaded General Wage Increase (GWI) assumptions.	1,035,000	0	0.0	0.0

**2017-2018 Executive Proposed Operating Budget
PROSECUTING ATTORNEY (EN_A50000)**

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(TA_109) Eliminate Courthouse Screening Rate Remove the courthouse screening rate that was previously charged to General Fund agencies that use King County's courthouses. This cost will instead be included in the King County Sheriff's Office budget.	(1,778,690)	0	0.0	0.0
(TA_113) Vacancy Rate Adjustment Reflects the salary savings associated with the natural rate of employee turnover for a given agency and provide greater transparency in the budget.	(1,764,000)	0	0.0	0.0
(TA_198) Motor Pool Dispatch Rental Remove vehicle dispatch rental rates from the Fleet Motor Pool central rate account 55010 and move them into account 55258 Motor Pool ERR SVS. The amount was estimated based on 2015 actual rental billings and revised based on agency need and estimated usage for 2017-2018.	42,000	0	0.0	0.0
Central Rate Adjustments	2,790,578	0	0.0	0.0
Total Decision Package Adjustments	(3,760,843)	3,517,818	(14.0)	0.0

2017-2018 Executive Proposed Operating Budget PROSECUTING ATTORNEY MIDD (EN_A68800)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	3,329,723	0	7.9	0.0
Base Budget Adjustments	(584,157)	0	0.0	0.0
Decision Package Adjustments	266,972	0	3.0	0.0
2017-2018 Executive Proposed Budget	3,012,538	0	10.9	0.0
2017-2018 Executive Proposed Ordinance	3,013,000	0	10.9	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Technical Adjustments				
(TA_001) Allocate Existing Therapeutic Court Staff to the PAO MIDD Appropriation Unit	133,970	0	3.0	0.0
Allocate staff to the Prosecuting Attorney's Office (PAO) Mental Illness and Drug Dependency (MIDD) appropriation unit to reflect actual workload in the therapeutic courts. Remove loan in/loan out labor that previously funded the work.				
Central Rate Adjustments	133,002	0	0.0	0.0
Total Decision Package Adjustments	266,972	0	3.0	0.0

2017-2018 Executive Proposed Operating Budget PAO ANTIPROFITEERING (EN_A50100)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	119,896	0	0.0	0.0
Base Budget Adjustments	0	0	0.0	0.0
Decision Package Adjustments	0	0	0.0	0.0
2017-2018 Executive Proposed Budget	119,896	0	0.0	0.0
2017-2018 Executive Proposed Ordinance	120,000	0	0.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.

2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.

3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

DEPARTMENT OF PUBLIC DEFENSE

Mission

To provide client-centered legal representation and advocacy through a strong and independent public defender system comprised of a well-trained and dedicated staff.

Overview

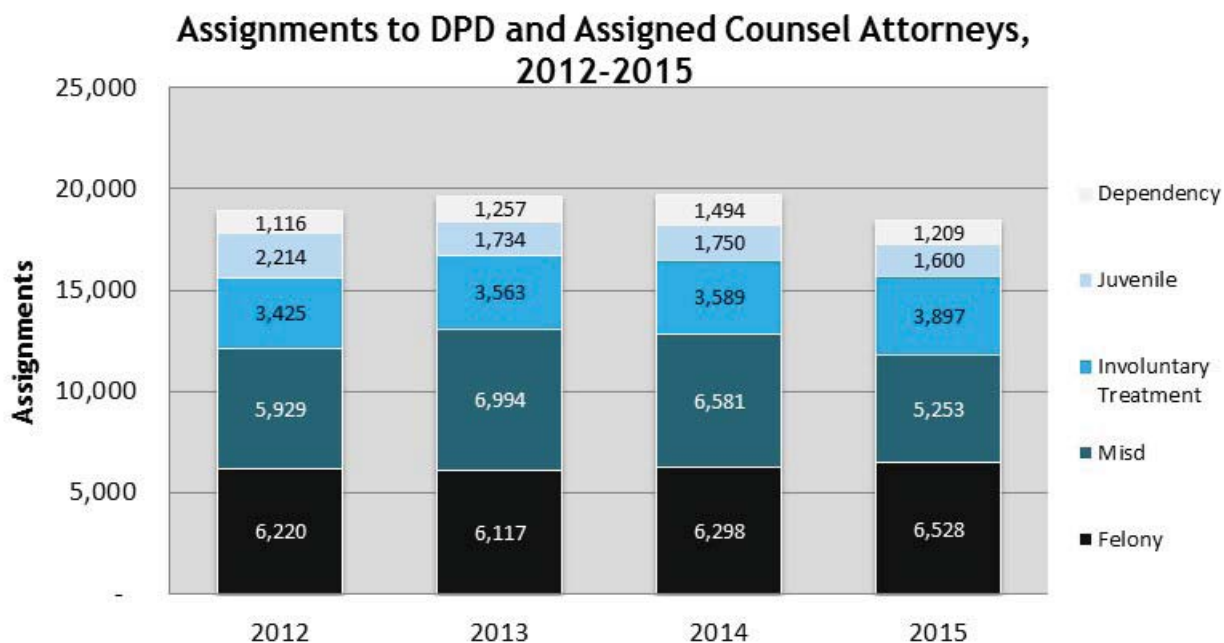
According to the King County Charter (§350.20.60), the King County Department of Public Defense (DPD) provides “legal counsel and representation to indigent individuals in legal proceedings, including those in superior and district courts for King County” as guaranteed by the Sixth Amendment to the United States Constitution and Article I §22 of the Washington Constitution. DPD is also charged with promoting “system improvements, efficiencies, access to justice and equity in the criminal justice system.”

In providing legal services, DPD is required to follow the American Bar Association Ten Principles for a Public Defense Delivery System and the Washington State Standards for Indigent Defense Services (King County Code § 2.60.026).

2017-2018 Problems, Opportunities, and Priorities

Appropriate Staffing Level. DPD was created in 2013 in response to a Washington Supreme Court ruling and the settlement of a class-action lawsuit (*Dolan v. King County*). DPD continues to develop as an organization by standardizing procedures and processes and building a department-wide culture. Since becoming a county department, DPD and the Executive have worked to determine the appropriate staffing level. The County Council included a proviso in the 2015-2016 Adopted Budget directing the County Executive to transmit a report on the sufficiency of the staffing and other resources for DPD. This report resulted in legislation passed by the County Council in 2015 (Ordinance 18117) that added 21.5 FTEs and 20 TLTs to DPD's budget, providing DPD with additional resources to meet the needs of its clients.

In this proviso report, the work group recommended that the Office of Performance, Strategy and Budget (PSB) and DPD collaborate to build a staffing model to guide budget development and determine the appropriate staffing level for DPD. PSB and DPD completed this task in 2016, developing a model that uses historical caseloads, public defense caseload standards set by the Washington State Supreme Court, and support staff ratios for public defense attorneys to calculate DPD's staffing needs. This budget implements this staffing model. DPD implemented a case management system in 2015 that allows for the collection of valuable caseload, workload, and time data. As data continues to be collected, DPD and PSB will have richer information upon which to base capacity estimates.



As shown in the chart above, assignments to DPD attorneys and assigned counsel attorneys in the juvenile and misdemeanor caseload areas have declined in recent years while involuntary treatment assignments have increased. This chart does not include the Becca or contempt of court caseload areas. These trends in caseload are incorporated in the staffing model used to develop the 2017-2018 staffing budget for DPD.

Consolidation in Central Location. When the DPD was created, the County directly hired the employees of the former non-profit contract law firms, and the firms themselves became divisions of the Department of Public Defense. These divisions maintained their existing locations and management structures. While this minimized the disruption to DPD's staff and clients, it made it difficult to establish a unified culture and realize efficiencies within the organization. The 2017-2018 Proposed Budget includes funding for a project to relocate division staff providing public defense services to clients at the King County Courthouse and staff in the Director's Office to a single centralized location starting in 2017. This move will support the Public Defender's efforts to continue to build a strong sense of camaraderie, ensure consistently high quality representation across all four divisions, promote a higher profile in the criminal justice community, establish more collaboration, and experience some of the other benefits that come with a single department.

General Fund Shortfall. Like other General Fund-supported agencies, DPD has faced its staffing and other budget challenges in the context of an ongoing General Fund structural imbalance that requires agencies to operate more efficiently and consider cutting non-mandatory services. DPD found savings through reduced use of temporary staff, a reduction in telephone costs through transition to Skype for Business, and reduced copier costs. In addition, expansion of DPD's contract to provide public defense services in Seattle Municipal Court generates additional revenue.

Alignment with Executive Strategic Initiatives

Equity and Social Justice

DPD's role in ensuring equity and social justice in the criminal justice system is explicitly stated in the King County Charter, which lists as one of the duties assigned to DPD, "fostering and promoting system improvements, efficiencies, access to justice and equity in the criminal justice system." Through its provision of public defense services, DPD seeks to ensure that all indigent defendants in King County receive high quality legal defense, regardless of race, national origin, or social status. Specific items related to ESJ in the 2017-2018 Proposed Budget for DPD include conversion of the Raising Our Youth As Leaders (ROYAL) program from a directly provided service to one provided by contract, which will allow resources to be used more efficiently on service provision. ROYAL works to reduce juvenile justice recidivism among young people by providing mentoring, intensive case management, and other support.

Best Run Government

In 2015-2016, DPD implemented Legal Files, a new case management system that is used by all four divisions. In 2017-2018, DPD will retire the HOMER system, which was used by the Director's Office to assign cases to divisions and assigned counsel attorneys. This change will consolidate the functionality of the two systems and result in ongoing savings of about \$170,000 per year starting in 2018. As mentioned earlier, DPD plans to consolidate staff providing services to the King County Courthouse in Seattle into a single location over the course of the 2017-2018 biennium while maintaining walls between divisions to prevent conflicts of interest. DPD expects this move to increase organizational efficiency and contribute to the development of a unified culture across the divisions.

2017-2018 Executive Proposed Operating Budget PUBLIC DEFENSE (EN_A95000)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	127,020,998	26,325,178	365.3	0.0
Base Budget Adjustments	4,712,615	513,774	0.6	0.0
Decision Package Adjustments	4,755,792	4,837,094	25.0	0.0
2017-2018 Executive Proposed Budget	136,489,405	31,676,046	390.9	0.0
2017-2018 Executive Proposed Ordinance	136,490,000	31,677,000	390.9	1.0

Notes

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3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_001) Sexually Violent Predator Reduction Reduce capacity in the sexually violent predator caseload area to reflect the elimination of non-King County from the contract with the Washington State Office of Public Defense.	(949,995)	(522,000)	(3.3)	0.0
(DS_002) Seattle Municipal Court Contract Increase staffing for the Seattle Municipal Court contract as negotiated with the City of Seattle.	2,142,025	2,740,063	8.3	0.0
(DS_004) Raising Our Youth As Leaders (ROYAL) Program Eliminate a vacant position that was previously intended to operate ROYAL directly and operate it as a contract service. DPD's funding for the ROYAL program originates with DCHS.	215,364	538,049	(1.0)	0.0
(DS_006) Increase Dependency Caseload Increase the caseload for dependency attorneys from 65 open cases to 72 open cases. The caseload standard established by the Washington State Supreme Court for dependency is 80 open cases.	(598,819)	0	(2.0)	0.0

Administrative Service Changes

2017-2018 Executive Proposed Operating Budget
PUBLIC DEFENSE (EN_A95000)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(AC_006) Assigned Counsel Reduction Reduce assigned counsel expenditures by \$1.5 million by adding 2 attorneys and 1.5 support staff and implementing reimbursement standards in both assigned counsel and expert services.	(636,435)	0	3.5	0.0
(AC_007) Efficiency Reductions Reduce the use of temporary staff, reduce telephone costs through switch to Skype for Business, and reduce copier lease costs through space consolidation.	(688,114)	0	0.0	0.0
(AC_008) Space Consolidation Program Manager Extend a TLT project manager position to coordinate the efforts to relocate DPD into a single facility in Seattle. The costs for this position will be paid out of relocation project funds through loan out labor, meaning that it is net-zero in DPD's operating budget. This position expires on April 1, 2018.	0	0	0.0	0.0
(AC_009) Staffing Model Implementation Add positions according to the staffing model developed by the Office of Performance, Strategy and Budget in conjunction with DPD. The model determines the appropriate public defense staffing level based on expected caseload and mandatory caseload standards set by the Washington State Supreme Court. Development of this model to guide public defense staffing was a recommendation of the King County Public Defense Budget Workgroup established by Ordinance 17941, which adopted the 2015-2016 Biennial Budget. The revenue increase is due to additional staff being assigned to involuntary treatment court, which is reimbursed by the King County Behavioral Health Organization.	1,331,749	2,615,804	10.0	0.0
(AC_010) Flexibility in Hiring First Year Lawyers Provide unfunded FTE authority so that DPD can make job offers to first year attorneys up to a year in advance of their actual start date, as is typical in private law offices.	0	0	15.0	0.0
(AC_011) Transfer Therapeutic Court Support Staff to MIDD Transfer 3.5 support positions that work in therapeutic courts supported by the Mental Illness and Drug Dependency (MIDD) Fund to the Public Defender MIDD appropriation unit.	(754,535)	0	(3.5)	0.0
(AC_012) Family Medical Leave Attorneys Add two attorneys to compensate for lost capacity due to attorneys out on long-term or family medical leave.	599,474	0	2.0	0.0

2017-2018 Executive Proposed Operating Budget

PUBLIC DEFENSE (EN_A95000)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(AC_013) Reduce Clerical Support Reduce 4 clerical support positions, which reflects a reduction in clerical support from 0.25 clerical positions per attorney to 0.22 per attorney.	(651,197)	0	(4.0)	0.0
Technical Adjustments				
(TA_010) Net Zero Budget Adjustment Net zero changes to reflect current spending patterns.	0	0	0.0	0.0
(TA_011) Senior Attorney Promotions Add funding for promotion of 35 public defense attorneys to senior attorneys, as specified in the collective bargaining agreement with SEIU. This competitive process is expected to occur in fall 2016.	1,459,565	0	0.0	0.0
(TA_050) Revenue Adjustments Revise budgeted revenues to match current forecast.	0	(534,822)	0.0	0.0
(TA_109) Eliminate Courthouse Screening Rate Remove the courthouse screening rate that was previously charged to General Fund agencies that use King County's courthouses. This cost will instead be included in the budget of the King County Sheriff's Office.	(291,182)	0	0.0	0.0
(TA_113) Vacancy Rate Adjustment Reflects the salary savings associated with the natural rate of employee turnover for a given agency and provide greater transparency in the budget.	(680,000)	0	0.0	0.0
(TA_198) Motor Pool Dispatch Rental Remove vehicle dispatch rental rates from the Fleet Motor Pool central rate account 55010 and move them into account 55258 Motor Pool ERR SVS. The amount was estimated based on 2015 actual rental billings and revised based on agency need and estimated usage for 2017-2018.	108,000	0	0.0	0.0
Central Rate Adjustments	4,149,891	0	0.0	0.0
Total Decision Package Adjustments	4,755,792	4,837,094	25.0	0.0

2017-2018 Executive Proposed Operating Budget PUBLIC DEFENDER MIDD (EN_A98300)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	3,646,065	0	12.4	0.0
Base Budget Adjustments	845,882	0	0.0	0.0
Decision Package Adjustments	913,888	0	3.5	0.0
2017-2018 Executive Proposed Budget	5,405,834	0	15.9	0.0
2017-2018 Executive Proposed Ordinance	5,406,000	0	15.9	0.0

Notes

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Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Administrative Service Changes				
(AC_011) Transfer Treatment Court Support Staff from General Fund	754,535	0	3.5	0.0
Transfer 3.50 support positions in DPD's General Fund budget that work in treatment courts supported by the MIDD Fund to the Public Defender MIDD appropriation unit.				
Central Rate Adjustments	159,353	0	0.0	0.0
Total Decision Package Adjustments	913,888	0	3.5	0.0

SHERIFF'S OFFICE

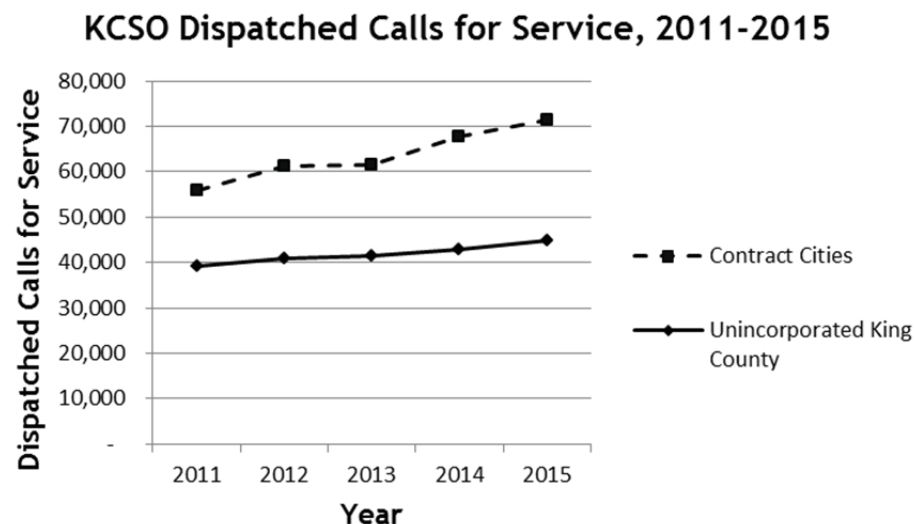
Mission

To provide quality, professional, regional and local law enforcement services tailored to the needs of individual communities to improve the quality of life.

Overview

The King County Sheriff is elected by all county voters and serves as the chief law enforcement officer in King County. As such, the sheriff is responsible to all residents regardless of jurisdiction. The King County Sheriff's Office (KCSO) is sworn to uphold all county and state laws, and is responsible for responding to and investigating criminal incidents, preventing crime through proactive policing, and effective management of department resources. To accomplish these functions, the Sheriff's Office employs a community-oriented policing and problem-solving philosophy that encourages proactive crime-fighting as a means to prevent and reduce crime in King County.

In addition to serving as the law enforcement agency for unincorporated King County, KCSO contracts to provide police services to 12 municipalities, Metro Transit, Sound Transit, and the Muckleshoot Tribe, and also serves as the security and firefighting agency for the King County International Airport. KCSO also operates the Automated Fingerprint Identification System (AFIS), which provides the staff and technology to support criminal fingerprint identification services for all 39 cities and unincorporated areas of King County. AFIS is funded by a voter-approved property tax levy that expires at the end of 2018.



The adjacent chart shows the trend for dispatched calls for service in contract cities and unincorporated King County for the period 2011-2015. During this time, there have been several annexations of urban unincorporated areas to cities, resulting in a slightly smaller patrol area in unincorporated King County.

2017-2018 Problems, Opportunities, and Priorities

As one of the largest General Fund agencies, the Sheriff's Office has been significantly affected by the General Fund's structural fiscal imbalance in recent years, resulting in significant position reductions since the 2008 recession. In response, the 2017-2018 Proposed Budget maintains patrol services in unincorporated areas and contract cities while sacrificing important non-mandatory regional services.

KCSO's Air Support Unit (ASU) is the only full-time law enforcement rotary-wing aviation unit in Washington State. The unit performs critical search and rescue service in King County and throughout the region during natural disasters or emergencies, as well as providing airborne patrol and tactical operations support. ASU operates as a regional resource, but does not receive any revenue support outside of the General Fund. In order to achieve the savings necessary to balance the General Fund, the 2017-2018 Proposed Budget will limit the ASU to search and rescue missions within King County in 2017 and eliminate it entirely in 2018.

KCSO also operates a Marine Unit that has a patrol presence on Lake Washington, Lake Sammamish, Puget Sound, and the 221 miles of navigable rivers in King County. The Marine Unit contributes to KCSO's countywide search and rescue capacity by performing rescue and recovery missions throughout King County, including on swift water rivers. Other functions of the Marine Unit are limited to unincorporated areas and contract cities and include vessel accident investigation, derelict vessel response, underwater evidence recovery, and emergency response. Like the ASU, this highly specialized resource will be retained in 2017 and eliminated in 2018, with a limited presence remaining on Lake Sammamish to serve contract cities.

As another strategy to close the General Fund gap, the 2017-2018 Proposed Budget will close the 4th Avenue entrance to the King County Courthouse, eliminating two marshals and two screeners. Public access to the Courthouse through the 3rd Avenue entrance and the tunnel from the King County Administration Building will be retained.

The 2013-2018 AFIS Levy included \$11.5 million for a new latent processing lab. The 2015-2016 Adopted Budget released \$0.9 million of this amount for planning and design work. Subsequently, the decision was made to locate the lab in the County-owned Black River building in Renton, saving money by removing the need for property acquisition. The 2017-2018 Proposed Budget includes the \$8.9 million that the Facilities Management Division estimates will be necessary to complete the project.

Alignment with Executive Strategic Initiatives

Equity and Social Justice

The 2017-2018 Proposed Budget includes \$0.8 million to provide anti-bias and de-escalation training to all of KCSO's commissioned officers. Two years ago, the training for new officers at the Washington State Criminal Justice Training Commission implemented a new curriculum called Listen and Explain with Equity and Dignity that integrates behavioral science and provides new officers with the skills and tools to de-escalate conflicts and reduce the use of force. The training included in the Proposed Budget will help ensure that all of KCSO's officers are given similar skills to use in responding to tense situations.

In addition, KCSO has made diversification of its commissioned workforce a priority and has formed a Diversity Recruitment Team (DRT) to assist in this effort. The DRT members are charged with identifying recruiting locations and messages that will increase the diversity of KCSO's applicant pool.

Strategic Climate Action Plan (SCAP)

The Fleet Division is installing idle management systems in six of KCSO's vehicles and will be collecting data from them during the fall of 2016. If the cost-benefit analysis from this pilot shows favorable results there is a potential to expand the program to additional KCSO vehicles, which could result in significant fuel savings and reduced emissions.

2017-2018 Executive Proposed Operating Budget SHERIFF (EN_A20000)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	313,899,033	183,531,028	1,003.5	8.0
Base Budget Adjustments	9,479,256	5,468,391	0.0	0.0
Decision Package Adjustments	20,436,860	15,379,573	(4.0)	1.0
2017-2018 Executive Proposed Budget	343,815,148	204,378,992	999.5	9.0
2017-2018 Executive Proposed Ordinance	343,816,000	204,379,000	1,011.5	9.0

Notes

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Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_001) Investigative Auditor Reduction Eliminate vacant investigative auditor position. About 50 percent of the cost of this position was chargeable to contract cities. These reduced revenues are reflected in the TA_050 revenue adjustment.	(363,607)	0	(1.0)	0.0
(DS_002) Inspectional Services Manager Reduction Eliminate vacant inspectional services manager position, reducing this unit to one position. This unit was originally established in 2007 to oversee compliance with the General Orders Manual, standard operating procedures, and accreditation standards. This position is considered a regional service and is not charged to contract cities, so this reduction does not result in a loss of revenue.	(363,607)	0	(1.0)	0.0
(DS_003) Division Secretary Reduction Eliminate a division secretary position effective January 1, 2018. About 50 percent of the cost of this position was chargeable to contract cities. These reduced revenues are reflected in the TA_050 revenue adjustment.	(106,575)	0	(1.0)	0.0

2017-2018 Executive Proposed Operating Budget SHERIFF (EN_A20000)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(DS_004) Close 4th Avenue Entrance to King County Courthouse Close the 4th Avenue entrance to the King County Courthouse, resulting in the elimination of 2 marshals and 2 security screeners. Public access to the Courthouse will be maintained via the 3rd Avenue entrance and the tunnel from the King County Administration Building.	(714,410)	0	(4.0)	0.0
(DS_005) Marine Unit Reduction Eliminate the Marine Rescue and Dive Unit effective January 1, 2018. Limited patrol on Lake Sammamish for contract cities will continue after that time.	(945,176)	(182,200)	(6.0)	0.0
(DS_006) Air Support Unit Reduction Eliminate the Air Support Unit effective January 1, 2018. During 2017, Air Support missions will be restricted to search and rescue within King County, except as needed to maintain flight hours for the unit's pilots.	(1,430,701)	0	(5.0)	0.0
(DS_008) Metro Transit Police Contract Add 7 transit patrol officers, 1 detective, and 1 transit resource officer to the Metro Transit contract at the request of Metro.	2,516,844	3,085,400	9.0	0.0
(DS_009) Digital Forensics Detective Add a digital forensics detective to address the rapid growth in electronically stored data that must be accessed and reviewed during investigations.	325,964	145,699	1.0	0.0
(DS_013) Communication Dispatchers Add two communication dispatchers for the Metro/Sound Transit console for fare enforcement. This request is revenue-backed by contracts with Metro and Sound Transit.	397,286	537,317	2.0	0.0
(DS_014) Anti-Bias Training Conduct anti-bias and de-escalation training for all KCSO officers. This is a one-time training that will improve officers' ability to react to tense situations. The cost of this training will be charged to Metro Transit, King County International Airport, and Sound Transit, but not to contract cities.	800,000	160,000	0.0	0.0
Administrative Service Changes				
(AC_001) Eliminate Salary Contingency Eliminate salary contingency originally added for a prior labor settlement.	(625,304)	0	0.0	0.0

2017-2018 Executive Proposed Operating Budget SHERIFF (EN_A20000)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(AC_002) Marijuana Excise Tax Add new revenue for marijuana enforcement. This marijuana excise tax revenue was shared with local jurisdictions under 2E2SHB 2136, passed by the Washington State Legislature in June 2015.	0	2,654,595	0.0	0.0
(AC_003) Parks Department Contract Add overtime expenditure and revenue for the work performed by KCSO for King County Parks. KCSO had previously transferred charges for Parks overtime patrol directly to King County Parks rather than requesting expenditure authority and treating payments from Parks as revenue. This change aligns the process with other KCSO contracts.	641,278	789,627	0.0	0.0
(AC_004) University of Washington Contract Add overhead to revenue received for the work performed by KCSO at the University of Washington. Expenditures for this contract are already included in the Sheriff's Office Base Budget.	0	114,003	0.0	0.0
(AC_005) Replacement Vehicles Replace end-of-life Crown Victorias with Ford Interceptors. The Crown Victorias previously used by KCSO are no longer produced, and the Interceptors cost more than Fleet currently collects from KCSO to replace them.	948,000	0	0.0	0.0
(AC_006) Automated Fingerprint Identification System (AFIS) Overhead Charge Increase KCSO charge to AFIS for interfund services performed. This change includes the addition of a records specialist that will perform fingerprinting previously performed by AFIS.	187,954	674,719	1.0	0.0
(AC_007) Off-Duty Car Overhead Charge Add an overhead revenue charge for the administration of vehicle charges collected by KCSO when officers perform off-duty work.	0	92,369	0.0	0.0
(AC_008) Increase Civil Fees Increase civil process fees by 11.1 percent to match the consumer price index for urban workers in the West region since the last increase in 2011. These fees are authorized by RCW 36.18.040, which allows counties to set them to cover the costs of administration and operation.	0	207,108	0.0	0.0

2017-2018 Executive Proposed Operating Budget SHERIFF (EN_A20000)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(AC_009) Implement New Records Management System Implement a new cloud-based records management system to replace the obsolete IRIS-TESS system. A new system will be selected in the Fall of 2016. This proposal assumes an implementation date of April 1, 2017 and a subscription cost of \$140 per officer per month, which is partially reimbursable through KCSO's contracts with cities and other jurisdictions.	2,044,560	1,128,960	0.0	0.0
(AC_010) Increase Transfer from Roads Fund Increase the transfer from the Roads Fund to the Sheriff's Office from \$12 million to \$15 million in the 2017-2018 biennium. This amount represents the estimated cost of traffic enforcement on County roads provided by the Sheriff's Office based on the historic rate of traffic-related dispatched calls for service.	0	3,000,000	0.0	0.0
(AC_011) Biweekly Pay Planning Add a term-limited project manager position to continue planning and preparation for KCSO's transition from a semi-monthly to biweekly payroll cycle. The Sheriff's Office is one of two County organizations that has not yet transitioned to a biweekly pay system.	287,023	0	0.0	1.0
Technical Adjustments				
(TA_001) Parking Fees Increase fees at County parking facilities commensurate with local market rates. These changes affect parking fees charged to KCSO for use of the Goat Hill Garage.	161,726	0	0.0	0.0
(TA_050) Revenue Adjustments Revise budgeted revenues to match current forecast. This increase largely represents the cost of labor inflation in KCSO's contracts.	0	2,622,719	0.0	0.0
(TA_102) Transfer Crisis Intervention Training Sergeant from MIDD to General Fund Transfer the crisis intervention training sergeant from the Mental Illness and Drug Dependency (MIDD) Fund to KCSO's General Fund appropriation unit. This position will continue to be backed by MIDD.	349,257	349,257	1.0	0.0
(TA_109) Eliminate Courthouse Screening Rate Discontinue charging the cost of courthouse screening to other General Fund agencies. The cost of courthouse screening will be directly funded in KCSO's budget. The Automated Fingerprint Identification System (AFIS) will continue to be charged for courthouse screening because it is a non-General Fund agency.	12,859,704	0	0.0	0.0

**2017-2018 Executive Proposed Operating Budget
SHERIFF (EN_A20000)**

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(TA_113) Vacancy Rate Adjustment Reflects the salary savings associated with the natural rate of employee turnover for a given agency and provide greater transparency in the budget.	(1,360,000)	0	0.0	0.0
(TA_114) Special Pays Adjustment Update special pay accounts for general wage increase (GWI) plus associated payroll taxes and retirement benefits.	522,365	0	0.0	0.0
(TA_198) Motor Pool Dispatch Rental Remove vehicle dispatch rental rates from the Fleet Motor Pool central rate account 55010 and move them into account 55258 Motor Pool ERR SVS. The amount was estimated based on 2015 actual rental billings and revised based on agency need and estimated usage for 2017-2018.	3,000	0	0.0	0.0
Central Rate Adjustments	4,301,278	0	0.0	0.0
Total Decision Package Adjustments	20,436,860	15,379,573	(4.0)	1.0

2017-2018 Executive Proposed Operating Budget DRUG ENFORCEMENT FORFEITS (EN_A20500)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	2,048,533	2,551,966	3.0	0.0
Base Budget Adjustments	(43,778)	0	0.0	0.0
Decision Package Adjustments	(7,592)	(1,551,966)	0.0	0.0
2017-2018 Executive Proposed Budget	1,997,163	1,000,000	3.0	0.0
2017-2018 Executive Proposed Ordinance	1,998,000	1,000,000	3.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Technical Adjustments				
(TA_050) Revenue Adjustments	0	(1,551,966)	0.0	0.0
Revise budgeted revenues to match current forecast. Revenues in this appropriation unit have been significantly over-budgeted in recent years, giving a misleading picture of the General Fund.				
Central Rate Adjustments	(7,592)	0	0.0	0.0
Total Decision Package Adjustments	(7,592)	(1,551,966)	0.0	0.0

2017-2018 Executive Proposed Operating Budget SUCCESSION PLANNING (EN_A21000)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	1,378,626	0	6.0	0.0
Base Budget Adjustments	67,141	0	0.0	0.0
Decision Package Adjustments	(476,221)	0	0.0	0.0
2017-2018 Executive Proposed Budget	969,545	0	6.0	0.0
2017-2018 Executive Proposed Ordinance	970,000	0	6.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Administrative Service Changes				
(AC_001) Reduce Funding for Succession Planning Positions Eliminate funding for 2 succession planning positions to align budget with usage patterns. The FTE for these positions will be retained as unbudgeted FTEs. Positions in this appropriation unit are used by KCSO for new deputies who are still in training.	(481,815)	0	0.0	0.0
Central Rate Adjustments	5,594	0	0.0	0.0
Total Decision Package Adjustments	(476,221)	0	0.0	0.0

2017-2018 Executive Proposed Operating Budget AUTOMATED FINGERPRINT IDENTIFICATION SYSTEM (EN_A20800)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	35,649,005	40,347,205	90.0	2.0
Base Budget Adjustments	838,677	672,859	0.0	0.0
Decision Package Adjustments	9,007,585	2,152,501	0.0	0.0
2017-2018 Executive Proposed Budget	45,495,266	43,172,565	90.0	2.0
2017-2018 Executive Proposed Ordinance	45,496,000	43,173,000	90.0	2.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_001) Processing Lab Replacement Transfer resources to the Facilities Management Division for the processing lab project as referenced in the AFIS Operational Master Plan. The processing lab will be located in the County-owned Black River building in Renton and is estimated to be completed in late 2018.	8,918,530	0	0.0	0.0
Administrative Service Changes				
(AC_001) Sheriff's Office Overhead Adjustment Increase the overhead charge paid by AFIS to the Sheriff's Office.	745,405	0	0.0	0.0
Technical Adjustments				
(TA_001) Adjust Capital Account to Match Planned Expenditures Reduce capital equipment account to \$500,000 to match the planned 2017-2018 expenditure level. Planned capital expenditures include two WIN workstations and enhancements and replacements of existing AFIS and Livescan systems.	(770,012)	0	0.0	0.0

2017-2018 Executive Proposed Operating Budget
AUTOMATED FINGERPRINT IDENTIFICATION SYSTEM (EN_A20800)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(TA_050) Revenue Adjustments Revise budgeted revenues to match current forecast.	0	2,152,501	0.0	0.0
(TA_113) Vacancy Rate Adjustment Reflects the salary savings associated with the natural rate of employee turnover for a given agency and provide greater transparency in the budget.	(302,000)	0	0.0	0.0
(TA_114) Special Pays Adjustment Update special pay accounts for general wage increase (GWI) plus associated payroll taxes and retirement benefits.	5,204	0	0.0	0.0
Central Rate Adjustments	410,458	0	0.0	0.0
Total Decision Package Adjustments	9,007,585	2,152,501	0.0	0.0

2017-2018 Proposed Financial Plan
Automated Fingerprint Identification System (AFIS) Fund/000001220

Category	2015-2016 Estimated ¹	2017-2018 Proposed Budget ²	2019-2020 Projected ³	2021-2022 Projected ³
Beginning Fund Balance	16,682,335	24,343,226	22,020,525	3,162,976
Revenues				
Levy Revenue	39,860,368	42,744,695		-
Misc. Revenue - Interest, Etc.	316,173	427,870	200,000	
Total Revenues	40,176,541	43,172,565	200,000	-
Expenditures				
Wages, Benefits and Retirement	(19,221,999)	(21,518,772)	(11,060,649)	
Supplies and Services	(1,408,202)	(1,530,976)	(785,391)	
City of Seattle	(7,936,516)	(8,249,516)	(4,232,002)	
Intragovernmental Services	(3,640,315)	(4,777,472)	(2,479,508)	
Capital	(308,618)	(500,000)	(500,000)	
Transfer for latent lab replacement	-	(8,918,530)		
Total Expenditures	(32,515,650)	(45,495,266)	(19,057,549)	-
Estimated Under (Over) expenditures				-
Other Fund Transactions				
Total Other Fund Transactions	-	-	-	-
Ending Fund Balance	24,343,226	22,020,525	3,162,976	3,162,976
Reserves				
Capital Contingency Reserve ⁴	(254,002)	(100,000)		-
Latent Print Lab Replacement ⁵	(10,619,569)	(2,370,053)		-
Remote Print Capture Device Reserve ⁶	(1,000,000)	(1,000,000)		
Rainy Day Reserves ⁷	(2,709,638)	(3,048,061)		
Total Reserves	(14,583,209)	(6,518,114)	-	-
Reserve Shortfall	-	-	-	-
Ending Undesignated Fund Balance	9,760,018	15,502,411	3,162,976	3,162,976

Financial Plan Notes:

¹ 2015/2016 Actuals reflect actual financial data from EBS through April 2016 and projected out for the rest of the year.

² 2017/2018 Proposed Budget is consistent with 2017-2018 Executive Proposed expenditure and revenue from Hyperion. 2017-2018 Levy revenue based on the August 2016 forecast by the Office of Economic and Financial Analysis.

³ The current six-year AFIS Levy expires at the end of 2018. Financial plan assumes AFIS expenditures continue through the end of 2019, at which point approximately 60 days of expenditures will remain in fund balance.

⁴ The Capital Contingency Reserve is for supporting regularly scheduled capital projects, such as maintenance and repairs on the Next Generation AFIS computer system. The reserve is calculated at 20 percent of the entire biennial capital budget, which does not include the latent print lab or remote print capture projects that are listed below.

⁵ AFIS built up enough latent lab replacement reserve by 2016 to build an \$11.5 million lab. The reserved amount was reduced in 2017-18 by the \$8,918,530 transfer to FMD for the project. It is anticipated that the remaining amount reserved in 2017-18 will not be needed and will instead be returned to fund balance.

⁶ The Remote Print Capture Device Reserve originally budgeted \$1.5 million for an expansion of the remote print capture device system. The reserve decreased to \$1.0 million in the 2015/16 biennium to reflect expenditures for the Mobile ID project. No additional purchases are planned during 2017/2018 at this time; if this changes, funding for any additional Remote ID purchases will be requested via supplemental appropriation.

⁷ The Rainy Day Reserve is set at 60 days for this levy. This level of rainy day reserves was approved by the AFIS Advisory Committee. Amount calculated as 1/12 of biennial expenditures excluding the Latent Print Lab Replacement.

2017-2018 Executive Proposed Operating Budget SHERIFF MIDD (EN_A88300)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	333,176	0	1.0	0.0
Base Budget Adjustments	16,081	0	0.0	0.0
Decision Package Adjustments	(349,257)	0	(1.0)	0.0
2017-2018 Executive Proposed Budget	0	0	0.0	0.0
2017-2018 Executive Proposed Ordinance	0	0	0.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Technical Adjustments				
(TA_102) Transfer Crisis Intervention Sergeant to General Fund Transfer the crisis intervention training sergeant from the MIDD Fund to KCSO's General Fund appropriation unit. This position will continue to be backed by MIDD.	(349,257)	0	(1.0)	0.0
Total Decision Package Adjustments	(349,257)	0	(1.0)	0.0

SUPERIOR COURT

Mission

The mission of the King County Superior Court is to serve the public by ensuring justice through accessible and effective forums for the fair, understandable, and timely resolution of legal matters.

Overview

King County Superior Court is King County's general jurisdiction trial court. Under the Washington Constitution and state statute, Superior Court has responsibility for:

- Felony criminal cases;
- Civil matters involving more than \$300, unlawful detainers, and injunctions;
- Family law, including dissolutions, child support, adoptions, parentage, and domestic-violence protection matters;
- Probate and guardianship matters;
- Juvenile offender cases;
- Juvenile dependencies, including abused and neglected children, children in need of services, at-risk youth, and trancies;
- Mental illness and involuntary commitment matters.

Superior Court manages or participates in three therapeutic court programs funded by the Mental Illness and Drug Dependency (MIDD) Fund: Family Treatment Court, King County Adult Drug Diversion Court (KCADDC), and Juvenile Drug Court.

King County Superior Court is the largest of the 29 superior court districts in Washington State and handled more than 51,000 new cases in 2015. The court operates at four sites, including the King County Courthouse, the Youth Services Center (Juvenile Court), Harborview Medical Center (Mental Illness Court) in Seattle, and the Maleng Regional Justice Center (MRJC) in Kent. The court will have 53 judges and 9 commissioners in 2017-2018. Most services provided by the Superior Court are required under the Washington Constitution, federal law, state law, and/or court rules adopted by the state Supreme Court.

Judicial leadership and direction is provided by the Superior Court Presiding Judge and through the Executive Committee and judges, as defined by local court rules. Administrative leadership and oversight is provided by the Chief Administrative Officer and through the Deputy Chief Administrative Officer and the Directors of Business & Finance, Court Operations, Family Court Operations, Human Resources, Juvenile Court Operations, Information Technology, and Judicial Administration (Superior Court Clerk).

2017-2018 Problems, Opportunities, and Priorities

Significant anticipated changes in Superior Court's 2017-2018 budget include efficiency reductions, increases to Guardian ad Litem and interpreter expenditures, and changes in juvenile programs and therapeutic courts related to renewal of the MIDD. Additionally, Superior Court operations are influenced by various state, local, and national trends, which present both challenges and opportunities for the Court.

Efficiencies: In order to meet budgetary challenges in the General Fund, the Court will eliminate ten positions (9.5 FTEs) in 2017. These changes are not anticipated to negatively impact service to the public. Two of these reductions eliminate court reporter positions, a change made possible through the increased use of recording technology in the courtroom and a system for efficiently deploying remaining court reporters. Two FTE reductions are in juvenile programs, where caseloads are declining. The Court will also eliminate three commissioner positions, consistent with the findings of the Protocol Committee on the number of judicial officers necessary for Superior Court. The Protocol Committee is an inter-branch planning and coordination committee composed of members from Superior Court, the King County Council, the County Executive, and the King County Bar Association. Staffing changes associated with the commissioner reductions also allow the Court to reduce the number of Dependency Coordinators. Finally, the Medicaid Match Coordinator position will be eliminated as a result of changes in the Medicaid Match reimbursement methodology. Remaining duties of that position will be shifted to Juvenile Court Services Managers and Supervisors.

Guardian ad Litem and Interpreter Increases: Guardian ad Litem (GALs) are individuals or attorneys who are appointed by the court to represent the best interests of an Alleged Incapacitated Person (AIP). GALs are provided without charge to low-income individuals. Demand for GAL services has increased in recent years and the 2017-2018 Proposed Budget reflects the increased cost of these services. Effective January 1, 2018, hourly rates for interpreters will increase to levels consistent with rates already paid by other area courts. The rate increase is intended to assist with securing qualified interpreters for court matters in a timely fashion, as well as to provide equitable compensation.

MIDD 2: The MIDD 2 Service Improvement Plan, transmitted to Council on August 24, 2016 includes funding for several Superior Court programs, including the Family Intervention Restorative Services (FIRS) program, Juvenile Assessments, and therapeutic courts.

- **FIRS:** FIRS, a partnership between Superior Court, the Department of Judicial Administration (DJA), the Department of Public Defense (DPD), the Department of Adult and Juvenile Detention (DAJD), the Prosecuting Attorney's Office (PAO), and the City of Seattle is a new approach for the handling of youth domestic violence. The program offers services such as family therapy and counseling at the time of crisis and provides an alternative to detention. The program began operating on a pilot basis in 2016. The 2017-2018 Proposed Budget continues the FIRS program and includes four Superior Court positions and funding for evidence-based intervention services. The 24/7 Respite and Reception Center is operated by a community organization; that contract is budgeted in the Department of Community and Human Services (DCHS).
- **Therapeutic Courts:** King County Adult Drug Diversion Court (KCADDC), Juvenile Drug Court, and Family Treatment Court will continue to operate under MIDD 2. Family Treatment Court will receive increased funding to leverage a federal grant, expanding services at the Maleng Regional Justice Center (MRJC) in South King County and improving services at both Family Treatment Court locations.

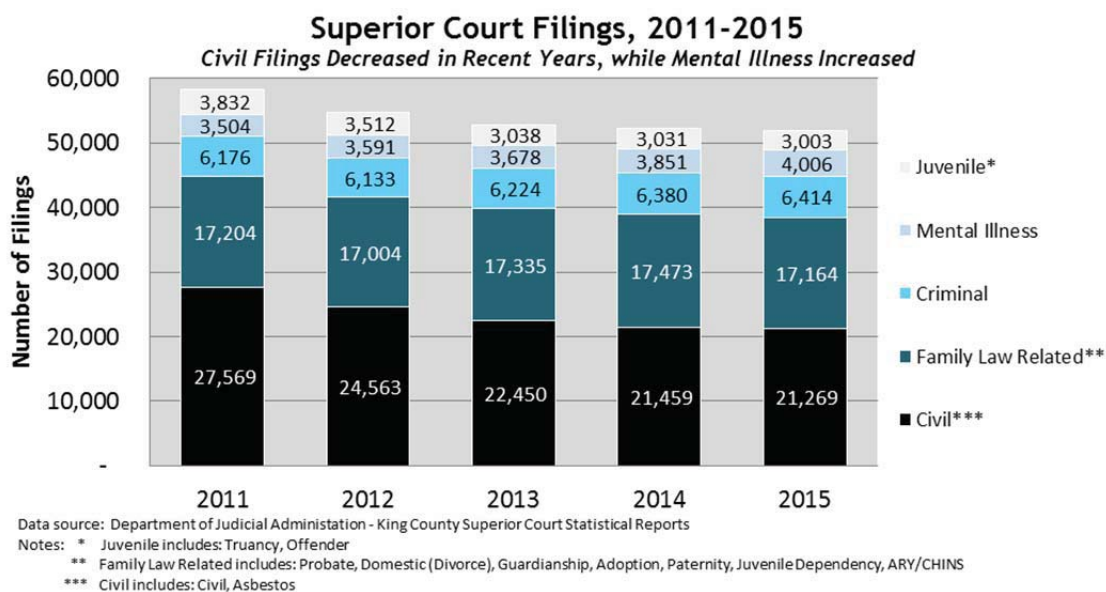
- **Step Up:** Effective January 1, 2017 the Step Up program will move from DJA to Superior Court. Step Up is an adolescent violence intervention program designed to address youth violence and abuse toward family members. With the implementation of the FIRS program and the close work between the Step Up program staff and the Juvenile Probation Counselors (JPCs) it will be more efficient for the program to be managed by one entity. The MIDD Fund previously supported Step Up, but the program will be transferred to the General Fund in 2017-2018 in compliance with MIDD supplantation policies.

Mental Illness Court Video Improvements: Superior Court will implement a project in 2017 to upgrade Mental Illness Court's video conferencing equipment and infrastructure. The project includes upgrades to infrastructure, three new mobile video carts, upgrades to all existing video equipment at the hospital endpoints, and setting up a new video system at Swedish Ballard. The Behavioral Health and Recovery Division will fund this project.

Trends: Various state and local trends influence Superior Court operations, including:

- Increased case filings in the Mental Illness Court (also referred to as Involuntary Treatment Act (ITA) Court);
- Space limitations at the Mental Illness Court at Harborview and in the Maleng Regional Justice Center (MRJC);
- Increased demand for court interpreters;
- Budget and funding constraints at both the County and State level; and
- Changes to legal mandates.

As shown in the chart below, Superior Court filings decreased in recent years, most notably civil filings, which decreased 23 percent from 2011 to 2015. The Protocol Committee and the Court considered the decline in overall filings, as well as changes in the distribution of filing types, in assessing judicial need and determining staff reductions.



Broader national trends also present challenges and opportunities. These include demand for justice system performance accountability and culturally appropriate services and the application of emerging technology in court operations.

Alignment with Executive Strategic Initiatives

Equity and Social Justice

Superior Court has a long history of working to promote equal access to Court programs and services. Recent efforts to promote ESJ in Superior Court include:

- **Dependency CASA Diversity Recruitment:** Superior Court's Dependency Court Appointed Special Advocate (CASA) Program serves children whose families have become involved with the juvenile dependency system. CASAs are volunteers recruited, trained, and supported by CASA Program Staff who become full parties to a civil dependency case and represent the best interests of dependent children in court. In 2015, the CASA Program received a grant from the National CASA Association to focus specifically on recruiting volunteers from diverse backgrounds and communities. The grant was used to hire two part-time recruitment coordinators who worked to develop recruitment capacity, primarily in South King County.
- **ESJ Book Club and Lending Library:** In 2015, the Courts and Community Committee, a group of Superior Court judges and staff, began sponsoring an ESJ Book Club. The book meets over a lunch hour to discuss a new book every 6-8 weeks. In January of 2016, the committee began purchasing copies of each new book to be loaned to interested readers. This collection of books is now known as the court's 'ESJ Lending Library.'
- **Diversity and Inclusiveness Events:** Each year the Courts and Community Committee sponsors a variety of events that celebrate King County's diverse cultural heritage.
- **Plain Language Reform:** The Superior Court Family Law Information Center (FLIC) provides general information about court processes to self-represented family law litigants. More than 50 different step-by-step instructions are available and are provided at no cost. Since 2012, the FLIC has been converting its instructions into "plain language," which provides benefits to all customers.
- **Juvenile Court Programs:** Superior Court's Juvenile Court has implemented a number of programs, activities, and changes in 2015-2016 that are intended to better serve youth involved in the court, who are disproportionately youth of color. Programs and changes of interest include the Step Up program, FIRS, Restorative Mediation, the new Two-Tier warrant model, Creative Justice, and screen and release. These programs will continue in 2017-2018.

2017-2018 Executive Proposed Operating Budget SUPERIOR COURT (EN_A51000)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	100,095,365	8,968,440	330.8	0.0
Base Budget Adjustments	4,780,432	(295,000)	(0.4)	0.0
Decision Package Adjustments	(2,911,239)	(317,967)	(6.4)	0.0
2017-2018 Executive Proposed Budget	101,964,559	8,355,473	324.1	0.0
2017-2018 Executive Proposed Ordinance	101,965,000	8,356,000	324.1	0.0

Notes

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Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_001) Increase Hourly Rate for Interpreters Increase the hourly rate that is paid contracted interpreters by \$10 to \$50 for non-certified and \$55 for certified interpreters, effective January 1, 2018. The proposed rate increase is intended to assist with securing qualified interpreters for court matters in a timely fashion as well as to provide equitable compensation relative to other area courts.	230,000	0	0.0	0.0
(DS_002) Guardian ad Litem Increase budget authority for guardian ad litem (GAL) costs. GALs are individuals or attorneys who are appointed by the court to represent the best interests of an Alleged Incapacitated Person (AIP). The GAL conducts an investigation and makes recommendations to the court as to the degree of incapacity, the needs of the AIP, and who should be appointed as Guardian if the AIP is found to be incapacitated or if there is a less restrictive alternative to a guardianship. GALs are provided without charge to low-income individuals. Demand for GAL services has increased in recent years.	180,000	0	0.0	0.0

2017-2018 Executive Proposed Operating Budget SUPERIOR COURT (EN_A51000)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(DS_004) Text Messaging Pilot Implement a pilot program to remind defendants of court dates via text messages. The notification is intended to increase the number of defendants who come to their hearings and reduce Failure to Appear (FTA) warrants.	60,000	0	0.0	0.0
(DS_005) FIRS Staff and Evidence-Based Intervention Services Implement Superior Court's portion of Crisis Diversion Initiative CD-13, Family Intervention Restorative Services (FIRS), as described in the proposed MIDD 2 Service Improvement Plan transmitted to Council on August 24, 2016. Funding includes two Juvenile Probation Counselors, two Step Up social workers, and evidence-based intervention services. The FIRS program also includes a 24/7 Respite and Reception Center, staffed by a contracted community organization and budgeted in the Department of Community and Human Services (DCHS). FIRS is funded by the Mental Illness and Drug Dependency (MIDD) fund and the City of Seattle.	1,303,213	1,303,213	4.0	0.0
Administrative Service Changes				
(AC_001) Court Reporter Reductions Eliminate two vacant court reporter positions January 1, 2017. The former employees in these positions were laid off May 1, 2016 in order to help balance the court's 2015-2016 budget and contribute to the 2017-2018 budget target reduction. This reduction is made feasible by increasing the court's reliance on audio/video court recording equipment, and by further restricting the use of court reporters to the most serious and complex cases.	(494,441)	0	(2.0)	0.0
(AC_002) Juvenile Probation Counselor Reductions Eliminate two vacant Juvenile Probation Counselor (JPC) positions January 1, 2017. This reduction is possible because of a reduction in juvenile offender referrals and filings.	(432,015)	0	(2.0)	0.0
(AC_003) Medicaid Match Coordinator Reduction Eliminate the Medicaid Administrative Match coordinator January 1, 2017. Part of the position's work is no longer needed due to a Medicaid Match reimbursement process change and part of it will be shifted to other employees without an impact on customers.	(237,365)	0	(1.0)	0.0

2017-2018 Executive Proposed Operating Budget SUPERIOR COURT (EN_A51000)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(AC_004) Criminal Commissioner Reduction Eliminate the commissioner who currently hears the criminal plea calendar at the Maleng Regional Justice Center (MRJC) on January 1, 2017. MRJC judges will cover the criminal plea calendar on a rotating basis, which in turn may require moving a King County Court House (KCCH) judge to the MRJC.	(414,934)	0	(1.0)	0.0
(AC_005) Dependency Commissioner and Dependency Coordinator Reductions Eliminate two dependency commissioners and one fulltime and one half-time dependency coordinator positions on January 1, 2017. Judges will cover the dependency calendars on a rotating basis. Because judges will replace dependency commissioners, and judges each have one bailiff, the bailiff will assume many of the duties of the dependency coordinators. After this change, the work will be done by 2.0 remaining dependency coordinators with the assistance of 2.0 bailiffs.	(1,086,607)	0	(3.5)	0.0
(AC_006) Transfer Step Up Program from the DJA MIDD Appropriation Unit Transfer the Step Up program and staffing from the Department of Judicial Administration (DJA) to Superior Court. With the implementation of the Family Intervention and Restorative Services (FIRS) program and the close work between the Step Up program staff and the Juvenile Probation Counselors it will be more efficient for the program to be managed by one entity. This program was formerly funded by the Mental Illness and Drug Dependency (MIDD) fund, but will move to the General Fund to comply with state law on supplantation. This Decision package corresponds with AC_006 in EN_A58300.	411,197	0	2.0	0.0
Technical Adjustments				
(TA_001) Transfer Juvenile Assessments to the General Fund Implement Superior Court's portion of Prevention and Early Intervention Initiative PRI-02, Juvenile Justice Youth Behavioral Health Assessments, as described in the proposed MIDD 2 Service Improvement Plan transmitted to Council on August 24, 2016. This decision package transfers the program from Superior Court's Mental Illness and Drug Dependency (MIDD) appropriation to the General Fund appropriation, funded by MIDD revenue. This Decision Package corresponds with TA_001 in EN_A78300.	488,260	488,260	1.8	0.0
(TA_050) Revenue Adjustments Revise budgeted revenues to match current forecast.	0	(2,109,440)	0.0	0.0

**2017-2018 Executive Proposed Operating Budget
SUPERIOR COURT (EN_A51000)**

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(TA_100) 2015-2016 Target Reductions Removes five positions for ongoing savings to meet 2015-2016 budget target reduction.	(1,049,046)	0	(4.7)	0.0
(TA_109) Eliminate Courthouse Screening Rate Remove the courthouse screening rate that was previously charged to General Fund agencies that use King County's courthouses. This cost will instead be included in the King County Sheriff's Office budget.	(4,869,824)	0	0.0	0.0
(TA_113) Vacancy Rate Adjustment Reflects the salary savings associated with the natural rate of employee turnover for a given agency and provide greater transparency in the budget.	(620,000)	0	0.0	0.0
(TA_198) Motor Pool Dispatch Rental Remove vehicle dispatch rental rates from the Fleet Motor Pool central rate account 55010 and move them into account 55258 Motor Pool ERR SVS. The amount was estimated based on 2015 actual rental billings and revised based on agency need and estimated usage for 2017-2018.	57,000	0	0.0	0.0
(TA_199) Parking Fees Increase fees at County parking facilities commensurate with local market rates. These changes will affect agencies that pay or reimburse for privately-operated vehicles and for agency-assigned Fleet vehicles that park in the Goat Hill Garage, Chinook Building, KC Correctional Facility, and (as of June 2017) King Street Center.	100,226	0	0.0	0.0
Central Rate Adjustments	3,463,098	0	0.0	0.0
Total Decision Package Adjustments	(2,911,239)	(317,967)	(6.4)	0.0

2017-2018 Executive Proposed Operating Budget SUPERIOR COURT MIDD (EN_A78300)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	3,687,827	0	15.6	2.0
Base Budget Adjustments	113,663	0	0.4	(2.0)
Decision Package Adjustments	7,986	0	(1.3)	0.0
2017-2018 Executive Proposed Budget	3,809,476	0	14.7	0.0
2017-2018 Executive Proposed Ordinance	3,810,000	0	14.7	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_001) Family Treatment Court Implement a full day of Family Treatment Court (FTC) at the Maleng Regional Justice Center (MRJC) in Kent and maintain enhancements to FTC at both locations. The funding fills a gap in a federal grant and provides partial funding for a Washington State Department of Social and Health Services (DSHS) Social Worker, increases an existing grant funded program specialist from part-time to full-time, and maintains program enhancements after the federal grant expires in September 2018.	228,773	0	0.5	0.0
Technical Adjustments				
(TA_001) Transfer Juvenile Assessments to the General Fund Transfer all Juvenile Assessments expenditures from the Superior Court Mental Illness and Drug Dependency (MIDD) appropriation unit to the General Fund appropriation unit to be backed with MIDD revenue. This change will facilitate accounting in the MIDD fund. This Decision Package corresponds with TA_001 in EN_A51000.	(488,260)	0	(1.8)	0.0

**2017-2018 Executive Proposed Operating Budget
SUPERIOR COURT MIDD (EN_A78300)**

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(TA_198) Motor Pool Dispatch Rental Remove vehicle dispatch rental rates from the Fleet Motor Pool central rate account 55010 and move them into account 55258 Motor Pool ERR SVS. The amount was estimated based on 2015 actual rental billings and revised based on agency need and estimated usage for 2017-2018.	3,000	0	0.0	0.0
Central Rate Adjustments	264,473	0	0.0	0.0
Total Decision Package Adjustments	7,986	0	(1.3)	0.0

2017-2018 Executive Proposed Operating Budget BYRNE JAG GRANT FFY 2016 (EN_A51616)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	0	0	0.0	0.0
Base Budget Adjustments	0	0	0.0	0.0
Decision Package Adjustments	203,000	203,000	0.0	0.0
2017-2018 Executive Proposed Budget	203,000	203,000	0.0	0.0
2017-2018 Executive Proposed Ordinance	203,000	203,000	0.0	0.0

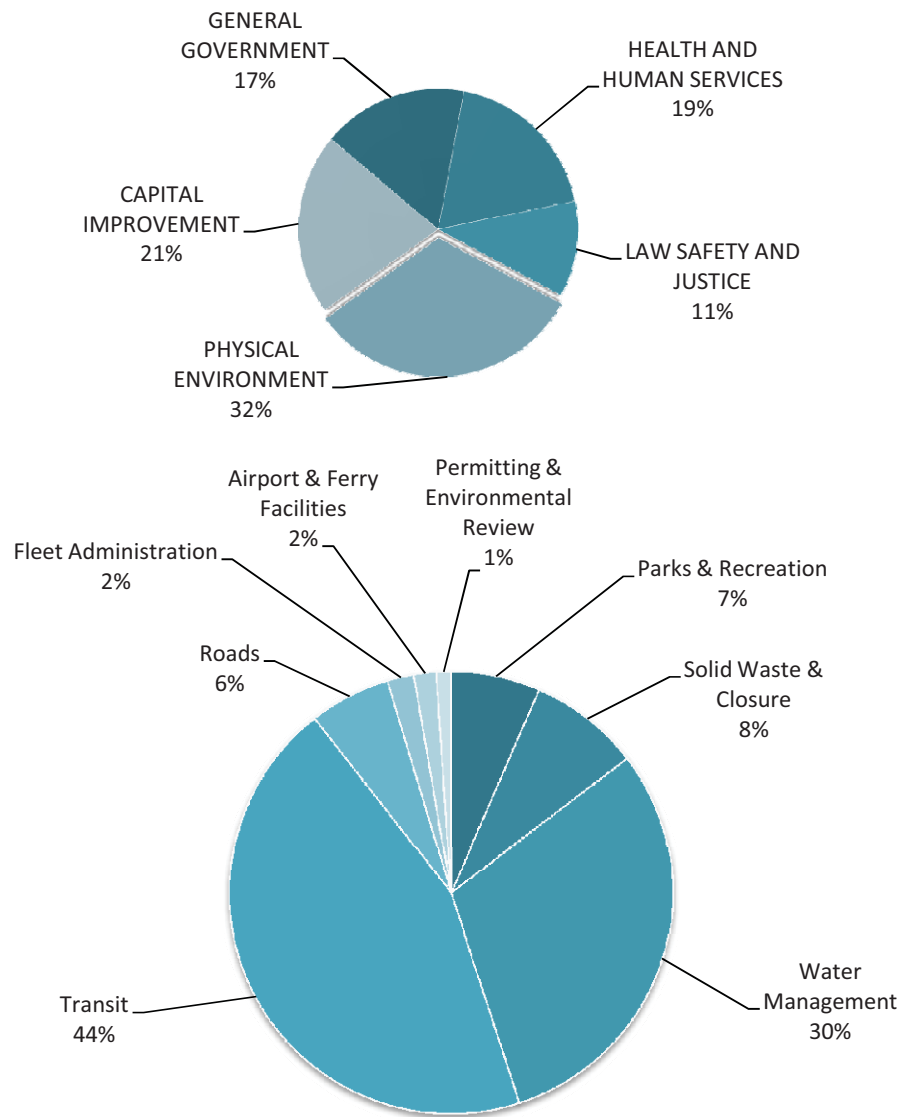
Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Administrative Service Changes				
(AC_001) Byrne Justice Assistance Grant (JAG) FFY 2016 Fund the Recidivism/Reentry Coordinator in Performance, Strategy, and Budget (PSB) with the Byrne Justice Assistance Grant (JAG). The Byrne JAG is a Department of Justice grant awarded annually based on an allocation formula, which provides resources for criminal justice improvements.	203,000	203,000	0.0	0.0
Total Decision Package Adjustments	203,000	203,000	0.0	0.0

PHYSICAL ENVIRONMENT

Physical Environment \$3.7 Billion



Organization of the Pie Chart: The following agencies were combined to make the pie chart more readable.

Roads: Roads and Roads Construction Transfers

Parks & Recreation: Parks & Recreation, Youth Sports Facilities Grants, Open Space and Trails Levy

Solid Waste & Closure: DNRP Admin., Solid Waste, Post-Closure Landfill Maintenance, Historic Preservation Program

Water Management: Intercounty River Improvement, Water & Land Resources, Surface Water Management Local Drainage, Wastewater Treatment, Noxious Weeds, Flood Control District

Fleet Administration: Fleet Motor Pool, Fleet Management Equipment, Fleet Wastewater Equipment Repair & Replacement

Airport & Ferry Facilities: Airport and Marine Services

Transit: Transit and DOT Director

Due to rounding, figures may not add to 100%.

INTRODUCTION

The King County Physical Environment departments support services related to building and land use permitting; community and regional parks; various recreational programs; solid waste disposal; surface water management; wastewater treatment; road and bridge maintenance and improvement in the unincorporated area; and transit operations. These services are delivered by three county departments:

- Department of Natural Resources and Parks (DNRP),
- Department of Permitting and Environmental Review (DPER), and
- Department of Transportation (DOT).

These departments are supported by dedicated funding sources and provide services that enhance the quality of life and economic vitality of the Puget Sound region.

The Department of Natural Resources and Parks (DNRP) serves as the steward of the region's environment. DNRP protects the region's water and land and natural habitats by ensuring the safe disposal of and reuse of wastewater and solid waste, and providing natural areas, parks, regional trails and recreation programs. It provides these services through five divisions: DNRP Administration, Wastewater Treatment Division, Water and Land Resources Division, Solid Waste Division, and the Parks and Recreation Division.

The Department of Permitting and Environmental Review (DPER) is responsible for regulating and permitting all building and land use activity in unincorporated King County. DPER is primarily an enterprise fund, with a permit review and inspection program that supports itself with fees charged to permit applicants. In addition, DPER's code enforcement program is supported primarily by the General Fund.

The Department of Transportation (DOT) provides services related to public transportation, community outreach on transportation issues, road construction and maintenance, regional aviation, passenger ferry service, and fleet management. It provides these services through six divisions: the DOT Director's Office, Transit Division, Marine Division, the King County International Airport, Road Services Division, and Fleet Administration.

DEPARTMENT OF NATURAL RESOURCES AND PARKS ADMINISTRATION

Mission

Provide regional parks and trails, protect the region's water, air, land, natural habitats and historic properties, and reduce, safely dispose of, and create resources from wastewater and solid waste.

Overview

The Department of Natural Resources and Parks Administration (DNRP Admin) provides leadership, oversight, and support to the department's four operational divisions: Parks and Recreation, Solid Waste, Wastewater Treatment, and Water and Land Resources. In addition, DNRP Admin provides oversight and administration to the King County Historic Preservation Program (HPP), Community Service Area Program (CSA), and the County's Strategic Climate Action Plan (SCAP).

DNRP Admin is organized into four main sections: Administration, the King County Historic Preservation Program, the Community Service Area Program, and the Strategic Climate Action Plan section. HPP is responsible for designating and protecting significant historic and archaeological sites within the unincorporated area of King County and in eighteen cities that have agreements with the County for these services. HPP is funded primarily by a \$1 document recording fee surcharge accounted for in the Historical Preservation and Historic Programs Fund (HHPH) created in 2010. The CSA program is aimed at increasing public engagement with unincorporated areas of King County and is funded by various agencies through the CSA allocation model. The SCAP section's climate goals are advanced by several initiatives that are designed to improve King County's environmental stewardship of its resources and create the foundation from which the Department can launch other climate mitigation and adaptation initiatives. The SCAP is funded by various agencies through the climate allocation model which is based on greenhouse gas emissions of the paying agencies.

The DNRP Admin appropriation unit A38100 is located in the Solid Waste Operating Fund 000004040. The HHPH Fund is Fund number 000001471.

2017-2018 Problems, Opportunities and Priorities

The 2017-2018 DNR Admin budget includes a consolidation of SCAP costs into a central climate cost center. Previously, these costs were budgeted and paid for by several divisions throughout the County. This change will lead to increased efficiencies in paying invoices and reporting on costs. These central climate related costs include regulatory dues to the Puget Sound Clean Air Agency; funding to support climate partnerships, memberships, reporting and consulting; and funding for four climate staff positions, three of which use existing FTE authority. These positions are the major addition from last biennium; three of the four were recommended in the 2015 King County Strategic Climate Action Plan (SCAP) and the fourth is the existing Director of Climate and Energy Initiatives who is responsible for leading the effort on confronting climate change in the County. These costs are charged to departments based on their operational greenhouse gas (GHG) emissions with DNR and the Department of Transportation paying the majority and Facilities Management Division paying a smaller amount.

Alignment with Executive Strategic Initiatives

Equity and Social Justice

DNR Admin provides leadership and coordination of department Equity and Social Justice (ESJ) efforts by:

- Providing technical assistance for Divisions in applying the Equity Impact Review process/tool, community engagement guide, and related tools
- Mapping the status and trends of determinants of equity that align to DNR functions.
- Evaluating employee survey data and using ESJ audit tools to guide and track workplace practice improvements.
- Developing and delivering training that informs, engages and empowers staff, sections and work units in advancing the ESJ policy intent.
- Coordinating department ESJ team and work program development and monitoring and
- Serving as DNR liaison to the ESJ Inter-branch team and committees.

Strategic Climate Action Plan (SCAP)

In addition to the creation of the SCAP section described above, DNRP Admin is taking these actions in 2017-2018:

- Continue the Carbon Neutral Pilot program to help the department achieve carbon neutrality by 2017. Each division sets aside funds based on a proportion of its energy consumption that is then invested in energy efficiency and GHG reduction projects.
- Continue the Energy Conservation Initiative, which includes providing support and guidance to county agencies on how to reduce energy usage, helping with applying for energy grants, and conducting energy audits at several DNRP facilities to determine where improvements can be made.
- Establish a Green Bond Program to expand the base of investors who invest in King County and generate greater awareness of the climate centric initiatives underway at the County.

Best Run Government

DNRP Admin has created a new Chief Administrative Officer who in addition to tracking division level efforts related to ESJ, SCAP, efficiency, and employee engagement goals within the department, will also ensure that the department's business functions and administrative operations are effectively managed to successfully support the department's services and goals and the County Strategic Plan. This position will increase coordination and collaboration inside and outside of the department. Higher employee engagement corresponds with increased attendance productivity, lower rates of absenteeism, lower turnover, and improved service to customers.

2017-2018 Executive Proposed Operating Budget NATURAL RESOURCES AND PARKS ADMINISTRATION (EN_A38100)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	13,436,591	13,412,187	29.3	0.0
Base Budget Adjustments	267,354	148,933	(0.5)	0.0
Decision Package Adjustments	2,544,645	2,687,470	3.3	0.0
2017-2018 Executive Proposed Budget	16,248,590	16,248,590	32.0	0.0
2017-2018 Executive Proposed Ordinance	16,249,000	16,249,000	32.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_001) Addition of Chief Administrative Officer Addition of a Chief Administrative Officer to the Department of Natural Resources and Parks. This position ensures that the department's business functions and administrative operations are effectively managed to successfully support the department's services and goals and the County's strategic plan. Work is executed in coordination and collaboration with other agencies and stakeholders in King County government and with community partners as appropriate.	461,915	0	1.0	0.0
(DS_002) Increase the Historic Preservation Program's Archaeologist's FTE to 1.0 Increase the Historic Preservation Program's (HPP) Archaeologist FTE from 0.75 to 1.0 to meet the increasing level of demand associated with below-ground environmental reviews due to more agencies becoming compliant with the Cultural Resources Procedures.	0	0	0.3	0.0

2017-2018 Executive Proposed Operating Budget
NATURAL RESOURCES AND PARKS ADMINISTRATION (EN_A38100)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(DS_120) New Central Climate Change Cost Center Create a new cost center in DNRP Admin where central climate-related costs will be located, allowing for increased efficiencies in paying invoices and reporting on costs. These climate costs include membership fees in climate-related organizations, a countywide greenhouse gas inventory update, consulting fees, regulatory dues to the Puget Sound Clean Air Agency, as well as the centralization of the costs for four FTEs to help agencies across the County with climate related activities, including a Climate Engagement Specialist and Climate Preparedness Specialist located in DNRP Admin, and an Energy Policy & Partnerships Specialist and Director of Climate and Energy Initiatives located in the Executive Office. Two of these positions will be FTEs transferred from other divisions and departments: the Climate Engagement Specialist from the Wastewater Treatment Division and the Energy Policy & Partnerships Specialist from Fleet Administration. The Director of Climate and Energy Initiatives position already exists in the Executive Office. The Climate Preparedness Specialist is a new FTE.	2,151,856	2,151,856	2.0	0.0
Technical Adjustments				
(TA_001) Adjust HPP Loan-Out charges to agencies Adjust the amount HPP staff charge out to the other agencies as part of their environmental review work.	(8,936)	0	0.0	0.0
(TA_050) Revenue Adjustments Revise revenues to match current forecasts. Revisions are based on the DNRP overhead model that charges DNRP divisions based on their share of total expenditures for the department.	0	504,489	0.0	0.0
(TA_110) Net Zero Adjustments Net zero changes to reflect current spending patterns.	0	0	0.0	0.0
(TA_198) Motor Pool Dispatch Rental Remove vehicle dispatch rental rates from the Fleet Motor Pool central rate account 55010 and move them into account 55258 Motor Pool ERR SVS. The amount was estimated based on 2015 actual rental billings and revised based on agency need and estimated usage for 2017-2018.	33,000	0	0.0	0.0
(TA_200) Community Services Area Revenue Update Update the collection of revenues for the Community Services Area (CSA) program. Costs for the program increased due to the growth in labor costs (general wage increase, benefits) and central rates. The cost allocation model that determines this revenue collection is based on projected CSA staff hours per agency over the biennium.	0	31,126	0.0	0.0

2017-2018 Executive Proposed Operating Budget
 NATURAL RESOURCES AND PARKS ADMINISTRATION (EN_A38100)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Central Rate Adjustments	(93,190)	0	0.0	0.0
Total Decision Package Adjustments	2,544,645	2,687,470	3.3	0.0

2017-2018 Executive Proposed Operating Budget HISTORIC PRESERVATION PROGRAM (EN_A84600)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	1,532,550	919,470	0.0	0.0
Base Budget Adjustments	(565,000)	0	0.0	0.0
Decision Package Adjustments	128,924	106,368	0.0	0.0
2017-2018 Executive Proposed Budget	1,096,474	1,025,838	0.0	0.0
2017-2018 Executive Proposed Ordinance	1,097,000	1,026,000	0.0	0.0

Notes

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3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Technical Adjustments				
(TA_001) Update Transfer to Historic Preservation Program Update the transfer from the Historic Preservation and Historical Programs (HPP) Fund to the Historic Preservation Program (HPP) in Fund 4040. The HPP fund is the main source of revenue for the HPP program.	128,924	0	0.0	0.0
(TA_050) Revenue Adjustments Revise revenues to match current forecasts. Revisions are based on the Office of Economic and Financial Analysis forecasts for recorded documents.	0	106,368	0.0	0.0
Total Decision Package Adjustments	128,924	106,368	0.0	0.0

2017-2018 Proposed Financial Plan
Historic Preservation & Historical Programs Fund /000001471

Category	2015-2016 Estimated ¹	2017-2018 Proposed Budget ²	2019-2020 Projected ³	2021-2022 Projected ³
Beginning Fund Balance	85,932	135,859	65,223	10,467
Revenues				
Document Recording Fee	994,500	1,023,838	1,103,314	1,171,658
Misc Revenue	2,427	2,000	2,000	2,000
Bond Proceeds Transfer ⁴	500,000			
Total Revenues	1,496,927	1,025,838	1,105,314	1,173,658
Expenditures				
Transfer to Historic Preservation Program	(882,000)	(1,096,474)	(1,160,070)	(1,231,994)
Historic Barns Grant Program	(500,000)			
Transfer to DNRP Admin for the Cultural Resources Protection Project Phase 3 Contract	(65,000)			
Total Expenditures	(1,447,000)	(1,096,474)	(1,160,070)	(1,231,994)
Estimated Underexpenditures				
Other Fund Transactions				
Total Other Fund Transactions	-	-	-	-
Ending Fund Balance	135,859	65,223	10,467	(47,868)
Reserves⁵				
Rainy Day Reserve (30 days)	(59,466)	(45,061)	(47,674)	(50,630)
Total Reserves	(59,466)	(45,061)	(47,674)	(50,630)
Reserve Shortfall	-	-	37,207	98,498
Ending Undesignated Fund Balance	76,394	20,162	-	-

Financial Plan Notes

¹ 2015-2016 Estimated reflect year end information from EBS and are consistent with the Budgetary Fund Balance figures published by OEFA.

For the 2015-2016 Estimated, there is a new adjustment based on the retirement of a tenured staff on May 5, 2016. This Step 10 position was replaced with a new employee at Step 2 late July 2016. The savings from this change reduces the actual expenses for 2015-2016 by \$36K and \$50K charges associated administrative charges for the Historic Barns Grant Program.

² 2017-2018 Proposed Budget is consistent with expenditure and revenue data from Hyperion.

³ Outyear projections assume revenue and expenditure growth based on PSB Financial Planning Expenditure Assumptions and Guidance updated 3/8/2016 and reflect the most recent estimates, including outyear impacts of supplementals, if applicable.

⁴ These bond proceeds are from the 2016 LTGO Taxable Bonds for Cultural Development Authority and used to fund the Historic Barns Grant Program.

⁵ The Rainy Day Reserve is calculated using 30 days of expenditures
This plan was updated by John Walsh on 8/31/16.

PARKS & RECREATION DIVISION

Mission

We steward, enhance and acquire parks to inspire a healthy community.

Overview

The Parks and Recreation Division (Parks) within the King County Department of Natural Resources and Parks (DNRP) encompasses more than 200 park sites, 175 miles of regional trails, 28,000 acres of natural lands and open space, and the White Center Teen and Greenhouse programs. With the help of strong relationships with non-profit, corporate, and community partners, Parks provides recreational opportunities for King County residents and protects our region's public lands, leaving a legacy for future generations.

In August 2013, King County voters approved the 2014-2019 King County Parks, Trails, and Open Space Replacement Levy (Parks Levy) which provides approximately 80 percent of the division's operating revenues, as well as over half of the division's capital funding. The enacting ordinance and associated Parks Levy Task Force directs the expenditures and projects funded by the levy consistent with the division's goals:

1. Take care of King County's existing system of parks and trails, ensuring the system remains clean, safe and open;
2. Grow and connect regional open space and natural lands, protecting habitat important for fish and wildlife and providing recreation opportunities;
3. Improve regional trails and non-motorized mobility, ensuring that essential connections are completed and existing trails are maintained; and
4. Make parks and recreation opportunities more accessible for all King County residents to enjoy.

The *2002 Parks Business Transition Plan* was the original blueprint for the King County Parks system of today which focused its lines of business on regional parks and trails, backcountry trails, natural lands, local parks in the unincorporated areas of King County, partnerships, and entrepreneurial initiatives.

2017-2018 Problems, Opportunities and Priorities

In 2015-2016, the Parks Division worked in collaboration with the Office of Performance, Strategy and Budget on a Line of Business (LoB) planning effort. This process focused on two problems:

1. How can Parks address the gap between its operational resources and the anticipated growth in the region and its inventory, while still addressing the long-term policy commitments when its main source of funding ends in 2019 and without jeopardizing future funding support?
2. How can Parks support and invest in high need communities in order to increase access to parks, facilities, trails, events, etc.?

The plan explored alternatives to address these problems and the budget was developed to include recommended actions or activities to be implemented within the 2017-2018 Biennium. These include proposals that:

- Invest in historically underserved communities through the Equity and Social Justice investments (described in the Alignment with Executive Strategic Initiatives section),
- Build internal capacity to meet future anticipated demand from additional trail miles and open space acquisitions,
- Review maintenance and operation standards and increase efficiency to build internal capacity,
- Improve capital project implementation consistent with levy commitments,
- Prepare for future funding options beyond the current levy period, and
- Support the Strategic Climate Action Plan (SCAP) goal areas and priority actions.

Key opportunities and priorities in 2017-2018 for the Parks Division include:

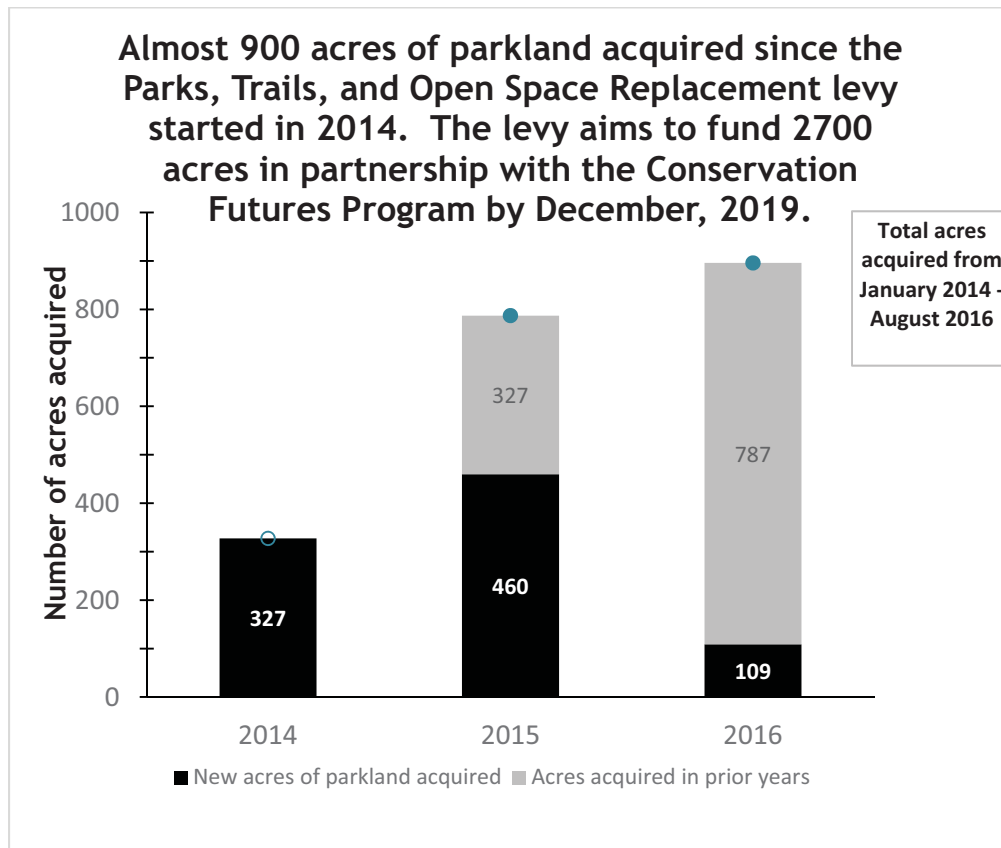
Overall Improved Regional Economy

- Overall, the region's strengthening economy will have a positive effect on the Division:
 - A stronger economy continues to attract people to King County. This increases demand for and use of parks and trails, which also can result in business revenue from user fees and entrepreneurial activities.
 - The assessed value of property in King County has come in higher than forecast during levy planning; higher levy proceeds will enable the division to focus more resources on repair and preservation of its aging infrastructure.

Open Space Acquisitions for Passive/Natural Lands

- King County Parks manages more than 22,000 acres of forest land. Of this acreage, roughly 3,800 acres are designated as working forests and are managed by the division's Forestry Program to balance timber harvests with resource protection and restoration through sustainable and adaptive forest practices. The remaining forestland is dispersed across 18,600 acres of open space sites and ecological natural areas.

- The Parks Levy is further leveraged by matching grants through the local Conservation Futures Tax (CFT) for properties recommended by the Conservation Futures Citizens Committee. Open space acquired through these funds is available for passive recreation.
- Approximately ten percent of the proceeds of the Parks Levy are designated for acquisition over the course of the levy period.
- There has been strategic policy direction to acquire more acres of open space and natural areas. The current growth rate is between 400-600 acres each year with a target of 1,000 acres of growth per year. A strong real estate market has resulted in higher costs for open space acquisitions, which could be a risk to this goal.
- As Parks' inventory of open space grows the need for operating and maintenance of these passive and natural lands will increase.
- This budget includes specific property acquisitions in the capital budget that drive operating budget and FTE increases to support the maintenance needs of a growing system.
- The chart below displays the total number of cumulative acres added to the open space inventory since 2014, the first year of the existing Parks Levy.



Regional Trails

- The Regional Trail System is the largest capital improvement category within the 2014-2019 Parks Levy.
- The 2017-2018 budget proposals continue to invest in the trail system to meet the levy commitments and complete key segments that will help to expand and connect the network of regional trail corridors such as South Sammamish segments along the East Lake Sammamish Trail and the Lake to Sound Trail in south King County.
- This budget proposal also includes major rehabilitation and emergency repairs to soft surface and paved trails throughout the trail system. Paved trail surface improvements for long trail segments can help to extend the lifetime of the trail for many years and also enhance the user experience.

Future Funding Planning

- The current Parks Levy provides clear direction as well as stable funding for the six-year period. This Levy expires at the end of 2019.
- Parks will start planning for future funding in the 2017-2018 biennium. This budget adds necessary resources to begin the preparation of funding options to replace the existing Parks Levy. The Division will gather data in 2017 and convene a task force in 2018 to prepare for presenting funding options in 2019.

Central Maintenance Facility

- The Parks Capital Improvement Program (CIP) budget includes continued funding for design of the new Parks Central Maintenance Facility and implementation of utility improvements at the Renton site.
- The facility is being designed to meet the growing operating and maintenance needs of the Parks system as a result of growth in open space and the regional trails network.
- Once this facility is completed, Parks will relocate crews from the Sunset and Cougar Mountain maintenance facilities, which are in need of replacement; this will avoid future renovation costs of those facilities.
- This facility will be designed with a LEED Platinum standard, per Goal Area 3 in the Strategic Climate Action Plan (SCAP).

Alignment with Executive Strategic Initiatives

Equity and Social Justice

As part of Line of Business planning, Parks explored ways to support and invest in historically underserved communities to increase access to parks, trails, facilities, and events. Until the 2015-2016 biennium, 75 percent (approximately \$2.8 million per year) of the Rental Car Sales tax was devoted to paying debt service on Kingdome roof repair bonds and 25 percent supported Parks' Youth Sports Facilities Grant program. Now that the Kingdome bonds are retired, the 75 percent of Rental Car Sales Tax is available for youth sports activities. The availability of these funds to support historically underserved youth will advance Equity and Social Justice throughout the King County Parks system. The 2017-2018 Proposed Budget provides grants and programming to improve recreational opportunities for underserved youth in King County through the following categories:

- **Recreational Access Grants:** The grants will focus on communities of opportunity to foster youth access to the outdoors and recreation and support participation in youth sports.
- **Parks and Recreation Improvement Grants:** The grants will have a low-to-no match requirement for permanent recreation amenities installed in King County Parks in underserved areas.
- **Recreational programming:** The program will serve Skyway and East Federal Way, providing some programming similar to that delivered through the White Center Teen Program.

As the programs are developed, 2017 will focus on improvements to Skyway Park as well as an Equity in Youth Recreation analysis to assess the barriers that prevent youth from accessing outdoor and other recreational opportunities in order to inform the grant development focus and process. The 2016 unused fund balance will be transferred to the Parks CIP program for investments in Steve Cox ballfields.

The Parks Operating budget includes staffing increases at the White Center Teen Program to provide additional classes and activities for the youth participants, adds funding for internships for low-income students, increases funding for the Greenhouse program to provide opportunities for residents at the YWCA Passage Point House, and reclasses two supported employees in order to expand their job opportunities within the division.

The proposed Parks CIP focuses on regional trail investments such as the Lake to Sound Trail that will expand access to recreation and non-motorized transportation facilities in underserved communities. The Mobility Connections Project also includes two projects in South King County: one in Tukwila and another in Kent.

The proposed Parks CIP also focuses on major maintenance and investments in improving numerous parks countywide, including within the urban unincorporated area. Projects include facilities and structures at Steve Cox Memorial Park, Skyway Park, and playground improvements at Coalfield Park, Maplewood Park, and Dick Thurnau Park; these are all located in historically underserved communities. Additional funding will ensure that ball fields, sport courts, parking lots, and restroom facilities are clean, safe, open, and accessible for park users in many south King County communities.

Strategic Climate Action Plan (SCAP)

The division's proposed CIP demonstrates an on-going commitment to improve sustainability and address the impacts of climate change through a continued focus on open space acquisition and development of regional trails to sequester and reduce carbon emissions.

The division plays an active role in King County's overall conservation vision, cultivating an environmental and stewardship ethos through public land management and recreational opportunities. The division manages 28,000 acres of open space for recreation and conservation and 175 miles of regional trails for recreation and non-motorized transportation. The open space lands are largely in a natural state. Therefore, the division has comparatively few built facilities or systems that contribute to King County's energy consumption. Protecting open space is a priority action in Goal Area 5: Forests and Agriculture in the SCAP. Parks also has an active role in Goal Area 5, measure 2, target 2: plant one million native trees between 2015 and 2020. The 2017-2018 Proposed Budget includes additional funding for the volunteer program to hire seasonal interns to lead volunteer events on King County lands to support this goal.

Regional trails provide a non-motorized transportation alternative to local roadways, reducing vehicle miles traveled and associated fuel consumption and carbon emissions. The SCAP Goal Area 1 on Transportation and Land use has a target of construction of 15 miles of additional regional trails by 2020. As of 2014, 189 miles of regional trails are constructed or open or in final stages of construction, engineering, or design.

The proposed 2017-2018 budget includes the creation of a new program (Parks Energy Efficiency Program) aimed at reducing energy and greenhouse gas emissions, as well as reducing short-term and long-term energy costs. Specific efforts of this program will leverage grant funding to include additional solar installations at the King County Aquatic Center and Steve Cox Memorial Park and retrofitting of existing lighting systems with new LED lighting at a number of Parks facilities, ballfields, and sport courts.

Best Run Government

In 2017-2018 Parks will review maintenance and operations standards and procedures to increase efficiency and build internal capacity to meet forecasted future needs. This includes hiring a Lean Program Manager in the Parks Operations & Maintenance Section to implement and maintain an on-going Continuous Improvement Program for Parks. It also includes an internal special duty assignment within Parks to follow up on the Future of Parks retreat and resource requests to support professional development and cross-training throughout the organization.

Capital Improvement Program

The Parks Division's Capital Improvement Program (CIP) supports open space acquisition and stewardship to enhance King County's natural and ecological lands; the construction and rehabilitation of regional and rural park facilities; and the development of regional and backcountry trails for the benefit of King County residents. The Parks' CIP program is primarily supported by two revenue sources: the 2014-2019 Parks, Trails and Open Space Replacement Levy (Parks Levy), and the Real Estate Excise Tax (REET). In addition, in 2017-2018, the program will be supplemented with revenue from a portion of the Rental Car Sales Tax and various grant awards from the Puget Sound Regional Council and the Washington State Recreation and Conservation Office (RCO).

2017-2018 Executive Proposed Operating Budget PARKS AND RECREATION (EN_A64000)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	82,688,450	83,075,702	202.4	0.0
Base Budget Adjustments	84,682	841,694	0.0	0.0
Decision Package Adjustments	4,463,193	3,504,531	16.8	0.0
2017-2018 Executive Proposed Budget	87,236,326	87,421,927	219.1	0.0
2017-2018 Executive Proposed Ordinance	87,237,000	87,422,000	219.1	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_001) Open Space Stewardship Add two parks specialist II FTE positions and two vehicles to support the growing inventory of open space lands. The 2014-2019 King County Parks Levy included an annual inflation-adjusted allotment for stewardship of newly-acquired natural lands. This represents the 2017 Open Space Stewardship allotment.	470,183	0	2.0	0.0
(DS_002) Arborist Program Create an arborist program for the Parks Division, including two arborist FTEs, two vehicles, a wood chipper, and various supplies. The 2014-2019 King County Parks Levy included an annual inflation-adjusted allotment for stewardship of newly-acquired natural lands. This represents the 2018 Open Space Stewardship allotment.	414,963	0	2.0	0.0
(DS_003) Grounds Crew Triad for Small Capital Projects Add a truck driver, equipment operator, and utility worker to deploy to capital projects. The three positions will work together as a team on projects such as improving ADA accessibility, drainage installation, replacing culverts and fish passages, and demolitions of structures on newly acquired properties.	578,497	746,347	3.0	0.0

2017-2018 Executive Proposed Operating Budget PARKS AND RECREATION (EN_A64000)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(DS_004) Improving Capital Project Implementation Convert five unbudgeted capital project manager TLTs to FTEs and add a business and finance officer II to the capital program. There is demand for continued capital improvements to King County Park facilities well beyond the term of the current levy. The current regional trail system model includes construction of trail segments through 2031. A continuation or acceleration of open space acquisition will also come with the need to build trailheads for public access and recreation. Conversion of TLTs to FTEs will leverage institutional knowledge and build internal capacity.	594,520	0	6.0	0.0
(DS_005) Regional Trail System Development and Management Convert one project manager TLT to an FTE to focus on planning and implementation of the Mobility Connections capital project and support other regional trail system -related projects such as Equity and Social Justice in the regional trail network and multimodal integration of the regional trail system with other modes of transportation. The request also supports implementation of regional trail projects including addressing encroachments along the regional trail right-of-way.	648,969	160,577	1.0	0.0
(DS_006) Increase Staffing to Advance Equity and Social Justice Goals Internally and in the Community Increase staffing at the White Center Teen Program by 1.25 FTEs to provide adequate staffing and additional classes and/or activities for underserved youth participants; add funding for internship opportunities for low-income students; increase funding for the Greenhouse to provide volunteer opportunities for residents at the nearby YWCA Passage Point house; increase FTE authority for two supported employees from part-time to full-time and reclassify these positions from park aide to park specialist I so that they can perform more field work.	615,877	0	1.8	0.0
(DS_007) Strategic Climate Action Plan Implementation Convert a program manager (PPM II) TLT to an FTE to manage natural resource lands in the Bear Creek geographic area. This request also adds resources to contract for additional forestry services, hazardous tree removal, and replacement of small equipment (such as ride-on brush cutters) with greener alternatives to reduce energy and resource use.	568,969	160,577	1.0	0.0

2017-2018 Executive Proposed Operating Budget PARKS AND RECREATION (EN_A64000)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(DS_008) Re-Tree King County Add funding to the Volunteer program to hire work study or undergraduate seasonal interns from the University of Washington Urban Horticulture Program to lead volunteer events on King County lands. This supports the SCAP target to plant one million native trees between 2015 and 2020 as part of the Re-Tree King County program.	200,000	0	0.0	0.0
(DS_120) Central Climate Change Costs Update Adjust the Parks and Recreation Division's share of the central climate-related costs for 2017-2018; these costs include membership fees in climate related organizations, a countywide greenhouse gas inventory update, consulting fees, regulatory dues to the Puget Sound Clean Air Agency, as well as the centralization of costs for four FTEs to help agencies across the county with climate related activities. The allocation methodology is based on greenhouse gas emissions (51 percent DNRP, 45 percent DOT, and 4 percent FMD).	19,286	0	0.0	0.0
Administrative Service Changes				
(AC_001) Best Run Government - Future of Parks Add funding to support professional development and cross-training, overlap staffing to transfer institutional knowledge for employees who are nearing retirement, and supplies and training for emergency preparedness. This increase also adds supplies and a vehicle to support a reclassified lean position to support improvement strategies for parks maintenance and operation.	348,400	0	0.0	0.0
Technical Adjustments				
(TA_001) Adjustments to Account for Inflation and Historical Spending Adjust several accounts for inflation and cost increases including supplies and utilities, and redistribute budget to align with projected and historical spending patterns.	472,993	0	0.0	0.0
(TA_002) Other Vehicle Adds Add four vehicles to replace vehicles currently on short-term loan from Fleet Administration.	163,600	0	0.0	0.0
(TA_003) Surface Water Management / Drainage Fees Increase the utility account for the surface water management fee to reflect additional land coming into the Parks inventory as well as an assumed rate increase in 2017-2018.	491,400	0	0.0	0.0

**2017-2018 Executive Proposed Operating Budget
PARKS AND RECREATION (EN_A64000)**

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(TA_004) Reflect Capital Program Staff Charging to Capital Projects Adjust the budgeting of capital costs to more accurately reflect the way the program costs are recorded in the financial system. Roughly 80 percent of capital program staff is charged directly to capital projects.	(1,046,281)	(1,046,281)	0.0	0.0
(TA_005) DNRP Director's Office Update the DNRP Director's office cost allocation model.	134,550	0	0.0	0.0
(TA_006) Post-2019 Funding Development Add necessary resources to begin preparation of funding options to replace the existing Parks levy, which expires in 2019. The division will gather data in 2017 and convene a task force in 2018 to prepare for presenting funding options in 2019.	224,450	0	0.0	0.0
(TA_050) Revenue Adjustments Adjust account-level revenue projections for 2017 and 2018, including Parks levy proceeds, facility user fees, entrepreneurial endeavors, and capital project reimbursement.	0	3,483,311	0.0	0.0
(TA_110) Net Zero Adjustments Adjust to reflect current spending patterns.	0	0	0.0	0.0
(TA_113) Vacancy Rate Adjustment Reflects the salary savings associated with the natural rate of employee turnover for a given agency and provide greater transparency in the budget.	(934,000)	0	0.0	0.0
(TA_198) Motor Pool Dispatch Rental Remove vehicle dispatch rental rates from the Fleet Motor Pool central rate account 55010 and move them into account 55258 Motor Pool ERR SVS. The amount was estimated based on 2015 actual rental billings and revised based on agency need and estimated usage for 2017-2018.	10,500	0	0.0	0.0
(TA_199) Parking Fees Increase fees at County parking facilities commensurate with local market rates. These changes will affect agencies that pay or reimburse for privately-operated vehicles and for agency-assigned Fleet vehicles that park in the Goat Hill Garage, Chinook Building, KC Correctional Facility, and (as of June 2017) King Street Center.	70,000	0	0.0	0.0

**2017-2018 Executive Proposed Operating Budget
PARKS AND RECREATION (EN_A64000)**

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(TA_200) Community Services Area (CSA) Contribution Update Update this agency's costs in the CSA's cost allocation model, which is based on projected CSA staff hours per agency over the biennium. Overall costs for the program increased due to the growth in labor costs (general wage increase, benefits) and central rates.	(3,070)	0	0.0	0.0
Central Rate Adjustments	419,388	0	0.0	0.0
Total Decision Package Adjustments	4,463,193	3,504,531	16.8	0.0

**2017-2018 Proposed Financial Plan
Parks and Recreation /000001451**

Category	2015-2016 Estimated¹	2017-2018 Proposed Budget²	2019-2020 Projected³	2021-2022 Projected³
Beginning Fund Balance	9,859,629	10,529,491	12,398,182	12,212,194
Revenues				
Levy Proceeds	65,197,381	69,242,287	36,371,735	
Business Revenue	10,609,704	11,255,836	5,882,421	
CIP Reimbursement	3,971,295	6,189,967	3,182,198	
Levy Administration Fee	336,033	633,837	180,000	
Interest Earnings	89,539	100,000	50,000	
Total Revenues	80,203,952	87,421,927	45,666,354	-
Expenditures				
Parks Operations & Maintenance	(71,429,720)	(80,128,157)	(43,132,734)	(12,212,194)
Capital Planning/Land Management	(3,971,295)	(6,189,967)	(3,182,198)	-
Community Partnerships & Grants	(1,687,075)	(1,652,202)	(841,081)	
WSU Cooperative / 4-H	(200,000)	(200,000)	(100,000)	
Vacancy Contra	-	934,000	467,000	
Transfer to Capital Fund 3160 ⁴	(2,246,000)	-	-	
Total Expenditures	(79,534,090)	(87,236,326)	(46,789,013)	(12,212,194)
Estimated Underexpenditures	-	1,683,090	936,670	
Other Fund Transactions				
Total Other Fund Transactions	-	-	-	-
Ending Fund Balance	10,529,491	12,398,182	12,212,194	-
Reserves				
Rainy Day Reserve ⁵	(9,941,761)	(10,904,541)	(11,697,253)	
Business Revenue Contingency ⁶	(1,000,000)	(1,000,000)	(500,000)	
Total Reserves	(10,941,761)	(11,904,541)	(12,197,253)	-
Reserve Shortfall	412,270	-	-	-
Ending Undesignated Fund Balance	-	493,642	14,941	-

Financial Plan Notes

¹ 2015-2016 Estimated reflects updated revenue and expenditure estimates that are consistent with 2015 actual expenditures and 2016 spending patterns year-to-date.

² 2017-2018 Proposed Budget is consistent with expenditure and revenue data from Hyperion.

³ Out-year projections assume revenue and expenditure growth based on the 2014-2019 Parks Levy model and the August 2016 OEFA forecast. The 2019-2020 Projected column only includes revenue and expenditures for 2019, when the 2014-2019 Parks, Open Space, and Trails Replacement Levy expires. The out-year forecasts assume no other revenues are received because of the difficulty of projecting how the Parks Division would operate without a levy.

⁴ In the 2016 Mid-Biennial Adjustment, the Parks Division requests transferred \$2.246 million of accumulated, unspent business revenues in the fund balance to purchase a surplus property owned by the King County Road Services Division.

⁵ The Rainy Day Reserve will equal three-months of budgeted expenditures by the end of the 2014-2019 Levy, in compliance with Motion 13764.

⁶ The 2014-2019 Parks Levy Model assumes a 3% annual growth in business revenues (which includes proceeds earned from user fees and entrepreneurial initiatives). This contingency reserves additional fund balance in the event business revenues do not meet its annual target.

⁷ This plan was updated by J. Lehman on August 26, 2016.

2017-2018 Executive Proposed Operating Budget PARKS OPEN SPACE AND TRAILS LEVY (EN_A64200)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	134,226,888	132,680,482	0.0	0.0
Base Budget Adjustments	672,086	2,218,492	0.0	0.0
Decision Package Adjustments	7,574,867	7,203,278	0.0	0.0
2017-2018 Executive Proposed Budget	142,473,841	142,102,252	0.0	0.0
2017-2018 Executive Proposed Ordinance	142,474,000	142,103,000	0.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Technical Adjustments				
(TA_001) Technical Adjustment Adjust appropriation authority to distribute levy proceeds from the proposed levy ballot measure to various organizations, as outlined in Ordinance 17568. Proceeds will be distributed as follows: 48.6 percent to the Parks Operating Fund, 37.4 percent to the Parks Capital Fund, 7 percent to cities within King County, and 7 percent to the Woodland Park Zoo.	7,831,836	0	0.0	0.0
(TA_050) Revenue Adjustments Revise budgeted revenue to reflect 99 percent of the August 2016 OEFA Parks Levy forecast.	0	7,203,278	0.0	0.0
Central Rate Adjustments	(256,969)	0	0.0	0.0
Total Decision Package Adjustments	7,574,867	7,203,278	0.0	0.0

2017-2018 Proposed Financial Plan
Parks Open Space and Trails Replacement Levy /000001453

Category	2015-2016 Estimated¹	2017-2018 Proposed Budget²	2019-2020 Projected³	2021-2022 Projected³
Beginning Fund Balance	1,486,322	371,590	-	-
Revenues				
2014-2019 Parks Levy	133,039,157	142,052,252	75,261,150	-
Interest Earnings	73,000	50,000	25,000	-
Total Revenues	133,112,157	142,102,252	75,286,150	-
Expenditures				
Parks Operating Fund 1451	(65,098,593)	(69,242,287)	(36,589,069)	-
Parks Capital Fund 3581	(49,595,483)	(52,752,365)	(27,875,450)	-
King County Cities	(9,561,745)	(9,873,437)	(5,217,330)	-
Woodland Park Zoo	(9,329,459)	(9,923,303)	(5,243,680)	-
Levy Administration	(641,610)	(682,450)	(360,621)	-
Total Expenditures	(134,226,889)	(142,473,842)	(75,286,150)	-
Estimated Underexpenditures				
Other Fund Transactions				
Total Other Fund Transactions	-	-	-	-
Ending Fund Balance	371,590	-	-	-
Reserves⁴				
Total Reserves	-	-	-	-
Reserve Shortfall	-	-	-	-
Ending Undesignated Fund Balance	371,590	-	-	-

Financial Plan Notes

¹ 2015-2016 Estimated reflects updated revenue and expenditure estimates that are consistent with 2015 actual expenditures and 2016 spending patterns year-to-date.

² 2017-2018 Proposed Budget is consistent with expenditure and revenue data from Hyperion, as well as the levy's enacting ordinance #17568.

³ Out-year projections assume revenue and expenditure growth based on the 2014-2019 Parks Levy model and the August 2016 OEFA forecast. The 2019-2020 Projected column only includes revenue and expenditures for 2019, when the 2014-2019 Parks, Open Space, and Trails Replacement Levy expires.

⁴ There are no reserves for this fund.

⁵ This plan was updated by J. Lehman on August 22, 2016.

2017-2018 Executive Proposed Operating Budget YOUTH SPORTS FACILITIES GRANT (EN_A35500)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	2,506,223	1,765,246	1.0	0.0
Base Budget Adjustments	(698,141)	9,846	0.0	0.0
Decision Package Adjustments	8,296,943	8,382,653	4.0	2.0
2017-2018 Executive Proposed Budget	10,105,025	10,157,745	5.0	2.0
2017-2018 Executive Proposed Ordinance	10,106,000	10,158,000	5.0	2.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_001) Recreational Access Grants Provide grants to historically underserved youth to facilitate access to the outdoors and recreation, and support participation in youth sports. Add 1.5 project program manager III FTEs to manage and promote the grant process. Conduct an Equity and Youth Recreation analysis to assess barriers which prevent youth from accessing outdoor and other recreational opportunities to inform the grant program and process.	2,602,815	2,602,815	1.5	0.0
(DS_002) Park and Recreation Improvement Grants Provide grants for permanent recreation amenities installed within King County Parks that serve historically underserved communities. Add 0.5 project program manager III FTE to manage and promote the grant process. Fund improvements in Skyway Park while the program is developed.	1,401,516	1,401,516	0.5	0.0
(DS_003) Recreation Programming Add two recreational specialist FTEs and two recreational specialist TLTs to serve low-income areas in King County through direct programming for youth.	1,827,978	1,827,977	2.0	2.0

**2017-2018 Executive Proposed Operating Budget
YOUTH SPORTS FACILITIES GRANT (EN_A35500)**

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(DS_004) Capital Transfer for Steve Cox Park Improvements Transfer fund balance collected in 2016 to the Parks Capital Improvement Program for synthetic turf replacement and other improvements at Steve Cox Park.	2,000,000	2,000,000	0.0	0.0
Technical Adjustments				
(TA_001) Technical Adjustment Align expenditures available for the Youth Sports Facilities Grant programming with 25 percent of the August 2016 Rental Car Sales Tax OEFA forecast.	427,675	0	0.0	0.0
(TA_002) Revenue Adjustment Revise budgeted revenue to reflect 75 percent of the August 2016 Rental Car Sales Tax OEFA forecast	0	253,579	0.0	0.0
(TA_050) Revenue Adjustment Revise budgeted revenue to reflect 25 percent of the August 2016 Rental Car Sales Tax OEFA forecast.	0	296,766	0.0	0.0
Central Rate Adjustments	36,960	0	0.0	0.0
Total Decision Package Adjustments	8,296,943	8,382,653	4.0	2.0

2017-2018 Proposed Financial Plan
Youth Sports and Recreation Fund¹/000001290 - 000001291

Category	2015-2016 Estimated²	2017-2018 Proposed Budget³	2019-2020 Projected⁴	2021-2022 Projected⁴
Beginning Fund Balance	\$3,473,483	\$2,905,212	\$2,957,930	\$2,972,460
Revenues				
Rental Car Sales Tax	\$1,903,723	8,114,518	8,463,239	8,899,219
Fund Balance Transfer from Fund 8400		\$2,000,000		
Interest Earnings ⁵	\$34,228	\$43,227	\$75,061	\$115,199
Total Revenues	\$1,937,951	\$10,157,745	\$8,538,300	\$9,014,418
Expenditures				
Youth Sports Facility Grants Program ⁶	(\$2,157,094)	(\$2,272,717)	(\$2,187,238)	(\$2,335,462)
Recreational Grants and Programming ⁷	(\$349,129)	(\$5,832,310)	(\$6,336,532)	(\$6,660,790)
Transfer to Parks Capital Fund		(\$2,000,000)		
Total Expenditures	(\$2,506,223)	(\$10,105,027)	(\$8,523,770)	(\$8,996,252)
Estimated Underexpenditures				
Other Fund Transactions				
Total Other Fund Transactions	\$0	\$0	\$0	\$0
Ending Fund Balance	\$2,905,212	\$2,957,930	\$2,972,460	\$2,990,626
Reserves				
YSFG Endowment (sub-fund 1291) ⁵	(\$2,619,825)	(\$2,619,825)	(\$2,619,825)	(\$2,619,825)
Rainy Day Reserve ⁸	(\$80,748)	(\$338,105)	(\$352,635)	(\$370,801)
Total Reserves	(\$2,700,573)	(\$2,957,930)	(\$2,972,460)	(\$2,990,626)
Reserve Shortfall	\$0	\$0	\$0	\$0
Ending Undesignated Fund Balance	\$204,639	\$0	\$0	\$0

Financial Plan Notes

¹ Proposed Budget includes legislation with a code revision that broadens the scope of this fund to be able to receive and expend the remaining 75% of the rental car sales tax on recreational grants and programming, effective January 1, 2017.

² 2015-2016 Estimated reflects updated revenue and expenditure estimates that are consistent with 2015 actual expenditures and 2016 spending patterns year-to-date.

³ 2017-2018 Proposed Budget is consistent with expenditure and revenue data from the Hyperion budgeting system, as well as proposed ordinance 2016-xxxx.

⁴ Outyear projections assume revenue projects based on the July 2016 forecast from the Office of Economic and Financial Analysis.

⁵ Interest earnings in this financial plan are assumed to come strictly from the YSFG Endowment, totaling \$2,619,825, which resides in subfund 1291. Interest from the endowment automatically transferring to Fund 1290 to help finance the YSFG program.

⁶ 25% of rental car sales tax proceeds are to develop, renovate or repair sports facilities primarily serving persons under twenty-one years of age in low and moderate income communities within county via an annual request for proposal process.

⁷ The remaining 75% of proceeds shall be used to provide grants and programming that increase recreational opportunities for youth in low and moderate income communities and communities of color in King County.

⁸ Prior to 2017, the Rainy Day Reserve for this fund was calculated as one month of Total Revenues (1/24th). Starting in 2017, the Rainy Day Reserve will be calculated as one month of Rental Car Sales Tax proceeds to simplify the break-out between the fund's two uses.

⁹ The financial plan was updated by J. Lehman on August 22, 2016.

CAP SUMMARY REPORT

2017-2018 Biennial - Executive Proposed

3160 FMD-PARKS,REC,OPEN SPACE - Parks and Recreation

Project Number	Project Name Class Code	Tech Adj	FY17-18	Current Scope
1039583	PKS AUDITOR CPO ADMIN		\$8,982	Auditor Capital Project Oversight - Biennial allocation of Council Auditor Capital Project Oversight costs.
1039611	PKS M:PARKS FACILITY REHAB PROGRAMMATIC		\$1,536,530	<p>Parks Facility Rehabilitation - This on-going project implements recommendations identified in the 2012 Major Maintenance Reserve Study as well as emerging major maintenance needs throughout the county's parks system.</p> <p>This appropriation provides design, permitting and construction funds to address project needs in a variety of areas around the park system.</p>
1039848	PKS ASSOC DLVP/ PARTNER PM PROGRAMMATIC		(\$500,000)	<p>Community Partnership Grants - The Community Partnerships and Grants (CPG) Program provides funding for strategic partnerships that result in the development of new regional recreation facilities. The grants allow community based organizations to plan, design, permit, and construct recreation facilities on King County Parks land. This appropriation will fund those grants. The CPG program also handles the program management for these projects. CPG is an ongoing, annual program. It started in 2003.</p> <p>This requested amount has two offsetting requests totaling - \$500,000. One request of \$500,000 will be used to fund partnership opportunities for community groups in 2018. The other request is a technical adjustment to disappropriate \$1,000,000 that was budgeted in 2015-16 biennium as repayment of an inter-fund loan. Repayment of inter-fund loans does not occur as a budgeted expenditure but rather as a reduction to the loan balance as the anticipated revenue is received.</p>
1046228	PKS ACQN EVALTNS MASTER PROGRAMMATIC		\$200,000	Acquisition Evaluations Master - provides due diligence funding to evaluate and implement strategic open space acquisitions (either fee or easement).
1046229	PKS M:MARYMOOR FIELDPARTNER PROGRAMMATIC	✓	(\$571,592)	Marymoor Field Partnership - The project funded conversion of ballfields at Marymoor Park to synthetic turf in 2007, as well as a Baseball Fields Reconfiguration Study to develop viable options to increase the year-round multi-sports playability and revenue generating opportunities for the Baseball Fields 3, 4 and 5. Both projects are complete.
1121442	PKS M:CIP MITIGATION MONITORNG PROGRAMMATIC		\$640,500	<p>CIP Mitigation Monitoring - The CIP Mitigation Monitoring Program covers mitigation site monitoring, including evaluating health of native plantings and measuring native plant coverage; maintenance, including invasive plant removal and watering, and preparation of annual reports to regulatory agencies for review and approval.</p> <p>The 2017/2018 budget request is to fund mitigation site maintenance and monitoring program that will fulfill long term environmental commitments and on-going obligations related to permit conditions on completed major capital projects.</p>

CAP SUMMARY REPORT

2017-2018 Biennial - Executive Proposed

1122161	PKS M: CENTRAL MAINT FACILITY PROGRAMMATIC		\$6,700,000	Central Maintenance Facility - This project will fund the programming, siting, and design of new King County Parks Central Maintenance facilities and associated site re-development. This project also provides funding for partial construction of underground site utilities. Construction funding for site development will create new infrastructure meeting minimum code and municipal requirements including connecting to the municipal sewer system, connecting to separate fire and water services, provision of adequate power distribution system, and stormwater facilities. Project also includes construction of fleet and equipment parking, vehicle parking, and yard storage to the extent feasible on the 5.7 acre site while maintaining two existing buildings in continuous operations. This project will prepare the 5.7 acre site for a future construction phase which will replace the existing buildings with newer facilities.
1122162	PKS M: SYNTHETIC TURF REPLACE PROGRAMMATIC	✓	(\$1,321,648)	Synthetic Turf Replacement - This project plans for and creates a reserve to ensure timely repair/replacement of synthetic turf fields in King County's park system.
1129678	PKS GRANT CONTINGENCY 3160 ADMIN		\$868,750	Grant Contingency 3160 - This is a new project to provide Parks with more flexibility on the budget side to deal with both anticipated and unanticipated future grant opportunities. The Grant Contingency request is being split between the two capital funds in Parks. A smaller portion of the Grant Contingency request is in Fund 3160 as compared to Fund 3581.
1129686	PKS M: SMALL CAPITAL PROGRAMMATIC		\$3,153,596	<p>Small Capital - The Small Capital program is an on-going project that funds emergent and time critical small capital construction or major maintenance with the use of in-house county forces. This project is known as Small Contracts and is currently in Fund 3490, Parks Facility Rehab. The current plan is to close Fund 3490 by year-end to consolidate projects and improve efficiency. The Small Capital program, previously referred to as "Small Contracts", will be created in Fund 3160 to carry on the scope of the Small Contracts project.</p> <p>This appropriation request funds for the design and implementation of emergent priority small projects in the Park System. High Priority projects included in this request include: high priority small culvert replacement projects, ongoing ADA pathway accessibility improvement projects, demolitions, Parks system signage, reroofing projects, fencing, shelters, and kiosks.</p>
1130265	PKS PRESTON ATHLETIC FIELDS STANDALONE		\$650,000	Preston Athletic Fields - This project will fund the timely repair/replacement of synthetic turf at two fields at Preston Athletic Fields in partnership with the Eastside Football Club. The fields were initially installed in 2008.
1130266	PKS MARYMOOR PARK FIELDS STANDALONE		\$2,400,000	Marymoor Park Fields - This project will fund the timely repair/replacement of synthetic turf at four fields at Marymoor Park. The fields were initially installed in 2008.
3160 - FMD-PARKS, REC, OPEN SPACE		Total	\$13,765,118	
3581 PARKS CAPITAL - Parks and Recreation				

CAP SUMMARY REPORT

2017-2018 Biennial - Executive Proposed

Project Number	Project Name Class Code	Tech Adj	FY17-18	Current Scope
1044590	PKS BEAR CREEK WATERWAYS STANDALONE		\$349,695	Bear Creek Waterways - This project seeks to acquire key parcels for the protection and conservation of riparian habitat, floodplain, and adjacent wetlands in the Bear Creek Basin and improve public access to new and existing King County park lands.
1044592	PKS CAPITAL PROJECT OVERSIGHT ADMIN		\$50,341	Capital Project Oversight - Biennial allocation of Council Auditor Capital Project Oversight costs.
1044596	PKS COUGAR MTN PRECIPICE TRL STANDALONE		\$350,000	Cougar Mountain Precipice Trail - This project is to acquire the remaining 13 inholding parcels on the northeastern edge of Cougar Mountain Regional Wildland Park that would connect existing King County owned lands to the Talus Natural Area and other public lands.
1044598	PKS COUGAR-SQUAK CORRIDOR PEL STANDALONE		\$550,000	Cougar-Squak Corridor - Acquire approximately 28 acres (2 parcels) between Cougar-Squak, Talus Open Space, and Squak Mountain State Park, and adjacent to Cougar/Squak Corridor on the west, just south of Issaquah.
1044600	PKS M:E Lake Samm Trail PROGRAMMATIC		\$9,971,781	<p>East Lake Sammamish Trail (ELST) - The purpose of the ELST project is to design and construct an alternative non-motorized transportation corridor and a multi-use recreational trail along the former railroad corridor on the east side of Lake Sammamish.</p> <p>This request seeks appropriation authority for a \$500,000 state RCO (Recreation and Conservation Office) grant in WWRP (Washington Wildlife and Recreation Program) for a portion of the construction funding to construct the 1.3-mile South Sammamish Segment A. The project is located between SE 43rd St. and SE 33rd St. in the City of Sammamish.</p> <p>This request also seeks appropriation authority to:</p> <ol style="list-style-type: none"> 1) Provide the remaining construction funding to construct the 1.3-mile South Sammamish Segment A. The project is located between SE 43rd St. and SE 33rd St. in the City of Sammamish. 2) Complete preliminary and final design including permitting on South Sammamish Segment B, the last segment of the trail located between Inglewood Hill Road and SE 33rd in the City of Sammamish. These segments (A & B) are the fourth and fifth phases of a multi-phase Master Plan trail that will complete the entire 11-mile trail corridor and directly connect the cities of Redmond, Sammamish, and Issaquah. The ELST is a vital part of a 44-mile urban, regional trail system extending from Puget Sound in Seattle to the Cascade Foothills.
1044668	PKS FOOTHILLS REGIONAL TRAIL STANDALONE		\$4,811,000	<p>Foothills Regional Trail - This project will connect the Foothills Trail in Pierce County to the Foothills Trail in King County. The design phase was initiated in 2016 for a 1.1 mile hard surfaced trail segment from 252nd street along the abandoned Burlington Northern Santa Fe Railway line to Mud Mountain Road and a short 750 foot long approach from Mud Mountain Road to the White River, including crossing of the river.</p> <p>This appropriation request funds construction phase of the hard surfaced trail segment. This appropriation request also includes funds</p>

CAP SUMMARY REPORT

2017-2018 Biennial - Executive Proposed

				for the design of a new bridge crossing the White River pending grant funds from WA State Recreation and Conservation Office (RCO). The scope may be adjusted based on future funding availability.
1044743	PKS LWR CEDAR CONS AREA-PEL STANDALONE		\$530,000	Lower Cedar Conservation Area - Acquire four parcels (15 acres) as additions to Dorre Don Reach Natural Area, east of Maple Valley on the Cedar River.
1044750	PKS MITCHELL HILL DUTHIE STANDALONE		\$500,000	Mitchell Hill Forest Additions - Fee simple acquisition of parcels near Mitchell Hill Forest, including two parcels owned by King County Roads. This appropriation provides funding to acquire up to 126 acres of forested open space that will connect King County's Mitchell Hill Forest with adjacent WADNR lands. Located between Issaquah and Preston.
1044755	PKS PATTERSON CREEK ADDTN-PEL STANDALONE		\$25,000	Patterson Creek Addition - This project will acquire high value habitat parcels for addition to the Patterson Creek Natural Area, including Washington State DNR surplus parcels and other parcels targeted to preserve Patterson Creek and associated wetland. Fee simple acquisition of the remaining 39-acre WADNR parcel (located inside the UGA), to be added to Patterson Creek Natural Area. Primarily WRIA 8, portion in WRIA 7.
1044835	PKS REGIONAL OPEN SPACE INITI PROGRAMMATIC		\$7,474,000	Regional Open Space Initiative - The Regional Open Space Acquisition Initiative will preserve and restore hundreds of acres of natural lands throughout the county, providing environmental benefits and recreational opportunities that will enhance the quality of life for King County residents. Project proposals are consistent with the Conservation Futures Tax (CFT) Committee recommendations.
1047185	PKS ENUMCLAW FORESTED FOOTHIL STANDALONE	✓	(\$166,000)	Enumclaw Forested Foothills - This project is to acquire a publicly owned access point into the White River Forest in Southeast King County. This budget request will reallocate a portion of the unused balance to a project 1123928 PKS M: SNO CORR REC PTNSHP and reserve in Parks Capital Fund 3581.
1112621	PKS South County Regional Trail PROGRAMMATIC		\$1,356,208	Lake-To-Sound Trail (South County Regional Trail) - The Lake to Sound Trail is collaboration between King County and five south county cities (Renton, Tukwila, Burien, SeaTac and Des Moines) to develop a 16-mile trail from Lake Washington to Puget Sound. The project is divided into multiple segments to allow phasing of design and implementation. This proposed budget request is to fund Final Design for Segment C and Preliminary Designs for Segments D & E.
1114767	PKS SNOQUALMIE-FALL CITY REACH STANDALONE		\$371,000	Snoqualmie-Fall City Reach - Fee or easement acquisitions of 207 acres on the Snoqualmie River, downstream of the Raging River in the Fall City area. Acquisitions by King County will enable one or more salmon restoration projects, such as restoration of historic side channels, removal of revetment or levee facilities and setback projects.

CAP SUMMARY REPORT

2017-2018 Biennial - Executive Proposed

1114769	PKS ISSAQUAH CREEK PROTECTION STANDALONE	✓	(\$205,000)	Issaquah Creek Protection - The Parks Division will acquire a 25-acre parcel on Issaquah Creek, located several miles southeast of Issaquah. This budget request will reallocate unused balance to a project 1044743 PKS LWR CEDAR CONS AREA-PEL in Parks Capital Fund 3581.
1114770	PKS SOOS CREEK REGIONAL PARK STANDALONE	✓	\$0	Soos Creek Regional Park - This project builds on a 2013 acquisition feasibility study to acquire lands for the southward extension of Soos Creek Park and Trail, and awards made for properties along Soos Creek. The target parcel is located within the habitat protection corridor between Kent and Covington, and into rural King County. This funding request would acquire over one-half mile of the Soos Creek corridor and associated Category 1 wetland, as combined with a recent 2015 purchase of adjacent land located on the southern boundary of Covington. Scope is being expanded to include parcels owned by Washington State Department of Transportation on Soosette Creek in the Lower Soos Creek basin, 1.5 miles southwest of original project site. These parcels contain the stream corridor and surrounding forest.
1116947	PKS MIDDLE FORK SNOQ NA ADD STANDALONE		\$59,305	Middle Fork Snoqualmie Natural Area Add - This project will fund acquisition by King County of approximately 6.5 acres as an addition to King County's Middle Fork Snoqualmie Natural Area.
1116951	PKS WETLAND 14 STANDALONE		\$330,000	Wetland 14 Natural Area - Acquire an inholding at Wetland 14 Natural Area, and additions to Spring Lake/Lake Desire Park.
1116958	PKS MAURY IS ADDITIONS STANDALONE		\$500,000	Maury Island Additions - The Parks Division will acquire fee on five targeted parcels (one owner, 40 acres) adding to Maury Island public lands.
1121155	PKS M: EASTSIDE RAIL CORR (ERC) PROGRAMMATIC		\$7,503,000	Eastside Rail Corridor - Master Planning of the King County-owned portion of the Eastside Rail Corridor (ERC) Regional Trail Project began in 2014 and will be completed in late 2016. The Eastside Rail Corridor was once owned by the Burlington Northern Santa Fe (BNSF) Railroad. King County's ownership is in the rail banked portion of the ERC, which extends from Renton north to Woodinville. King County also owns a 3.6 mile trail easement between Woodinville and Brightwater. The County has worked with its ERC partners as part of a Regional Advisory Council to establish policy guidelines for coordinated planning for the corridor. The goal of the King County Parks ERC Regional Trail project is planning, design, and construction of a continuous trail in the ERC. Segments owned by other owners (Kirkland and Redmond) already are in construction. This appropriation funds the following: preliminary and final design on the Wilburton Segment of the ERC Regional Trail (between I-90 and 108th Avenue NE); completes final design on the NE 8th Street trail bridge in Bellevue; designs and constructs trail retrofits and repairs to trestles in the Lakefront Segment of the ERC (from I-90 south to Milepost 5 in Renton); designs and constructs parking areas for the trail in the Lakefront Segment, and sections of interim trail.
1121443	PKS M: TRAILHEAD DEV & ACCESS		\$6,454,778	Trailhead Development and Access - The scope of this project includes needed trailhead and access development at park/trail locations

CAP SUMMARY REPORT

2017-2018 Biennial - Executive Proposed

	PROGRAMMATIC			<p>throughout the King County Parks system to provide access to 185 miles of maintained backcountry trails.</p> <p>The proposed funding will complete design, permitting, and construction on five high priority trailhead projects. When complete in 2019, a total of 11 new trailheads will be constructed by this program.</p>
1121444	PKS M:STEVE COX MEMORIAL PARK PROGRAMMATIC		\$2,098,728	<p>Steve Cox Memorial Park - The project consists of four renovations throughout the park as recommended in the 2008 Major Maintenance Study and the 2012 update: 1) Convert the multi-purpose ballfield from grass to synthetic turf including infrastructure upgrades such as lights and drainage upgrades; 2) Replacement of the 2,200 square foot built-up roof and 1,000 square foot perimeter cedar shake mansard roof at the racquetball court building; 3) Complete rehabilitation of the existing 38,000 square foot parking lot. The scope of work includes the preparation and repair of existing asphalt/subgrade defects, asphalt overlay, striping and the replacement of spalling wheel stops; 4) The stadium is in a state of deterioration due to water/weather intrusion. This project would replace the existing roof surface, repair existing roof framing, replace and add necessary gutters and downspouts, re-seal weather damaged CMU (concrete masonry unit) exterior walls, replace water damaged wallboard, flooring and doors in the press box area.</p> <p>This appropriation will fund completion of design and construction on the conversion of the grass field to synthetic turf including lighting and drainage.</p>
1121445	PKS M:NEWAUKUM/BIG SPRING CRK STANDALONE		\$400,000	<p>Newaukum Big Spring Creek - This project is ongoing restoration work in the basin: the major CIP work on Big Spring Creek and the small-scale plantings and restoration which have planted >200,000 trees along Big Spring and Newaukum Creeks since 2007. Building the size of this natural area expands public land where beaver can recolonize sites and act as agents for restoration, thereby potentially reducing future drainage complaints on private lands.</p> <p>This request is to acquire approximately 36 acres (2 parcels) as additions to King County Parks' Big Spring/Newaukum Creek Natural Area. Parcels located fully or partially within Enumclaw. These acquisitions support ongoing restoration work in the basin.</p>
1121451	PKS M:GRIFFIN CREEK NA STANDALONE		\$70,000	<p>Griffin Creek Natural Area - This project would fund the fee simple acquisition of a 1.67-acre parcel addition to the Griffin Creek Natural Area, southeast of Carnation. Ongoing acquisition project to acquire missing links in the protection of Griffin Creek and connect two separate portions of Griffin Creek Natural Area.</p>
1121452	PKS M:PINER POINT NATURAL AREA STANDALONE		\$350,000	<p>Piner Point Natural Area - The project will acquire 4 parcels (8 acres) in fee as additions to Piner Point Natural Area.</p>
1121454	PKS M:RTS GATEWAYS/TRAILHEADS PROGRAMMATIC	✓	(\$573,545)	<p>Regional Trail Systems Transfer - This budget request will transfer the amount to fund activities associated with an Asset Management system project (1124055 in Fund 3581, Parks Capital)</p>

CAP SUMMARY REPORT

2017-2018 Biennial - Executive Proposed

1121455	PKS M:RTS MOBILITY CONNECTIONS PROGRAMMATIC		\$2,749,850	Regional Trail System Mobility Connections - Mobility Connections (MCs) are defined in the Regional Trails System (RTS) Network Vision (2012) as connections from existing and planned regional trails to important destinations - transit centers, city centers, and other regional destinations throughout the County. MCs are envisioned as new urban trails or on-road bike/ped facilities or other innovative approaches to extend the safety and mobility benefits of the regional trails to these important destinations. This project will continue to investigate the feasibility and plan these bicycle and pedestrian links from the RTS and will provide funding for up to four MC projects throughout the County in 2017-2018. Additional work program items relating to Mobility Connections and the Regional Trails System, such as MUTCD wayfinding and data collection and analysis, are also continuing to be funded through this project.
1121498	PKS M:PLAYAREA REHAB PROGRAMMATIC		\$1,003,500	<p>Play Area Rehabilitation Program - The project will fund the removal, rehabilitation, and upgrade of play structures and safety surfacing at regional, rural and UGA parks throughout the King County Parks system, as needed for safety. Depending on the current condition of a play area, rehabilitation will vary from full replacement of equipment and safety surfacing for some play areas, to partial equipment or surfacing replacement in other areas.</p> <p>Carryover from 2016 will be used to finish the rehabilitation of Skyway. Six additional play areas are targeted for rehabilitation in 2017 and 2018. The play areas in this scope include Coalfield, Maplewood, Marymoor South (both 2-5 year and 5-12 year areas), Lakewood/Dick Thurnau, and Redmond Ridge. ADA access to the play areas will also be enhanced as needed.</p>
1121499	PKS M:BRIDGE&TRESTLE PROGRAM PROGRAMMATIC		\$2,700,000	<p>Bridge and Trestle Program - The Bridge and Trestle program is an ongoing effort to inspect, enhance, repair and replace (as needed) the bridge and trestle structures associated with King County Parks' Regional Trails System.</p> <p>The 2017-2018 requests includes funding for program administration, inspections, load ratings, and small repairs. This project also funds the replacement of a 96 foot trestle (#2178-29) on the Snoqualmie Valley Trail.</p>
1121500	PKS M:REG TRL SURFACE IMPR PROGRAMMATIC		\$3,616,035	Regional Trail Surface Improvement Program - This project will fund major rehab and emergency repairs to soft surface and paved trails throughout the 175-mile Regional Trails System (RTS). This work will include major resurfacing and repairs that exceed normal maintenance and will allow the Division to respond to emergency repairs or unforeseen trail issues as they occur to ensure trail usability and safety. The primary scope of work includes sub-base remediation, installation of root barrier, removal of and/or the repair/replacement of existing asphalt surfaces as applicable at multiple trail locations. This appropriation request also includes approximately \$3M worth of asphalt overlays of long trail segments and extends the trail lifetime for an additional 10-15 years.
1123804	PKS M:GRN RVR TR EXT PROGRAMMATIC		\$500,000	Green River Trail Extension - The Green River Trail currently ends at the Cecil Moses Memorial Park along the Duwamish River. The Green River Trail Extension will create a north-south trail connection

CAP SUMMARY REPORT

2017-2018 Biennial - Executive Proposed

				<p>adjacent to W Marginal Way Pl S between Cecil Moses Memorial Park and the City of Seattle limits.</p> <p>The 2017/2018 budget request will fund the Design Development and Environmental Permitting phase of the project. At the end of this phase additional funding appropriation will be required to develop construction contract documents for advertisement and bidding.</p>
1123892	PKS M: BALLFLD, SPRT CRT REHAB PROGRAMMATIC	✓	(\$460,000)	<p>Ballfield and Sport Court Rehabilitation Program - This is a maintenance program to address the backlog of dilapidated ball field and sports court facilities throughout the King County Parks system. The scope of work includes drainage repair (or turf conversion), subgrade/drainage repair, asphalt resurfacing and ADA accessibility improvements. New lighting systems will be installed, providing greater energy efficiency and safe, uniform lighting levels for the users.</p> <p>This budget request will transfer the amount to Parks Energy Efficiency Project in Fund 3581, Parks Capital fund.</p>
1123894	PKS M: PK LOT & PTHWY RHB PROGRAMMATIC		\$1,338,500	<p>Parking Lot and Pathway Rehabilitation Program - This project will allow the Division to bring parking lots and pathways up to current design and safety standards. Major elements of the project include ADA accessibility, sub-base repair, paving, tree removal and installation of root barrier as needed.</p> <p>This appropriation funds design, permitting, and construction of pavement improvement projects in high priority locations within King County's Parks system. It also includes a feasibility study to address parking demands at and around county parks including but not limited to Petrovitsky Park.</p>
1123895	PKS M: BLDG STRUCTURE PROGRAMMATIC		\$566,765	<p>Building Structure Program - This project will assess, evaluate, rehabilitate and/or replace existing park buildings, systems, and facilities in order to ensure the safety of the public and staff.</p> <p>High priority projects in this 2017/18 appropriation request include capital investments in safety and systems at buildings and facilities located in the Cougar/Squak Corridor and Tolt MacDonald Park.</p>
1123896	PKS M: DRNGE/SWR/WTR SYSTM RHB PROGRAMMATIC		\$858,000	<p>Drainage, Sewer, Water System Rehabilitation Program - This project will assess, evaluate, rehabilitate and/or replace existing utility systems (drainage, water, and sewer) serving park buildings and facilities in order to ensure the safety of the public and staff.</p> <p>High priority projects in this 2017/18 appropriation request include capital investments in replacement of failing culverts in the Parks System.</p>
1123925	PKS M: EMERALD NCKLCE TR STANDALONE		\$500,000	<p>Emerald Necklace Trail - This grant request would provide for the acquisition of 8 parcels totaling 160 acres within the Patterson Creek Basin that would both serve as an addition to the County's Soaring Eagle Park and address some crucial missing links associated with the</p>

CAP SUMMARY REPORT

2017-2018 Biennial - Executive Proposed

				proposed "Emerald Necklace", an inter-jurisdictional effort to create a continuous 28-mile trail encircling the Sammamish Plateau within, and adjacent to, the City of Sammamish. This proposed trail project would connect many local/community trails currently located on public lands within the vicinity and the regional trails that surround Sammamish. Approximately 80% of the proposed Emerald Necklace trail is already in place. This request is anticipated to fund three of the targeted parcels.
1123926	PKS M:S FRK SKYKMSH CORR CONSV STANDALONE		\$0	<p>South Fork Skykomish Corridor Conservation - This project would protect a large contiguous forest and undeveloped and unprotected high quality salmon habitat along the South Fork Skykomish River and its tributary rivers. It will also allow for increased passive recreation and river access, two miles upstream of Skykomish.</p> <p>2017 SCOPE UPDATE: Scope is being expanded to acquire an access easement, conservation easement or fee purchase on multiple parcels that connect the town center to the Skykomish Ball Park. Where structures exist an access easement is sufficient, where no structures exist, other options can be pursued.</p>
1123927	PKS M: SVT MILL SITE TR STANDALONE		\$296,000	Snoqualmie Valley Trail at Mill Site Acquisition - This acquisition project would provide funding to purchase up to 272 acres in and around the historic Snoqualmie Mill site to secure the final 0.5-mile missing link in the 31.5-mile Snoqualmie Valley Trail regional corridor, from Duvall to Rattlesnake Lake. This project will acquire the historic rail bed for future development of the trail and preserve additional land as open space.
1123928	PKS M:SNO CORR REC PTNSHP STANDALONE		\$302,000	Snoqualmie Corridor Recreation Partnership - This project would fund acquisition of an easement on a portion to be determined of the approximately 32 acres proposed for acquisition by the City of North Bend in a separate CFT application. The City of North Bend's project reflects a multi-agency partnership between the City of North Bend, Si View Metropolitan Park District, and King County, to provide recreational access from North Bend, a community park in a beautiful, mature forested setting with pedestrian and mountain bike trails, and to help preserve the beauty and integrity of the forested hillsides of the Mountains to Sound Greenway corridor. The proposal consists of three parcels, totaling 31.86 acres within the Snoqualmie-Skykomish Watershed and is adjacent to more than 100,000 acres of public land.
1124055	PKS: M ASSET MGT SYS ADMIN		\$573,545	<p>Asset Management System - This is a project to continue with the identification, assessment and categorization of existing Parks System assets. Asset management software is being purchased and installed in 2016, but data must be collected and entered into the system. The project also proposes to develop a prioritization algorithm for identified asset deficiencies and their repair or replacement.</p> <p>This 2017/18 appropriation request allows the division to begin collecting data and entering it into the new automated software system for the management of its new and existing physical assets.</p>
1124477	PKS M: CHINOOK WIND ACQ STANDALONE		\$185,496	"Chinook Wind" Acquisition - The Chinook Wind Acquisition project is a new 5.83-acre acquisition project located on the Duwamish Waterway in Tukwila, adjacent to Tukwila Interurban Boulevard. The

CAP SUMMARY REPORT

2017-2018 Biennial - Executive Proposed

				<p>longer-term goal is to restore the property to provide enhance habitat for threatened salmonid species and aquatic species. A hotel on the property will be demolished to allow for the habitat restoration.</p> <p>This budget request will reallocate unused balance from a project 1124478 PKS M: LOWER GREEN RIVER in Parks Capital Fund 3581.</p>
1124478	PKS M: LOWER GREEN RIVER STANDALONE		(\$385,496)	<p>Lower Green River Acquisition - This was a 10.24-acre open space acquisition project located on Frager Road South, west of the Green River near Cottonwood Grove Park in Kent. Project has not been able to move forward, and funding is no longer needed at this site.</p> <p>This budget request will reallocate unused balance to other projects listed below in Parks Capital Fund 3581.</p> <p>1124477 PKS M: CHINOOK WIND ACQ 1121445 PKS M:NEWAUKUM/BIG SPRING CRK 1127075 PKS LOWER NEWAUKUM CRK</p>
1126266	PKS CPITAL PLAN ADM ADMIN		\$3,036,371	Capital Planning Administration - This is a new project consolidating funds from existing projects. This new project will provide funding for the continuation of the support, planning, development, and stewardship of King County Parks capital projects.
1127075	PKS LOWER NEWAUKUM CRK STANDALONE		\$400,000	Lower Newaukum Creek - This project will acquire additional natural areas along the Green River. The Lower Newaukum Creek project has a goal of acquiring and protecting habitat in the lower Newaukum Creek basin and at the creek's confluence with the Green River near Whitney Bridge Park, south of Black Diamond.
1127078	PKS BIG BEACH STANDALONE		\$350,000	Big Beach Acquisition - The project will acquire up to 15 acres in fee or easement as an addition to Big Beach Natural Area. This project focuses on a specific process unit (SPU) and divergence zone in the Maury Island Aquatic Reserve. The project is a mix of preserving intact parcels and purchasing developed shoreline to allow for future restoration opportunities.
1129471	PKS SNOQUALMIE FOREST STANDALONE		\$25,000	Snoqualmie Forest Conservation Planning - This request is to fund feasibility and appraisal in support of additional conservation at Snoqualmie Forest.
1129472	PKS LWR CEDAR RV/TAYLOR STANDALONE		\$300,000	Lower Cedar River at Taylor - Acquire approximately 10 acres in fee along Taylor Creek in the Cedar River basin and adding to restoration footprint at Mouth of Taylor Reach Natural Area north of Maple Valley.
1129473	PKS BURTON PIT STANDALONE		\$150,000	Burton Pit Acquisition - This request seeks funding to acquire a 20-acre King County Roads parcel, Burton Pit. King County Roads is proposing to surplus this property.
1129474	PKS VASHON GOLF COURSE STANDALONE		\$25,000	Vashon Golf Course Acquisition Planning - This request seeks funding to conduct feasibility and determine related costs to acquire the 53-acre Vashon Golf Club in fee or easement.
1129475	PKS SPRING BEACH STANDALONE		\$140,000	Spring Beach Acquisition - Acquire 3 parcels (24 acres) in this phase of acquisition and acquiring fee or easement. These parcels are located just south of Camp Sealth and north of VIPRD's Spring Beach Park.
1129476	PKS VASHON ISLND S		\$175,000	Vashon Island South Upland Forest Acquisition - Acquire 60 acres of

CAP SUMMARY REPORT

2017-2018 Biennial - Executive Proposed

	UPLAND FRST STANDALONE			forested land as a new initiative on southwestern Vashon Island to conserve large tracts of upland forests.
1129671	PKS M:PARKS ENERGY EFFICIENCY PROGRAMMATIC		\$1,466,000	<p>Parks Energy Efficiency Program - This appropriation will fund the design and installation of 131 kW of additional solar at Weyerhaeuser King County Aquatic Center (WKCAC) and 45 kW of solar at Steve Cox Memorial Park (SCMP).</p> <p>The project includes the \$100K of funding for the retrofit of existing lighting systems with new LED lighting at a number of Parks facilities located throughout the parks system and \$460K for funding in LED replacement on Ballfield and Sportcourts.</p>
1129673	PKS EMERGENT CONTINGENCY 3581 ADMIN		\$2,430,729	Emergent Need Contingency Project Fund 3581 - This is a project to provide a mechanism for funding an existing capital project within the same fund that has insufficient appropriation due to unforeseen circumstances such as project delays or accelerations. If needed, this project will also provide a source of funding for matching portions of grants.
1129676	PKS GRANT CONTINGENCY 3581 ADMIN		\$7,818,750	Grant Contingency Project Fund 3581 - This is a project to provide Parks with more flexibility on the budget side to deal with both anticipated and unanticipated future grant opportunities. The Grant Contingency request is being split between the two capital funds in Parks. A larger portion of the Grant Contingency request is in Fund 3581 as compared to Fund 3160.
1129688	PKS M:RTS ADA TRANSITION PLAN PROGRAMMATIC		\$200,000	<p>Regional Trail System ADA Transition Program - This project begins the process of bringing King County Parks' facilities, and trails into compliance with Americans with Disabilities Act (ADA) standards, as well as other relevant state and local accessibility requirements.</p> <p>Project-related tasks may include: creating an internal working group to develop procedures and checklists to ensure ADA compliance for future capital projects, hiring consultant services to document accessibility requirements that apply to the variety of facilities and trails in Parks' inventory, and creating a strategy for the development of a Parks' ADA Transition Plan. In addition, begin the process of drafting transition plan and collecting field data.</p>
1129690	PKS M:RTS MONITORING & MAINT PROGRAMMATIC		\$1,302,000	<p>Regional Trail System Monitoring and Maintenance Program - This project funds on-site assessment of plantings and mitigation along the Regional Trail System Projects. In addition, the program is funded to evaluate the health of landscape plantings, perform site maintenance and monitoring, remove invasive plants, replant dead or damaged plants, and provide reports to regulatory agencies for review and approval.</p> <p>This budget funds monitoring and maintenance along the Regional Trail sites such as Burke Gilman, East Lake Sammamish Trails, and Lake to Sound.</p>
1129692	PKS M:RTS STANDARDS & SAFETY PROGRAMMATIC		\$1,202,945	Regional Trail System Standards and Safety Program - This project will be used to identify, prioritize and begin resolving safety and standards deficiencies throughout the 175 mile King County Regional Trails System (RTS). This project will address safety and standards

CAP SUMMARY REPORT

2017-2018 Biennial - Executive Proposed

				improvement projects that exceed both normal maintenance and trail resurfacing schedules. Areas in need of improvement may include street and/or intersection crossings and areas with sub-standard sightlines. Proposed solutions for these identified deficiencies will vary by project but may include: vegetation management, unsafe intersection treatments, trail striping, and regulatory signage.
1129700	PKS M:SKYWAY PARK STANDALONE		\$500,000	Skyway Park Program - This appropriation will fund the planning, design, engineering, permitting and construction of the proposed Skyway Park improvements. This project will make multiple improvements, including installing a new mini open play soccer arena, upgrading fencing, lighting, restrooms and ADA access, repurposing poorly draining ballfields to a grassy meadow, and creating a new pedestrian entry way. The scope may be adjusted based budget and grant funding that is available.
3581 - PARKS CAPITAL		Total	\$77,026,281	
Grand Total			\$90,791,399	

**2017-2018 Proposed Financial Plan
Parks Open Space Construction / 000003160**

Capital Improvement Program (CIP) Budget					
	2015-2016 Carryforward (YE ITD Balance)¹	2017-2018 Proposed²	2017-2018 Total (Balance + Budget)	2019-2020 Estimated³	2021-2022 Estimated³
Capital Budget Revenue Sources:					
Revenue Backing from Fund Balance	\$1,264,259	(\$1,000,000)	\$264,259	\$650,347	-
Bond Proceeds ⁷	\$0	\$0	\$0	\$14,800,000	-
Real Estate Excise Tax (REET) I	\$5,015,695	\$8,940,397	\$13,956,092	\$11,853,553	\$12,020,576
REET II	\$3,822,562	\$4,955,971	\$8,778,532	\$5,781,251	\$8,946,477
State and Federal Grants	\$1,196,571	\$868,750	\$2,065,321	-	-
Miscellaneous ⁹	-	-	-	-	-
Total Capital Revenue	\$11,299,087	\$13,765,118	\$25,064,205	\$33,085,151	\$20,967,053
Capital Appropriation:					
Regional Trail System	(\$1,137,104)	-	(\$1,137,104)	-	-
Regional Open Space Acquisition	(\$3,705,514)	(\$200,000)	(\$3,905,514)	(\$200,000)	(\$200,000)
Critical Infrastructure and Major Maintenance	(\$5,456,469)	(\$13,187,386)	(\$18,643,855)	(\$31,885,151)	(\$19,767,053)
Community Partnerships and Grants (CPG)	(\$1,000,000)	\$500,000	(\$500,000)	(\$1,000,000)	(\$1,000,000)
Grant Contingency	-	(\$868,750)	(\$868,750)	-	-
Administration and Central Rates	-	(\$8,982)	(\$8,982)	-	-
Total Capital Appropriation	(\$11,299,087)	(\$13,765,118)	(\$25,064,205)	(\$33,085,151)	(\$20,967,053)

CIP Fund Financial Position						
	2015-2016 Biennial to Date Actuals⁴	2015-2016 Estimated⁵	2017-2018 Biennial to Date Actual	2017-2018 Estimated⁵	2019-2020 Estimated⁶	2021-2022 Estimated⁶
Beginning Fund Balance	(\$1,075,450)	(\$1,075,450)		\$914,606	\$752,458	\$6,220,983
Capital Funding Sources						
Bond Proceeds ⁷	-	-		-	\$14,800,000	-
Real Estate Excise Tax (REET) I	\$3,012,866	\$5,650,841		\$8,373,655	\$10,461,594	\$11,396,983
REET II	\$3,114,227	\$4,307,224		\$5,267,119	\$5,575,598	\$7,598,126
State and Federal Grants	\$0	\$1,338,392		\$1,239,193	\$495,677	\$198,271
Parks Operating Fund Balance ⁸	\$2,246,000	\$2,246,000		-	-	-
Miscellaneous ⁹	\$585,885	\$585,885		-	-	-
Total Capital Revenue	\$8,958,978	\$14,128,341		\$14,879,967	\$31,332,869	\$19,193,380
Capital Expenditures						
Regional Trail System	(\$187,028)	(\$332,555)		(\$682,262)	(\$272,905)	(\$109,162)
Regional Open Space Acquisition	(\$1,412,419)	(\$2,460,506)		(\$2,343,308)	(\$1,057,323)	(\$542,929)
Critical Infrastructure and Major Maintenance	(\$3,881,570)	(\$5,707,307)		(\$11,186,313)	(\$23,605,616)	(\$21,302,478)
Community Partnerships and Grants (CPG)	(\$748,690)	(\$802,225)		(\$300,000)	(\$720,000)	(\$888,000)
Grant Contingency	-	-		(\$521,250)	(\$208,500)	(\$83,400)
Administration and Central Rates	(\$2,099,681)	(\$3,335,692)		(\$8,982)	-	\$0
Total Capital Expenditures	(\$8,329,389)	(\$12,638,285)		(\$15,042,116)	(\$25,864,344)	(\$22,925,969)
Other Fund Transactions						
Other General Ledger Expenses ¹⁰	(\$10,910)					
CPG Inter-Fund Loan Repayment ¹¹	\$500,000	\$500,000		\$0	\$0	\$0
Ending Fund Balance	\$43,228	\$914,606		\$752,458	\$6,220,983	\$2,488,393
Fund Balance designated to current projects¹²	\$0	(\$264,259)		(\$102,111)	(\$6,220,983)	(\$2,488,393)
Reserves						
Cash Flow Reserve ¹³				(\$650,347)		
Total Reserves	\$0	\$0		(\$650,347)	\$0	\$0
Projected Shortfall	\$0	\$0		\$0	\$0	\$0
Ending Undesignated Fund Balance	\$43,228	\$650,347		\$0	\$0	\$0

Financial Plan Notes

¹ 2015-2016 Carryforward reflects estimated Inception-To-Date (ITD) budget balances at the end of the 2015-2016 biennium.

² 2017-2018 Proposed Budget summarizes the expenditure and revenue data from PIC and matches the CIP Attachment A.

³ Out-year budget estimates are not consistent with Attachment A out years estimates due to need for further planning and analysis. This is consistent with the REET 1 and REET 2 financial plans.

⁴ 2015-2016 Biennial-to-Date Actuals reflects actual revenues and expenditures as of 09/01/2016, using EBS reports PA_103 and GL_010.

⁵ 2015-2016 Estimated reflects updated revenue and expenditure estimates as of 09/01/2016.

⁶ Out-year revenue and spending estimates are based on current revenue estimates and project spending plans.

⁷ Future bond proceeds will finance the construction of a new Central Maintenance Facility. This financial plan shows the bond sale in 2019-2020 biennium. If the project reaches 30% design earlier, the division will return with a supplemental budget request in 2017-2018 for the bond sale.

⁸ This represents a one-time transfer from the Parks Operating Fund for acquisition of the site of the future Central Maintenance Facility.

⁹ Miscellaneous revenue includes minor interest earnings and energy rebates from energy efficiency projects.

¹⁰ Other General Ledger Expenses include minor accounting expenses that are not related to capital project budgets but still impact the ending fund balance.

¹¹ An inter-fund loan from Parks Operating Fund is held in a liability account in Fund 3160 for an expedited Community Partnerships and Grants (CPG) payment to Ravensdale Park Foundation. Budget authority was added to repay the inter-fund loan however, the fund does not need expenditure authority in order to reduce the liability since the account is not an expenditure account. The fund will receive an annual allotment of \$500,000 of REET 2 to pay down the inter-fund loan from 2014 through 2017. More information can be found in KCC Ordinance 17758.

¹² Fund balance designated to current projects is for projects that are already appropriated. This fund balance cannot be used for other projects without disappropriating projects or creating a shortfall in the fund. The amount represents the estimate total budget not spent at the end of the biennium net of revenue that is anticipated to be reimbursed after expenditures occur. Since capital budget does not immediately expire, unspent budget automatically carries forward to the next biennium.

¹³ This remaining fund balance will be analyzed after the 2015-2016 biennium ends. The fund balance will either remain as a cash flow reserve or be applied to future projects.

**2017-2018 Proposed Financial Plan
Parks Capital Fund / 000003581**

Capital Improvement Program (CIP) Budget					
	2015-2016 Carryforward (YE ITD Balance)¹	2017-2018 Proposed²	2017-2018 Total (Balance + Budget)	2019-2020 Estimated^{3,6}	2021-2022 Estimated^{3,6}
Capital Budget Revenue Sources:					
Revenue Backing from Fund Balance	\$32,607,993	\$9,039,479	\$41,647,472	\$7,081,397	
Levy Proceeds from Fund 1453	\$0	\$46,544,670	\$46,544,670	\$27,875,450	
Real Estate Excise Tax (REET) I	\$1,437,738	\$1,495,799	\$2,933,538	\$1,587,061	
REET II	\$3,154,965	\$8,052,729	\$11,207,694	\$4,149,758	
State and Federal Grants	\$1,549,685	\$8,932,750	\$10,482,435		
Rental Car Sales Tax ⁷		\$2,568,853	\$2,568,853		
Fund to Reduce Energy Dependence (FRED)		\$392,000	\$392,000		
Total Capital Revenue	\$38,750,381	\$77,026,280	\$115,776,661	\$40,693,666	-
Capital Appropriation:					
Regional Trail System	(\$27,338,222)	(\$32,639,274)	(\$59,977,496)	(\$23,925,920)	
Regional Open Space Acquisition	(\$2,171,866)	(\$13,951,000)	(\$16,122,866)	(\$7,453,329)	
Critical Infrastructure and Major Maintenance	(\$9,240,293)	(\$19,530,544)	(\$28,770,837)	(\$7,747,472)	
Community Partnerships and Grants (CPG)	-	-	-	-	
Planning and Administration	\$0	(\$3,086,712)	(\$3,086,712)	(\$1,566,945)	
Grant Contingency	\$0	(\$7,818,750)	(\$7,818,750)		
Total Capital Appropriation	(\$38,750,381)	(\$77,026,280)	(\$115,776,661)	(\$40,693,666)	-

CIP Fund Financial Position						
	2015-2016 Biennial to Date Actuals⁴	2015-2016 Estimated⁵	2017-2018 Biennial to Date Actual	2017-2018 Estimated⁵	2019-2020 Estimated⁶	2021-2022 Estimated⁶
Beginning Fund Balance	\$35,673,395	\$35,673,395		\$42,521,174	\$33,501,282	\$14,586,741
Capital Funding Sources						
Levy Proceeds from Fund 1453	\$37,955,661	\$49,595,483		\$52,752,365	\$27,875,450	
Real Estate Excise Tax (REET) I	\$2,125,542	\$2,442,639		\$2,053,476	\$2,467,122	
REET II	\$1,537,033	\$5,360,114		\$7,845,386	\$7,512,066	
State and Federal Grants	\$950,111	\$2,632,831		\$7,337,705	\$3,144,731	
Rental Car Sales Tax ⁷	-	-		\$2,568,853	-	
Fund to Reduce Energy Dependence (FRED)	-	-		\$392,000	-	
Bond Proceeds ⁸	\$11,863,586	\$11,863,586		-	-	
Miscellaneous ⁹	\$398,650	\$698,799		-	-	
Total Capital Revenue	\$54,830,582	\$72,593,453	\$-	\$72,949,785	\$40,999,369	-
Capital Expenditures						
Regional Trail System	(\$18,978,777)	(\$21,782,365)		(\$41,984,247)	(\$33,535,335)	(\$8,383,834)
Regional Open Space Acquisition	(\$24,259,497)	(\$32,485,418)		(\$11,286,006)	(\$9,832,151)	(\$2,458,038)
Critical Infrastructure and Major Maintenance	(\$7,993,282)	(\$10,225,113)		(\$20,139,586)	(\$13,102,978)	(\$3,275,745)
Community Partnerships and Grants (CPG) ¹⁰	(\$377,136)	(\$398,628)		-	-	-
Planning and Administration	(\$679,885)	(\$943,270)		(\$3,086,712)	(\$1,566,945)	-
Grant Contingency	-	-		(\$5,473,125)	(\$1,876,500)	(\$469,124)
Total Capital Expenditures	(\$52,288,577)	(\$65,834,794)	\$-	(\$81,969,677)	(\$59,913,910)	(\$14,586,741)
Other Fund Transactions						
Other General Ledger Expenses ¹¹	\$369,600	\$89,120	-	-	-	-
Ending Fund Balance	\$38,215,401	\$42,521,174	\$-	\$33,501,282	\$14,586,741	-
Fund Balance designated to current projects¹²		(\$32,607,993)		(\$26,419,885)	(\$14,586,741)	-
Reserves						
Regional Trail System Reserve ¹³		(\$9,039,479)		(\$7,081,397)		
Total Reserves	\$0	(\$9,039,479)	\$-	(\$7,081,397)	-	-
Projected Shortfall	-	-	-	-	-	-
Ending Undesignated Fund Balance	\$38,215,401	\$873,702	\$-	-	-	-

Financial Plan Notes

¹ 2015-2016 Carryforward reflects estimated Inception-To-Date (ITD) budget balances at the end of the 2015-2016 biennium.

² 2017-2018 Proposed Budget summarizes the expenditure and revenue data from PIC and matches the CIP Attachment A.

³ Out-year budget estimates are based on the 2014-2019 Parks Levy model which informs revenue allocation to the various capital programs. With the 2014-2019 Parks Levy expiring at the end of 2019, no new revenue is assumed after December 31, 2019.

⁴ 2015-2016 Biennial-to-Date Actuals reflects actual revenues and expenditures as of 09/01/2016, using EBS reports PA_103 and GL_010.

⁵ 2015-2016 Estimated reflects updated estimates informed by the Division's 2016 spending analysis and the August 2016 economic and financial forecast.

⁶ Out-year revenue and spending estimates are based on current revenue estimates and program spending plans.

⁷ Rental Car Sales Tax revenue is a one-time transfer of accumulated funds to invest in permanent recreation amenities at Skyway Park and Steve Cox Memorial Park.

⁸ Bond proceeds are from a CFT- and General Fund-backed bond which was sold for the remaining payment to acquire the Eastside Rail Corridor in 2015.

⁹ Miscellaneous revenue includes minor interest earnings, energy rebates from energy efficiency projects, and a \$392,000 donation from Forterra per KC Motion #14702.

¹⁰ Starting in 2014, the Community Partnership and Grant program is funded with Real Estate Excise Tax in Fund 3160 and the operating portion of the King County Parks Levy in Fund 1451. This reflects final expenditure of carryforward appropriation from 2008-2013 Parks Levy.

¹¹ Other General Ledger Expenses include minor accounting expenses that are not related to capital project budgets but still impact the ending fund balance.

¹² Fund balance designated to current projects is for projects that are already appropriated. This fund balance cannot be used for other projects without disappropriating projects or creating a shortfall in the fund. The amount represents the estimate total budget not spent at the end of the biennium net of revenue that is anticipated to be reimbursed after expenditures occur. Since capital budget does not immediately expire, unspent budget automatically carries forward to the next biennium.

¹³ This reserve reflects anticipated construction costs for major regional trail projects to be appropriated when they reach final design. The 2017-2018 reserve is held for construction of the Lake to Sound Trail - Segment C. Appropriation will be requested when final design is complete.

CAP SUMMARY REPORT

2017-2018 Biennial - Executive Proposed

3681 REAL ESTATE EXCISE TX CAP - Other

Project Number	Project Name Class Code	Tech Adj	FY17-18	Current Scope
1033532	PSB REET 1 TRANSFER TO 3160 STANDALONE		\$8,896,174	REET 1 Transfer to Parks Fund 3160 - This project transfers Real Estate Excise Tax 1 proceeds to support the Parks Capital program in Fund 3160 - Parks Recreation and Open Space.
1033533	PSB REET 1 TRANSFER TO 3490 STANDALONE	✓	\$1,197	REET 1 Transfer to Parks Fund 3490 - This project transfers Real Estate Excise Tax 1 proceeds to the Parks Fund 3490- Parks Facility Rehab.
1033534	PSB REET 1 DEBT SERVICE STANDALONE		\$1,175,230	REET 1 Debt Service - This project is for debt service funded by REET 1.
1122223	PSB REET 1 TRANSFER TO 3581 STANDALONE		\$1,505,439	REET 1 Transfer to Parks Fund 3581 - This project funding projects in the Parks Capital Fund 3581.
1130281	PSB REET 1 RSD TRANSFER STANDALONE		\$3,000,000	REET 1 Transfer to Roads Capital - This project transfers REET 1 proceeds to the Road Capital Fund.
3681 - REAL ESTATE EXCISE TX CAP		Total	\$14,578,040	

3682 REAL ESTATE EXCISE TX 2 - Other

Project Number	Project Name Class Code	Tech Adj	FY17-18	Current Scope
1033537	PSB REET 2 TRANSFER TO 3160 STANDALONE		\$5,455,971	REET 2 Transfer to Parks Fund 3160 - This project transfers Real Estate Excise Tax 2 proceeds to support the Parks Capital program in Fund 3160 - Parks Recreation and Open Space.
1033538	PSB REET 2 TRANSFER TO 3490 STANDALONE	✓	\$2,992	REET 2 Transfer to Parks Fund 3490 - This project transfers Real Estate Excise Tax 2 proceeds to the Parks Fund 3490- Parks Facility Rehab.
1122224	PSB REET 2 TRANSFER TO 3581 STANDALONE		\$8,296,524	REET 2 Transfer to Parks Fund 3581 - This project funding projects in the Parks Capital Fund 3581.
3682 - REAL ESTATE EXCISE TX 2		Total	\$13,755,487	

Grand Total			\$28,333,527	
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**2017-2018 Proposed Financial Plan
Real Estate Excise Tax (REET) 1 /000003681**

Capital Improvement Program (CIP) Budget					
	2015-2016 Carryforward (YE ITD Balance)¹	2017-2018 Proposed²	2017-2018 Total (Balance + Budget)	2019-2020 Estimated³	2021-2022 Estimated³
Capital Budget Revenue Sources:					
Revenue Backing from Fund Balance	8,863,948	1,320,367	10,184,315	678,343	-
Real Estate Excise Tax	-	13,172,673	13,172,673	12,981,883	12,197,951
Interest and Misc.	-	85,000	85,000	60,000	80,000
	-	-	-	-	-
	-	-	-	-	-
Total Capital Revenue	\$ 8,863,948	\$ 14,578,040	\$ 23,441,988	\$ 13,720,226	\$ 12,277,951
Capital Appropriation:					
Debt Service ⁷	-	(1,175,230)	(1,175,230)	(256,935)	(257,375)
Transfer to Parks Open Space - 3160	(7,170,448)	(8,896,174)	(16,066,622)	(11,856,553)	(12,020,576)
Transfer to Parks Capital - 3581	(1,210,166)	(1,505,439)	(2,715,605)	(1,587,061)	-
Transfer to Parks Facility Rehab - 3490	(483,335)	(1,197)	(484,532)	-	-
Transfer to RSD		(3,000,000)	(3,000,000)		
Total Capital Appropriation	\$ (8,863,948)	\$ (14,578,040)	\$ (23,441,989)	\$ (13,700,549)	\$ (12,277,951)

CIP Fund Financial Position						
	2015-2016 Biennial to Date Actuals⁴	2015-2016 Estimated⁵	2017-2018 Biennial to Date Actual⁴	2017-2018 Estimated⁵	2019-2020 Estimated⁶	2021-2022 Estimated⁶
Beginning Fund Balance	6,493,677	6,493,677		11,842,981	8,442,704	7,207,259
Capital Funding Sources						
Real Estate Excise Tax	9,658,243	13,669,232		13,172,673	12,981,883	12,197,951
Interest and Misc.	63,013	82,013		85,000	60,000	80,000
	-	-		-	-	-
	-	-		-	-	-
Total Capital Revenue	\$ 9,721,256	\$ 13,751,245		\$ 13,257,673	\$ 13,041,883	\$ 12,277,951
Capital Expenditures						
Debt Service	(2,068,412)	(2,068,412)		(1,178,230)	(256,935)	(257,375)
Transfer to Parks Open Space - 3160	(3,012,873)	(3,552,873)		(10,434,829)	(12,246,489)	(12,088,350)
Transfer to Parks Capital - 3581	(2,125,544)	(2,507,544)		(1,758,878)	(1,773,904)	(532,171)
Transfer to Parks Facility Rehab - 3490	(184,111)	(273,111)		(286,013)	-	-
Transfer to RSD		-		(3,000,000)	-	-
Total Capital Expenditures	\$ (7,390,940)	\$ (8,401,940)		\$ (16,657,950)	\$ (14,277,328)	\$ (12,877,896)
Other Fund Transactions						
		-		-		
Ending Fund Balance	\$ 8,823,992	\$ 11,842,981		\$ 8,442,704	\$ 7,207,259	\$ 6,607,314
Fund Balance designated to current projects⁹	\$ (9,742,600)	\$ (8,863,948)		\$ (6,784,038)	\$ (6,207,259)	\$ (5,607,313)
Reserves						
Cash Flow Reserve ⁹	(1,000,000)	(1,000,000)		(1,000,000)	(1,000,000)	(1,000,000)
Misc. Expenditure Reserve ¹⁰		(658,666)		(658,666)		
Total Reserves	\$ (1,000,000)	\$ (1,658,666)		\$ (1,658,666)	\$ (1,000,000)	\$ (1,000,000)
Projected Shortfall¹¹	1,918,608	-		-	-	-
Ending Undesignated Fund Balance¹²	\$ -	\$ 1,320,367		\$ -	\$ -	\$ -

Financial Plan Notes

¹ 2015-2016 Carryover reflects estimates of year end inception to date appropriation balances.

² 2017-2018 Proposed Budget is consistent with expenditure and revenue data from PIC and matches the CIP Attachment A.

³ Outyear budget estimates are consistent with Attachment A out-years estimates, revenue was estimated using the August 2016 Office of Economic and Financial Analysis (OEFA) forecast. Expenditures budgets were estimated based on estimated revenue available and Parks' budget assumptions for funds 3160 and 3581.

⁴ 2015-2016 Biennial-to-Date Actuals reflects actual revenues and expenditures as of 06/15/2016, using EBS report GL-10.

⁵ 2015-2016 Estimated reflects the August OEFA revenue projections and expenditure estimates as of 08/04/16, based on Parks' year-end estimates. The RSD transfer is assumed to be fully reimbursed by the end of the biennium. Debt service budget is assumed to be fully spent for debt service within the biennium.

⁶ Out-year revenue estimates are based on the July 2016 OEFA forecast. Expenditures are estimated using the following spending rates on the budget for transfers to Parks (new and carryover) 2017-2018 at 65%, 2019-2022 at 70%. Debt service budget is assumed to be fully spent for debt service within the biennium it is appropriated.

⁷ Debt service is a combination of debt service from 2001 and 2006 Bond sales, these bonds will be retired in 2023. This estimate is based on the debt service schedule provided by Finance.

⁸ Fund balance designated to current projects is for projects that are already appropriated. This fund balance cannot be used for other projects without disappropriating projects or creating a shortfall in the fund.

⁹ A cash flow reserve was established in the REET financial plan in the 2015-2016 Adopted Budget. This reserve is to mitigate the risk of actual REET revenues that are less than forecasted. Historically, REET revenues have been challenging to forecast and have had large fluctuations.

¹⁰ This reserve supports potential projects under development. If these projects are feasible, this will be appropriated in a supplemental budget request.

¹¹ The projected shortfall in the 15-16 BTD column is a result including full expenditure carryover with only partial biennial revenues. Refer to the 15-16 estimated column for a more representative picture of the health of the fund.

¹² The projected ending undesignated fund balance in 15-16 Estimated is assumed to be revenue backing for the 17-18 Proposed as revenue backing from fund balance.

**2017-2018 Proposed Financial Plan
Real Estate Excise Tax (REET) 2 /000003682**

Capital Improvement Program (CIP) Budget					
	2015-2016 Carryforward (YE ITD Balance)¹	2017-2018 Proposed²	2017-2018 Total (Balance + Budget)	2019-2020 Estimated³	2021-2022 Estimated³
Capital Budget Revenue Sources:					
Revenue Backing from Fund Balance	8,101,280	465,273	8,566,553	252,140	-
Real Estate Excise Tax	-	13,172,676	13,172,676	12,981,883	12,197,951
Interest and Misc.	-	80,000	80,000	61,000	75,000
	-	-	-	-	-
	-	-	-	-	-
Total Capital Revenue	\$ 8,101,280	\$ 13,717,949	\$ 21,819,229	\$ 13,295,023	\$ 12,272,951
Capital Appropriation:					
Debt Service	-	-	-	(3,326,474)	(3,326,474)
Transfer to Parks Open Space - 3160	(3,774,789)	(5,455,971)	(9,230,759)	(5,818,791)	(8,946,477)
Transfer to Parks Capital - 3581	(3,317,634)	(8,258,986)	(11,576,620)	(4,149,758)	-
Transfer to Parks Facility Rehab - 3490	(1,008,857)	(2,992)	(1,011,849)	-	-
Total Capital Appropriation	\$ (8,101,280)	\$ (13,717,949)	\$ (21,819,228)	\$ (13,295,023)	\$ (12,272,951)

CIP Fund Financial Position						
	2015-2016 Biennial to Date Actuals⁴	2015-2016 Estimated⁵	2017-2018 Biennial to Date Actual	2017-2018 Estimated⁵	2019-2020 Estimated⁶	2021-2022 Estimated⁶
Beginning Fund Balance	8,469,202	8,469,202		9,818,692	8,534,722	6,175,338
Capital Funding Sources						
Real Estate Excise Tax	9,658,175	13,669,232		13,172,676	12,981,883	12,197,951
Interest and Misc.	86,964	100,000		80,000	61,000	75,000
	-	-		-	-	-
	-	-		-	-	-
Total Capital Revenue	\$ 9,745,139	\$ 13,769,232		\$ 13,252,676	\$ 13,042,883	\$ 12,272,951
Capital Expenditures						
Debt Service ⁷	(1,076,875)	(1,076,875)		-	(3,326,474)	(3,326,474)
Transfer to Parks Open Space - 3160	(3,114,227)	(4,307,223)		(5,999,993)	(6,334,690)	(8,162,941)
Transfer to Parks Capital - 3581	(1,537,031)	(5,360,112)		(7,524,803)	(5,741,103)	(1,722,330)
Transfer to Parks Facility Rehab - 3490	(780,472)	(1,675,532)		(1,011,849)	-	-
Other	-	-		-	-	-
Total Capital Expenditures	\$ (6,508,605)	\$ (12,419,742)		\$ (14,536,645)	\$ (15,402,267)	\$ (13,211,745)
Other Fund Transactions⁷						
		-		-		
Ending Fund Balance	\$ 11,705,736	\$ 9,818,692		\$ 8,534,722	\$ 6,175,338	\$ 5,236,544
Fund Balance designated to current projects⁸	\$ (14,012,417)	\$ (8,101,280)	\$ -	\$ (7,282,584)	\$ (5,175,339)	\$ (4,236,545)
Reserves						
Cash Flow Reserve ⁹	(1,000,000)	(1,000,000)		(1,000,000)	(1,000,000)	(1,000,000)
Debt Service Reserve ¹⁰		(252,139)		(252,139)		
Total Reserves	\$ (1,000,000)	\$ (1,252,139)	\$ -	\$ (1,252,139)	\$ (1,000,000)	\$ (1,000,000)
Projected Shortfall¹¹	3,306,681	-	-	-	-	-
Ending Undesignated Fund Balance¹²	\$ -	\$ 465,273		\$ -	\$ -	\$ -

Financial Plan Notes

¹ 2015-2016 Carryover reflects estimates of year end inception to date appropriation balances.

² 2017-2018 Proposed Budget is consistent with expenditure and revenue data from PIC and matches the CIP Attachment A.

³ Outyear budget estimates are not consistent with Attachment A out-years estimates due to potential debt service, revenue was estimated using the August 2016 Office of Economic and Financial Analysis (OEFA) forecast. Expenditures budgets were estimated based on estimated revenue available and Parks' budget assumptions for funds 3160 and 3581.

⁴ 2015-2016 Biennial-to-Date Actuals reflects actual revenues and expenditures as of 06/15/2016, using EBS report GL-10.

⁵ 2015-2016 Estimated reflects the August OEFA revenue projections and expenditure estimates as of 08/04/16, based on Parks' year-end estimates.

⁶ Out-year revenue estimates are based on the August 2016 OEFA forecast. Expenditures are estimated using the following spending rates on the budget for transfers to Parks (new and carryover) 2017-2018-65%, 2019-2022-70%. Debt service budget is assumed to be fully spent within the biennium.

⁷ Debt Service is assumed for the construction of the Parks Central Maintenance Facility in the out-years. It is not currently reflected in the Ordinance Attachment, this will be revised when budget is requested.

⁸ Fund balance designated to current projects is for projects that are already appropriated. This fund balance cannot be used for other projects without disappropriating projects or creating a shortfall in the fund.

⁹ A cash flow reserve was established in the REET financial plan in the 2015-2016 Adopted Budget. This reserve is to mitigate the risk of actual REET revenues that are less than forecasted. Historically, REET revenues have been challenging to forecast and have had large fluctuations.

¹⁰ This reserve is to fund debt service for the Parks Central Maintenance Facility contingent upon a supplemental request after the design phase is complete.

¹¹ The projected shortfall in the 15-16 BD column is a result including full expenditure carryover with only partial biennial revenues. Refer to the 15-16 estimated

¹² The projected ending undesignated fund balance in 15-16 Estimated is assumed to be revenue backing for the 17-18 Proposed as revenue backing from fund balance.

¹³ This plan was update by Jillian Andrews on 9/6/2016.

SOLID WASTE DIVISION

Mission

To bring the best people together to deliver value to our customers and stakeholders and continuously improve waste prevention, resource recovery, and waste disposal.

Overview

The Solid Waste Division (SWD) provides solid waste transfer, disposal, and recycling services at its transfer stations for residents and businesses in all of King County, except for the cities of Seattle and Milton. The SWD operates facilities to collect household hazardous waste from residents. Waste collected at these facilities is then properly recycled or disposed. Solid waste from King County is buried in the County-owned Cedar Hills Regional Landfill (CHRLF) where it is monitored and responsibly managed to protect the environment and comply with all applicable regulations.

SWD uses a combination of incentives, technical assistance, and regulations to promote desirable environmental practices by our customers, individuals and businesses, in order to safeguard and enhance the County's natural resources and environment. SWD provides green building assistance and training to staff throughout the county and in the suburban cities. All of SWD's waste prevention and recycling programs are intended to educate individuals and businesses about more sustainable practices and encourage them to reduce their waste and recycle more.

The Division also manages the Solid Waste Post-Closure Landfill Maintenance (PCLM) Fund and provides environmental monitoring and maintenance for closed landfills the County owns or for which the County has custodial responsibility.

The activities conducted in this budgetary unit include monitoring landfill gas, settlement, leachate and devising cost effective solutions for landfill systems as the closed and custodial landfills stabilize. The Solid Waste Operating appropriation unit is A72000 and is located in Fund 000004040. The Solid Waste Post-Closure Landfill Maintenance appropriation unit is A71500 and is located in Fund 000001040.

2017-2018 Problems, Opportunities and Priorities

The Solid Waste Division is focusing on sustaining current services, ensuring compliance with evolving regulations, and recovering from the Great Recession, while pursuing a few key opportunities and priorities that make operations more efficient and better prepare the division for the future. Highlights in each category in 2017-2018 for the Solid Waste Division include:

Sustain Current Services

The Solid Waste Division deferred some services, and performed others at reduced levels, to avoid a planned rate increase in 2014, during the economic downturn. While skipping this rate increase saved ratepayers nearly \$22 million, the Division now needs to invest in services to continue to operate safely and maintain service levels.

- Increase funding to the Division's capital improvement programs, specifically the Solid Waste Post-Closure Landfill Maintenance Fund (PCLM), Landfill Reserve Fund (LRF), and Capital Equipment Recovery Program (CERP) Funds.
 - PCLM – increased funding is needed to continue to monitor closed landfills that can no longer be supported by fund balance. Funding for at least 20 years of monitoring was originally deposited in this fund, but monitoring is still ongoing and needs support through rate revenues until monitoring is complete.
 - LRF – more funds are needed to implement the Cedar Hills Area 8 Development / Facility Relocation project that will extend the life of the landfill as well as build up funds needed for 30 years of post-closure maintenance monitoring at Cedar Hills.
 - CERP – funding will clear out a backlog of vehicle replacements that were delayed during the Great Recession as well as begin replacement of equipment on its normal replacement schedule.
 - Add two temporary project managers, one dedicated to closed/custodial landfill projects and the other for projects at current facilities, to assure progress on the capital improvements projects (CIP) proposed in the 2017-2018 budget.
- Add truck drivers, transfer station operators, and scale operators to meet the increase in tonnage forecast from 2015-2016 to 2017-2018. Tonnage has grown faster than forecast and as an interim solution in 2016 SWD relied on overtime and temporary employees to meet this demand. Hiring these positions will be a more efficient use of resources and reduce the strain on the workforce.

Ensuring compliance

The Solid Waste Division has requested one new FTE and some maintenance funds to comply with new storm water environmental requirements and to perform major maintenance on landfill gas and leachate systems at its landfills. These requests will ensure the Division maintains its leadership in providing economical local landfiling service while protecting the environment.

Preparing for the future

The Division will evaluate less expensive alternatives to building a \$100+ million Northeast Transfer Station, enhance employee engagement to support its workforce, and dedicate resources to accelerate the achievement of recycling, disposal, and climate goals.

- Pilot demand management projects at the Factoria and Shoreline transfer stations to determine if specific strategies can direct customers to transfer stations with more capacity and create efficiency benefits for both operations and customers. Using existing capacity more efficiently may alleviate the need to build or reduce the scope of a new Northeast Transfer station, thereby avoiding debt service and reducing future rate increases. This strategy will involve peak pricing and extended hours for self-haul customers at Factoria to smooth usage at the station and hiring temporary staff at Shoreline to assist with moving customers through the station more quickly.
- Add one FTE to advance the Division more quickly toward critical recycling, disposal and climate goals by supporting efficient business decisions and updating the solid waste comprehensive plan. Add a second FTE focused on communications, employee engagement, and public involvement to support advisory committee stakeholder engagement, employee training and retention, implementation and internal communication.

Alignment with Executive Strategic Initiatives

Equity and Social Justice

Equity and Social Justice (ESJ) for the Division means ensuring equitable access to disposal, recycling services, and educational materials, as well as assessing and mitigating any negative effect on vulnerable populations when considering policy changes and system upgrades. Examples of ESJ efforts in the division include:

- Destination Zero Waste tours of SWD facilities and job opportunities for school children, focusing on schools in low income areas and communities of color.
- “Recicla Más. ¡Es Facilísimo!” Spanish language recycling education program, and Spanish language signs installed at transfer stations.
- Create an ESJ Opportunity Fund where employees can submit ideas to fund investments that align with the King County Equity and Social Justice Strategic Plan and reduce existing disparities or mitigate future disparities both internally within the workforce and externally with the services SWD provides.

Strategic Climate Action Plan (SCAP)

The County committed to achieving zero net greenhouse gas (GHG) emissions, or carbon neutrality, for the Department of Natural Resource and Parks by 2017, with the Wastewater Treatment Division and the Solid Waste Division each independently achieving carbon-neutral operations by 2025. Steps toward carbon neutrality include reducing activities that produce emissions (such as using diesel-fueled trucks to transport waste) while increasing activities that help offset emissions (such as recycling).

Other examples of efforts to address climate change include:

- Expanding recycling programs to advance towards the 70 percent recycling goal - for example, the “Compost More, Waste Less” education program focused on increasing residential food scrap recycling and adding tire and mattress recycling to the list of items that can be recycled at transfer stations.

- Using County staff to sort recyclables from select loads at Shoreline, Enumclaw, and Bow Lake transfer stations.
- Optimizing the landfill gas collection system at Cedar Hills to maximize methane recovery and conversion into pipeline-quality natural gas.
- Converting one SWD hauling tractor to a hybrid compressed natural gas (CNG) / diesel dual fuel engine and studying the viability of converting more trucks to this engine to further reduce greenhouse gas emissions in the future.

Best Run Government

The Solid Waste Division advances towards becoming the Best Run Government by embracing continuous improvement, instituting best management practices, empowering employees to innovate, and striving for second-to-none customer service. This initiative requires the division to continuously assess how best to deliver services, improve operations, and use fewer resources. Examples of SWD's current efforts to improve results, save money, engage employees, and create a better experience and quality of life for residents and businesses include:

- SWD will build on 2015-2016 Lean successes in decreasing travel time for delivery of environmental samples by 45 percent, using the 5S methodology to re-organize inventory and create needed floor space at CHRLF stores, and revising processes to increase truck driver productivity at the Shoreline Recycling and Transfer Station by 33 percent. 2017-2018 activities include building Continuous Improvement capacity by providing "Introduction to Lean" and "A3 Problem Solving" training to SWD Executives, Managers, Supervisors and Leads, training two groups of internal Lean practitioners, and completing process improvements on the SWD contract routing and signature processes.
- SWD engages employees by collecting their feedback through a formal suggestion committee, and by Division leadership meeting with employees where value is created through training and collaboration. Weekly newsletters share important information throughout the Division, and during 2015-2016 SWD management team members made over 1,200 contacts with employees at their ten different work locations to discuss firsthand how best to move Division initiatives forward. Employees are asked each time to rate the quality of these interactions, consistent with King County's annual employee engagement survey, and those ratings have steadily advanced to an average of 4 (on a 1-5 point scale, with 1 being poorest and 5 being best) for enhancing leadership visibility and open/honest communications.

Capital Improvement Programs

The Solid Waste Division has three Capital Improvement Program Funds: the Capital Equipment Recovery Program Fund, Construction Fund, and Landfill Reserve Fund.

Capital Equipment Recovery Program

The Capital Equipment Recovery Program (CERP) provides adequate resources for replacement and major maintenance of solid waste rolling stock and compactors. By accumulating funds in the CERP, the Division ensures that it is able to cover the variable expenditures that come with replacing needed equipment even while revenue fluctuates. Contributions to the CERP are calculated by projecting future replacement costs, salvage values, and equipment life. Contributions are adjusted to reflect changes in facilities and operations that affect equipment needs. The contributions earn interest in an account until needed.

The Division maintains an equipment replacement plan and provides long-term financing by making annual contributions to the Capital Equipment Recovery Program from the operating fund.

Construction Fund Program

The Solid Waste Division Construction Fund program maintains the transfer and disposal system's ability to meet service demands as well as the environmental control systems at closed landfills, while smoothing the rate impact of such actions over future years.

Landfill Reserve Fund Program

The Landfill Reserve Fund (LRF) program constructs new refuse areas at the Cedar Hills Regional Landfill (CHRLF), the only active landfill in King County, closes filled sections of the landfill, provides for the repair and upgrades of major landfill systems (storm water, contaminated storm water, landfill gas, etc.), and provides for relocation of utilities and facilities as active areas of the property move, change, and expand. Additionally, the LRF accumulates a post-closure maintenance reserve which, upon landfill closure, will be transferred to the landfill post-closure fund to cover maintenance and monitoring activities throughout the post-closure period, estimated as 30 years. The budget for these post-closure activities is contained with the Solid Waste Post-Closure Landfill Maintenance Fund, described in the Overview.

2017-2018 Executive Proposed Operating Budget SOLID WASTE (EN_A72000)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	220,672,386	211,775,148	396.3	1.0
Base Budget Adjustments	6,216,451	1,973,570	0.0	(1.0)
Decision Package Adjustments	48,001,603	42,368,583	9.3	12.0
2017-2018 Executive Proposed Budget	274,890,441	256,117,301	405.5	12.0
2017-2018 Executive Proposed Ordinance	274,891,000	256,118,000	405.5	12.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_001) Customer Service Enhancements Modernize the Division's customer service software infrastructure to replace end-of-life custom software with countywide standard software, allow customers to email SWD, and provide consistent service to SWD customers over the phone, via the internet, and in person; also, provide enhanced education, training, signage, and support for self-haul customers to increase separation of garbage from recyclables at the transfer stations	220,000	0	0.0	0.0
(DS_002) Demand Management Conduct a 12-month pilot project of demand management strategies at Factoria and Shoreline to test the effectiveness of these strategies and their ability to reduce customer wait times, encourage use of the stations during off-peak hours, and shift use to less busy stations. The strategies include increasing pricing for self-haulers at Factoria during peak hours on weekdays and weekends, extending operating hours at Factoria, and hiring temporary staff at Shoreline to meet increased demand. If the pilot proves successful, this could eliminate the need to build or reduce the costs of building a new Northeast transfer station.	2,035,242	0	0.0	10.0

2017-2018 Executive Proposed Operating Budget

SOLID WASTE (EN_A72000)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(DS_003) Tonnage Based Costs Add four truck drivers, two transfer station operators, and one scale operator to meet the increased demand in waste being handled at Solid Waste facilities. Also, increase the amount of Business and Operations Tax paid to the Washington State Department of Revenue as a result of increased revenues from this increased tonnage collection.	1,940,799	0	7.3	0.0
(DS_004) Tire and Mattress Recycling Offer mattress and tire recycling at Shoreline, Bow Lake, Enumclaw, Factoria, and Vashon transfer stations. This will aid the division in reaching the SCAP's 70 percent recycling rate goal.	1,733,160	1,733,160	0.0	0.0
(DS_005) Enumclaw Self-Haul Hours Restoration Restore self-haul service at the Enumclaw Recycling and Transfer Station to seven (from five) days a week.	121,808	70,626	0.0	0.0
(DS_106) Automatic Vehicle Location Implement a county-wide initiative of Automatic Vehicle Location (AVL) technology on certain vehicles and equipment. The AVL technology will automate and expand timely data collection and inform decision making. This represents Fleet's portion to fund a county-wide initiative to implement Automatic Vehicle Location (AVL) technology. Project details are included in the KCIT capital budget within project #1129703.	168,044	0	0.0	0.0
(DS_120) Central Climate Change Costs Update Adjust Solid Waste Division's share of the central climate-related costs for 2017-2018; these costs include membership fees in climate related organizations, a countywide greenhouse gas inventory update, consulting fees, regulatory dues to the Puget Sound Clean Air Agency, as well as the centralization of costs for four FTEs to help agencies across the county with climate related activities. The allocation methodology is based on greenhouse gas emissions (51 percent DNR, 45 percent DOT, and 4 percent FMD).	403,453	0	0.0	0.0
Administrative Service Changes				
(AC_001) Factoria Staging Property Sale and Reinvestment Surplus the current staging area used during construction of the new Factoria Recycling and Transfer Station and use the sale proceeds to fund future capital projects in the Solid Waste Construction Fund.	4,000,000	8,000,000	0.0	0.0

2017-2018 Executive Proposed Operating Budget

SOLID WASTE (EN_A72000)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(AC_002) Capital Equipment Recovery Program Transfer Increase the annual contribution from the Solid Waste Operating Fund to the Capital Equipment Recovery Program (CERP). In order to keep rates steady over the past four years, equipment replacement was deferred, creating a backlog. This increase will clear out this backlog and fund replacement of equipment on its normal replacement schedule.	6,800,000	0	0.0	0.0
(AC_003) Fund Landfill Post-Closure Maintenance Activities Fund post-closure maintenance activities at six closed and custodial landfills using Solid Waste rates in lieu of drawing down on fund balance in the Landfill Post-Closure Maintenance (LFPCM) Fund.	2,450,000	0	0.0	0.0
(AC_004) Environmental Regulation Compliance Add an engineer to conduct event-based sampling of stormwater runoff in order to comply with new regulations. Perform major maintenance on the Hobart landfill flare that is nearing the end of its useful life in order to remain in compliance.	444,233	0	1.0	0.0
(AC_005) Landfill One-Time Service Reliability Investments Invest in replacement of aging systems and equipment necessary to sustain landfill operations including a new tipper and wastewater system improvements.	644,000	0	0.0	0.0
(AC_006) Rate Backup and Transition Hire a term limited temporary (TLT) employee in 2018 to learn from and ultimately take on the responsibilities of rate development from the current employee who has announced their intention to retire. This work is highly technical, customized to the solid waste industry, and is mission-critical to the division, thus requiring the need for succession planning.	141,879	0	0.0	0.0
(AC_007) Green Building The Solid Waste Division has proposed to support a half-TLT in DPER to work on Green Building initiatives from the SCAP.	143,186	0	0.0	0.0

2017-2018 Executive Proposed Operating Budget

SOLID WASTE (EN_A72000)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(AC_008) Advancement Towards Strategic Goals Hire a full time employee (FTE) to help the Division achieve its Strategic Goals of Environmental Excellence, Financial Stewardship, Customer Service Excellence, Employer of Choice, and Partner of Choice by supporting efficient business decisions, a long-sought update of the solid waste comprehensive plan and study of the integration of mixed waste processing into the regional solid waste system. The position will help the division achieve SCAP goals targeting recycling rates, carbon neutrality, and zero waste of resources; BRG goals for efficient business practices; and ESJ goals for integrating equity and social justice into policy changes and service decisions.	520,198	0	1.0	0.0
(AC_009) Fortify the Landfill Reserve Fund Transfer funds to the Landfill Reserve Fund (LRF) to meet new development, facility improvement, and closure and post-closure needs at the Cedar Hills Regional Landfill (CHRLF).	11,099,466	0	0.0	0.0
(AC_010) Employee Engagement Convert a TLT to a FTE for an ongoing body of work that includes increasing employee engagement, planning customer events, coordinating staff training opportunities, and supporting the various Solid Waste advisory committees.	228,233	0	1.0	0.0
(AC_011) ESJ Opportunity Fund Create an Equity and Social Justice (ESJ) Opportunity Fund to fund projects that will reduce disparities both internally, within its workforce, and externally, through its contracting and provision of services.	100,000	0	0.0	0.0
(AC_012) Dual Fuel Viability Study Study the operation and maintenance costs as well as the performance of the one municipal solid waste hauling tractor that was converted from a diesel engine to a hybrid compressed natural gas (CNG) / diesel dual fuel engine in 2016.	150,000	0	0.0	0.0
(AC_013) Transfer 2015-2016 Revenues to Reserves Transfer funds from the Solid Waste Division Operating Fund to the LRF using the one-time increase in revenues from enhanced tonnage collection in 2015-2016.	10,000,000	0	0.0	0.0
(AC_014) Bow Lake Recycling and Transfer Station Lighting Retrofit Retrofit the lighting systems at the Bow Lake Recycling and Transfer Station with newer light emitting diode (LED) lighting technology using the Fund to Reduce Energy Demand (FRED) funding mechanism.	125,000	125,000	0.0	0.0

2017-2018 Executive Proposed Operating Budget

SOLID WASTE (EN_A72000)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(AC_300) Software Administration Efficiency Finalize the transition of Solid Waste's point-of-sale system to King County Department of Information Technology (KCIT) and collapse remaining software administration duties into an existing position within the division thereby saving one FTE.	(278,757)	0	(1.0)	0.0
Technical Adjustments				
(TA_001) Inflationary Increases to Facility Maintenance Invest in deferred facility maintenance activities at the CHRLF, the transfer stations, the Supervisory Control and Data Acquisition system (SCADA), and increase costs paid to the King County Environmental Lab for lab work.	846,000	0	0.0	0.0
(TA_002) Operations Inflationary Adjustment Sustain existing levels of service, taking into account the inflationary costs of handling and processing the waste entering the solid waste system.	1,141,053	0	0.0	0.0
(TA_003) Transfer Station Recycling Cover increased collection and processing costs associated with the increase in recycling at transfer stations and expand Styrofoam collection to more stations.	923,253	0	0.0	0.0
(TA_004) Waste Characterization and Graphics Inflation Fund cost increases for two planning and communication functions: solid waste characterization study fees and graphics supplies.	232,800	0	0.0	0.0
(TA_005) Credit Card Fees Adjustment Increase costs related to higher fees for accepting credit cards at transfer stations. This is driven by both an increase in the rate the division is charged per transaction plus an increase in the amount and number of transactions.	220,394	0	0.0	0.0
(TA_006) Washington State Association of Counties Solid Waste Membership Pay for membership in the Washington State Association of Counties that is starting a new special interest group for solid waste interests.	30,000	0	0.0	0.0
(TA_007) Labor loan-out to CIP and PCM Update the amount of loan out labor to the LFPCM fund and Solid Waste capital program.	(855,952)	0	0.0	2.0
(TA_008) DNRP Overhead Adjustment Adjust the portion of Department of Natural Resources and Parks (DNRP) overhead allocated to the Solid Waste Division.	(349,144)	0	0.0	0.0

2017-2018 Executive Proposed Operating Budget

SOLID WASTE (EN_A72000)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(TA_050) Revenue Adjustments Revise budgeted revenues to match current forecast. The major change is an update to the disposal fees collected at transfer stations based on projected tonnage and the rate increase.	0	32,439,797	0.0	0.0
(TA_110) Net Zero Adjustments Net zero changes to reflect current spending patterns.	0	0	0.0	0.0
(TA_113) Vacancy Rate Adjustment Reflects the salary savings associated with the natural rate of employee turnover for a given agency and provide greater transparency in the budget.	(1,175,998)	0	0.0	0.0
(TA_198) Motor Pool Dispatch Rental Remove vehicle dispatch rental rates from the Fleet Motor Pool central rate account 55010 and move them into account 55258 Motor Pool ERR SVS. The amount was estimated based on 2015 actual rental billings and revised based on agency need and estimated usage for 2017-2018.	27,000	0	0.0	0.0
(TA_199) Parking Fees Increase fees at County parking facilities commensurate with local market rates. These changes will affect agencies that pay or reimburse for privately-operated vehicles and for agency-assigned Fleet vehicles that park in the Goat Hill Garage, Chinook Building, KC Correctional Facility, and (as of June 2017) King Street Center.	23,040	0	0.0	0.0
(TA_200) Community Services Area (CSA) Contribution Update Update this agency's costs in the CSA's cost allocation model, which is based on projected CSA staff hours per agency over the biennium. Overall costs for the program increased due to the growth in labor costs (general wage increase, benefits) and central rates.	3,381	0	0.0	0.0
Central Rate Adjustments	3,745,833	0	0.0	0.0
Total Decision Package Adjustments	48,001,603	42,368,583	9.3	12.0

**2017-2018 Proposed Financial Plan
Solid Waste Division / 000004040**

Category	2015-2016 Estimated¹	2017-2018 Proposed Budget²	2019-2020 Projected³	2021-2022 Projected³
Beginning Fund Balance	31,463,033	41,540,411	26,140,848	13,394,904
Revenues				
Disposal Fees ⁴	227,340,139	233,350,717	253,411,615	278,240,634
Moderate Risk Waste (MRW)	5,319,234	8,072,119	8,103,020	8,430,000
Recycling Revenues (excluding MRW)	560,369	720,000	-	-
Grants	517,146	677,000	426,000	435,043
Interest earnings	593,032	502,457	395,695	535,095
Landfill Gas to Energy	5,450,978	2,000,000	2,000,000	2,000,000
Harbor Island Rental Income	1,251,262	1,190,456	1,251,566	1,309,470
Construction and Demolition Waste	1,152,755	1,373,352	1,373,352	1,392,314
SWD Other Revenues	(197,278)	231,200	802,848	852,446
SWD One-Time Revenues (Sale of Land)	-	8,000,000	-	-
DNR Administration (0381)	13,412,187	16,248,590	17,191,008	18,256,851
Total Revenues	255,399,824	272,365,891	284,955,104	311,451,853
Expenditures				
SWD Operating Expenditures ⁵	(163,451,880)	(177,427,958)	(187,951,610)	(199,228,707)
Landfill Reserve Fund Transfer ^{5,6}	(33,191,970)	(40,578,496)	(34,000,000)	(38,840,000)
Capital Equipment Replacement Fund (CERP)	(7,000,000)	(13,800,000)	(13,800,000)	(12,600,000)
Debt Service - General Obligation Bonds	(20,277,409)	(26,327,000)	(35,261,482)	(38,417,491)
Construction Fund Transfer ⁷	(2,000,000)	(8,000,000)	(4,000,000)	(4,000,000)
Landfill Post-Closure Maint. Fund Transfer	-	(2,450,000)	(2,589,650)	(2,745,029)
Cedar Hills Landfill Rent ⁸	(5,989,000)	(5,989,000)	(6,170,000)	(6,357,000)
Host City Mitigation	-	(317,987)	(325,750)	(345,915)
DNR Administration (0381)	(13,412,187)	(16,248,590)	(17,191,008)	(18,256,851)
Total Expenditures	(245,322,446)	(291,139,031)	(301,289,500)	(320,790,993)
Estimated Underexpenditures⁹	-	3,373,577	3,588,452	3,807,273
Other Fund Transactions				
Total Other Fund Transactions	-	-	-	-
Ending Fund Balance	41,540,411	26,140,848	13,394,904	7,863,037
Reserves¹⁰				
Expenditure Reserve ⁶	(10,000,000)			
Rate Stabilization Reserve(s)	(23,962,368)	(17,839,896)	(4,287,815)	
Rainy Day Reserve (30 days)	(7,578,043)	(8,300,952)	(9,107,089)	(9,695,306)
Total Reserves	(41,540,411)	(26,140,848)	(13,394,904)	(9,695,306)
Reserve Shortfall	0	-	-	1,832,269
Ending Undesignated Fund Balance	-	-	-	-

Financial Plan Notes (samples below)

¹ 2015-2016 Estimated reflects 2015 actuals from EBS, plus 2016 estimates using May, 2016 EBS data; uses the Budgetary Fund Balance figures published by FBOD.

² 2017-2018 Proposed Budget is consistent with expenditure and revenue data from Hyperion.

³ Outyear projections assume revenue and expenditure growth based on projections and reflect the most recent estimates, including the outyear impact of supplementals.

⁴ Revenue is based on forecast disposal tonnage above and projected rates of \$137.75 per ton in 2017-2018, \$142.00 per ton in 2019-2020, and \$145.00 per ton in 2021-2022. Tonnage assumed is as follows: 881,525 tons in 2015, 876,100 tons in 2016, 850,967 tons in 2017, 855,259 tons in 2018, 878,200 tons in 2019, 916,940 tons in 2020, 948,237 tons in 2021, and 980,775 tons in 2022.

⁵ Includes the anticipated 4th quarter 2016 omnibus request:

- Operating Expenditures: \$5 million for increased costs related to increased tonnage (overtime) and \$1.5 million for one-time litigation expenses.

- Landfill Reserve Fund (LRF) Transfer: transfer \$5 million to the LRF due to increased tonnage.

⁶ 2017-2018 includes a one-time \$10 million transfer to the Cedar Hills Landfill Post-Closure account from 2015-16 Expenditure

⁷ Includes a one-time \$8 million transfer in 2018 resulting from the sale of construction staging property which the division intends to declare surplus following construction completion in December 2017.

⁸ Based on current values and agreements. A new assessed property value is anticipated to be established after the completion of the Site Development Plan.

⁹ Underexpenditures are based on 2% of the Solid Waste Division's operating expenditures excluding grant-funded expenditures.

¹⁰ The Expenditure Reserve in 2015-2016 reserves funds for the one-time transfer discussed in footnote 6. The Rate Stabilization Reserve is used to mitigate future rate increases. The Rainy Day Reserve balance will remain above the 30-day cash reserve policy as agreed on (select annual SWD operating expenditures * 30/365).

This plan was updated by John Walsh on 9/19/16.

2017-2018 Executive Proposed Operating Budget SW LF POST CLOSURE MAINT (EN_A71500)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	4,834,388	22,014	1.0	0.0
Base Budget Adjustments	68,478	0	0.0	0.0
Decision Package Adjustments	(1,482,644)	2,470,437	0.0	0.0
2017-2018 Executive Proposed Budget	3,420,222	2,492,451	1.0	0.0
2017-2018 Executive Proposed Ordinance	3,421,000	2,493,000	1.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Technical Adjustments				
(TA_001) Update Loan In Labor Update the amount of labor loaned into the Landfill Post-Closure Maintenance (LFPCM) Fund from the Solid Waste Operating Fund.	84,018	0	0.0	0.0
(TA_002) Landfill Post-Closure Maintenance Technical Adjustments Adjust several supply and service accounts in the LFPCM to better reflect recent years' actual spending patterns and projected needs.	(1,582,575)	0	0.0	0.0
(TA_050) Revenue Adjustments Revise budgeted revenues to match current forecast. The major change is in the transfer from Solid Waste Operating to pay for post closure maintenance activities.	0	2,470,437	0.0	0.0
Central Rate Adjustments	15,913	0	0.0	0.0
Total Decision Package Adjustments	(1,482,644)	2,470,437	0.0	0.0

2017-2018 Proposed Financial Plan
Landfill Post-Closure Maintenance / 000001040

Category	2015-2016 Estimated¹	2017-2018 Proposed Budget²	2019-2020 Projected³	2021-2022 Projected³
Beginning Fund Balance	8,420,837	5,881,811	4,954,040	3,940,096
Revenues				
Investment Earnings	42,026	42,451	15,000	15,000
Transfer from SWD Operating 4040	-	2,450,000	2,589,650	2,745,029
Total Revenues	42,026	2,492,451	2,604,650	2,760,029
Expenditures				
Post-Closure Maint. Expenditures	(2,581,052)	(3,420,222)	(3,618,595)	(3,842,947)
Total Expenditures	(2,581,052)	(3,420,222)	(3,618,595)	(3,842,947)
Estimated Underexpenditures				
Other Fund Transactions				
Total Other Fund Transactions	-	-	-	-
Ending Fund Balance	5,881,811	4,954,040	3,940,096	2,857,177
Reserves⁴				
Custodial Landfill Post-Closure	(1,588,089)	(1,337,591)	(1,063,826)	(771,438)
Closed Landfill Post-Closure	(4,117,268)	(3,467,828)	(2,758,067)	(2,000,024)
Program Contingency	(176,454)	(148,621)	(118,203)	(85,715)
Total Reserves	(5,881,811)	(4,954,040)	(3,940,096)	(2,857,177)
Reserve Shortfall	-	-	-	-
Ending Undesignated Fund Balance	-	-	-	-

Financial Plan Notes

¹ 2015-2016 Estimated reflects 2015 actuals from EBS, plus 2016 estimates using May, 2016 EBS data; uses the Budgetary Fund Balance figure published by FBOD.

² 2017-2018 Proposed Budget is consistent with expenditure and revenue data from Hyperion.

³ Outyear projections assume revenue and expenditure growth based on PSB Financial Planning Expenditure Assumptions and Guidance and reflect the most recent estimates, including outyear impacts of supplementals, if applicable.

⁴ Program contingency reserves are set at 3% and the custodial and closed Landfill Post-Closure percentages are based on historical patterns and anticipated needs of 27% and 70% respectively.

This plan was updated by John Walsh on 8/31/16.

CAP SUMMARY REPORT

2017-2018 Biennial - Executive Proposed

3810 SW CAP EQUIP REPLACEMENT - Solid Waste

Project Number	Project Name Class Code	Tech Adj	FY17-18	Current Scope
1033485	SW CERP CAPITAL REPAIRS STANDALONE		\$2,400,000	Capital Equipment Recovery Program Capital Repairs - This project will provide for the major repairs and rebuild of Solid Waste Division rolling stock (refuse trailers, dozers, etc.). The purpose of the Capital Equipment Recovery Program (CERP) is to provide adequate resources for replacement and major maintenance of solid waste rolling stock and compactors.
1033487	SW CERP EQ REPLACEMENT PURCHASE STANDALONE		\$13,400,000	Capital Equipment Recovery Program Equipment Replacement Purchase - The purpose of the Capital Equipment Recovery Program (CERP) is to provide adequate resources for replacement and major maintenance of solid waste rolling stock and compactors. This project supports the replacement of Solid Waste equipment purchased after 1981. A separate fund was created and annual contributions are made to it from the operating fund in order to replace heavy equipment items as scheduled in the Equipment Replacement Plan.
3810 - SW CAP EQUIP REPLACEMENT		Total	\$15,800,000	

3901 SOLID WASTE CONSTRUCTION - Solid Waste

Project Number	Project Name Class Code	Tech Adj	FY17-18	Current Scope
1033497	SW SOUTH COUNTY RECYCLING & TS STANDALONE		\$0	South County Recycling and Transfer Station - This project will site, design, permit and construct a new transfer and recycling facility to replace the Algona Transfer Station.
1033502	SW CH EQUIP WASH PLATFORM STANDALONE	✓	(\$1,611,291)	Cedar Hills Equipment Wash Platform - Construction of a facility to clean the underside of heavy tracked equipment on the active landfill work area. Improvements to the truck wash facility. Includes an evaluation of existing truck wash; construction of a Heavy Equipment Undercarriage Wash Platform on a permanent foundation.
1033505	SW FAC CAPITAL PROJ CNTRL SPRT ADMIN		\$0	Facilities Capital Project Control Support - This project will fund support for the Solid Waste Division (SWD) to implement standardized project management processes including CPMWG requirements to ensure compliance with Ordinance 16764 as well as Executive Order 8-1, 8-2, 8-3, 8-4. This includes the update of project management manual, tracking performance, and implementation of a Project Management Document Management system for capital projects reporting. In order to standardize project management in SWD, a Centralized Project Management Unit (CPMU) was formed in 2015. Standardized project management process, protocols, training for CPMU will be developed through this project. This project will fund the work associated with developing, updating, and maintaining Project Information System Management (PRSIM) System to track, budget, and report capital projects performance.
1033507	SW CONSTR CIP OVERSIGHT ADMIN		\$3,407	Construction Capital Improvement Program Oversight - Covers the cost of CIP oversight services provided to the Solid Waste Division's Construction Fund projects by the King County Auditor's Office.
1116838	SW ENUMCLAW ENV CNTRL SYS MOD STANDALONE		\$553,247	Enumclaw Environmental Control System Modifications - This project will implement environmental improvements necessary to maintain compliance with local, state, and federal regulations deemed applicable. Investigation at the WAC 173-304 regulated facility Enumclaw Landfill to

CAP SUMMARY REPORT

2017-2018 Biennial - Executive Proposed

				improve land fill gas control system and also to minimize custodial operations and maintenance requirements; and develop property for ultimate secondary use. There are two subprojects. Subproject one - Replacing aging and insufficient landfill gas flare with newer solar spark flare. This project produces the design, plans and technical specifications to construct a utility flare system, construction management, commissioning and startup services, develop Operations and Maintenance Plan and training. Subproject two - Revision of Post-Closure maintenance recommendations in preparation for termination of Post-closure. This project includes data review of entire site and surrounding wells-groundwater quality, new cross-sections to move towards ending post-closure maintenance.
1116840	SW VASHON ENV CNTRL SYS MOD STANDALONE		\$1,255,130	Vashon Environmental Control System Modifications - This project will implement environmental improvements necessary to maintain compliance with local, state, and federal regulations deemed applicable. Investigation at the WAC 173-351 Regulated facility Vashon Island Landfill has indicated needed improvements to maintain functioning of post closure environmental land fill gas control and treatment system due to aging system. This project includes planning, design and construction for the gas control upgrades. Evaluation of groundwater flow and quality evaluation and monitoring network upgrades.
1124104	SW HOBART LF COVER & GAS CTRL STANDALONE		\$1,503,356	Hobart Landfill Cover and Gas Control - Investigation at the WAC 173-304 Regulated facility Hobart Landfill has indicated needed improvements to maintain functioning of post closure environmental control and treatment systems due to aging systems and changed conditions. This project includes planning, design and construction of the upgrades. There are three subprojects. Subproject one - Landfill Cover, Containment Wall and Leachate Control Alternatives Analysis. Subproject two - Produce the design, plans and technical specifications to construct a utility flare system, construction management, commissioning and startup services, develop Operations and Maintenance Plan and training. Subproject three - Design plans and technical specifications to construct a new leachate system.
1124107	SW ALGONA TS DECONSTRUCT STANDALONE		\$0	Algona Transfer Station Deconstruction - Deconstruct the existing Algona Transfer Station following the opening of the new South County RTS
1129849	SW PC DUVALL ENVIRON CTRL SYS STANDALONE		\$549,247	Post Closure Duvall Environmental Control Systems - Investigation at the WAC 173-301 Regulated facility Duvall Landfill to implement landfill control system (landfill gas, landfill cover) improvements to meet regulatory requirements; minimize custodial operations and maintenance requirements; and develop property for ultimate secondary use. This project includes planning, design and construction for the upgrades.
1129850	SW HARBOR ISLAND DOCK DEMO STANDALONE		\$1,869,209	Harbor Island Dock Demolition - Permitting and demolition of an existing 64,000 sq. ft. condemned dock at Harbor Island facility.
1129851	SW PC PUY/KIT CNR ENV CTRL SYS STANDALONE		\$549,247	Post Closure Puyallup / Kit Corner Environmental Control Systems - Investigation at the WAC 173-301 regulated facility Puyallup-Kit Corner Landfill to implement landfill control system (landfill gas, groundwater remediation and landfill cover) improvements to meet regulatory requirements; minimize custodial operations and maintenance requirements; and develop property for ultimate secondary use. This project includes planning, design and construction for the upgrades.
1129852	SW PC HOUGHTON		\$549,247	Post Closure Houghton Environmental Control Systems - Investigation at

CAP SUMMARY REPORT

2017-2018 Biennial - Executive Proposed

	ENV CTRL SYS STANDALONE			the WAC 173-301 regulated facility Houghton Landfill to implement landfill control system (landfill gas, landfill cover) improvements to meet regulatory requirements; minimize custodial operations and maintenance requirements; and formally develop property for ultimate secondary use. This project includes planning, design and construction for the upgrades.
3901 - SOLID WASTE CONSTRUCTION		Total	\$5,220,799	
3910 LANDFILL RESERVE - Solid Waste				
Project Number	Project Name Class Code	Tech Adj	FY17-18	Current Scope
1033516	SW CH REV SITE DEV PLAN STANDALONE		\$405,128	<p>Cedar Hills Revised Site Development Plan - The scope of this project is to develop a revised site development plan with the purpose of extending the useful life of the County's Cedar Hills Regional Landfill beyond the year 2040 from its current projected useful life of 2030 and also develop an Environmental Impact Statement (EIS). The County anticipates that the work will proceed in two phases as follows: 1. Reevaluate the existing site development plan (2010); 2. Explore any new alternative development options to prepare a revised site development plan and will include preparation of site development plan options; identification and evaluation of any environmental impacts; evaluation of the alternatives and selection of the preferred site development option; 3.Prepare conceptual layout plans for five alternative site development plans and cost-economic model; 4.Prepare the Cedar Hills Regional Landfill revised Site Development Plan 2015; 5.Prepare an EIS report following the State Environmental Plan Act (SEPA) Review process including public consultation process, supplemental environmental studies, etc.; and 6.Prepare a Project Program Plan (PPP) for the preferred Site Development Plan. Phase 1: Reevaluate the Existing Site Development Plan and Develop a Revised Site Development Plan 1. The Consultant will review all the alternative development plans considered in the existing site development plan (2010) and will reconsider for further assessment of the impacts of alternative design plans prepared for Area 8 Development. 2. Research and consider any new alternative development plan options (see Task 200). 3. The Consultant will then use this information to: Prepare up to 10 site development plan options to present to the County. Identity and evaluate any environmental and regulatory impacts associated with each of the options. Develop conceptual design plans at 15-20% level for selected five (5) site development plan options. Evaluate and rank the five selected alternatives plans based on selected criteria. Develop an economic model for overall financial impacts for each of the five (5) selected alternative development plan options. Develop an overall ranking matrix based on the design, environmental and economic model for the selected five (5) alternative development plans.</p> <p>Phase 2 Prepare an Environmental Impact Statement (EIS) (called EIS 2015). The Consultant will prepare an EIS report based on the selected five (5) alternative site development plan options following the State Environmental Plan Act (SEPA) Review process including public consultation process, environmental studies, etc. Phase 1 was completed by its deadline of December 31, 2015. It is anticipated that Phase 2 will be completed by December 30, 2017.</p>
1033542	SW CH AREA 7 CLOSURE		\$7,035,071	Cedar Hills Area 7 Closure - This project consists of a five-stage construction of final cover system over a projected area of about 60 acres of Refuse

CAP SUMMARY REPORT

2017-2018 Biennial - Executive Proposed

	STANDALONE			Area 7 between the year 2011 and 2020. The staged construction are planned in 2013, 2015, 2017, 2018, and 2020. The work includes preliminary and final design, preparation of contract documents, and the installation of liner, landfill gas, leachate, and surface water control facilities.
1033543	SW CH GW MONITORING WELLS STANDALONE	✓	(\$35,967)	Cedar Hills Groundwater Monitoring Wells - Decommission and install new groundwater monitoring wells, and update hydrogeological report.
1033547	SW LFR CAPITAL PROJ CNTRL SPRT ADMIN		\$0	Landfill Reserve Capital Project Control Support - This project will fund support for the Solid Waste Division to implement standardized project management processes including CPMWG requirements to ensure compliance with Ordinance 16764 as well as Executive Order 8-1, 8-2, 8-3, 8-4. This includes the update of project management manual, tracking performance, and implementation of a Project Management Document Management system for capital projects reporting. In order to standardize project management in Solid Waste Division (SWD), a Centralized Project Management Unit (CPMU) was formed in 2015. Standardized project management process, protocols, training for CPMU will be developed through this project. This project will fund the work associated with developing, updating, and maintaining Project Information System Management (PRISM) System to track, budget, and report capital projects performance.
1033548	SW LFR CIP OVERSIGHT ADMIN		\$32,503	Landfill Reserve Capital Improvement Program Oversight - Covers the cost of CIP oversight services provided to the Solid Waste Division's Landfill Reserve Fund projects by the King County Auditor's Office.
1112415	CH AREA 8 CLOSURE STANDALONE		\$0	Cedar Hills Area 8 Closure - This project consists of a multistage construction of the final cover system over Refuse Area 8 between the years 2019 and 2027. The staged construction years will be determined. The work includes preliminary and final design, preparation of contract documents, and the installation of liner, landfill gas, leachate, and surface water control facilities.
1115992	SW A8 DEV/FACILITY RELOCATION STANDALONE		\$37,046,951	Area 8 Development/Facility Relocation - This project will develop a new landfill area at Cedar Hills Regional Landfill (CHRLF). This effort is consistent with the Project Program Plan (PPP) for development of alternatives at CHRLF approved by the King County Council in December 2010. The approved PPP summarized the five alternatives considered and recommended Alternative 2. Alternative 2 was projected to extend landfill life 5 to 6 years based on the tonnage forecast at that time. The project includes relocation of storm water management facilities and contaminated storm water management facilities, and design and construction of the new landfill areas. This project will be phased over a seven year period (2012 - 2018); There are three (3) sub-projects: sub-project 1 - South Solid Waste Area (SSWA) Excavation, sub-project 2 - Stormwater and Contaminated stormwater pond relocation, and sub-project 3 - construction of the Area 8 Refuse Facility. The schedule proposed in the PPP expected construction to occur between 2014 and 2018. During the project planning, the schedule was revised to focus construction activities between years 2015 and 2018.
1129844	SW CHRLF PUMP STN REPAIR STANDALONE		\$3,130,475	Cedar Hills Regional Landfill Pump Station Repair - This project includes the evaluation of pumps, controls and sizing for Pump Stations 1A, 2, 3, & 4; inspection of the condition of wet wells for PS1A, PS2, PS3, & PS4; analysis of tributary leachate flows to each pump station and implementation of

CAP SUMMARY REPORT

2017-2018 Biennial - Executive Proposed

				the following repairs for Pump Station 1A: Repair influent piping valves and valve stems. Wet Well Liner Replacement. Top Slab and Maintenance Pad Replacement. Pump Retrieval and Power Cord Tie-off Upgrades. Level Sensor/Transducer Replacement.. Perform leak test. Replace discharge valves and valve vault
1129847	SW CHRLF N FLARE STATION REHAB STANDALONE		\$1,667,722	Cedar Hills Regional Landfill North Flare Station Rehabilitation - This project includes the design, repair and replacement of the following items: Design, permitting and construction of a rain shelter. Repair of flare footing supports. Replacement and commissioning of 4 blowers. Installation of a new air dry compressor. Exterior painting of flares and refractory repair. Upgrade of flare station electrical panel. Replace and commission flare ignitors.
1129848	SW CHRLF AREA 5 TOP DECK STANDALONE		\$482,223	Cedar Hills Regional Landfill Area 5 Top Deck - The primary goal of this project is to develop the top deck of the Area 5 for filling the last lift to 800 feet elevation and construct the final closure cover system for the closed surface. The work includes preliminary and final design, preparation of contract documents, and the installation of liner, landfill gas, leachate, and surface water control facilities. This project consists of the following under two major tasks: 1] area 5 Top deck Development (prepare grading and filling sequence plan; prepare the storm water and CSW plan; prepare LFG collection plan; update the Area 5 Plan of Operations). And 2] Area 5 Top Deck Closure (plan, design, and construction of final cover systems over a projected 34 acres of closed refused surfaces of Area 5 top deck between 2019 and the year 2021).
3910 - LANDFILL RESERVE		Total	\$49,764,106	
Grand Total			\$70,784,905	

2017-2018 Proposed Financial Plan
Capital Equipment Recovery Fund / Fund 000003810

Capital Improvement Program (CIP) Budget					
	2015-2016 Carryforward (YE ITD Balance)¹	2017-2018 Proposed²	2017-2018 Total (Balance + Budget)	2019-2020 Estimated³	2021-2022 Estimated³
Capital Budget Revenue Sources:					
Revenue Backing from Fund Balance	7,718,754	-	7,718,754	-	-
Transfer from Solid Waste Operating Fund 000004040	-	13,800,000	13,800,000	14,827,600	11,284,715
Sale of Surplus Equipment ⁷	-	1,738,500	1,738,500	1,528,900	950,285
Interest Revenue	-	261,500	261,500	443,500	-
Other Revenue	-	-	-	-	-
Total Capital Revenue	\$ 7,718,754	\$ 15,800,000	\$ 23,518,754	\$ 16,800,000	\$ 12,235,000
Capital Appropriation:					
SW CERP REPAIRS	(1,270,154)	(2,400,000)	(3,670,154)	(3,400,000)	(3,400,000)
SW CERP EQUIPMENT REPLACEMENT	(6,448,600)	(13,400,000)	(19,848,600)	(13,400,000)	(8,835,000)
Other Capital Projects	-	-	-	-	-
Total Capital Appropriation	\$ (7,718,754)	\$ (15,800,000)	\$ (23,518,754)	\$ (16,800,000)	\$ (12,235,000)

CIP Fund Financial Position						
	2015-2016 Biennial to Date Actuals⁴	2015-2016 Estimated⁵	2017-2018 Biennial to Date Actual	2017-2018 Estimated⁵	2019-2020 Estimated⁶	2021-2022 Estimated⁶
Beginning Fund Balance	18,443,525	18,443,525	-	17,892,730	12,946,230	10,029,630
Capital Funding Sources						
Revenue Backing from Fund Balance	-	-	-	-	-	-
Transfer from Solid Waste Operating Fund 000004040	3,549,992	7,000,000	-	13,800,000	13,800,000	12,600,000
Sale of Surplus Equipment ⁷	176,795	550,000	-	1,738,500	1,528,900	950,285
Interest Revenue	148,634	242,000	-	300,000	443,500	622,332
Other Revenue	316,521	350,000	-	-	-	-
Total Capital Revenue	\$ 4,191,942	\$ 8,142,000	\$ -	\$ 15,838,500	\$ 15,772,400	\$ 14,172,617
Capital Expenditures						
SW CERP REPAIRS	(451,932)	(1,451,932)	-	(3,400,000)	(3,400,000)	(3,400,000)
SW CERP EQUIPMENT REPLACEMENT	(7,240,863)	(7,240,863)	-	(17,385,000)	(15,289,000)	(9,502,850)
Total Capital Expenditures	\$ (7,692,795)	\$ (8,692,795)	\$ -	\$ (20,785,000)	\$ (18,689,000)	\$ (12,902,850)
Other Fund Transactions						
Ending Fund Balance	\$ 14,942,672	\$ 17,892,730	\$ -	\$ 12,946,230	\$ 10,029,630	\$ 11,299,397
Fund Balance designated to current projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reserves⁸						
Rainy Day Reserve (15% of the rolling stock value)		(9,556,515)	-	(10,052,050)	(10,636,262)	(11,294,969)
Total Reserves	\$ -	\$ (9,556,515)	\$ -	\$ (10,052,050)	\$ (10,636,262)	\$ (11,294,969)
Projected Shortfall	-	-	-	-	606,632	-
Ending Undesignated Fund Balance	\$ 14,942,672	\$ 8,336,215	\$ -	\$ 2,894,180	\$ -	\$ 4,428

Financial Plan Notes (samples below)

¹ 2015-2016 Carryover reflects estimates of year end inception to date appropriation balances or actual balance as reported by the PA_103 report.

² 2017-2018 Proposed Budget is consistent with expenditure and revenue data from PIC and matches the CIP Attachment A.

³ Outyear budget estimates are consistent with Attachment A out years estimates with exceptions noted.

⁴ 2015-2016 Biennial to Date through May 2016.

⁵ 2015-2016 and 2017-2018 Estimated reflects updated revenue and expenditure estimates as of 05/31/2016.

⁶ Outyear revenue and spending estimates are based on current revenue estimates and project spending plans.

⁷ Assumes equipment salvage value of 10% acquisition cost, on average.

⁸ The Rainy Day Reserve protects the fund against unanticipated asset retirements and is set at 15% of the replacement value of the rolling stock in the program.

This plan was updated by John Walsh on 8/31/16.

**2017-2018 Proposed Financial Plan
Solid Waste Construction Fund / 000003901**

Capital Improvement Program (CIP) Budget					
	2015-2016 Carryforward (YE ITD Balance)¹	2017-2018 Proposed²	2017-2018 Total (Balance + Budget)	2019-2020 Estimated³	2021-2022 Estimated³
Capital Budget Revenue Sources:					
Revenue Backing from Fund Balance	16,716,797	1,510,442	18,227,239	-	-
Bond Proceeds under Ordinance 18089	30,000,000	-	30,000,000	35,000,000	45,000,000
Bond Proceeds under New Ordinance					15,000,000
Transfer from Solid Waste Operating Fund 4040	2,000,000	-	2,000,000	3,323,024	
Surplus Property Sale	-	3,550,357	3,550,357	-	-
Other Revenue	-	160,000	160,000	160,000	146,375
Total Capital Revenue	\$ 48,716,797	\$ 5,220,799	\$ 53,937,596	\$ 38,483,024	\$ 60,146,375
Capital Appropriation:					
SW Bow Lake Recycling and TS	(4,753,369)	-	(4,753,369)	-	-
SW Factoria Recycling and TS	(12,551,681)	-	(12,551,681)	-	-
SW South County Recycling and TS	(15,100,705)	-	(15,100,705)	(34,278,875)	(55,844,577)
Other Capital Projects	(16,311,042)	(5,220,799)	(21,531,841)	(4,204,149)	(4,301,798)
Total Capital Appropriation	\$ (48,716,797)	\$ (5,220,799)	\$ (53,937,596)	\$ (38,483,024)	\$ (60,146,375)
	\$ -	\$ -	\$ -	\$ -	\$ -

CIP Fund Financial Position						
	2015-2016 Biennial to Date Actuals⁴	2015-2016 Estimated⁵	2017-2018 Biennial to Date Actual	2017-2018 Estimated⁵	2019-2020 Estimated⁶	2021-2022 Estimated⁶
Beginning Fund Balance	14,117,116	14,117,116	-	1,617,074	22,116,022	20,589,394
Capital Funding Sources						
Revenue Backing from Fund Balance	-	-		-	-	-
Bond Proceeds under Ordinance 18089 ⁷	40,021,319	40,021,319		30,000,000	40,000,000	40,000,000
Bond Proceeds under New Ordinance		-		-	-	15,000,000
Transfer from Solid Waste Operating Fund 4040	-	2,000,000		-	4,000,000	4,000,000
Surplus Property Sale	-	-		8,000,000	-	-
Other Revenue	115,018	160,000		160,000	160,000	160,000
Total Capital Revenue	\$ 40,136,337	\$ 42,181,319	\$ -	\$ 38,160,000	\$ 44,160,000	\$ 59,160,000
Capital Expenditures						
SW Bow Lake Recycling and TS	(341,567)	(350,000)		-	-	-
SW Factoria Recycling and TS	(43,564,858)	(48,585,631)		(522,725)	(443,647)	(470,665)
SW South County Recycling and TS	(727,552)	(675,000)		(8,784,733)	(40,595,186)	(55,844,577)
Other Capital Projects	(3,081,598)	(5,070,730)		(8,353,594)	(4,647,795)	(4,498,657)
Total Capital Expenditures	\$ (47,715,576)	\$ (54,681,361)	\$ -	\$ (17,661,052)	\$ (45,686,628)	\$ (60,813,899)
Other Fund Transactions						
		-		-		
Ending Fund Balance	\$ 6,537,877	\$ 1,617,074	\$ -	\$ 22,116,022	\$ 20,589,394	\$ 18,935,495
Fund Balance designated to current projects⁸	\$ (6,537,877)	\$ (1,617,074)	\$ -	\$ (22,116,022)	\$ (20,589,394)	\$ (18,935,495)
Reserves						
There are no reserves in this fund						
Total Reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Projected Shortfall	-	-	-	-	-	-
Ending Undesignated Fund Balance	\$ -	\$ 0	\$ -	\$ 0	\$ 0	\$ 0

Financial Plan Notes (samples below)

¹ 2015-2016 Carryover reflects estimates of year end inception to date appropriation balances or actual balance as reported by the PA_103 report.

² 2017-2018 Proposed Budget is consistent with expenditure and revenue data from PIC and matches the CIP Attachment A.

³ Outyear budget estimates are consistent with Attachment A out years estimates with exceptions noted.

⁴ 2015-2016 Biennial Actuals to Date through May 2016.

⁵ 2015-2016 and 2017-2018 Estimated reflects updated revenue and expenditure estimates as of 05/31/2016.

⁶ Outyear revenue and spending estimates are based on current revenue estimates and project spending plans.

⁷ Includes only bond issuances authorized under Ordinance 18089. New debt in 2021-2022 will need new authorizing legislation.

⁸ Fund balance designated to current projects is for projects that are already appropriated. This fund balance cannot be used for other projects without disappropriating projects or creating a shortfall in the fund.

This plan was updated by John Walsh on 8/31/16.

**2017-2018 Proposed Financial Plan
Landfill Reserve Fund / 000003910**

Capital Improvement Program (CIP) Budget					
	2015-2016 Carryforward (YE ITD Balance)¹	2017-2018 Proposed²	2017-2018 Total (Balance + Budget)	2019-2020 Estimated³	2021-2022 Estimated³
Capital Budget Revenue Sources:					
Revenue Backing from Fund Balance	8,276,880	9,188,608	17,465,488	-	-
Bond Proceeds	-	-	-	-	-
Transfer from Solid Waste Operating Fund 4040	19,173,775	40,575,498	59,749,273	32,071,360	28,038,819
Interest	-	-	-	-	-
Other Revenue	-	-	-	-	-
Total Capital Revenue	\$ 27,450,655	\$ 49,764,106	\$ 77,214,761	\$ 32,071,360	\$ 28,038,819
Capital Appropriation:					
SW Area 8 Development/Facility Relocation	(5,696,110)	(37,046,951)	(42,743,061)	-	-
SW Cedar Hills Area 6 Closure	(8,387,470)	-	(8,387,470)	-	-
SW Cedar Hills Area 7 Closure	(5,071,896)	(7,035,071)	(12,106,967)	(19,176,572)	(482,147)
SW Cedar Hills Area 8 Closure	-	-	-	-	(15,362,727)
SW Cedar Hills LFG Pipeline Upgrade	(1,048,401)	-	(1,048,401)	-	-
Other Capital Projects	(7,246,778)	(5,682,084)	(12,928,862)	(12,894,788)	(12,193,945)
Total Capital Appropriation	\$ (27,450,655)	\$ (49,764,106)	\$ (77,214,761)	\$ (32,071,360)	\$ (28,038,819)

CIP Fund Financial Position						
	2015-2016 Biennial to Date Actuals⁴	2015-2016 Estimated⁵	2017-2018 Biennial to Date Actual	2017-2018 Estimated⁵	2019-2020 Estimated⁶	2021-2022 Estimated⁶
Beginning Fund Balance	47,100,369	47,100,369		37,988,303	16,786,254	17,013,720
Capital Funding Sources						
Transfer from Solid Waste Operating Fund 4040	14,816,031	33,191,970		40,578,496	34,000,000	38,840,000
Interest	351,712	280,156		300,000	300,000	300,000
Other Revenue	78,233	-		-	-	-
Total Capital Revenue	\$ 15,245,976	\$ 33,472,126	\$ -	\$ 40,878,496	\$ 34,300,000	\$ 39,140,000
Capital Expenditures						
SW Area 8 Development/Facility Relocation	(12,141,156)	(26,321,177)		(40,740,092)	(2,002,968)	-
SW Cedar Hills Area 6 Closure	(10,724)	(10,724)		-	-	-
SW Cedar Hills Area 7 Closure	(3,955,353)	(4,564,777)		(12,124,054)	(19,176,572)	(482,147)
SW Cedar Hills LFG Pipeline Upgrade	(768,099)	(5,337,831)		-	-	-
Other Capital Projects	(3,129,585)	(6,349,683)		(9,216,399)	(12,892,994)	(27,556,672)
Total Capital Expenditures	\$ (20,004,917)	\$ (42,584,192)	\$ -	\$ (62,080,545)	\$ (34,072,534)	\$ (28,038,819)
Other Fund Transactions						
		-		-		
Ending Fund Balance	\$ 42,341,428	\$ 37,988,303	\$ -	\$ 16,786,254	\$ 17,013,720	\$ 28,114,901
Fund Balance designated to current projects⁷	\$ (42,341,428)	\$ (37,988,303)	\$ -	\$ (16,786,254)	\$ (17,013,720)	\$ (28,114,901)
Reserves						
There are no reserves in this fund						
Total Reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Projected Shortfall	-	-	-	-	-	-
Ending Undesignated Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Financial Plan Notes (samples below)

¹ 2015-2016 Carryover reflects estimates of year end inception to date appropriation balances or actual balance as reported by the PA_103 report.

² 2017-2018 Proposed Budget is consistent with expenditure and revenue data from PIC and matches the CIP Attachment A.

³ Outyear budget estimates are consistent with Attachment A out years estimates with exceptions noted.

⁴ 2015-2016 Biennial to Date through May 2016.

⁵ 2015-2016 and 2017-2018 Estimated reflects updated revenue and expenditure estimates as of 05/31/2016.

⁶ Outyear revenue and spending estimates are based on current revenue estimates and project spending plans.

⁷ Fund balance designated to current projects is for projects that are already appropriated. This fund balance cannot be used for other projects without disappropriating projects or creating a shortfall in the fund.
This plan was updated by John Walsh on 8/31/16.

WASTEWATER TREATMENT DIVISION

Mission

We protect public health and enhance the environment by collecting and treating wastewater while recycling valuable resources for the Puget Sound region.

Overview

The Wastewater Treatment Division (WTD) provides wastewater treatment for 17 cities and 17 local sewer districts in the central Puget Sound region. It treats wastewater for nearly 1.5 million residents of King County and parts of Pierce and Snohomish counties, including maintaining and operating the equipment and facilities that collect and treat wastewater before it is reused or released into Puget Sound.

The division's financing is generated primarily through customer charges including use charges on all residential and commercial customers and capacity charges on new sewer connections. The King County Council via Ordinance 18305 adopted a 2017 sewer rate of \$44.22 in June 2016, with the stated intention of maintaining this rate for two years. This is an increase of \$2.19 or 5.2 percent over the 2015-2016 sewer rate.

WTD products include: transfer and delivery of wastewater for treatment (conveyance), Right Water, Right Use (recycled water), Loop biosolids, green energy (harvested from wastewater processes), and education.

The WTD Debt Service Fund provides for the payment of principal and interest on debt that has been and is expected to be issued over the biennium for the Capital Improvement Program (CIP) of the Wastewater Treatment Division. Debt financing is the primary source of funds paying for capital improvements authorized under the Regional Water Services Plan and Asset Management programs. The 2017-2018 Proposed Budget provides for an expenditure of \$536.1 million for debt service and debt related items. The largest portion of this amount is for payments on County debt issued on behalf of WTD. This includes revenue bonds, limited tax general obligation bonds, and loans from the State Revolving Fund (SRF) and Public Works Trust Fund. The expenditure also includes funding of reserves required for new SRF Loans and credit enhancement fees payable to the County for the general obligation bonds issued for WTD.

The WTD Operating appropriation unit is A46100 and sits in Fund 000004611. The WTD Debt Service Fund is 000008920.

2017-2018 Problems, Opportunities and Priorities

Key opportunities and priorities in 2017-2018 for the Wastewater Treatment Division include:

- Selling biogas tagged with Renewable Identification Numbers (RIN) produced at the South Treatment Plant and using this revenue to further WTD's environmental sustainability goals.
- Converting several term limited temporary (TLT) positions to full-time positions (FTE) where the work has become permanent and ongoing, increasing FTEs in the Capital Improvement Program (CIP) to meet future capital demands, adding TLT positions for short term, special projects such as improving revenue collection efforts in the capacity charge program, and implementing succession planning for several project manager positions in the CIP program where incumbents are anticipated to retire.
- Further advancing the Executive Strategic Initiatives for Equity and Social Justice, Strategic Climate Action Plan, and Best Run Government, described in more detail below.

Alignment with Executive Strategic Initiatives

Equity and Social Justice

WTD's Equity and Social Justice efforts over the upcoming biennium include:

- Expanding efforts to be more inclusive in communications, outreach, and education.
- Investing in partnerships which will increase awareness of select WTD programs.
- Developing career paths towards a racially equitable work workforce by investing in school-to-work pipelines for youth with the greatest barriers to meaningful employment.
- Facilitating engagement and education opportunities for students by partnering with school districts on field trips to WTD facilities.
- Racial equity training for WTD's entire workforce.

Strategic Climate Action Plan (SCAP)

Wastewater Treatment has identified over 50 actions in the Strategic Climate Action Plan (SCAP) that have been and will be pursued in the future. The Division also has a goal of achieving carbon neutrality by 2025. Some highlights of these sustainability efforts include:

- Implementing several capital projects that will reduce energy usage and maintenance costs and increase renewable energy production at the plants, such as the West Point Oxygen Generation and Dissolution System (OGADS) Replacement and South Plant Biogas Heat projects.
- Analyzing new truck and engine technologies and modifications that will allow heavy duty Loop biosolid trucks to effectively reduce fuel consumption and/or use alternative fuels in the future.
- Investing in projects that advance the SCAP priority action of expanding use of reclaimed water.
- Increasing training on green operations and maintenance, methods to achieve platinum ratings for WTD projects, and improving construction and demolition waste diversion.

Best Run Government

WTD is pursuing several ways of becoming the Best Run Government, including:

- **Lean/Continuous Improvement:** Continue programs and practices that support continuous improvement, savings, efficiencies, and increased productivity.
- **Bright Ideas:** Continue to encourage employee-generated ideas for efficiency / productivity through programs like WTD's Bright Ideas.
- **Capital Project Streamlining:** Examine the utility's various processes for delivering capital projects and look at latest thinking and innovations on project delivery in order to shorten the time it takes to deliver capital projects without sacrificing quality.
- **Financial Stewardship and Strategies:** Continue programs and practices that support financial stability, fiscal stewardship, savings, efficiencies, and reinvestment in the wastewater treatment program.
- **Workforce Development:** Continue workforce development efforts including leadership development, Lominger, and the 2015 King County Engagement Survey results.
- **Training:** Balance technical with human interaction training, emphasizing quality over quantity.
- **Reducing Costs:** Continue to take advantage of low interest rates, when available, to refinance debt. Refinancing in 2014 and 2015 resulted in over \$195 million in reductions to total outstanding debt.

Capital Improvement Program

In accordance with the Wastewater Treatment Division's mission to protect public health and enhance the environment by collecting and treating wastewater while recycling valuable resources for the Puget Sound region, the objectives of the Wastewater Capital Improvement Program are to:

- Ensure continued operation and reliability of existing wastewater conveyance and treatment assets;
- Enhance regional water quality in compliance with federal, state, and local regulations;
- Provide sufficient wastewater conveyance and treatment capacity to meet the long-term needs of people and businesses in the WTD service area;
- Facilitate the creation of resources from wastewater;
- Allocate limited funds among multiple priorities including Combined Sewer Overflow (CSO) control and Conveyance System Improvement projects (CSI) to meet capacity demands and asset management to maintain facilities and infrastructure; and
- Incorporate King County's Strategic Climate Action Plan (SCAP), Best Run Government (BRG), and Equity and Social Justice (ESJ) Initiatives.

The WTD CIP Program has a mixture of standalone and programmatic projects that cover a range of different functions including:

- Treatment Plants – maintaining or upgrading the five treatment plants managed by WTD
- Conveyance Pipelines and Storage – providing asset maintenance on close to 400 miles of sewer pipe throughout the county
- Pump Stations - maintaining or upgrading pump stations that ensure smooth flow of sewage
- Combined Sewer Overflow (CSO) Control – build or upgrade CSOs to limit overflows into local bodies of water
- Biosolids – maintain or upgrade systems that recycle organic material from sewage that can be used for agricultural purposes
- Water Reuse – maintain or upgrade assets used in recycling water
- Environmental Lab – provide maintenance or upgrades at the Environmental Lab building
- Central Functions (such as planning) – assist in the management of the WTD CIP program
- Minor Asset Management (such as electrical systems) – maintenance of minor asset systems throughout the WTD system

2017-2018 Executive Proposed Operating Budget WASTEWATER TREATMENT (EN_A46100)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	276,483,016	873,913,405	605.7	2.0
Base Budget Adjustments	15,331,234	7,991,055	0.0	(2.0)
Decision Package Adjustments	9,674,206	89,217,395	17.0	17.0
2017-2018 Executive Proposed Budget	301,488,456	971,121,855	622.7	17.0
2017-2018 Executive Proposed Ordinance	301,489,000	971,122,000	622.7	17.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_001) Biomethane and Environmental Attribute Purchase and Sale Agreement Sell Renewable Identification Number (RIN) environmental attributes produced at the South Treatment Plant. This revenue will fund projects that further WTD's environmental sustainability goals.	1,750,000	4,053,662	0.0	0.0
(DS_120) Central Climate Change Costs Update Adjust Wastewater Treatment Division's (WTD) share of the central climate-related costs for 2017-2018; these costs include membership fees in climate related organizations, a countywide greenhouse gas inventory update, consulting fees, regulatory dues to the Puget Sound Clean Air Agency, as well as the centralization of costs for four FTEs to help agencies across the county with climate related activities. The allocation methodology is based on greenhouse gas emissions (51 percent DNRP, 45 percent DOT, and 4 percent FMD). WTD transferred an FTE to DNRP Admin to cover the Climate Engagement Specialist position.	61,127	0	(1.0)	0.0

Administrative Service Changes

2017-2018 Executive Proposed Operating Budget

WASTEWATER TREATMENT (EN_A46100)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(AC_001) Equity & Social Justice Enhancements Enhance Equity and Social Justice (ESJ) efforts by expanding advertising to non-English speaking publications, increasing outreach to more diverse populations when recruiting interns, increasing community partnership through the Wheels to Water program, and many more activities	580,243	0	0.0	0.0
(AC_002) Strategic Climate Action Plan Enhancements Add two term limited temporary (TLT) employees to improve compliance with construction and demolition diversion efforts at job sites and ensure all eligible Wastewater Treatment Division (WTD) projects achieve platinum certification. Also, reduce net energy usage in the Loop biosolids fleet by installing instruments in trucks, increasing driver training opportunities, and creating a driver incentive program.	1,252,024	0	0.0	2.0
(AC_003) Efficiency Enhancements Implement a variety of efficiency measures including reducing thickening polymer usage at South Plant, optimizing the agitation air blower at Carnation, and placing one-third of primary tanks on standby during low flows in wet weather season to reduce energy usage	(280,789)	0	0.0	0.0
(AC_004) Revenue Enhancements Install digester pipe insulation to improve production of methane gas to increase revenues received from Puget Sound Energy.	0	10,000	0.0	0.0
(AC_005) Full Time Employee Additions Convert current TLTs to full time employee (FTE) positions where the work has been decided to be permanent and ongoing and increase staffing to meet demands in WTD's long term capital improvement program (CIP).	1,479,024	0	18.0	0.0
(AC_006) Term-Limited Temporary Employee Additions Add TLTs for a variety of temporary work including improving revenue collection of the capacity charge and succession planning for several project manager positions in the CIP program.	1,797,223	0	0.0	15.0
Technical Adjustments				
(TA_001) Systems Related Enhancements Adjust costs associated with enhancing a variety of systems utilized by WTD to better reflect recent years' actual spending patterns and projected needs.	1,462,186	0	0.0	0.0

2017-2018 Executive Proposed Operating Budget

WASTEWATER TREATMENT (EN_A46100)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(TA_002) Director's Office Adjustments Adjust several service and supply accounts including advertising and survey work in the Director's Office to better reflect recent years' actual spending patterns and projected needs.	280,787	0	0.0	0.0
(TA_003) Finance and Administration Services Adjustments Adjust postage, credit card fees, and economic forecasting subscriptions in the Finance and Administration Services section to better reflect recent years' actual spending patterns and projected needs.	14,583	0	0.0	0.0
(TA_004) Central Services Adjustments Adjust several service and supply accounts including the transfer to Water and Land Resources Division for lab work, Local Hazardous Waste costs, and Department of Natural Resources and Parks overhead to better reflect recent years' actual spending patterns and projected needs.	(6,661,663)	0	0.0	0.0
(TA_005) East Operations Adjustments Adjust several service and supply accounts including exterior painting for the South Treatment Plant, Department of Ecology permits, and maintenance parts and materials in the South and Brightwater Treatment Plant sections to better reflect recent years' actual spending patterns and projected needs.	4,403,041	0	0.0	0.0
(TA_006) West Point Adjustments Adjust several service and supply accounts including Department of Ecology permits and maintenance parts and materials in the West Point Treatment Plant section to better reflect recent years' actual spending patterns and projected needs.	(410,577)	0	0.0	0.0
(TA_007) Stewardship and Sustainable Resources Adjustments Adjust diesel fuel, biosolids application, and maintenance and materials parts costs in the Stewardship and Sustainable Resources section to better reflect recent years' actual spending patterns and projected needs.	(49,303)	0	0.0	0.0
(TA_008) Environmental and Community Services Adjustments Adjust education and outreach costs, include the Water Works Grants program, and adjust maintenance and repair costs in the Environmental and Community Services section to better reflect recent years' actual spending patterns and projected needs.	4,358,599	0	0.0	0.0

2017-2018 Executive Proposed Operating Budget

WASTEWATER TREATMENT (EN_A46100)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(TA_009) Capital Project Planning and Delivery Adjustments Adjust professional services and repair and maintenance costs in the Capital Project Planning and Delivery section to better reflect recent years' actual spending patterns and projected needs.	(768,507)	0	0.0	0.0
(TA_010) Brightwater CIP Adjustments Adjust labor costs in the Brightwater CIP section to better reflect recent years' actual spending patterns and projected needs.	(47,360)	0	0.0	0.0
(TA_011) Office of Sustainability and Innovation Reorganization Reorganization to establish the Office of Sustainability and Innovation within the Director's Office section.	0	0	0.0	0.0
(TA_014) Brightwater CIP Reorganization Transfer labor and training costs from the Brightwater CIP section to the Director's Office section.	0	0	0.0	0.0
(TA_015) Chemical Adjustments Adjust chemical costs based on forecasted price and quantity changes.	(2,516,356)	0	0.0	0.0
(TA_016) Utilities Adjustments Adjust utility costs based on forecasted price and quantity changes.	(438,648)	0	0.0	0.0
(TA_050) Revenue Adjustments Revise revenues to match current forecasts.	0	85,153,733	0.0	0.0
(TA_113) Vacancy Rate Adjustment Reflects the salary savings associated with the natural rate of employee turnover for a given agency and provide greater transparency in the budget.	(3,282,002)	0	0.0	0.0
(TA_198) Motor Pool Dispatch Rental Remove vehicle dispatch rental rates from the Fleet Motor Pool central rate account 55010 and move them into account 55258 Motor Pool ERR SVS. The amount was estimated based on 2015 actual rental billings and revised based on agency need and estimated usage for 2017-2018.	36,000	0	0.0	0.0
(TA_200) Community Services Area (CSA) Contribution Update Update this agency's costs in the CSA's cost allocation model, which is based on projected CSA staff hours per agency over the biennium. Overall costs for the program increased due to the growth in labor costs (general wage increase, benefits) and central rates.	19,656	0	0.0	0.0

**2017-2018 Executive Proposed Operating Budget
WASTEWATER TREATMENT (EN_A46100)**

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Central Rate Adjustments	6,634,917	0	0.0	0.0
Total Decision Package Adjustments	9,674,206	89,217,395	17.0	17.0

2017-2018 Executive Proposed Operating Budget WASTEWATER DEBT SERVICE (EN_A46300)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	494,821,158	0	0.0	0.0
Base Budget Adjustments	9,426,354	0	0.0	0.0
Decision Package Adjustments	31,809,007	0	0.0	0.0
2017-2018 Executive Proposed Budget	536,056,519	0	0.0	0.0
2017-2018 Executive Proposed Ordinance	536,057,000	0	0.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Technical Adjustments				
(TA_001) Technical Adjustments Adjust the debt service requirement for parity debt and subordinate debt service based on assumptions in the 2017-2018 sewer rate proposal.	31,809,007	0	0.0	0.0
Total Decision Package Adjustments	31,809,007	0	0.0	0.0

2017-2018 Proposed Financial Plan
Wastewater Enterprise Financial Plan / 000004611, 000003611, 000008920

Category	2015-2016 Estimated¹	2017-2018 Proposed Budget²	2019-2020 Projected³	2021-2022 Projected³
Beginning Fund Balance	294,583,592	470,611,370	371,989,254	374,961,930
Revenue and Financing (inflows)				
Fees and other income	895,743,573	965,006,768	1,039,629,467	1,110,573,618
Bond Proceeds	122,900,000	55,989,283	274,345,719	293,381,288
Loans and Grants	100,880,515	29,633,508	1,000,000	1,000,000
Investment Income	5,330,099	6,115,086	10,219,834	16,919,502
Total Revenues	1,124,854,187	1,056,744,645	1,325,195,020	1,421,874,408
Expenditures and Debt Service (outflows)				
Operating	(276,483,000)	(301,489,000)	(324,722,000)	(351,089,000)
Debt Service Parity Debt	(330,216,000)	(325,036,450)	(358,910,546)	(399,336,518)
Debt Service Parity Lien Obligations	(95,226,350)	(108,423,994)	(107,677,844)	(106,924,319)
Subordinate Debt Service	(53,538,581)	(102,596,076)	(107,311,019)	(106,351,758)
Debt Issuance Cost	(1,666,000)	(266,686)	(5,411,814)	(5,602,365)
Capital Expenditures	(328,775,000)	(349,378,000)	(449,176,000)	(458,475,000)
Adjustments ⁴	7,500,000	31,823,445	30,986,879	28,496,862
Total Expenditures	(1,078,404,931)	(1,155,366,760)	(1,322,222,345)	(1,399,282,098)
Estimated Under (Over) Expenditures				
Other Fund Transactions				
Brightwater Settlement ¹¹	129,578,522	-	-	-
Total Other Fund Transactions	129,578,522	-	-	-
Ending Fund Balance	470,611,370	371,989,254	374,961,930	397,554,239
Reserves				
Expenditure Reserves				
Emergency Capital Reserve ⁵	15,000,000	15,000,000	15,000,000	15,000,000
Construction Cash Balance Reserve ⁶	85,019,008	5,689,627	5,000,059	4,999,845
Cash Flow Reserves				
Liquidity Reserve ⁷	14,755,700	15,310,800	16,552,900	17,897,100
Mandated Reserves				
Bond Reserve ⁸	163,428,000	143,428,000	153,578,119	173,928,405
State Loan Reserve ⁹	10,177,380	13,816,448	16,676,360	17,945,936
Rate Stabilization Reserve ¹⁰	46,250,000	43,750,000	32,265,000	19,900,000
Total Cash Reserves	334,630,088	236,994,876	239,072,439	249,671,286
Working Capital Adjustments ¹¹	(129,578,522)			
Ending Undesignated Fund Balance¹¹	6,402,759	134,994,379	135,889,490	147,882,953
Other Items	2016 DSC	2018 DSC	2020 DSC	2022 DSC
Debt Service Coverage Ratio Parity Debt	1.88	2.07	2.02	1.98
Debt Service Coverage Ratio Total Payments	1.21	1.25	1.28	1.30
Operating Transfers to Capital	140,427,569	168,331,582	191,562,558	191,315,724
Capital Budget Info				
CIP Budget: Current Year	267,051,361	627,296,763	430,141,973	324,849,728
CIP Budget: Carryover from Prior Biennium	435,006,248	373,282,609	651,201,372	632,167,345
CIP Budget: Total	702,057,609	1,000,579,372	1,081,343,345	957,017,073
CIP Budget: Unexpended at Year End	373,282,609	651,201,372	632,167,345	498,542,073

Financial Plan Notes

¹ 2015-2016 Estimated based on 2015 audit results and 2017 Sewer Rate Plan adopted by Council, updated for current estimate of SRF loan reimbursements and 2016B new money borrowing

² 2017-2018 Proposed Budget is consistent with expenditure and revenue data from Hyperion.

³ 2019-2020 and 2021-2022 estimates based on 2017 Sewer Rate Plan adopted by Council, updated for SRF loan awarded on 7/1/2017 and with budget estimates for RIN revenues and expenses

⁴ Adjustment to variable rate interest expense for the Operating Transfers to Capital.

⁵ Emergency Capital Reserve authorized by Motion 13798 of December 11, 2012. To be used for unanticipated system repairs or equipment replacement in the event of a natural disaster or some unforeseen system failure.

⁶ Equals ending cash balances in Funds 3611 and 4611, with adjustments, plus \$5 million of the Liquidity Reserve.

⁷ 15% of operating expenses as authorized by Motion 13798 of December 11, 2012, less \$5.0 million portion included in Construction Fund.

⁸ Parity Bond Reserve under Ordinance 17599 of June 3, 2013

⁹ Reserves required by loan agreements with the Dept. of Ecology. See Ordinance 18020 for SRF loans approved in 2015.

¹⁰ As established by Ordinance 12314, Section 13.D

¹¹ Brightwater Settlement, Working Capital Adjustments, and Ending Undesignated Fund Balance includes:

Disposition of Brightwater Settlement will be addressed with the 2018 rate proposal.

This plan was updated by John Walsh on 8/31/16.

CAP SUMMARY REPORT

2017-2018 Biennial - Executive Proposed

3611 WATER QUALITY CONST-UNRES - Wastewater Treatment				
Project Number	Project Name Class Code	Tech Adj	FY17-18	Current Scope
1037498	WTC STRUCTURE SITE IMPROVEMENT PROGRAMMATIC		\$0	Structure Site Improvement - These asset management projects are aimed at making modifications, improvements, or upgrades to the structures, buildings, and property owned by the Wastewater Treatment Division. For example, replacing cranes, ladders, water lines; repairing structural damage from earthquakes; and improving the drainage on site. Other improvements may be made to bring the structures up to current code, increase safety, or minimize vandalism. These projects are generally less than \$1,000,000 total project cost.
1037513	WTC BIOSOLIDS TRANSP STANDALONE		\$0	Biosolids Transportation - This project provides major repairs and additions to the biosolids truck fleet; completion of a truck wash facility at South Treatment Plant (the drive-through wash structure will keep the undercarriage of the trucks clean and free from liquid salt and grime that are deteriorating portions of the lighting and braking systems); purchase of trailers for hauling grit, as well as replacing the aging and inadequate trailers currently in use; supplementing fleet management funds for replacing biosolids truck fleet in 2010; and maintenance as required to the shop/staging area at the King County Airport.
1037549	WTC CAPITAL PROJECT OVERSIGHT STANDALONE		\$754,721	Capital Project Oversight - This project funds project oversight activities for the Wastewater Treatment Division Capital Improvement Program by the County Council Auditors Office. The project also supports the Nov 13, 2014 Proviso 17941 for WTD to improve its planning and conceptual estimating processes, including communicating costs to upper management, a trend analysis program, and basis of estimate assumptions.
1037765	WTC WATER QUALITY CAP OUTLAY STANDALONE		\$663,032	Water Quality Capital Outlay - This project covers the small capital outlay portion of the Capital Asset Management Plan, which largely includes purchases of information technology equipment. The Wastewater Treatment Division follows general criteria in determining the replacement of these assets, including: the maintenance history of the equipment; the manufacturers' recommended useful life; quantifiable benefits; intangible cost/benefits; and the future impact of the decision to replace equipment in order to reduce maintenance costs. These are all factors which are considered in the equipment replacement plans.
1037767	WTC BIOSOLIDS SITE DEVELOPMENT STANDALONE		\$617,160	Biosolids Site Development - This project provides planning, engineering, and geographic information systems services in support of the WTD biosolids forestry application program. It also provides funds for improvements to forestry sites to allow biosolids application; namely, the construction and reconstruction of trails/roads used by the application equipment.
1037769	WTC WTD TECHNOLOGY PROGRAM DEV STANDALONE		(\$707,748)	Wastewater Treatment Division Technology Program Development - The Technology Assessment Program is involved in numerous concurrent testing and assessment activities. In 2016, this work will include evaluation of the cost and effectiveness of technologies and process changes that can improve the performance or reduce the costs of wastewater treatment. The recent interest in new ideas/proposals in the energy production/recovery, biosolids management, and nutrient recovery fields is anticipated to continue through 2016. Close-out of this project has been requested at the end of 2016 and a new project has been requested starting in 2017.

CAP SUMMARY REPORT

2017-2018 Biennial - Executive Proposed

1037789	WTC CONVEYANCE SYS IMPROVEMENT PROGRAMMATIC		\$0	Conveyance System Improvement - Conveyance system improvement planning is driven by the Regional Wastewater Service Plan's adopted conveyance standard of being able to convey the 20-year peak flow. For purposes of constructing facilities to meet future demand, the design standard used for planning new conveyance facilities is to accommodate the 20-year peak flow as projected in 2060. The year 2060 is based on 50 year planning horizon. A 50 year planning horizon is considered as a reasonable timeframe for modeling future wastewater flows. The 1037789 budget is a roll-up of sub-projects covering everything from staff labor to future projects and other expenses incurred to do conveyance planning for the region. The Conveyance System Improvement (CSI) project provides an opportunity for the County and local agencies to jointly address common conveyance issues, leverage available resources, and minimize customer disruption. The County values and encourages local sewer agency involvement as planning in the wastewater service area moves forward. Project schedule dates reflect the activities of multiple sub-projects.
1037815	WTC EAST DIVISION CORR REPAIRS STANDALONE		\$630,657	East Division Corrosion Repairs - This project funds coating and lining refurbishments of pipelines, structures, and equipment at WTD treatment plants and at offsite locations.
1038098	WTC CSO CONTROL AND IMPRV PROGRAMMATIC		\$0	Combined Sewer Overflow Control and Improvement - The master project contains several subprojects as a mechanism to track the capital projects in the combined sewer overflow (CSO Long-term Control Plan being implemented through 2030. When projects are ready for implementation, the budget is transferred to the Project Management Unit (PMU) under a new project number. The project reflects the Council approved 2012 Long-term CSO Control Plan. A new subproject - the Water Quality Assessment & Monitoring Study - was added in 2013 to develop information for the 2018 Long-term Control Plan Update and potentially, an integrated plan.
1038099	WTC MITIGATION SITE MAINT MON STANDALONE		\$2,769,797	Mitigation Site Maintenance Monitoring - For each mitigation site the following activities would be performed: 1. Maintenance and monitoring of mitigation site as required by the permit. 2. Monitoring report preparation. 3. Development of contingency measures if mitigation measures fail to meet the performance standard. 3. Coordination with permitting agencies for approval of monitoring report and contingency measures. 4. Installation of contingency measures with a work order contract. 5. Coordination with permitting agencies for final approval. 6. Perform Landscape maintenance on Green Stormwater Infrastructure sites (special training required). The Mitigation Site Maintenance and Monitoring Program is ongoing. Each year there is a potential for additional mitigation sites to be added if a Wastewater Treatment Division project will occur within critical areas or their buffers.
1038122	WTC SUNSET HEATH PS FM UPGRADE STANDALONE		\$50,352,111	Sunset Heathfield Pump Station and Force Main Upgrade - The Sunset/Heathfield Pump Stations and Forcemain Project as planned will increase the pumping capacity of the stations to 30 million gallons per day (mgd). The 2007 Conveyance System Improvements Program Update recommended replacing the current pump stations and either paralleling or replacing the existing force mains.
1038129	WTC LOWER DUWAMISH SUPERFUND STANDALONE		\$14,375,335	Lower Duwamish Superfund - The project implements King County's shared responsibilities under a signed Administrative Order on Consent (AOC) to conduct a Remedial Investigation/Feasibility Study (RI/FS) for the Lower Duwamish Waterway Superfund Site and pay for Environmental Protection

CAP SUMMARY REPORT

2017-2018 Biennial - Executive Proposed

				Agency and Washington State Department of Ecology oversight costs. The AOC is jointly signed by King County, the City of Seattle, the Port of Seattle, and Boeing. King County will also move ahead on cleanup of identified early actions areas at the site to quickly reduce risks. Phase 1: Existing RI data to define data gaps and early actions. Phase 2: Baseline and Residual risk assessments and RI; Early Action studies and cleanups. Phase 3: Feasibility study and proposed cleanup plan. Phase 4 Predesign Studies and allocation process. AOC amendments have added additional studies (phase 4): fisher, activated carbon pilot, and pre-design.
1038273	WTC ODOR CORROSION PROGRAMMATIC		\$4,502,217	Odor Corrosion - The Odor/Corrosion Control Program includes asset management projects that correct, mitigate or repair the effects of hydrogen sulfide damage; overhaul or replace failed odor/corrosion control equipment or odor/corrosion control equipment that has reached the end of its useful life; improve safety, reliability, efficiency or increase redundancy related to odor/corrosion control systems; and code required upgrades for odor/corrosion control equipment. This "Roll-Up Project" funds a number of odor/corrosion control sub-projects that vary in dollar value, but are typically less than \$1,000,000. The number of sub-projects fluctuates from one year to the next as projects are completed and new sub-projects are added through the engineering work request process. As a result, sub-projects contained with this project number are in various states of design, from planning to construction. In addition, this project number is used to initiate odor/corrosion control sub-projects throughout the year that develop into standalone projects with their own unique project number.
1038294	WTC NOAA NON PROJECT SPEC STANDALONE		\$0	National Oceanic and Atmospheric Administration Non-Project Specific - The Elliott Bay / Duwamish River Restoration program (EBDRP) panel convened by the National Oceanic and Atmospheric Administration meets four times per year to discuss issues related to work; reimbursement from the panel; stewardship of restoration sites under King County ownership; and monitoring of sediment remediation conducted by the County.
1038295	WTC BIOSOLIDS EQUIPMENT STANDALONE		\$0	Biosolids Equipment - The Biosolids Forestry Equipment project provides funding for the refurbishment and purchase of equipment for biosolids application in forestry environments. The schedule below reflects project activity that is comprised of numerous refurbishments and replacements, each of which may be in a different phase.
1038314	WTC E DIV SCNDRY TANK COATING STANDALONE		\$0	East Division Secondary Tank Coating - This project addresses corrosion damage in the secondary sedimentation tanks at South Treatment Plant. These tanks were constructed between 1963-2000. They are subjected to acids, chemicals, and abrasion; and have considerable corrosion at the metal equipment and piping. This project will repair and re-coat corroded metal in four tanks each year. Work will be performed during summer months to minimize disruption of operations. Tanks are prepared by abrasive blasting and then a high solids epoxy coating is applied. The sweeper arms will be removed by Maintenance and taken off-site for galvanizing. These repairs will extend the service life of the metal in these tanks by 10 years. The repair and re-coating of metal components in twenty tanks have been completed, four remain to be completed.
1038335	WTC ELECTRICAL I AND C PROGRAMMATIC		\$8,505,451	Electrical Instrumentation and Control - The Electrical and Instrumentation and Control (I&C) Program includes asset management projects that enhance the treatment process, overhaul or replace failed electrical I&C equipment or electrical I&C equipment that has reached the end of its

CAP SUMMARY REPORT

2017-2018 Biennial - Executive Proposed

				useful life, improve safety, reliability, efficiency or increase redundancy of the electrical I&C systems and code required upgrades for electrical I&C equipment. This "Rollup Project" funds a number of electrical and I&C subprojects that vary in dollar value, but are typically less than \$1,000,000. The number of subprojects fluctuates as projects are completed and new subprojects are added through the engineering work request process. As a result, subprojects contained within this project number are in various states of design, from planning to construction. In addition, this project number is used to initiate electrical I&C subprojects throughout the year that develop into standalone projects with their own unique project number. Project schedule dates reflect activities of multiple subprojects.
1048049	WTC WTD CIP CONTINGENCY FUND STANDALONE		\$8,900,000	Wastewater Treatment Division Capital Improvement Program Contingency Fund - This project will provide contingent budget authority to be used according to the requirements established in ordinance 14122, Section 6F and hereby added as a new section to K.C.C. chapter 4.04. and revised in ordinance 17929 (November 2014).
1048076	WTC CONVEYANCE H2S CORR REHAB PROGRAMMATIC		\$5,878,072	Conveyance Hydrogen Sulfide Corrosion Rehabilitation - The scope of the program is to rehabilitate conveyance pipeline damaged due to Hydrogen Sulfide corrosion. This project number is for program planning and a budget placeholder for future pipeline rehabilitation projects. No construction is being performed under this project number. Please see project numbers 1113154, 1114749, 1120695, 1122412, 1122413 and 1123983 for individual project information.
1048077	WTC ENVIR LAB ENERGY IMPROVMNT STANDALONE		\$1,751,819	Environmental Lab Energy Improvement - This project will replace aging fume hoods with new, more efficient hoods at the King County Environmental Lab.
1048079	WTC ROOF REPL WTD FACILITIES PROGRAMMATIC		\$1,814,960	Roof Replacements at Wastewater Treatment Division Facilities - Replace roofs on existing facilities as outlined each year in the Roof Inspection Annual Plan. This project is a Program made up of numerous individual subprojects See individual subprojects for specific details and information regarding scope, schedule and budget.
1113189	WTC PROCESS REPLACEMENT IMPROV PROGRAMMATIC		\$11,119,456	Process Replacement Improvement - The Process Replacement /Improvement projects in this asset management project are designed to enhance or improve the treatment process by adding redundancy, improving safety, or enhancing maintenance practices. This "Roll-Up Project" funds a number of process replacement and improvement sub-projects that vary in dollar value, but are typically less than \$1,000,000. The number of sub-projects fluctuates as projects are completed and new sub-projects are added through the engineering work request process. As a result, sub-projects contained within this project number are in various states of design, from planning to construction. In addition, this project number is used to initiate process replacement and improvement sub-projects throughout the year that develop into standalone projects with their own unique project number. Project schedule dates reflect activities of multiple sub-projects.
1113196	WTC MECHANICAL UPGRADE AND REP PROGRAMMATIC		\$7,549,573	Mechanical Upgrade and Replacement - These projects replace or upgrade mechanical systems at wastewater facilities that have served their useful life such as piping, hydraulic systems, and heating and ventilation systems. Mechanical projects are also implemented to improve efficiency, provide safety for operators, and to meet current codes. This "Roll-Up Project" funds a number of mechanical upgrade and replacement sub-projects that

CAP SUMMARY REPORT

2017-2018 Biennial - Executive Proposed

				vary in dollar value, but are typically less than \$1,000,000. The number of sub-projects fluctuates as projects are completed and new sub-projects are added through the engineering work request process. As a result, sub-projects contained within this project number are in various states of design, from planning to construction. In addition, this project number is used to initiate mechanical upgrade and replacement sub-projects throughout the year that develop into standalone projects with their own project number. Project schedule dates reflect activities of multiple sub-projects.
1113247	WTC PIPELINE REPLACEMENT PROGRAMMATIC		\$721,639	Pipeline Replacement - The pipeline replacement projects in this asset management project are primarily treatment process support systems. This piping conveys fluids such as potable and non-potable water, sludge, gases, chemicals, and air. This "Rollup Project" funds a number of pipeline replacement subprojects that vary in dollar value, but are typically less than \$1,000,000. The number of subprojects fluctuates as projects are completed and new subprojects are added through the engineering work request process. As a result, subprojects contained within this project number are in various states of design, from planning to construction. In addition, this project number is used to initiate pipeline replacement sub-projects throughout the year that develop into standalone projects with their own unique project number. Project schedule dates reflect activities of multiple subprojects.
1113334	WTC COMP PLANNING REPORTING PROGRAMMATIC		\$9,005,109	Comprehensive Planning Reporting - This project funds and staffs the Wastewater Treatment Division's (WTD) comprehensive planning functions. The planning functions are on-going planning and reporting for combined sewer overflow control, monitoring, and update of the Regional Wastewater Services Plan (RWSP). This project also supports WTD planning for climate change and supports policy development and planning level coordination for WTD. The project tracks on-going coordination with Seattle Public Utilities (SPU), and budgets in the reimbursements from SPU for work WTD performs for SPU's benefit. Any new initiatives or capital planning efforts are scoped under this project as well.
1113351	WTC LAB ASSET MGMT PROGRAM STANDALONE		\$596,747	Lab Asset Management Program - This project includes the refurbishment or replacement of the capital assets of the Environmental Laboratory. Large building components, such as roofs and sidewalks, are not included. The schedule below reflects project activity that is comprised of numerous refurbishments and replacements, each of which may be in a different phase.
1114367	WTC SP RPLS RS PMPS MTRS DRVS STANDALONE		\$2,204,504	South Plant Raw Sewage Pumps Motors and Drives - South Plant Raw Sewage Pumps No. 1, 4, and 6 were installed in 1965 and are at the end of their useful life. This project will assess, schedule and implement a multiyear replacement program for these pumps and their associated ancillary equipment including increased pumping capacity to meet future flow increases.
1114374	WTC WP RPLC SOLIDS CNTRL SYS STANDALONE		\$60,392	West Point Replace Solids Control System - Complete the design and construction for the replacement of obsolete control system equipment with equipment that conforms to WTD control system standards. The scope includes replacement of the existing PLCs (programmable logic controllers) with Emerson Ovation Controllers in the Solids process area.
1114383	WTC RECLAIM H2O PLAN & INFSTRC STANDALONE		\$1,510,249	Reclaimed Water Plan and Infrastructure - The project includes customer development and support for existing reclaimed water facilities, planning, negotiating agreements, obtaining initial permits, customer connections,

CAP SUMMARY REPORT

2017-2018 Biennial - Executive Proposed

				and engineering planning for reclaimed water use from South Plant, Carnation, and Brightwater.
1116794	WTC N LK SAM FLOW DIVERSION STANDALONE		\$5,754,302	North Lake Sammamish Flow Diversion - This project will divert up to 29 million gallons per day (mgd) of peak flow from the North Lake Sammamish (NLS) Basin to the Brightwater Treatment Plant (BWTP) by 2021 and up to 43 mgd of peak flow to the BWTP by 2050. The project must also allow for emergency flows from Brightwater to be diverted to the Eastside Interceptor (ESI). The planning alternative is to divert NLS flows through the North Creek force mains via the York Pump Station, essentially reversing the flow direction through York by adding valves and piping.
1116796	WTC SP RECLAIMED H2O FAC MODS STANDALONE		\$1,986,022	South Plant Reclaimed Water Facility Modifications - Upgrade the existing reclaimed water system at South Plant to replace the pilot facility with a permanent facility, improve the reliability of reclaimed water produced and provide safety enhancements for WTD staff. The work includes: 1. Replace the existing temporary chemical pump building with a permanent building, 2. Modify the existing storage tank to meet current system requirements, 3. Provide a permanent chemical storage tank, 4. Provide spray washing system at the chlorine tanks and the reclaimed water storage tank, 5. Provide fill stations for the sodium hypochloride and the coagulant.
1116797	WTC JAM/ARC BLDG REPLACEMENT STANDALONE		\$0	Jameson/Arcweld Building Replacement - This project will incorporate information previously gathered in the Planning Level Alternatives Analysis developed in June of 2012, performed under a separate Minor Asset Management project. Re-evaluate and update current and future organizational business needs and requirements. Perform alternatives analysis and develop a recommended alternative. Upon approval from Capital Systems Team (CST), implement the recommended alternative.
1116798	WTC WP OGADS REPLACEMENT STANDALONE		\$45,942,187	West Point Oxygen Generation and Dissolution System Replacement - This project evaluated the replacement of the oxygen generation and dissolution equipment at the West Point Treatment Plant and will proceed with design and construction of the replacement if authorized by the WTD Capital Systems Team (CST). The West Point Treatment Plant requires oxygen to meet the aeration demands of the secondary treatment process. For both oxygen generation and dissolution equipment, the project will implement alternatives that will reduce overall energy consumption.
1116800	WTC N MERCER ENATAI INT PAR STANDALONE		\$9,922,064	North Mercer Island and Enatai Interceptor Parallel - This project will increase the capacity of the existing North Mercer Island and Enatai Interceptor components of the regional wastewater system to convey the 20-year peak wastewater flows projected through the year 2060 from sewer basins in north Mercer Island and the southwest portion of the City of Bellevue.
1116801	WTC LK HILLS&NW LK SAM INTCPPT STANDALONE		\$12,162,516	Lake Hills and Northwest Lake Sammamish Interceptor - This project will increase the capacity of the Lake Hills Trunk and NW Lake Sammamish Interceptor sewers to convey the 20 year peak flow capacity through the year 2060. Available data on condition of the existing pipes will be used to verify which portions of the pipes should be replaced, refurbished, or paralleled. The project is located in the City of Redmond and unincorporated King County. The sewer includes 4.5 miles of gravity pipe and two siphon sections.
1116802	WTC HANFD AT RAINIER & BVIEW N STANDALONE		\$1,555,672	Hanford at Rainier and Bayview North - This project will construct a 0.34-million gallon, off-line storage tank and install conveyance that will divert flows during storm events from the Hanford trunk to the Bayview tunnel.

CAP SUMMARY REPORT

2017-2018 Biennial - Executive Proposed

				The main components of this project include: Hanford@Rainier CSO -- 1) 0.34-MG offline storage tank with pumps to empty the storage tank; 2) Modifications to the existing Hanford@Rainier Overflow Structure Bayview North CSO -- 1) Conveyance from Bayview North Overflow Structure to Bayview Tunnel; 2) Modifications to the existing Bayview North Overflow Structure
1121402	WTC GEORGETOWN WET WEATHER TS STANDALONE		\$213,377,092	Georgetown Wet Weather Treatment Station - The project consists of building a Wet Weather Treatment Station (WWTS), conveyance pipelines, and outfall structure to treat Combined Sewer Overflows (CSO's) prior to discharge into the Lower Duwamish Waterway. The WWTS includes an influent pump station, equalization basin, screening facility, CSO treatment process, and disinfection. Modifications to both the S. Brandon St. and S. Michigan St. Regulator Stations will be required for diversion of flows to the WWTS. Ancillary facilities include an odor control facility, electrical/controls building, and emergency generator. CSO treatment will consist of high rate primary treatment followed by ultra violet disinfection prior to discharge.
1121404	WTC IPS HIGH VOLT SG REPL STANDALONE		\$3,512,147	Influent Pump Station High Voltage Switchgear Replacement - This project is to replace the high voltage (15kV) switchgear 137,035 in the South Treatment Plant Influent Pump Building that supports the Raw Sewage Pumping equipment.
1121409	WTC WEST DUWAMISH CSO CONTROL STANDALONE		\$11,924,113	West Duwamish Combined Sewer Overflow Control - Use current modeling data to determine the lowest life cycle cost approach to control West Michigan and T115 using green stormwater infrastructure, storage or some combination of the two.
1121410	WTC UNIVERSITY GSI STANDALONE		\$27,098,123	University Green Stormwater Infrastructure - The Combined Sewer Overflow (CSO) Long-term Control Plan (LTCP) recommends green stormwater infrastructure (GSI) and a wet weather storage facility to control the University CSO location to the state standard of one event per year. The size and cost of this storage facility may be reduced through the use of GSI. This project is for the GSI element of control facilities at the University CSO location.
1121411	WTC MONTLAKE GSI STANDALONE		\$26,461,748	Montlake Green Stormwater Infrastructure - The Combined Sewer Overflow (CSO) Long-term Control Plan (LTCP) recommends green stormwater infrastructure (GSI) and a wet weather storage facility to control the Montlake CSO location to the state standard of one event per year. The size and cost of this storage facility may be reduced through the use of GSI. This project is for the GSI element of control facilities at the Montlake CSO location.
1123517	WTC E FLEET MAINT FAC REPLCMNT STANDALONE		\$2,398,901	East Fleet Maintenance Facility Replacement - This project entails acquiring property, obtaining permits and constructing a new biosolids truck parking, maintenance, and repair facility. The site will accommodate a vehicle maintenance building, vehicle parking, vehicle electrification, materials storage, and landscaping.
1123624	WTC COAL CRK SIPHON TRUNK PARA STANDALONE		\$12,761,872	Coal Creek Siphon Trunk Parallel - This project will increase the capacity of the downstream half of Coal Creek Trunk. The trunk to be upgraded is 7,100 lineal feet, ranges in diameter from 15 to 21 inches, and ranges in flow from 7 to 10 million gallons per day (MGD). The upgraded sewer will be required to convey between 11 and 19 MGD to meet the year 2060, 20 year peak flow criteria.
1123625	WTC SP HYPO		\$1,814,529	South Plant Hypo and Caustic Chemical Storage - Relocate or provide new

CAP SUMMARY REPORT

2017-2018 Biennial - Executive Proposed

	CAUSTIC CHEM STORE STANDALONE			localized storage tanks as well as associated pumps, instrumentation and controls for hypo and caustic odor control chemicals at the South Plant DAFTS and Dewatering process areas.
1123626	WTC SP BIOGAS HEAT SYS IMPROVE STANDALONE		\$18,132,635	South Plant Biogas Heat System Improvement - Implement modifications identified in the recently completed South Plant Biogas Utilization Study. Modifications include: Replacement of the existing gas scrubbing system (installed in 1987) with a new gas scrubbing system (Pressure Swing Adsorption or alternative) and upgrading the current plant heating systems to meet year-round plant heat demand with one unit out of service using either raw-gas boilers or new high-temperature heat extractors. Ref: SP Biogas Utilization Study final report (Dec 2013)
1123627	WTC WP 2ND MIX LIQ BLOWER REPL STANDALONE		\$447,376	West Point 2nd Mix Liquid Blower Replacement - This project will evaluate the replacement of two existing centrifugal mixed liquor channel air blowers with alternative technology such as high-speed turbo blowers. The Variable Frequency Drive (VFD) equipped turbo blowers are a newer and more energy efficient technology, and can generate more cubic feet per minute (CFM) of air per kilowatt (kW) than the existing centrifugal blowers. This project will evaluate: the air requirements for the secondary mixed liquor channel physical/biological processes; and alternative air delivery system efficiencies and cost data. Based on those findings, the project will determine what equipment (blowers, piping, valves, etc.) requires replacement.
1123629	WTC DENNY RS BACKUP POWER STANDALONE		\$372,725	Denny Regulator Station Backup Power - Provide permanent back-up power at the Denny Way Regulator Station Facility, which in addition to the regulator station also houses the effluent dechlorinating and sampling systems for the Elliott West Combined Sewer Overflow (CSO) effluent outfall.
1123630	WTC ESI SECT 2 REHAB PHASE II STANDALONE		\$16,266,278	Eastside Interceptor Section 2 Rehabilitation Phase II - The scope of this project is to evaluate alternatives and implement the rehabilitation of approximately 3,900 linear feet of the Eastside Interceptor Section 2 (ESI 2), located in Renton.
1123632	WTC KENT AUBURN PHASE B STANDALONE		\$13,434,902	Kent Auburn Phase B - The scope of this project is to complete the final design, prepare bidding documents and construct the Pacific Pump Station Discharge and Auburn West Interceptor Parallel pipelines. The pipelines total about 3 miles in length and include regions of both force main and gravity sewer, ranging in diameter from 16 inches to 48 inches.
1123633	WTC NB OUTFALL REPLACEMENT STANDALONE		\$0	North Beach Outfall Replacement - Design and construct the replacement of the North Beach Outfall. This project will explore alternative procurement strategies, such as design-build. This project will also require coordination and negotiations with Burlington Northern Santa Fe railway (BNSF) because the alignment of the outfall is in the BNSF right-of-way.
1126444	WTC CAPITAL PROJECTS CLOSEOUT PROGRAMMATIC		\$2,267,551	Capital Projects Closeout - The project will fund and track costs incurred by WTD capital projects after they have been completed and closed out in the accounting system.
1127126	WTC JOINT SHIP CANAL CSO STANDALONE		\$15,061,399	Joint Ship Canal Combined Sewer Overflow - This project will fund King County's share of the capital costs for the Joint Ship Canal Water Quality Project (SCWQP), a Combined Sewer Overflow (CSO) control project with Seattle Public Utilities (SPU). SPU is the lead agency for design, construction and operation of this facility.
1127489	WTC PRIMARY SED		\$4,653,824	Primary Sedimentary Roof Structure - Remove or retrofit the roof structure

CAP SUMMARY REPORT

2017-2018 Biennial - Executive Proposed

	ROOF STRUCTURE STANDALONE			over the primary sedimentation area of West Point Plant. The West Point Treatment Plant was constructed in the early 1960s. The primary sedimentation area roof structure had a seismic upgrade in the 1990s for the East- West oriented frames. The North- South frames were not upgraded. Analysis in 2010 showed the East- West frames meet a Life Safety performance level but the North- South frames do not; therefore, the roof structure as a whole does not meet a Life Safety performance level.
1128354	WTC INTERBY PS PARTIAL FM RPLC STANDALONE		\$5,490,917	Interbay Pump Station Partial Force Main Replacement - The project will determine the locations and length and of the Interbay Pump Station force main segments to be replaced. Following WTD Capital Systems Team approval the project will proceed with design and construction of the needed replacements.
1129526	WTC WP LSG PIPING REPLACEMENT STANDALONE		\$2,515,523	West Point Low Pressure Biogas Piping Replacement - Replace the Low Pressure Biogas (LSG) piping system at the West Point Treatment Plant (WTP). Recent inspections identified not less than six holes in the LSG piping. Temporary patches have been installed at these locations. The LSG pipe system at West Point was installed during the original plant construction in the 1960 for Digesters 1-3. The system was expanded in the mid 1980's with the construction of Digesters 4 and 5; and again in the 1990's with the addition of Digester 6.
1129527	WTC IBAY PS FM ODOR/CORR CNTRL STANDALONE		\$883,114	Interbay Pump Station Force Main Odor/Corrosion Control - Evaluate odor control alternatives at the Interbay Force Main Transition Structure (Wheeler Street). Design and construct recommended alternative.
1129528	WTC OFFSITE REPLACE SMALL GENS STANDALONE		\$1,061,423	Offsite Replacement of Small Generators - Replacement of small generators at various offsite stations. The work involves the design and construction of replacement generators at the following facilities: 8th Avenue .Regulator Station, Brandon Outfall, Brandon Regulator Station, Chelan Regulator Station, Connecticut Regulator Station, Dexter Regulator Station, Hanford Regulator Station, Hanford Outfall, Harbor Regulator Station, King Street Regulator Station, Lake City Tunnel Regulator Station, Montlake Regulator Station, Norfolk Regulator Station, South Michigan Outfall, South Michigan Regulator Station, West Michigan Regulator Station, and the Ballard Regulator Station.
1129529	WTC WP REFURB PE & RAS PIPES STANDALONE		\$4,666,851	West Point Refurbish Primary Effluent and Return Activated Sludge Pipes - Restore and/or replace portions of the Primary Effluent (PE) and Return Activated Sludge (RAS) lines in the secondary process area at the West Point Treatment Plant.
1129531	WTC SP C2/C3 PIPE REPLACEMENT STANDALONE		\$4,109,875	South Plant C2/C3 Pipe Replacement - Provide funding and a standalone project number for the implementation phase of the previously initiated South Plant C2/C3 Header Replacement Project #1122486. That project scope is to replace 1,900 linear feet of C2/C3 header piping in the South Plant aeration gallery.
1129532	WTC BW OPTIMIZE AERATION BASIN STANDALONE		\$2,587,792	Brightwater Optimize Aeration Basin - At the Brightwater Treatment Plant (BW), optimize the three aeration basins to improve diffuser and zone control and to reduce process chemical costs, energy usage, and foaming.
1129533	WTC CHELAN AVE CSO STANDALONE		\$9,086,838	Chelan Avenue Combined Sewer Overflow - This consent decree driven project will control the Chelan Combined Sewer Overflow (CSO) to no more than one overflow per year on a rolling twenty year average. It will include the construction of a storage facility for an estimated 4-5 million gallons of

CAP SUMMARY REPORT

2017-2018 Biennial - Executive Proposed

				mixed storm and wastewater (as determined by the WTD's modeling group), related conveyance lines and required support facilities including odor control and emergency power generation. This project may also include some elements of Green Stormwater Infrastructure (GSI).
1129534	WTC SAMMAMISH PLATEAU DIV STANDALONE		\$3,243,272	Sammamish Plateau Diversion - Development of an approximately 24-inch pipeline extending about 18,500 feet along the east side of Lake Sammamish located within E. Lake Sammamish Parkway NE from Inglewood Hills road to the NE Lake Sammamish Interceptor.
1129535	WTC FUTURE CSI PROJECT STANDALONE		\$0	Future Conveyance System Improvement Projects - This project is a place holder for a future Conveyance System Improvement (CSI) project starting in 2018. Potential projects include 1) Richmond Beach Storage 2) Thornton Creek Parallel 3) Medina Storage 4) Garrison Creek Parallel or 5) ULID #1 Contract 4.
1129536	WTC CAPITAL PROJECT FORMULATE STANDALONE		\$7,557,298	Capital Project Formulate - Develop capital projects to a Planning level of scope, schedule, and budget.
1129537	WTC H2S CORR REHAB 2020-2021 STANDALONE		\$745,992	Hydrogen Sulfide Corrosion Rehabilitation 2020-2021 - The scope of the program is to rehabilitate conveyance pipeline damaged due to Hydrogen Sulfide corrosion. This project number is for program planning and a budget placeholder for future pipeline rehabilitation projects. No construction will be performed under this project number.
1129538	WTC TECH ASSESS & INNOVATION STANDALONE		\$2,016,285	Technology Assessment and Innovation - The Technology Assessment and Innovation Program is involved in numerous concurrent testing and assessment activities. In 2017-18, this work will include evaluation of the cost and effectiveness of technologies and process changes that can improve the performance or reduce the costs of wastewater treatment. The recent interest in new ideas/proposals in the energy production/recovery, biosolids management, and nutrient recovery fields is anticipated to continue through 2017 and 2018. This project is a continuation of Project No. 1037769 which will close at the end of 2016.
1129756	WTC MEDINA FM ODOR CONTROL STANDALONE		\$2,448,352	Medina Force Main Odor Control - This project is to design and construct the selected alternative from project # 1127392 -Medina Force main and Siphon Odor Control project (alternative analysis only) for the Medina Pump Station force main and siphon. Design and construct the selected alternative.
3611 - WATER QUALITY CONST-UNRES		Total	\$627,296,763	
Grand Total			\$627,296,763	

WATER & LAND RESOURCES DIVISION

Mission

King County Water and Land Resources Division protects King County's water and lands so that residents can enjoy them safely today and for generations to come.

Overview

The Water and Land Resources (WLR) Division is a division in the King County Department of Natural Resources and Parks (DNRP). The division, which has approximately 370 employees, was created in 1997 when the County combined the former King County Surface Water Management (SWM) program with portions of Metro's Water Pollution Control Division and the King County Resources and Natural Lands programs and Flood Hazard program. Today WLR includes the SWM program, the Environmental Lab, Science and Technical Support, portions of the King County Local Hazardous Waste (LHW) program, River and Floodplain Management as well as programs that provide economic and technical support for forestry and agriculture, acquiring open space, restoring habitat, and control of noxious weeds.

The division is made up of four Lines of Business (LoB): Stormwater Services, Resource Lands, Rivers and Floodplains Management, and Environmental Monitoring. The division's operating budget includes five special revenue operating funds and nine Capital Improvement Program (CIP) funds. The table below provides a matrix of WLR's funds included in this budget and how they relate to the four Lines of Business. This complex funding structure for the division is supported by a wide array of revenue sources that include fees for services, interlocal agreements, federal and state grants, transfers from other County agencies for the provision of services, tax levies, and bonds.

FUNDS	Lines of Business			
	Stormwater Services	Resource Lands	Rivers	Environmental Monitoring
Surface Water Management (SWM) Fund 1211	X	X		X
Shared Services Fund 1210				X
Flood Control District Contract Fund 1561			X	
Noxious Weeds Fund 1311		X		
SWM Capital Fund 3292	X	X		
Conservation Futures 3151		X		
Open Space Non-Bond 3522				
Critical Areas Mitigation 3673				
Transfer of Development Rights 3691				
Farmlands & Open Space 3480				

2017-2018 Problems, Opportunities and Priorities

Division-wide

Aging Workforce/Succession Planning A recent analysis by WLR Human Resource staff indicated that WLR, like many public agencies, has a significant percentage of its workforce who are approaching retirement age. The analysis concluded that as many as 18 percent of WLR employees will be retirement eligible within the next five years. The agency is at a risk of a loss of institutional knowledge. Finally, there are costs associated with retirements in the form of vacation and sick leave payouts, which for some long-time employees can run into the tens of thousands of dollars.

Improved Delivery of Capital Projects WLR manages three capital programs: Stormwater, Flood Hazards, and Resource Lands. The combined 2017-2018 request for these programs is about \$208 million. To promote greater consistency, transparency, accountability, and efficiency, King County established a set of project management tools and standards in an effort to improve the countywide project management processes and functions. In 2017-2018 WLR will be promoting collaboration between the programs and using these tools and standards to monitor, track, and improve delivery of capital projects.








Providing Funding for Critical Infrastructure and Habitat Restoration

The King County Executive is proposing a rate increase to the Surface Water Management (SWM) fee for 2017-2018. The SWM fee is paid by residents and businesses in unincorporated King County to manage surface water, prevent localized flooding, and protect water quality. This fee is the primary funding source for the programs that are part of the Stormwater LoB as well as habitat restoration projects in the Resource Lands LoB.

The Road Service Division (Roads) manages all drainage infrastructure within the roads right-of-way (ROW) of unincorporated King County. The conveyance system is for runoff generated on the right-of-way; some is for runoff that flows from outside of the right-of-way. Roads is assessed annual SWM fees like other property owners in unincorporated King County. However, Roads also receives a 70 percent discount, consistent with state law. Roads has limited ability to continue maintenance of regional conveyance in its right-of-way under its current revenue structure. In addition to funding WLR programming, the SWM fee rate increase proposal includes funding for \$2 million of carryover of previously committed Roads drainage projects and \$4.5 million of funding for additional drainage work in the ROW.

The current single-family residential rate is \$171.50 per year. Commercial property owners pay based on the amount of impervious surface (i.e., hard surfaces such as parking lots, roofs, and driveways) on a parcel. The more impervious surface a property has, the more stormwater runoff it will have during rainstorms and the higher its SWM fee. The Executive is proposing to increase this rate by approximately 50 percent to \$258 per year for single-family residences. If approved by the King County Council, the new SWM rates will go into effect on January 1, 2017.

The table below outlines the impact of the rate change on property-owners in unincorporated King County.

Rate Category	% Impervious Surface	2015-2016 Rate	2017-2018 Rate	Number of Billable Parcels	% Revenue Generated
1 Residential 	N/A	\$171.50 / parcel	\$258 / parcel	80,484	55%
2 Very Light 	≤ 10	\$171.50 / parcel	\$258 / parcel	2,612	2%
3 Light 	10.1 ≤ 20	\$ 413.38 / acre	\$ 695.28 / acre	538	4%
4 Moderate 	20.1 ≤ 45	\$ 905.92 / acre	\$ 1,343.00 / acre	657	5%
5 Mod. Heavy 	45.1 ≤ 65	\$ 1,546.40 / acre	\$ 2,289.61 / acre	1,509	4%
6 Heavy 	65.1 ≤ 85	\$ 2,116.79 / acre	\$ 3,171.86 / acre	1,113	3%
7 Very Heavy 	85.1 ≤ 100	\$ 2,638.96 / acre	\$ 3,937.85 / acre	560	4%

Stormwater Line of Business

Asset Management Over many years, the SWM program has acquired an extensive system of surface water management facilities (e.g. ponds, tanks, and swales). Some facilities were constructed by the SWM program; many were built by private developers to standards and specifications as required by King County at the time of construction, and after a warranty phase, turned over to King County for management. As these facilities were acquired, they were inventoried in different formats (e.g. paper files or databases). Many of these facilities that are now decades old may require major renovation, repair, or replacement, but the full extent and timing of these needs is not presently known. The asset management initiative, which commenced in the 2013-2014 biennium, began the process of integrating facility data into a common format and assessing what additional information may need to be collected to facilitate future planning for replacement. In addition, a risk assessment model for facilities has been developed to inform when facilities should be replaced or undergo major maintenance.

The asset management information collected under this program is being combined with drainage asset information developed for Roads so that decision makers will have a more complete picture of the need and cost of future drainage improvements.

Impact of Beavers on Ecosystem Projects In the past ten years, WLR has seen a steady increase in the potential for damage to public and private property resulting from both upstream related flooding and downstream losses from sudden failure of beaver dams, particularly in the Cascade foothills. The division has taken strong action to prepare for emergencies and to proactively reduce potential injury or damages. Historically abundant throughout the area, the beaver population was greatly diminished but has been rebounding in recent years in rural and suburban King County (as well as other Puget Sound counties). As the WLR Division leads the way in restoring natural habitats, trees and shrubs planted in areas where beavers are re-emerging can become an attractive source of food to beavers, and building materials as well. At the same time, state law creates a more challenging situation for trapping and removing beavers than historic management techniques.

Resource Lands Line of Business

Resource Lands Preservation WLR's resource lands program is anticipating significant increases in funding in the next five years. Two of the Resource Land program's major funding sources, Transfer of Development Rights (TDR) and the Mitigation Reserve Program (MRP) may receive as much as \$30 million more in this timeframe. The TDR program provides incentives for landowners to preserve farm, forest, and open space lands. The MRP program provides sponsors of some development projects with an option to purchase mitigation credits from King County to fully satisfy mitigation obligations associated with projects that result in unavoidable impacts to wetlands, rivers, streams, or buffers.

Agriculture Lands Two of WLR's major dedicated funding sources are the Surface Water Management (SWM) Fee and the Flood Control District Assessment (FCD). To the extent that work supporting or in partnership with agricultural efforts can be linked to water quality, drainage, or habitat improvements, the SWM fund may be used. To the extent that flood hazard management can be demonstrated, the FCD revenues may be used. However, much of the work to be done involves work that cannot be directly tied to those two revenue sources and, as a result, leaves the WLR land-based programs competing for General Fund and grants.

The most pressing challenge is adequately managing the Farmland Preservation Program; there is limited capacity to pursue new acquisitions with current staffing levels. Work necessary to do adequate public outreach, education, and inspections for the properties already in the program is greater than one staff person can address. WLR is currently unable to address all the compliance issues and proposals for activities on the properties in the program.

Rivers Line of Business

The Rivers Line of Business supports the King County Flood Control District as the contracting agency. The primary challenges are to: continue to make progress rehabilitating aging infrastructure while also responding to new flood damages following six flood events in the 2015-2016 flood season; implement projects given staff and consulting resource constraints; and deliver structural and non-structural protection projects at the pace desired by the District as well as interested stakeholders.

CIP Expenditure Rates and Staffing Resources While the King County Flood Control District's (FCD) capital program expenditures have increased each year (2015 total capital expenditure was \$47.5 million), the amount carried over from one year to the next has continued to grow (\$69 million was carried over from 2014 to 2015, \$88.5 million was carried over from 2015 to 2016). In 2014 the Board authorized a service provider evaluation to identify efficiencies and (if appropriate) additional resources to increase the rate of capital project delivery and provide the operating and capital flood risk reduction services that are described in the District's work program due to a growing committed fund balance and the need to increase service delivery. That work was completed in December 2015.

Corridor Plan Implementation Funding will remain unchanged from the prior year pending the FCD Board's decision for corridor plan implementation. In February 2016 the Board of Supervisors adopted the interim Green River System-Wide Improvement Framework (SWIF) and submitted it to the Army Corps of Engineers. Projects adopted in the interim SWIF include an additional \$44 million compared to

the 2016 adopted capital program for the Green. The adopted capital investment plan for the interim SWIF is reflected in the preliminary draft 2017-2022 capital program.

River Recreation Planning Changes in rivers – whether man-made or natural – are accepted differently by different river user groups;; however all in-river recreationalists (e.g. rafters, swimmers) may be subjected to a possible increase in hazards. There are considerable risks to the district in not addressing these hazards. The District is committed to recreation planning efforts to address these risks and minimize risk.

Environmental Monitoring Line of Business

Environmental Lab/Science and Technical Support Dynamic Customer and Revenue Base The Environmental Lab and the Science and Technical Support Sections provide a wide range of services related to sampling, data collection and analysis. These services, including water quality, flow, sediment, tissues/toxics and fish/bug habitat, are used by other county agencies as well as state agencies and other local jurisdictions. Service demands of customers are very dynamic.

One key opportunity for the Environmental Lab is to continue its expansion of services to new clients. Over the past 10 years, the Lab has been able to increase the amount of funding it receives by extending services to reimbursable clients by more than \$1.0 million per year. Some areas of potential expansion include toxic algae testing, micro source tracking, and arsenic speciation. In addition, the Lab's new research vessel SoundGuardian is capable of running 70 percent faster than Liberty, and thus will allow the Lab's field unit to complete more work and potentially more reimbursable work.

Another key opportunity is to align with the Science Section to provide more environmental sampling and analysis in response to emerging environmental concerns such as toxic contaminants. There are also potential challenges, such as the current funding structure, available skill sets, and competing environmental priorities (e.g., freshwater quality, marine water quality, sediment quality) given limited resources.

One key problem for the Lab is the aging facility. As an asset owned by the County, it is necessary for any facility-related projects to compete with other capital priorities. As the facility is aging, funding has been prioritized for the replacement of several critical building systems. However, the facility upgrade must remain a priority in order to keep the lab functioning effectively.

Alignment with Executive Strategic Initiatives

Equity and Social Justice

In 2015-2016 WLR Division completed an Equity and Social Justice Report that drives the 2017-2018 priorities. This report focused on the DNRP ESJ objectives:

1. Workforce diversity
2. Engage and train employees to improve workplace inclusivity
3. Strengthen community outreach and engagement
4. Drive equity considerations into routine business

This 2017-2018 Proposed Budget includes funding to increase diversity and inclusion efforts in recruitment and hiring practices, allowing for additional ESJ training for HR staff and position advertising through new access to diversity networks. This also includes an internship component within the Division's Director's Office.

To mitigate the SWM fee increase for low-income property owners in unincorporated King County, this budget includes a proposal to develop a low-income discount program for the SWM fee, which will be developed in 2017 and implemented in 2018.

As part of the Don't Drip and Drive campaign, which educates people of impacts of vehicle leaks and behavior change to fix these issues, the program will continue to promote vehicle leak information to Spanish speaking residents, through local partnerships and Esparza+ Business Communications which includes workshops, outreach, media, and web content for vehicle owners.

Strategic Climate Action Plan (SCAP)

WLR is engaged in several activities that support the goals and targets in the King County Strategic Climate Action Plan. As a leader in managing, protecting, and restoring King County's floodplains, open space, biology, and stormwater, WLR has aggressively incorporated climate response into its 2017-2018 work programs. Highlights include:

- **Preserving Open Space and Supporting Agriculture**

The division plays an active role in Goal Area 5: forest and agriculture in protecting open space. WLR is co-lead with the Parks and Recreation Division on this priority action. Open space acquisition is in many places in the WLR budget; the Conservation Futures (Resource Lands CIP) program's primary goal is to preserve open space. Thousands of trees are planted annually as part of the WLR work program; this is an ongoing effort and is included in several programs in the budget. Tree planting is a focus of the Lower Green River Basin Steward added in the SWM fund.

WLR is also the primary agency on priority actions to streamline support for forests and agriculture and expand the local food economy. The 2017-2018 proposal includes an increase and staffing support to implement the Farm, Fish, Flood program in support of the Local Food Initiative's goal of 400 net new acres of farmland each year.

- **Preparing for Climate Change**

WLR is the lead on several of the priority actions to prepare for climate change. Stormwater, Flood, and Science sections include efforts related to analyzing climate change impacts funded through a Department of Ecology grant. As part of this effort, WLR and Wastewater Treatment Division are co-funding research at the University of Washington to assess climate change impacts on rainfall patterns in King County. WLR staff will assess potential impacts on stormwater design requirements and make design recommendations based on those impacts. This proposal requests Flood District funding to assess climate impacts on flood sizes and frequencies. Updating salmon recovery plans in 2017-2018 is a priority for the Resource Lands LoB. Staff time in the division will also be dedicated to planning for low stream flows and working regionally to prepare for climate change impacts.

Best Run Government

A major component to support the Best Run Government Initiative has been for WLR to engage with its employees through supporting growth and development. The 2017-2018 work plan includes continued support for the Lominger development activities, employee training and development opportunities, and implementation of the action plans to increase employee engagement.

The second major component of this initiative is continuous improvement and a sustainable financial future. To support this area, WLR is committed to identifying processes where efficiencies could lower costs and/or increase value in the services provided. The division continues to develop Lean competencies in its staff through training and development plans. In addition to these ongoing activities, the Line of Business planning process identified investments in technology that will improve services and reduce costs over time. The proposals are for the Surface Water Management (SWM) billing system replacement, the Laboratory Information Management System (LIMS) replacement, and implementation of the CityWorks information management system to share a common data platform with other County agencies.

The third component of the Best Run Government initiative is partnerships. WLR has included a proposal in the 2017-2018 budget for a water quality grant program that will offer small grants to support community projects that improve water quality. In addition, WLR has been working with the Road Services Division on a partnership approach to addressing regional drainage issues and funding strategies.

Surface Water Capital Improvement Program

The Water and Land Resources Division's (WLR) vision of "Healthy aquatic and terrestrial ecosystems to enhance the quality of life in King County" is embodied in the Surface Water Capital Improvement Program (CIP). Two of the division's goals which are central to the Surface Water CIP are Environmental Quality and Productive Partnerships. The Water and Land Resources Division's (WLR) Surface Water Capital Improvement Program (CIP) has two primary goals:

- To protect public safety, water quality, and property from stormwater runoff and pollution, and
- To protect and restore aquatic ecosystems from damage caused by storm and surface water runoff, pollution, and past land development practices.

The responsibility for implementing these goals rests with the capital units of the Stormwater Services and Rural and Regional Services sections.

The Stormwater Services Section (SWS) is responsible for protecting public safety, properties, and water quality from the impacts of stormwater runoff to and from developed lands. Included in this responsibility is the operation and maintenance of stormwater facilities, coordinated compliance with state and federal stormwater regulations, enforcement of King County water quality code, and outreach/technical assistance to landowners on drainage and water quality issues and implementation of capital improvements.

The SWS Capital Program implements projects to replace/rehabilitate aging stormwater facility assets (Asset Preservation), add stormwater controls in areas where none currently exist or are inadequate to protect water quality, address chronic flooding problems associated with the natural drainage system, address drainage problems impacting private properties (Neighborhood Drainage Assistance Program), and address drainage problems impacting the productivity of agricultural lands (Agricultural Drainage Assistance Program). These projects originate from citizen complaints, facility inspections, asset management and other study/planning efforts, or as a result of legal mandates pursuant to the federal Clean Water Act and National Pollutant Discharge Elimination System (NPDES) municipal stormwater permit.

The Rural & Regional Services (RRS) section is responsible for protecting and improving aquatic and riparian habitat conditions towards conserving threatened species, implementing the Watershed Salmon Recovery Plans and working with landowners, including agriculture and forestry landowners, to promote projects that provide habitat restoration while supporting the long-term sustainability of rural working lands.

Resource Lands Conservation Capital Improvement Program

The Resource Lands Conservation (RLC) Capital Improvement Program (CIP) supports the Water and Land (WLR) division's goals of Environmental Quality, Productive Partnerships, and Sustainable Resources. The RLC CIP encompasses five component programs – Conservation Futures Tax Levy (CFT), Open Space Acquisitions, Transfer of Development Rights (TDR), Farmland Preservation, and Mitigation Reserve (MRP) programs. The responsibility for implementing these programs rests with the Acquisitions Unit in the Rural and Regional Services section and the Director's Office.

Together these five programs work in concert to purchase land, development rights, and conservation easements on properties that have significant ecological and/or resource lands benefits; and through the MRP, to generate funds through sales of mitigation credits to restore and enhance the ecological function of these properties.

Flood District Capital Improvement Program

The King County Flood Control District (FCD) contracts with the River and Floodplain Management Section (RFMS) within the Water and Land Resources Division to implement the District's capital improvement program. This body of work is guided by the following goals:

1. To reduce the risks to public safety and financial losses from flood and channel migration hazards.
2. To avoid or minimize the environmental impacts of flood hazard management.
3. To reduce the long-term costs of flood hazard management.

The capital program contributes to these goals primarily by reconstructing and repairing the system of levees and revetments along King County's major river systems. Most of these facilities are at least 50 years old and will be reconstructed using modern engineering techniques that make them more stable, allow for greater conveyance and flood storage, minimize adverse environmental impacts such as the loss of fish habitat, and reduce maintenance costs. The capital program also reduces flood risk by removing homes and other structures from the floodplain. This is done either by elevating the structures above flood waters, which occurs most commonly in the Snoqualmie Valley where the flooding is slow moving, or in other basins such as the Cedar River, where flood waters are swift and dangerous, homes are purchased outright to remove residents from the floodplain.

The program is based primarily on the 2006 King County Flood Hazard Management Plan that recommends regional policies, programs, and projects to reduce the risk to people and property from river flooding and channel migration in King County. The purpose of this Plan is to create a long-term vision for flood hazard management for King County's floodplains, with an emphasis on major river systems, and recommends specific near-term actions consistent with that vision to reduce flood and channel migration risks and to protect, restore, or enhance riparian and aquatic ecosystems. Other actions are being defined by several river corridor plans that provide greater specificity to these flood protection strategies, as well as facility damage assessments following significant flood events that occur every one or two years.

The total 2017-2018 Executive Proposed CIP budget for the Flood District Capital Program is \$105 million. This capital improvement budget is budgeted in the Flood District Contract operating fund, in accordance with District requirements. Final project allocations are subject to the Flood Control District Board's approval.

2017-2018 Executive Proposed Operating Budget

SURFACE WATER MANAGEMENT LOCAL DRAINAGE SERVICES (EN_A84500)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	60,471,675	53,967,914	114.8	5.5
Base Budget Adjustments	(3,971,394)	(675,990)	0.0	(5.5)
Decision Package Adjustments	16,447,519	22,283,562	7.8	1.0
2017-2018 Executive Proposed Budget	72,947,800	75,575,486	122.6	1.0
2017-2018 Executive Proposed Ordinance	72,948,000	75,576,000	122.6	10.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_004) Contract Support Increase Transfer of a vacant 0.5 FTE contract specialist from the Flood program and increase this position to 1.0 FTE. It is estimated that this position will loan out at 75 percent for SWM funded contract work for the Stormwater and Regional Services Sections and 25 percent to support Flood capital project work.	(7,580)	0	1.0	0.0
(DS_005) Asset Management Increase Increase to implement the 10-year Stormwater Services Asset Management Plan for proactively managing the 1,100 WLRD owned stomwater facilities to mitigate the risks from the high cost of replacing assets after they fail and impacts of failure on water quality, public safety or loss of facility function. This increase ramps up the program, with a plan for future additions to meet the 10-year goal to work through the backlog.	4,965,503	0	4.0	0.0

2017-2018 Executive Proposed Operating Budget
SURFACE WATER MANAGEMENT LOCAL DRAINAGE SERVICES (EN_A84500)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(DS_006) Increase for the Habitat Restoration Capital Improvement Program Increase the transfer to the Habitat Restoration Capital Improvement Program (CIP) and reallocate the Monitoring and Maintenance program from the CIP to SWM operating. This will allow more funding to be available for capital investments and the ability to further leverage grants and partnership agreements.	1,036,348	0	0.0	0.0
(DS_007) Implement Farm, Fish, Flood The Local Food Initiative goal of 400 net new acres of farmland each year requires an increased focus on regulatory support/efficiencies to ensure that current farmland remains in production, lands can be made more productive and unfarmed land can be brought back into production. Additionally, the recently completed next phase of the Farm Fish Flood process identified the need for County leadership and support for a Regulatory Task Force to address permitting and regulatory hurdles facing farmers in the Snoqualmie Valley. This proposal creates a new TLT position, Agriculture Permitting Specialist, to provided much-needed support for both of those priorities.	251,843	0	0.0	1.0
(DS_009) Lower Green River Basin Stewardship Add 0.75 FTE basin steward, project program manager III, to coordinate and assist in program implementation to establish a tree canopy along the twenty-one mile Lower Green River shoreline. This position will convene partners and interested parties to plan the tree planning and work to prioritize federal, state and local planning efforts, develop a public outreach campaign and seek new funding resources.	122,229	0	0.8	0.0
(DS_011) Stormwater Mapping Extend the 9 TLT engineer I, to continue collecting and updating stormwater right-of-way (ROW) mapping inventory through 2017. This effort is important to meet the National Pollutant Discharge Elimination System (NPDES) permit requirements for King County's stormwater system mapping.	1,002,481	0	0.0	0.0
(DS_013) CityWorks Stormwater Information IT Project Add 1 FTE engineer I, King County Information Technology (KCIT) support and licensing fees to implement the CityWorks Information management system. As a result of this implementation, all new stormwater infrastructure plans and County workgroup drawings will be added to the stormwater infrastructure inventory. This project has gone through the IT project prioritization process.	349,214	0	1.0	0.0

2017-2018 Executive Proposed Operating Budget
SURFACE WATER MANAGEMENT LOCAL DRAINAGE SERVICES (EN_A84500)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(DS_014) Water Quality Grant Program Establish a Water Quality Grant Program available for residents of unincorporated King County. This program will allow unincorporated residents the opportunity to apply for funding to make water quality improvements through community based projects infrastructure and/or building community awareness. This program will be modeled after the Wastewater Treatment Division's Waterworks grant program.	250,000	0	0.0	0.0
(DS_015) Low Income Discount Program Create a low income discount program for the SWM fee. This funds the administration of the program and estimates the impact of revenue not collected as a result of the discount. This program will be developed in 2017, estimated to take effect in 2018, modeled after the SWM senior discount/exemption program, and administered by the Assessor's Office. This discount will help mitigate the effects of the SWM rate increase for low income property owners in unincorporated King County.	50,000	(200,000)	0.0	0.0
(DS_017) Agricultural Drainage Assistance Program (ADAP) Add Add funding for the Agricultural Drainage Assistance Program (ADAP) to support increased demand from farmers in the Agricultural Production District who have requested assistance with ditch cleaning. This funding will help reach the goal of cleaning two miles of ditch per year in the APD. Projects selected to receive funding will be assessed based on criteria such as timing of the request, cost match, feasibility, number of impacted properties and the contribution to the goal to bring agricultural land back into production.	700,000	0	0.0	0.0
(DS_018) Natural Drainage System Flood Projects Increase the SWM Capital Improvement Program (CIP) transfer to address chronic flooding problems in natural drainage systems in unincorporated King County.	1,000,000	0	0.0	0.0
(DS_025) Increase in Public Benefit Rating System (PBRS) Application Fee Increase the PBRS application fee from \$480 to \$1,200. The last increase to the application fee was in 2010. This increased fee is comparable with neighboring Counties' Current Use Program fees. This increase will allow the program to increase staff engagement with landowners and increase marketing efforts to potential participants.	48,000	48,000	0.0	0.0

2017-2018 Executive Proposed Operating Budget
SURFACE WATER MANAGEMENT LOCAL DRAINAGE SERVICES (EN_A84500)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(DS_029) Revenue Adjustment for Surface Water Management (SWM) Fee Increase to Support WLR Programs Increase the revenue for the SWM fee to support status quo operating and capital programs and increases in decision packages DS_005, DS_006, DS_007, DS_009, DS_011, DS_013, DS_014, DS_015, DS_017, DS_018, DS_101, and DS_102.	0	16,294,509	0.0	0.0
(DS_030) SWM Fee Increase to Support Roads Drainage Projects Increase the SWM fee revenue to mitigate negative impacts on the Road Services Division (RSD) from the increased SWM Fee. This includes funding to support the unfunded 2015-2016 \$2 million transfer to RSD for drainage work in the right-of-way (ROW) and an additional transfer in the amount of Roads SWM fee increases to support additional ROW drainage projects.	6,489,959	6,489,959	0.0	0.0
(DS_034) Loan out Labor for Climate Change in Shared Services Add loan out labor from the SWM program to support the Department of Ecology (DOE) Climate Change Grant in the Shared Services Fund. Water and Land Resources Division (WLR) and Wastewater Treatment Division are co-funding research at the University of Washington to assess climate change impacts on rainfall patterns in King County. The staffing support is used as a match for the DOE Grant. WLR staff in the Stormwater and Science sections will assess potential impacts on stormwater design requirements and make design recommendations based on those impacts.	(199,482)	0	0.0	0.0
(DS_038) DOE Grants—Don't Drip & Drive and STORM Coordinator Continue the Don't Drip and Drive vehicle leak behavior change effort and fund the Stormwater Outreach for Regional Municipalities (STORM) Coordinator supported by DOE Grants of Regional or Statewide Significance (GROSS) grants. The Don't Drip and Drive program works to raise vehicle owners' awareness and motivate them to fix leaks which are a major contributor to pollution in the Puget Sound. STORM is a coalition of over 83 Washington cities and counties working together on NPDES stormwater education and outreach on a regional scale, WLR staff coordinates this program using this grant funding.	225,000	225,000	0.0	0.0

2017-2018 Executive Proposed Operating Budget
SURFACE WATER MANAGEMENT LOCAL DRAINAGE SERVICES (EN_A84500)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(DS_101) Beaver Management Implement a consistent and coordinated strategy throughout the division to address and monitor the growth of beaver populations in King County. This addresses the recent recommendation in the King County Comprehensive Plan to develop a coordinated beaver management strategy. WLR staff will convene and lead a County team to develop effective and appropriate approaches to various problems caused by beavers, create a communication plan and protocols for external collaboration and outreach. This includes pilot programs to test the identified strategies.	284,689	0	0.0	0.0
(DS_102) Fish & Habitat Effectiveness Monitoring Creates a monitoring program to provide information on habitat and fish population status and trends to allow the program to demonstrate return on the investments in ecosystem, salmon recovery and land protection projects and stormwater controls in order to inform recovery strategies and capital investments. This includes the development of a database and fish mapping in unincorporated King County.	500,000	0	0.0	0.0
(DS_120) Central Climate Change Costs Update Adjust Surface Water Management's share of the central climate-related costs for 2017-2018; these costs include membership fees in climate related organizations, a countywide greenhouse gas inventory update, consulting fees, regulatory dues to the Puget Sound Clean Air Agency, as well as the centralization of costs for four FTEs to help agencies across the county with climate related activities. The allocation methodology is based on greenhouse gas emissions (51 percent DNRP, 45 percent DOT, and 4 percent FMD).	1,416	0	0.0	0.0
Administrative Service Changes				
(AC_001) Administrative Adjustment Adjust accounts to reflect loan in and loan out labor based on the 2017-2018 staffing model and associated services and supply accounts. Adjust overhead accounts and debt service to reflect current estimates.	(421,274)	0	0.0	0.0
(AC_002) Business & Finance Officer Position Transfer Transfer of a business and finance officer from Shared Services into SWM to support the SWM billing process and begin succession planning to ensure continuity of the process. This position will also provide support for SWM grant billing and the new billing system build.	219,545	0	1.0	0.0

Technical Adjustments

2017-2018 Executive Proposed Operating Budget
SURFACE WATER MANAGEMENT LOCAL DRAINAGE SERVICES (EN_A84500)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(TA_001) Basin Stewardship Adjustment for Staffing Net zero changes to reflect the current spending patterns and adjust expenses to reflect actual spending trends in salary contingency and overtime within the basin stewardship program.	7,987	0	0.0	0.0
(TA_050) Revenue Adjustments Revise budgeted revenues for grants awarded, contract reductions for Inter-Local Agreement (ILA) cities, and current SWM revenue projects for current SWM fee rate.	0	(573,906)	0.0	0.0
(TA_113) Vacancy Rate Adjustment Reflects the salary savings associated with the natural rate of employee turnover for a given agency and provide greater transparency in the budget.	(480,000)	0	0.0	0.0
(TA_198) Motor Pool Dispatch Rental Remove vehicle dispatch rental rates from the Fleet Motor Pool central rate account 55010 and move them into account 55258 Motor Pool ERR SVS. The amount was estimated based on 2015 actual rental billings and revised based on agency need and estimated usage for 2017-2018.	15,000	0	0.0	0.0
(TA_199) Parking Fees Increase fees at County parking facilities commensurate with local market rates. These changes will affect agencies that pay or reimburse for privately-operated vehicles and for agency-assigned Fleet vehicles that park in the Goat Hill Garage, Chinook Building, KC Correctional Facility, and (as of June 2017) King Street Center.	176,320	0	0.0	0.0
(TA_200) Community Services Area (CSA) Contribution Update Update this agency's costs in the CSA's cost allocation model, which is based on projected CSA staff hours per agency over the biennium. Overall costs for the program increased due to the growth in labor costs (general wage increase, benefits) and central rates.	14,643	0	0.0	0.0
Central Rate Adjustments	(154,321)	0	0.0	0.0
Total Decision Package Adjustments	16,447,519	22,283,562	7.8	1.0

2017-2018 Proposed Financial Plan
Surface Water Management Operating Fund /000001211

Category	2015-2016 Estimated ¹	2017-2018 Proposed Budget ²	2019-2020 Projected ³	2021-2022 Projected ³
Beginning Fund Balance	8,243,227	3,405,434	6,750,984	6,697,872
Revenues				
SWM Fees	51,181,115	71,786,431	69,418,642	64,126,653
General Fund	1,700,000	1,700,000	1,841,100	2,014,163
Other Revenues	1,675,597	2,089,055	2,262,447	2,475,117
Total Revenues	54,556,712	75,575,486	73,522,189	68,615,933
Expenditures				
Expenditures	(42,980,905)	(49,407,655)	(53,056,292)	(57,095,226)
CIP Transfer	(8,874,000)	(13,761,436)	(13,761,436)	(13,761,436)
Debt Service	(4,349,600)	(3,288,750)	(2,961,800)	(2,280,250)
Asset Management for Roads	(1,000,000)			
Transfer to Roads ⁴	(2,190,000)	(6,489,959)	(4,489,959)	(4,489,959)
Total Expenditures	(59,394,505)	(72,947,800)	(74,269,487)	(77,626,871)
Estimated Underexpenditures⁵		717,864	694,186	641,267
Other Fund Transactions				
Total Other Fund Transactions	-	-	-	-
Ending Fund Balance	3,405,434	6,750,984	6,697,872	(1,671,799)
Reserves				
SWM Rate Reserve ⁶	(1,027,031)	(3,981,908)	(3,790,392)	
Rainy Day Reserve (30 days) ⁷	(2,378,403)	(2,769,077)	(2,907,480)	(3,047,371)
Total Reserves	(3,405,434)	(6,750,985)	(6,697,872)	(3,047,371)
Reserve Shortfall	-	-	-	4,719,171
Ending Undesignated Fund Balance	-	-	-	-

Financial Plan Notes

¹ 2015-2016 Actuals reflect actual expenditures from EBS using report GL010 and are consistent with the Budgetary Fund Balance figures published by FBOD.

² 2017-2018 Proposed Budget is based on Hyperion system.

³ Outyear projections are based on the following assumptions for expenditures and revenues:

Revenues

SWM revenues include the following annexation assumptions from PSB: Duwamish/Sliver 1/1/17; North Highline 1/1/20; West Hill 1/1/20; East Federal Way 1/1/20.

General Fund and Other Revenues reflect inflationary increases of 8.3% in 2019-2020 and 9.4% in 2021-2022 per PSB's assumptions

Expenditures

Operating expenditures reflects inflationary increases of 8.3% in 2019-20 and 9.4% in 2021-2022 per PSB's assumptions, and reductions for North Highline, West Hill and East Federal Way annexations direct services.

CIP Debt Service on 2014 bond issuance shown as separate line, reflects full debt amortization commencing in 2017.

⁴ In 2017-2018 the transfer to Roads includes \$2 million of unfunded carryover previously appropriated in the SWM Capital Fund (3292) in 2015-2016. Funding for this transfer is included in the requested SWM fee rate increase.

⁵ Under-expenditure assumptions for budget are usually calculated at 1 to 1.5% of estimated SWM revenues. This assumption is revisited and updated throughout the biennium.

⁶ The rate reserve is accumulated to mitigate against future rate increases. The SWM program faces potential large revenue losses due to potential annexations.

⁷ Reserves reflect a 30-day rainy day reserve based on the annual estimated SWM fund expenditures, excluding transfers to Roads.

⁸ This plan was updated by Kathy Waymire on 9/9/2016.

2017-2018 Executive Proposed Operating Budget WATER AND LAND RESOURCES (EN_A74100)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	67,740,638	67,904,683	170.8	2.0
Base Budget Adjustments	2,379,823	613,007	0.0	(2.0)
Decision Package Adjustments	2,911,785	4,121,522	(2.0)	0.0
2017-2018 Executive Proposed Budget	73,032,246	72,639,212	168.8	0.0
2017-2018 Executive Proposed Ordinance	73,033,000	72,640,000	168.8	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_016) Lake Geneva Lake Management District Implement the WLR work program to support the Lake Management District in the Lake Geneva watershed, established in Ordinance 18310.	28,403	28,403	0.0	0.0
(DS_019) National Estuary Program Grant Add grant funding to support WLR partnering with the King Conservation District (KCD) and the United States Forest Service (USFS) to collaborate on fish, water quality, and agricultural improvements. This is a continuation of a program started in 2016.	28,155	28,155	0.0	0.0
(DS_022) Equity and Social Justice Initiative in Hiring Add funding to increase diversity and inclusion efforts in recruitment and hiring practices and employee engagement. This includes membership fees to use services offered by the Historically Black Colleges and Universities (HBCU) through Connect.com, advertising with the Professional Diversity network, ESJ training for HR staff and internships within the WLR director's office.	80,000	0	0.0	0.0

2017-2018 Executive Proposed Operating Budget WATER AND LAND RESOURCES (EN_A74100)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(DS_032) South Central Local Integrating Organization Grant Continue to provide staffing for the South Central Action Area Caucus Group using funding from the Environmental Protection Agency (EPA) Puget Sound Partnership South Central Local Integrating Organization grant awarded in 2015/2016. The group is comprised of several local governments, tribes, non-profit organizations, environmental groups and other organizations. The staffing is provided through consultant support and WLR finance and administrative support.	150,000	150,000	0.0	0.0
(DS_034) Climate Change Grant Increase to support the Department of Ecology (DOE) Climate Change Grant. WLR and Wastewater Treatment Division are co-funding research at the University of Washington to assess climate change impacts on rainfall patterns in King County. The staffing support is used as a match for the DOE Grant. WLR staff in the Stormwater and Science sections will assess potential impacts on stormwater design requirements and make recommendations based on those impacts.	266,557	249,999	0.0	0.0
(DS_035) Add Environmental Lab Vehicle Add a vehicle to the Field Science Unit to support a growing work program and staff increases. The vehicle will be needed for stormwater monitoring and sampling and for emergency response services for water quality incidents.	42,000	0	0.0	0.0
(DS_037) Local Hazardous Waste Management Program (LHWMP) Changes Move the expenditure authority from Solid Waste to Shared Services for the LHWMP's workforce and organization development needs to align with the organizational location of the project manager supporting the workforce development program.	320,000	320,000	0.0	0.0
(DS_039) Grant Contingency Increase the grant contingency to be used within the biennium if grants are awarded to the programs within Shared Services. It is estimated that by the end of 2016, Shared Services programs will have submitted approximately \$2.3 million in grant applications.	1,000,000	0	0.0	0.0

2017-2018 Executive Proposed Operating Budget WATER AND LAND RESOURCES (EN_A74100)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(DS_101) Beaver Management Implement a consistent and coordinated strategy throughout the division to address and monitor the growth of beaver populations in King County. This addresses the recent recommendation in the King County Comprehensive plan to develop a coordinated beaver management strategy. WLR staff will convene and lead a County team to develop effective and appropriate approaches to various problems caused by beavers, create a communication plan and protocols for external collaboration and outreach. This includes pilot programs to test the identified strategies.	75,964	250,000	0.0	0.0
(DS_102) Fish & Habitat Effectiveness Monitoring Create a monitoring program to provide information on habitat and fish population status and trends to allow the program to demonstrate return on the investments in ecosystem, salmon recovery and land protection projects and stormwater controls in order to inform recovery strategies and capital investments. This includes the development of a database and fish mapping in unincorporated King County. Revenue supporting this proposal exceeds expenditures because this program is supported using existing staff.	127,018	500,000	0.0	0.0
(DS_120) Central Climate Change Costs Update Adjust the Water and Land Resources Division's share of the central climate-related costs for 2017-2018; these costs include membership fees in climate related organizations, a countywide greenhouse gas inventory update, consulting fees, regulatory dues to the Puget Sound Clean Air Agency, as well as the centralization of costs for four FTEs to help agencies across the county with climate related activities. The allocation methodology is based on greenhouse gas emissions (51 percent DNRP, 45 percent DOT, and 4 percent FMD).	2,587	0	0.0	0.0
Administrative Service Changes				
(AC_001) Shared Services Administrative Changes Adjust loan in/ loan out labor associated with supply and service accounts and true up desktop costs for direct service cost centers.	516,152	0	0.0	0.0
(AC_002) Business and Finance Officer Position Transfer Transfer of a business and finance officer from Shared Services into SWM to support the SWM billing process and begin succession planning to ensure continuity of the process. This position will provide support for SWM grant billing and the new billing system build.	(219,545)	0	(1.0)	0.0

2017-2018 Executive Proposed Operating Budget WATER AND LAND RESOURCES (EN_A74100)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(AC_003) Lake Stewardship Section FTE Reduction Eliminate 1 vacant position in the Science and Technical Support section's Lake Stewardship Program and distributes the work plan using existing available staff, previously loaned out to completed capital projects.	(55,707)	0	(1.0)	0.0
(AC_004) Redistribute KCIT Desktop Charges Redistribute KCIT desktop charges from the centrally charged location to the various programs within Shared Services.	(55,350)	0	0.0	0.0
Technical Adjustments				
(TA_001) Net Zero Adjustments Net zero changes to reflect current spending patterns.	0	0	0.0	0.0
(TA_050) Revenue Adjustment Revise budgeted revenues to align with the Division's overhead allocation model, remove already received grant revenue and expired contracts, and adjust other miscellaneous revenue accounts based on forecasted changes.	0	2,554,645	0.0	0.0
(TA_113) Vacancy Rate Adjustment Reflects the salary savings associated with the natural rate of employee turnover for a given agency and provide greater transparency in the budget.	(1,058,000)	0	0.0	0.0
(TA_198) Motor Pool Dispatch Rental Remove vehicle dispatch rental rates from the Fleet Motor Pool central rate account 55010 and move them into account 55258 Motor Pool ERR SVS. The amount was estimated based on 2015 actual rental billings and revised based on agency need and estimated usage for 2017-2018.	10,000	0	0.0	0.0
(TA_199) Parking Fees Increase fees at County parking facilities commensurate with local market rates. These changes will affect agencies that pay or reimburse for privately-operated vehicles and for agency-assigned Fleet vehicles that park in the Goat Hill Garage, Chinook Building, KC Correctional Facility, and (as of June 2017) King Street Center.	51,840	40,320	0.0	0.0
Central Rate Adjustments	1,601,710	0	0.0	0.0
Total Decision Package Adjustments	2,911,785	4,121,522	(2.0)	0.0

**2017-2018 Proposed Financial Plan
Shared Services Operating Fund /000001210**

Category	2015-2016 Estimated ¹	2017-2018 Proposed Budget ²	2019-2020 Projected ³	2021-2022 Projected ³
Beginning Fund Balance¹	189,175	200,122	31,465	-
Revenues				
WTD Operating	27,615,552	30,291,292	32,874,477	35,981,723
Local Hazardous Waste ⁴	12,210,319	12,982,655	14,089,792	15,421,538
Surface Water Management Fee	13,904,445	15,147,638	16,439,400	17,993,227
Flood Control District	4,086,816	4,369,623	4,742,256	5,190,487
Noxious Weeds	809,950	897,733	974,290	1,066,378
Lake Geneva Lake Mgmt. District ⁵	-	28,403	28,522	28,522
Other Revenue ⁶	8,352,470	8,921,867	9,662,382	10,570,646
Total Revenues	66,979,552	72,639,211	78,811,119	86,252,521
Expenditures				
WLRD Administration	(19,524,084)	(22,437,836)	(24,300,176)	(26,584,393)
Environmental Lab	(20,883,414)	(22,691,890)	(24,575,317)	(26,885,397)
Local Hazardous Waste	(10,560,519)	(11,401,829)	(12,348,181)	(13,508,910)
Science and Technical Services	(9,445,347)	(10,043,282)	(10,876,874)	(11,899,301)
Lake Geneva Lake Mgmt. District ⁵	-	(28,403)	(22,422)	(22,422)
Regional Services ⁷	(6,555,241)	(6,429,006)	(6,962,613)	(7,617,099)
Total Expenditures	(66,968,605)	(73,032,246)	(79,085,584)	(86,517,521)
Estimated Under expenditures⁸		224,378	243,000	265,000
Other Fund Transactions				
Total Other Fund Transactions	-	-	-	-
Ending Fund Balance⁹	200,122	31,465	-	-
Reserves				
Expenditure Reserve (s) ¹⁰	(200,122)	(31,465)		
Total Reserves	(200,122)	(31,465)	-	-
Reserve Shortfall	-	-	-	-
Ending Undesignated Fund Balance	-	-	-	-

Financial Plan Notes

¹ Beginning Balance is consistent with the Finance reported fund balance and the EBS GL-30. 2015 Actuals and 2016 Actuals through May 2016 using the GL_10 and estimated for remainder of 2016.

² 2017-2018 Proposed Budget is consistent with expenditure and revenue data from Hyperion.

³ Out year projections assume expenditure growth of 8.53% in 2019-20 and 9.45% in 2021-2022 for internal revenue sources. Lake Geneva Lake Mgmt. District is based on LMD planning documents. Other Revenue is increased by 8.3% in 2018-2019 and 9.4% in 2012-2021 per PSB guidance. Division cost allocation is adjusted so that the revenues recover full costs in the out years.

⁴ The Local Hazardous Waste Management Program (LHWMP) is a regional partnership consisting of King County Water and Land Resources Division (WLR), King County Solid Waste Division (SWD), Seattle Public Utilities, Public Health-Seattle & King County, the Muckleshoot and Snoqualmie Tribes, and 37 other cities in King County as represented by the Sound Cities Association. The program is governed by a multi-jurisdictional Management Coordination Committee (MCC) and provides services through multi-agency matrixed teams. It is funded through dedicated hazardous waste fees and grant funds which fully support the LHWMP's work. Revenues for the LHWMP are allocated to local government and County agency partners to carry out agreed upon work plans approved by the MCC.

⁵ Lake Geneva Lake Management District (LMD) is part of the Science and Technical in Hyperion. The LMD was adopted by the Council in 2016 (Ord. 18228) and was submitted to relevant landowners for consent to the formation. Relevant landowners approved the creation of the LMD. This lake has several state listed aquatic noxious weeds, high water episodes and has recently experienced a decline in water clarity. Out year assumption based on the LMD planning document as an average biennium budget, all revenues and expenditures will be tracked for the 10 year life of the LMD and reconciled at the end of each year. Assessor's Office has mailed out LMD bills to landowners.

⁶ Other revenue includes federal and state grants, contracts for services with other jurisdictions and from internal transfers from other county agencies.

⁷ Regional Services Section is split between the Surface Water Management and Shared Services Funds. Shared Service portion includes the section administration unit, the Water Resource Inventory Areas (WRIAs) 7, 8 and 9, the WRIA portion of Flood Control Zone Districts grant program and the groundwater management unit.

⁸ Underexpenditure assumption is 1% of the WLR Administration based on historical activity. This is revised through the biennium.

⁹ The Shared Services Fund does not have a minimum fund balance requirement. The fund operates on a reimbursement basis for services provided to County agencies and outside entities, including federal and state grants, and contract for services. Policy does not mandate the fund have a minimum fund balance.

¹⁰ Residual funds are shown as a Expenditure Reserve. Residuals are included in next budget planning to reduce WLR Admin Cost Distribution.

¹¹ This plan was updated by Kerry Thrasher on September 09, 2016.

2017-2018 Executive Proposed Operating Budget NOXIOUS WEED PROGRAM (EN_A38400)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	5,140,351	4,883,559	16.5	0.0
Base Budget Adjustments	270,215	9,225	0.0	0.0
Decision Package Adjustments	219,013	214,598	0.0	0.0
2017-2018 Executive Proposed Budget	5,629,578	5,107,382	16.5	0.0
2017-2018 Executive Proposed Ordinance	5,630,000	5,108,000	16.5	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_001) Noxious Weed Program Van Add a passenger van to support the Noxious Weed Control Program education program. This van will provide transportation for staff and displays to the outreach events, for the program's information booths, workshops and presentations. When the van is not used for outreach it will be used for field work.	12,098	0	0.0	0.0
Administrative Service Changes				
(AC_001) Administrative Changes Loan out Labor and Overhead Adjust loan in and loan out labor and adjust for DNRP and WLR overhead. The loan out for Stormwater will be to inspect stormwater flow control Best Management Practices during the winter months allowing for seasonal staff to continue working during the winter months. The loan out will also support the Flood section through field work, flood patrol and other necessary office tasks.	51,013	0	0.0	0.0
Technical Adjustments				
(TA_050) Revenue Adjustments Adjust revenue to reflect the forecasted revenues from the Noxious Weed Fee.	0	214,598	0.0	0.0

**2017-2018 Executive Proposed Operating Budget
NOXIOUS WEED PROGRAM (EN_A38400)**

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(TA_199) Parking Fees Increase fees at County parking facilities commensurate with local market rates. These changes will affect agencies that pay or reimburse for privately-operated vehicles and for agency-assigned Fleet vehicles that park in the Goat Hill Garage, Chinook Building, KC Correctional Facility, and (as of June 2017) King Street Center.	74,880	0	0.0	0.0
Central Rate Adjustments	81,021	0	0.0	0.0
Total Decision Package Adjustments	219,013	214,598	0.0	0.0

**2017-2018 Proposed Financial Plan
Noxious Weeds Fund /000001311**

Category	2015-2016 Estimated¹	2017-2018 Proposed Budget²	2019-2020 Projected³	2021-2022 Projected³
Beginning Fund Balance	903,173	1,071,831	831,112	326,994
Revenues				
Noxious Weed Fee	4,598,064	4,678,952	4,725,742	4,772,999
Interest Income	10,278	9,000	9,000	9,000
Grants/Other	216,530	419,429	419,429	419,429
Total Revenues	4,824,872	5,107,381	5,154,171	5,201,428
Expenditures				
Wages and Benefits	(2,852,907)	(3,132,679)	(3,314,374)	(3,519,865)
Supplies and Other Services ⁴	(381,950)	(865,002)	(915,172)	(971,913)
Intragovernmental Services ⁵	(1,368,191)	(1,609,152)	(1,702,482)	(1,808,036)
Contingencies ⁶	(22,905)	(22,746)	(24,065)	(25,557)
Encumbrance Carryover	(30,262)	-	-	-
Total Expenditures	(4,656,214)	(5,629,578)	(5,956,094)	(6,325,372)
Estimated Underexpenditures⁷		281,479	297,805	316,269
Other Fund Transactions				
Total Other Fund Transactions	-	-	-	-
Ending Fund Balance⁸	1,071,831	831,112	326,994	(480,681)
Reserves				
Rate Stabilization Reserve(s) ⁹	(877,822)	(596,547)	(78,823)	
Rainy Day Reserve (30 days) ¹⁰	(194,009)	(234,566)	(248,171)	(263,557)
Total Reserves	(1,071,831)	(831,112)	(326,994)	(263,557)
Reserve Shortfall	-	-	-	744,238
Ending Undesignated Fund Balance	-	-	-	-

Financial Plan Notes

¹ 2015-2016 Estimated reflect actuals using the EBS GL010 through 03/31/2016 and projected for through year-end 2016. Beginning fund balance is consistent with the 2014 year-end budgetary fund balance memo produced by Finance (FBOD).

² 2017-2018 Proposed Budget is consistent with the budget request in Hyperion.

³ Out year projections are based on the following assumptions for expenditures and revenues and reflects the most recent estimates:

Noxious Weed Fee revenue are assumed to increase by 1% annually based on assumed parcel growth by the Assessor's Office as of 05/27/2016

Grants/other revenues are assumed unchanged from 2017-2018 budget

Expenditures are assumed to increase by 5.8% in 2019-2020 and 6.2% in 2021-2022 based on the Office of Performance, Strategy, and Budget (PSB) assumptions updated 03/08/2016.

⁴ Supplies and other services expenditure category includes account 52000, 53000 and 56000.

⁵ Intragovernmental services expenditure category includes account 55000, 57000 and 58000.

⁶ Contingencies expenditure category includes account 59800 and 59900.

⁷ Estimated annual under expenditures are 5%. The Noxious Weed program has higher historic under expenditure rates of about 10%. This assumption is revisited and updated throughout the biennium. Encumbrance carryover was for a vehicle purchased in 2014 but paid for in 2015.

⁸ It is anticipated that in 2021-2022 the Program will require a fee assessment increase for continued baseline operations.

⁹ A four year rate increase was approved for the 2015-2016 biennium to cover operations through 2018. A new fee assessment will be needed for the 2021-2022 to continue operations at current levels.

¹⁰ Consistent with new fund balance policies which were approved by the County Council in Motion 13764, the Noxious Weed program maintains a 30-day Rainy Day Reserve based on expenditures. Amounts above the Rainy Day Reserve are maintained in a rate reserve.

¹¹ This plan was updated by Hong Nguyen on 09/01/2016.

2017-2018 Executive Proposed Operating Budget KING COUNTY FLOOD CONTROL CONTRACT(EN_A56100)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	188,286,184	188,261,318	47.5	3.0
Base Budget Adjustments	(170,488,742)	(170,176,278)	0.0	(3.0)
Decision Package Adjustments	109,385,554	109,097,956	8.5	0.0
2017-2018 Executive Proposed Budget	127,182,996	127,182,996	56.0	0.0
2017-2018 Executive Proposed Ordinance	127,183,000	127,183,000	56.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_001) Position Increases in Flood Add 5 FTEs recommended or assumed in the 2015 Service Provider Evaluation to support the Flood program. Add back two positions previously approved but left vacant at the request of the Flood Control District. These positions are a project program manager III and a capital project manager III. This would reauthorize filling these positions to support the Flood CIP program through consultant oversight and capital project design, and implementation, communication, community engagement and coordination. The conversion of a 3-year TLT environmental scientist III to support ongoing needs in the capital program in project feasibility, design, permitting compliance, and mitigation requirements. Add an administrative specialist II position for document preparation and records management for the section adjusting administrative staffing levels to be a ratio of 1 per 25 staff. Add a communication specialist II to support the program through implementing recommendations from public meetings preparation of materials, websites and social media and update communication plans for CIP projects.	652,706	0	5.0	0.0

**2017-2018 Executive Proposed Operating Budget
KING COUNTY FLOOD CONTROL CONTRACT(EN_A56100)**

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(DS_002) Add a Capital Project Team Add 4 FTEs to conduct feasibility analysis, engineering design and permitting, prepare consultant contracts and bid packages and oversee construction of large levee rehabilitation projects. This adds a capital project manager III, environmental scientist II, project/program manager II and an engineer I. This will allow the section to provide more Flood Capital services and support the backlog of existing project commitments.	214,418	0	4.0	0.0
(DS_004) Transfer of Position to SWM Transfer a vacant 0.5 FTE contract specialist position to the SWM program to reflect the need for contract support in SWM. The position will be loaned out to Flood, if contract support is needed.	(118,952)	0	(0.5)	0.0
(DS_020) University of Washington (UW) Climate Change Add budget to support the UW Climate Change project through loan in labor and consultant contracts. An employee from the Science section of WLR will be loaned in to provide technical review and direction for the project.	300,000	0	0.0	0.0
(DS_021) Add Vehicles Add two vehicles to be available for flood patrol, construction projects, and other field support.	50,000	0	0.0	0.0
(DS_023) US Geological (USGS) Services Purchase additional services from the USGS, which includes adding new gauges to the White River and South Fork Skykomish river. This will allow for more information on changing river condition during flood season. This additional service was requested by the Flood Control District following review of the 2015-2016 Flood Response Report.	105,900	0	0.0	0.0
(DS_024) Purchase of Trimble and Acoustic Doppler Purchase a Trimble and an Acoustic Doppler to be available for staff in the field. The Trimble is high quality survey equipment and the current one is frequently in use. The Acoustic Doppler is specialized survey equipment used in water data collection when for safety reasons due to flow conditions a person cannot enter the water.	55,000	0	0.0	0.0
(DS_026) WA Conservation Corps (WCC) Increase Increase the use of the WCC crews for weeding, maintenance and planting field work. This increases the WCC crew from 1 in 2015-2016 to 1.25 in 2017 and to 1.5 in 2018. This increase is necessary because of growing acreage of floodplain properties owned by the Flood Control District and the recent completion of large-scale capital projects with permit-required maintenance.	358,346	0	0.0	0.0

**2017-2018 Executive Proposed Operating Budget
KING COUNTY FLOOD CONTROL CONTRACT(EN_A56100)**

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(DS_027) Flood Control District Support Add budget at the request of the Flood Control District for District planning, outreach and policy technical services in 2017 and 2018. This budget was originally added in the mid-2015 Flood Control District budget revision.	784,000	0	0.0	0.0
(DS_101) Beaver Management Implement a consistent and coordinated strategy throughout the division to address and monitor the growth of beaver populations in King County. This addresses the recent recommendation in the King County Comprehensive Plan to develop a coordinated beaver management strategy. WLR staff will convene and lead a County team to develop effective and appropriate approaches to various problems caused by beavers, create a communication plan and protocols for external collaboration and outreach. This includes pilot programs to test the identified strategies. Flood labor will be loaned out to represent Flood concerns and issues related to beaver management.	(5,653)	0	0.0	0.0
Administrative Service Changes				
(AC_001) Rivers Loan in / Loan out Labor Adjustments Adjust loan in and loan out labor accounts to reflect the staffing allocation model.	(48,676)	0	0.0	0.0
(AC_004) Capital Improvement Plan Adjustment Adjust the Capital Improvement Plan (CIP) budget with the carryover balance and the latest estimate of the 2017-2018 CIP.	106,423,009	0	0.0	0.0
(AC_006) Ongoing Maintenance on Flood Project and Properties Adjust budget to reflect maintenance required on Flood projects and properties. The increase is a result of growing acreage in the floodplain and the completion of large projects in the CIP that have on-going maintenance requirements.	606,512	0	0.0	0.0
Technical Adjustments				
(TA_001) Flood Technical Adjustment Adjust accounts to reflect inflationary increases and current spending trends. Updates overhead accounts for DNRP and WLR.	564,905	0	0.0	0.0
(TA_002) Technical Contract Adjustment Adjust and move all technical contracts between cost centers to cross walk between the County and District budgets allowing for additional accuracy and transparency.	(435,000)	0	0.0	0.0

**2017-2018 Executive Proposed Operating Budget
KING COUNTY FLOOD CONTROL CONTRACT(EN_A56100)**

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(TA_003) Remove Landslide Mapping Reduce budget to remove the Landslide Mapping project which ended in June 2016.	(290,078)	0	0.0	0.0
(TA_050) Revenue Adjustment Adjust revenue to reflect current operating and Capital Flood District reimbursements requested in the budget proposal.	0	109,097,956	0.0	0.0
(TA_113) Vacancy Rate Adjustment Reflects the salary savings associated with the natural rate of employee turnover for a given agency and provide greater transparency in the budget.	(522,000)	0	0.0	0.0
(TA_199) Parking Fees Increase fees at County parking facilities commensurate with local market rates. These changes will affect agencies that pay or reimburse for privately-operated vehicles and for agency-assigned Fleet vehicles that park in the Goat Hill Garage, Chinook Building, KC Correctional Facility, and (as of June 2017) King Street Center.	49,920	0	0.0	0.0
Central Rate Adjustments	641,197	0	0.0	0.0
Total Decision Package Adjustments	109,385,554	109,097,956	8.5	0.0

2017-2018 Proposed Financial Plan
Flood Control District Operating Contract Fund/000001561

Category	2015-2016 Estimated¹	2017-2018 Proposed Budget²	2019-2020 Projected³	2021-2022 Projected³
Beginning Fund Balance	1,822	-	-	-
Revenues				
Flood Control Reimbursement	17,784,732	21,684,739	23,049,175	24,513,120
Inter-County River Improvement Fund	96,000	94,850	56,791	-
Miscellaneous	62,973			
Capital Program Revenues	93,057,785	105,403,407	137,680,156	76,253,241
Total Revenues	111,001,491	127,182,996	160,786,122	100,766,360
Expenditures				
Annual Maintenance	(4,330,739)	(5,164,890)	(5,479,432)	(5,813,130)
Flood Hazards Plan, Grants, Outreach	(977,571)	(645,790)	(685,118)	(726,842)
Flood Hazard Studies, Maps, Tech Services	(1,813,283)	(2,952,877)	(3,132,707)	(3,323,489)
Flood Preparation, Flood Warning Center	(976,827)	(1,536,269)	(1,629,828)	(1,729,085)
Program Management, Finance, Budget	(2,443,727)	(1,829,724)	(1,941,154)	(2,059,371)
Program Implementation	(3,459,805)	(2,436,954)	(2,585,364)	(2,742,813)
Overhead / Central Costs	(3,943,575)	(6,417,325)	(6,808,140)	(7,222,756)
District Planning, Outreach, Policy Services	-	(795,760)	(844,222)	(895,635)
Total Expenditures	(17,945,528)	(21,779,589)	(23,105,966)	(24,513,120)
Estimated Underexpenditures				
Other Fund Transactions⁴				
Capital Fund Expenditures ⁵	(93,057,785)	(105,403,407)	(137,680,156)	(76,253,241)
Total Other Fund Transactions	(93,057,785)	(105,403,407)	(137,680,156)	(76,253,241)
Ending Fund Balance	-	-	-	-
Reserves⁶				
Total Reserves	-	-	-	-
Reserve Shortfall	-	-	-	-
Ending Undesignated Fund Balance	-	-	-	-

Financial Plan Notes

¹ 2015-2016 Actuals reflect Biennial-to-Date revenue and expenditure actuals from the GL-010 report as of 6/23/16 as well as updated revenue and expenditure estimates.

² 2017-2018 Proposed Budget is consistent with expenditure and revenue data from Hyperion. The total expenditures in Hyperion are equal to the operating and capital expenditures combined.

³ Outyear projections assume operating expenditures increase by 3% annually. Capital expenditures are based on proposed CIP.

⁴ Other fund transactions include the expenditures in the Flood District Contract Capital fund 3571, but which are budgeted under fund 1561 per the practice of the King County Council.

⁵ Capital expenditures reflect proposed appropriation in each biennium based on the proposed CIP in June 2016.

⁶ This fund operates on a reimbursement basis. Flood Control District practice has been to keep all reserves in the District fund (190010010) and reimburse the County's contract fund for all expenditures not covered by other revenue sources.

⁷ This plan was updated by Steve Klusman on 9/9/2016.

2017-2018 Executive Proposed Operating Budget INTERCOUNTY RIVER IMPRVMT (EN_A76000)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	100,000	100,000	0.0	0.0
Base Budget Adjustments	0	0	0.0	0.0
Decision Package Adjustments	0	0	0.0	0.0
2017-2018 Executive Proposed Budget	100,000	100,000	0.0	0.0
2017-2018 Executive Proposed Ordinance	100,000	100,000	0.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Administrative Service Changes				
(AC_001) Reduction to Balance Fund Reduce to align with available funding after central rate charges.	(1,904)	0	0.0	0.0
Central Rate Adjustments	1,904	0	0.0	0.0
Total Decision Package Adjustments	0	0	0.0	0.0

2017-2018 Proposed Financial Plan
Intercounty River Improvement Fund/000001820

Category	2015-2016 Estimated¹	2017-2018 Proposed Budget²	2019-2020 Projected³	2021-2022 Projected
Beginning Fund Balance	5,662	6,791	6,791	-
Revenues				
ICRIF Levy	101,129	100,000	50,000	
Total Revenues	101,129	100,000	50,000	-
Expenditures				
Central Rates	(3,246)	(5,150)		
Transfer to Fund 1561	(96,754)	(94,850)	(56,791)	
Total Expenditures	(100,000)	(100,000)	(56,791)	-
Estimated Underexpenditures				
Other Fund Transactions				
Total Other Fund Transactions	-	-	-	-
Ending Fund Balance	6,791	6,791	-	-
Reserves⁴				
Total Reserves	-	-	-	-
Reserve Shortfall	-	-	-	-
Ending Undesignated Fund Balance	6,791	6,791	-	-

Financial Plan Notes

¹ 2015-2016 Actuals reflect Biennial-to-Date revenue and expenditure actuals from the GL-010 report as of 6/27/16 as well as updated revenue and expenditure estimates. Fund balance is consistent with the Finance reported fund balance summary.

² 2017-2018 Proposed Budget is consistent with expenditure and revenue data from Hyperion.

³ ICRIF agreement began in 1919 & was effective for 100 years. It is assumed that it will not be renewed so revenue will no longer be collected. Expenses are projected through 2019 only.

2017-2018 Biennial - Executive Proposed

3151 CONSERV FUTURES SUB-FUND - Water and Land Resources

Project Number	Project Name Class Code	Tech Adj	FY17-18	Current Scope
1047152	WLCF CFL PROGRAM SUPPORT STANDALONE		\$349,418	Conservation Futures Levy Program Support - This project provides for ongoing program management support to the Conservation Futures Program. This includes preparation of Interlocal agreements with cities, review of reimbursement requests from cities, staffing the Conservation Futures Citizen Committee, review and preparation of legislation and other land acquisition related support.
1047186	WLCF KC TOLT RVR NATRL AREA STANDALONE		\$200,000	King County Tolt River Natural Area - This project will acquire critical salmon habitat for protection and future restoration, between the Tolt River and Tolt River Road, east of Carnation.
1047194	WLCF LWR CDR R CNSRVTN ARA STANDALONE		\$50,000	Lower Cedar River Conservation Area - This is a multiple year, multiple parcel open space and salmon habitat acquisition project in the lower Cedar River corridor east of Renton.
1047196	WLCF COUG- SQUAK CORIDR ADD STANDALONE		\$250,000	Cougar-Squak Corridor Addition - This project is located on the northwest side of Squak Mountain, east of State Route 900 (Renton-Issaquah Road). It has a goal of connecting Cougar Mountain and Squak Mountain, from Squak Mountain State Park to Cougar Mountain Regional Wildland Park.
1047220	WLCF TDR PROGRAM SUPPORT STANDALONE		\$142,983	Transfer Development Rights Program Support - Administration and management of open space acquisitions and sales of Transfer Development Rights credits in support of the Conservation Futures program goals.
1047226	WLCF SNO - SNO RVRFRNT RCH STANDALONE		\$150,000	Snoqualmie Riverfront Reach - This is a multiple-parcel, multi-year project to acquire riverfront open space properties along the Snoqualmie River in Snoqualmie.
1047227	WLCF BEL BELLEVUE GRNWX&OS STANDALONE		\$397,500	Bellevue Greenway and Open Space System - This is a multiple-parcel, multiple-year open space acquisition project, which will acquire additional open space parcels identified in the City of Bellevue's Greenways and Open Space System..
1047228	WLCF ISS-ISSAQUH CRK WTRWY STANDALONE		\$200,000	Issaquah Creek Waterways - This multi-year, multi-parcel acquisition project will acquire property along Issaquah Creek in the City of Issaquah, with a goal of preserving critical streamside habitat. 2015: Eight properties along Issaquah Creek are added to the project scope to help further the project goals. These same parcels will be included in Issaquah's application for additional CFT funds later in 2015.
1113919	WLCF KC Patterson Creek STANDALONE		\$25,000	King County Patterson Creek - This project will acquire forest and habitat land within a 178-acre area to conserve water quality, upland wildlife and salmonid habitat in the headwaters of Patterson Creek. The project is located near 250th Avenue NE, northeast of the City of Sammamish. The first acquisition priority is up to 160 forested acres owned by the State of Washington Department of Natural Resources (DNR).
1116223	WLCF KC TDR Active Farmland STANDALONE		\$300,000	Transfer Development Rights Active Farmland - This project will acquire Transferable Development Rights (TDRs) from unprotected, active rural farmlands, including those that support farmer's markets in cities.
1116226	WLCF KC Mid Fork Snoq NA STANDALONE		\$59,305	King County Middle Fork Snoqualmie Natural Area - This project will acquire properties in the Middle Fork Snoqualmie Natural Area, to buffer a popular trail entrance, and to protect habitat values in the Natural Area
1116231	WLCF KC Bear Crk Waterways STANDALONE		\$281,789	King County Bear Creek Waterways - This project will acquire riparian habitat that allow for restoration of critical salmon habitat on Bear Creek north of Redmond. The first two acquisition priorities for allocation include a three-acre property in the South Focus Area between Avondale and

2017-2018 Biennial - Executive Proposed

				Novelty Hill roads, which connects two portions of the Lower Bear Creek Natural Area, and up to 20 acres on Paradise Lake Road. 2014: \$175,000 is added to this project to acquire a 20-acre conservation easement in the headwaters area of upper Bear Creek, adjacent to a similar conservation easement purchased last year from the same owner.
1116241	WLCF KC Wetland 14 / Spring LK STANDALONE		\$330,000	King County Wetland 14 / Spring Lake - This project will acquire open space lands adjacent to Wetland 14 Natural Area and Spring Lake-Lake Desire Park. The first funded property is a ten-acre, approximately half-mile long linear parcel located on the eastern boundary of Wetland 14 Natural Area. The parcel contains a gravel access road and a wooded buffer to the Wetland 14 Natural Area. It is located on SE 170th Street, west of 184th Avenue SE.
1116245	WLCF KC Soos Cr Add STANDALONE		\$0	King County Soos Creek Addition - This project will fund direct costs of the acquisition of land to improve access to Soos Creek Park, west of Covington, including title and appraisal work, and landowner negotiations.
1116248	WLCF KC Paradise Villy-Judd Cr STANDALONE		\$0	King County Paradise Valley-Judd Creek - This project will acquire up to six parcels containing high quality riparian habitat along Judd Creek on Vashon Island. The first priority is three parcels on 111th Avenue SW.
1116264	WLCF KC MASTER STANDALONE		\$12,191,836	Conservation Futures King County Master - This project holds King County's share of projected Conservation Futures Levy funding for 2018 to be allocated by the Conservation Futures Citizens Committee through the annual application, review and approval process in July 2017.
1122034	WLCF COV South Covington Park STANDALONE		\$100,000	South Covington Park - This project consists of three parcels totaling 5.65 acres on SE Wax Road, in the Jenkins Creek corridor. There is a dual goal for the project: the first is creating a trail connection between the planned Covington Town Center, which is located nearby to the northeast, and a city-wide trail system that connects with other Covington parks and open spaces. The second goal is habitat protection along Jenkins Creek, which runs parallel to the future trail. The project site is critically located at a planned trail crossing on SE Wax Road.
1122057	WLCF KC Dairies in King Co/TDR STANDALONE		\$400,000	Dairies in King County / Transfer Development Rights - This multiple-year, multiple-parcel project are supported by King County's TDR Program and Farmlands Preservation Program. The project will purchase TDRs from King County dairy farms or the lands that support their operations. The project includes two dairies in the Snoqualmie Valley APD, and eight in the Enumclaw APD. Additional properties that directly support these dairies with uses like grazing, haying, manure spreading or crop tillage are also part of the project scope.
1122058	WLCF KC Griffin Creek Nat Area STANDALONE		\$70,000	King County Griffin Creek Natural Area - The Griffin Creek Natural Area project will acquire up to 13 forested parcels with high quality riparian habitat along Griffin Creek near East Griffin Creek Road NE. The project has a goal of further completing the habitat protection and conservation vision for this lower reach.
1123818	WLCF NEW LAKE BOREN / MAY CK T STANDALONE		\$199,000	Lake Boren/May Creek Tributary - This new project will acquire two parcels totaling 3.52 acres at the south end of Lake Boren in Newcastle, west of Coal creek Parkway. The properties are adjacent to Lake Boren Park and contain houses that will be removed.
1123828	WLCF KC MITCHELL HILL FOR ADD STANDALONE		\$250,000	King County Mitchell Hill Forest Additions - This project provides funding to acquire up to 182 acres of forested open space to King County's Mitchell Hill Forest. Seven parcels are a first priority, with two parcels located on SE 62nd Way and totaling almost 80 acres, and a third parcel being an inholding property, located at 285th Avenue SE, and four parcels located between and linking Mitchell Hill Forest and Washington State Department

2017-2018 Biennial - Executive Proposed

				of Natural Resources ownership east of 286th Avenue SE..
1123830	WLCF KC SOUTH FORK SKYKOMISH WLCF CONSRVTN FUTURES BDGT		\$0	King County South Fork Skykomish - This project is to conduct real estate work, including title and appraisal work and initial landowner negotiations, to explore properties with passive outdoor recreational opportunities in the South Fork Skykomish River basin. The project areas are located along and near US Highway 2, near Skykomish, including the confluence of the Tye and Foss Rivers.
1126724	WLCF BTH WAYNE GC FRONT NINE STANDALONE		\$200,000	Bothell Wayne Golf Course Front Nine - This project is located on Bothell Way in Bothell at 96th Avenue NE, south of NE Bothell Way. It is 50 acres in size overall, and covers the "Front Nine" holes of the Wayne Golf Course, plus four acres adjacent to the to the Front Nine that currently hold the golf course parking lot and clubhouse. As a first priority, the project will provide additional trail access for the Burke Gilman Trail, with a preference being the four-acre property that has as a small portion, an existing gravel parking lot. The project may also provide public access to the 46-acre portion of the golf course that is currently protected from development by a conservation easement held by Bothell.
1126725	WLCF BTH WAYNE GC BACK NINE STANDALONE		\$800,000	Bothell Wayne Golf Course Back Nine - This new 37.72-acre project will provide funding towards the purchase of the "Back Nine" holes of the Wayne Golf Course, including a wooded hillside, east of Waynita Way NE in Bothell. This site is currently unprotected from future development and the goal is to purchase it to preserve the open space and prevent future residential development. A portion of the property may in the future be used for riparian habitat mitigation restoration that enhances water quality and riparian habitat for the migratory salmonid population of the Sammamish Slough, and the project will also provide passive public access.
1126728	WLCF KRK JUANITA HGTS PK/CK STANDALONE		\$135,000	Kirkland Juanita Heights Park/Creek - This project consists of the acquisition of up to six wooded parcels totaling 2.19 acres at NE 117th Place in Kirkland. The project will help provide a trail connection between a public right-of-way that connects to Juanita Heights Park, and public rights-of-way that link to Juanita Beach Park on Lake Washington.
1126743	WLCF KC GR LWR NEWAUKUM CK STANDALONE		\$300,000	King County Green Lower Newaukum Creek - This new project will acquire riparian habitat in the lower Newaukum Creek basin and at the creek's confluence with the Green River near Whitney Bridge Park, south of Black Diamond. The project area includes the lower Newaukum Creek ravine. The first priority for acquisition is three vacant parcels on the Green River immediately west of 212th Way SE. There is a habitat restoration opportunity on the vacant parcels along the Green River, while meadow or pasture land could be retained off the river and out of the regulated riparian restoration buffer.
1126744	WLCF KC GR MID NEWAUKUM SP CK STANDALONE		\$300,000	King County Green Mid Newaukum Big Spring Creek - This new multiple-parcel project will acquire an addition to the Big Spring /Newaukum Creek Natural Area, with a first priority being a five-acre property at the corner of 244th Avenue SE and SE 424th Street, north of Enumclaw. The goal is to protect salmonid habitat and water quality on Newaukum Creek, and to maintain cold water flow conditions from Big Spring Creek into Newaukum Creek.
1129219	WLCF CAR CARN TOLT COMMONS PK STANDALONE		\$25,000	Carnation Tolt Commons Park - This new project will acquire an addition to the Carnation Tolt Commons Park in Carnation city center. It will provide an expansion of an existing community Greenspace and farmers market.
1129220	WLCF FED HYLEBOS CK CONS STANDALONE		\$98,300	Federal Way Hylebos Creek Conservation - This project will acquire a 6.92-acre parcel on Hylebos Creek in Federal Way, located on the west side of Pacific Highway South, near S. 359th Street. The project goal is to protect

2017-2018 Biennial - Executive Proposed

				riparian and salmonid habitat, and it will allow for habitat restoration in the future.
1129221	WLCF LFP SPU PROPERTY STANDALONE		\$250,000	Lake Forest Park Seattle Public Utilities Property - This project will acquire up to 5.6 acres of woodland and stream habitat, located on 40th Place NE, at the intersection of 45th Place NE in the city of Lake Forest Park.
1129222	WLCF NBD PART PARK RSNAKE MTN STANDALONE		\$1,000,000	North Bend Partnering for a Park Rattlesnake Mountain - This project will acquire up to three parcels totaling 31.86 acres, located along Ribary Way, immediately south of Interstate 90 and east of Interstate 90 Exit 31, in North Bend.
1129223	WLCF RNT MAY CK FAWCETT S STANDALONE		\$400,000	Renton May Creek Fawcett South - This new project will acquire a 5.23 acre open space parcel located on the south side of May Creek, east of Lake Washington Boulevard North, west of Interstate 405 in Renton. The project will preserve riparian and salmonid habitat, and allow for future habitat restoration. It is also a visual buffer for the May Creek Trail, which runs along the north side the creek.
1129231	WLCF SEA BITTER LK PLAY ADD STANDALONE		\$1,000,000	Seattle Bitter Lake Playfield Addition - This new project will acquire a 3.5 acre open space addition to the Bitter Lake Playfield in north Seattle. It is located north of N. 130th Street and west of Linden Avenue at Bitter Lake Place. The project will provide passive shoreline access to Bitter Lake and protect a rare large open space in north Seattle's Bitter Lake Hub Urban Village.
1129232	WLCF SEA LK CITY URB VILL ADD STANDALONE		\$1,200,000	Seattle Lake City Urban Village Addition - This project will acquire a .33-acre parcel as an addition to a parcel previously acquired by Seattle with Conservation Futures Funds for the purpose of helping to meet an open space shortfall in an urban neighborhood. The property is located at the corner of NE 125th Street and 33rd Avenue NE, in the Lake City Hub Urban Village of Northeast Seattle.
1129233	WLCF SEA DELDRIDGE OPEN SPACE STANDALONE		\$40,000	Seattle Delridge Open Space - This project will acquire a .46-acre degraded wetland open space, located at 23rd Avenue SW at the corner of SW Findlay Street in West Seattle's Delridge neighborhood. The project will provide a setting for environmental education and community restoration of the natural features of the property.
1129234	WLCF SEA LAKERIDGE PARK ADD STANDALONE		\$30,000	Seattle Lakeridge Park Addition - This project will acquire a .125-acre inholding in south Seattle's Lakeridge Park. It is located on Holyoke Way South at South Ryan Street in south Seattle.
1129235	WLCF LONGFELLOW CREEK ADD STANDALONE		\$200,000	Longfellow Creek Addition - This project will acquire a .12 acre property located on 24th Avenue SW, near the intersection with 25th Ave. SW in West Seattle. The project will provide an addition to Seattle's Longfellow Creek Greenspace, and allow for future restoration of the creek channel. The property contains a house that will be removed.
1129237	WLCF MAGNOLIA GREENBELT STANDALONE		\$40,000	Magnolia Greenbelt - This project will acquire two inholding parcels totaling .4-acres, in the Magnolia Greenbelt, located north of the Magnolia bridge in Seattle's Magnolia neighborhood.
1129238	WLCF SEA NTH BEACH NAT AREA STANDALONE		\$30,000	Seattle North Beach Natural Area - This project will acquire a woodland .26-acre parcel located in the North Beach Natural Area. It is located on the mapped street NW 91st Street, east of 30th Avenue NW in northwest Seattle.
1129250	WLCF KC EMERALD NECKLACE TRAIL STANDALONE		\$200,000	King County Emerald Necklace Trail - This project will acquire up to 160 forested acres, in eight parcels, located east of NE 9th Street, north of Soaring Eagle Park in unincorporated King County. The project area is just to the east of the City of Sammamish. The project will provide upland habitat protection and a passive trail connection between Soaring Eagle

2017-2018 Biennial - Executive Proposed

				Park and King County's Patterson Creek Natural Area.
1129252	WLCF KC SNOQUALMIE FOREST STANDALONE		\$25,000	King County Snoqualmie Forest - This new project will pursue property title and appraisal information, as well as initial landowner discussion, for unprotected forest lands located within and along the border of the 89,000-acre conservation easement held by King County over the Snoqualmie Forest, east of Carnation.
1129253	WLCF KC COUGAR MTN PARK ADD STANDALONE		\$50,000	King County Cougar Mountain Park Additions - This new project will acquire up to 104 forested acres of additional property adjoining Cougar Mountain Regional Wildland Park, just west of the City of Issaquah. The properties will provide a habitat and visual buffer to the access hiking trail that leads from Newport Way up to the park.
1129255	WLCF KC LWR CEDAR/MTH TAY STANDALONE		\$300,000	King County Lower Cedar River/Mouth of Taylor - This is a new project that will acquire 9.9 acres (2 parcels) in for wetland restoration that will benefit salmon species in the Cedar River Watershed. The project is located on Maxwell Road on Taylor Creek, north of the City of Maple Valley.
1129264	WLCF KC BIG BEACH STANDALONE		\$350,000	King County Big Beach - This new project has a first priority of acquiring two parcels totaling five acres, within a larger project area of 28 parcels and 76 acres. It is located along the southern shoreline of Vashon Island at the entrance to Quartermaster Harbor, near SW 266th Lane and 125th Place SW. The goal of the project is to protect the natural beach habitat functions, including beach sand and gravel replenishment from shoreline bluffs, which is necessary in the life cycle of salmon species from throughout Puget Sound.
1129266	WLCF KC MAURY IS ADD-COMM TR STANDALONE		\$200,000	King County Maury Island Additions-Community Trails - This new project will acquire a 20-acre forested parcel adjacent to the Maury Island Natural Area, on SW 260th Street, to allow for a trail connection between the Natural Area and the Maury Island Marine Park.
1129267	WLCF KC PINER POINT NAT AREA STANDALONE		\$250,000	King County Piner Point Natural Area - The Piner Point Natural Area project is a new multiple-parcel acquisition project that will acquire approximately 1,000 feet of shoreline and bluff habitat lying between King County's Piner Point Natural Area and Northhilla Beach Natural Area. The project will purchase several smaller parcels in fee or conservation easements, though fee interests are more desirable, to better allow for better ecological restoration of some of the parcels. There are existing bulkheads and smaller house/cabin structures that would be removed. The project will provide improved public access and scenic views of Mount Rainier, downtown Tacoma and Puget Sound. The project includes a scope of 17 acres and 24 parcels. The first priority for acquisition with this funding is four parcels located at or near the terminus of Piner Point Road SW. the contain dwellings that will be removed, to allow for improved beach replenishment necessary for improved shoreline habitat. This project will benefit shoreline species, including salmonid species from throughout Puget Sound.
1129268	WLCF KC VASHON SPRING BEACH STANDALONE		\$140,000	King County Vashon Spring Beach - This new project will acquire 3 parcels totaling 70 forested acres, located On Puget Sound, along the west shoreline of Vashon Island, north of Spring Beach Road. The goal of the project is to protect shoreline habitat and to link the existing shoreline habitat at Spring Beach Park with permanently protected habitat located immediately to the north at Camp Sealh.
1129269	WLCF KC FARMLAND ENUM APD/TDR STANDALONE		\$190,000	King County Farmland Easements in Enumclaw - This new Project will protect existing farmland through the purchase of conservation easements under the King County Farmlands Preservation Program on the Enumclaw Plateau. There are currently 3 parcels totaling 43.86 acres included in the project scope.

2017-2018 Biennial - Executive Proposed

1129270	WLCF KC VASHON IS S UP FOR STANDALONE		\$25,000	King County Vashon Island South Upland Forests - This new project will acquire 23.75 acre (3 parcels) within a 70-acre area that contains a total of ten parcels, located on Wax Orchard Road, Vashon Island. The project goal is to preserve larger block forests on southern Vashon Island for multiple benefit purposes, including ecological habitat preservation, passive public access, carbon sequestration that benefits climate change reduction, and appropriate working forest timber harvest activity that will also complement and benefit the other broader project goals.
1129271	WLCF KC FARMLAND SAMM APD/TDR STANDALONE		\$125,000	King County Farmland Easements in Sammamish - This new Project will protect existing farmland through the purchase of conservation easements under the King County Farmlands Preservation Program on the Sammamish Valley, north of Redmond and south of Woodinville. There are currently 2 parcels totaling 21.36 acres included in the project scope.
1129272	WLCF KC FARMLAND GREEN APD/TDR STANDALONE		\$125,000	King County Farmland Acquisition: Lower Green - This new Project will protect existing farmland through the purchase of conservation easements under the King County Farmlands Preservation Program on the Lower Green River Valley, north of Auburn and south of Kent. There are currently 2 parcels totaling 21.36 acres included in the project scope.
1129273	WLCF KC RED BARN RANCH STANDALONE		\$161,500	King County Red Barn Ranch - This new project will acquire a 38.69 acre farm located at SE 340th Street and SE Lake Moneysmith Road, in unincorporated King County north of the Green River and east of Auburn. The project will further the promotion of farming activity in King County by providing land for lease to new farmers.
1129314	WLCF AUB WATTS PROPERTY STANDALONE		\$111,000	Auburn Watts Property - This new project will acquire a 16 acre portion of a 21.85-acre property in Auburn, adjacent to Auburn's Mary Olson Farm. The project will preserve an existing forested canyon. The property is important to the farm as an interpretive area, and acquisition will preserve the high quality habitat on the site.

3151 - CONSERV FUTURES **Total** **\$24,247,631**
SUB-FUND

3292 SWM CIP NON-BOND SUBFUND - Water and Land Resources

Project Number	Project Name Class Code	Tech Adj	FY17-18	Current Scope
1033882	WLER ECO RESTORE & PROTECT PROGRAMMATIC		\$1,176,947	Ecological Restore and Protect - This project undertakes actions to restore and preserve important habitat ecosystems and/or protect property from events such as flooding, erosion, adverse water quality, vandalism or the deterioration of habitat. The highest priority projects in this program are those which protect or restore habitat for endangered species to maintain the health of the habitat. This includes projects for recon and feasibility analyses of proposed future projects; preserve and protect funds to protect acquired property from misuse by installing fences, bollards or removal of structures; project management improvements, including development and implementation of project management standards/procedures, payment of fees for use of PRISM and project audits; and adaptive management actions following project construction to ensure that project meet project goals and objectives, including protection private property and public safety.
1034167	WLER WRIA 7 ECOSYSTEM RESTORATN PROGRAMMATIC		\$505,750	WRIA 7 Ecosystem Restoration - This project undertakes actions to protect or restore aquatic ecosystems in the unincorporated portions of the Snoqualmie Watershed. The projects are primarily identified through WRIA 7 salmon conservation planning, Surface Water Management basin planning, and other investigation efforts by the Snoqualmie basin steward.

2017-2018 Biennial - Executive Proposed

				Typical actions include reconnecting side-channel habitat to the main stem river, removing levees and other forms of bank hardening, eliminating man-made barriers to fish migration (such as blocked culverts), increasing riparian forest cover to improve water quality, and adding large wood to increase instream habitat complexity.
1034171	WLER WRIA8 ECOSYSTEM RESTORATN PROGRAMMATIC		\$5,232,779	WRIA 8 Ecosystem Restoration - This project undertakes actions to protect or restore aquatic ecosystems in the unincorporated portions of the Cedar/Lake Washington Watershed. The projects are primarily identified through WRIA 8 salmon conservation planning, Surface Water Management basin planning, and other investigation efforts by the Cedar/Lake Washington watershed steward. Typical actions include reconnecting side-channel habitat to the main stem river, removing levees and other forms of bank hardening, eliminating man-made barriers to fish migration (such as blocked culverts), increasing riparian forest cover to improve water quality, and adding large wood to increase instream habitat complexity.
1034245	WLER WRIA9 ECOSYSTEM RESTORATN PROGRAMMATIC		(\$1,913,781)	WRIA 9 Ecosystem Restoration - This project undertakes actions to protect or restore aquatic ecosystems in the unincorporated portions of the Green/ Duwamish Watersheds. The projects are primarily identified through WRIA 9 salmon conservation planning, Surface Water Management basin planning, and other investigation efforts by the Middle Green river basin steward. Typical actions include reconnecting side-channel habitat to the main stem river, removing levees and other forms of bank hardening, eliminating man-made barriers to fish migration (such as blocked culverts), increasing riparian forest cover to improve water quality, and adding large wood to increase instream habitat complexity.
1034280	WLER WRIA10 ECOSYSTM RESTORATN PROGRAMMATIC		\$998,000	WRIA 10 Ecosystem Restoration - This project undertakes actions to protect or restore aquatic ecosystems in the unincorporated portions of the White River Watershed. The projects are primarily identified through WRIA 10 salmon conservation planning, Surface Water Management basin planning, and other investigation efforts by the WRIA10 basin stewards. Typical actions include reconnecting side-channel habitat to the main stem river, removing levees and other forms of bank hardening, eliminating man-made barriers to fish migration (such as blocked culverts), increasing riparian forest cover to improve water quality, and adding large wood to increase instream habitat complexity.
1034282	WLER VASHON ECOSYSTEM RESTORAT PROGRAMMATIC		\$392,844	Vashon Ecosystem Restoration - This project undertakes actions to protect or restore aquatic ecosystems in the unincorporated portions of the Vashon-Maury Island Watershed. The projects are primarily identified through salmon conservation planning, Surface Water Management basin planning, and other investigation efforts by the basin stewards. Typical actions include reconnecting side-channel habitat to the main stem river, removing levees and other forms of bank hardening, eliminating man-made barriers to fish migration (such as blocked culverts), increasing riparian forest cover to improve water quality, and recreating log jams to increase the dynamic complexity of river flows.
1034287	WLER SMALL HABITAT RESTORATION PROGRAMMATIC		\$817,999	Small Habitat Restoration - The mission of SHRP is to build small low-cost habitat restoration projects to enhance and restore streams and wetlands and riparian habitat. Projects include stabilizing eroding streambanks, restoring fish access to upstream habitat, installing livestock fences, controlling invasive weeds, planting native vegetation and providing technical assistance to landowners and agencies. Projects are implemented in the White, Green, Puget Sound, Cedar-Sammamish-Lake Washington and Snoqualmie River basins and along Puget Sound.

2017-2018 Biennial - Executive Proposed

1048125	WLSWC PUBLIC SAFETY/PROPERTY PROGRAMMATIC		(\$4,990,801)	Stormwater Public Safety & Property Protection - This program is required to develop support services that are needed for an effective Capital Improvement Project Program. As an example, this program will support the ongoing improvement of the project management manual which is required by the County Executive Order and to ensure Capital Improvement Program projects are managed uniformly. This program will also support the development of the new Construction Management and Inspection Manual.
1111168	WLFAC CAPITAL PROJECT OVERSIGH ADMIN		\$44,916	Capital Project Oversight - The goals for the program include: (1) provide effective independent oversight; (2) focus the oversight on high-risk projects; (3) increase the likelihood of project success; (4) identify problems in a timelier manner; (5) provide clear, succinct reports; and (6) facilitate decision-making by the council.
1117841	WLFAC 3RD BURDEN IMPCT 2013/14 ADMIN		(\$44,916)	Third Burden Impact - This project is for the purpose to fund the impact to the capital projects in fund 3292 that were impacted by the increase in the indirect overhead (third burden) rate.
1129370	WLSWC STEWARDSHIP WATERQUALITY STANDALONE		\$150,000	Stormwater Water Quality Stewardship - This project provides match funding (partial reimbursement) for cooperators to implement agricultural best management practices as detailed in the Livestock Management and Critical Areas Ordinances. The cap per property is currently being analyzed. These cost share grants are awarded to landowners implementing practices included in a farm plan from the King Conservation District, USDA Natural Resources Conservation Service or other approved provider. Typical Best Management Practices include manure and crop residue composting structures, buffer fencing for streams and wetlands, riparian plantings, roof runoff management, and high tunnels (simple greenhouses). King County conducts periodic outreach to advertise the program and monitors for compliance and effectiveness.
1129371	WLSWC GENERAL PROGRAMMATIC		\$420,000	Stormwater General Project Support - This program provides funding for ongoing support services to Stormwater Capital Improvement and Preservation projects and programs, and oversees grant opportunity to fund capital projects. CIP support services include the ongoing implementation and improvement of the project management to comply with county requirements, provide general supports to CADD and Survey.
1129377	WLSWC EMERGENT NEED CONTG STANDALONE		\$200,000	Stormwater Emergent Need Contingency - This project provides a mechanism for funding existing Stormwater capital projects that has insufficient appropriation due to unforeseen circumstances and unanticipated project costs.
1129378	WLSWC SWS GRANT CONTINGENCY STANDALONE		\$5,750,000	Stormwater Grant Contingency - This SWS Grant Contingency provides spending authority for receipt of funds from a grant donor or other external funding source.
1129379	WLSWCFS FEASIBILITY STUDIES WLSWCFS FEASIBILITY STUDIES		\$881,116	Stormwater Feasibility Studies - This program funds studies that identify and assess the feasibility of potential CIP projects. Work in the program includes investigating and evaluating site conditions; and performing preliminary analyses of alternatives. The program is increasing to facilitate a more proactive approach to asset management being implemented for stormwater facilities. This new approach focuses on implementing "asset preservation projects" to replace or rehabilitate critical facility components before they fail rather than after they fail, thus avoiding the extra costs and damages that occur with failure.
1129380	WLSWCAD AGRICULTURE		\$1,100,000	Stormwater Agricultural Drainage Assistance Program - The Agricultural Drainage Assistance Program (ADAP) provides assistance to farmers to

2017-2018 Biennial - Executive Proposed

	DRAINAGE PROGRAMMATIC			improve drainage on their property. The ADAP provides support in the form of labor, supplies, and technical assistance to meet many of the permit requirements related to drainage projects such as de-fishing and native buffer planting. The benefits are increased productivity by bringing previously too wet to farm areas into production or extending the growing season for marginally wet properties.
1129381	WLSWCND NEIGHBORHOOD DRAINAGE PROGRAMMATIC		\$120,000	Stormwater Neighborhood Drainage - The Neighborhood Drainage Program's (NDAP), objectives are to reduce flooding on public and private property. The program also assists citizens in resolving smaller neighborhood problems of localized flooding, erosion, sedimentation, and water quality. These problems are typically identified through citizen drainage complaints or inspections. Actions typically include installing pipes and catch basins, upsizing culverts, removing accumulated sediment, stabilizing drainage channels. The actions may include providing technical assistance to property owners and small-scale drainage improvements.
1129382	WLSWCE EMERGENCY PROGRAMMATIC		\$400,000	Stormwater Emergency Program - The Emergency Program requires using capital funds to address unforeseen incidents that require urgent/immediate response posing imminent danger or risks to health, life or property. Those unforeseen incidents normally caused by major unexpected events (e.g. floods, heavy rainfall etc.) and are identified through complaint call from citizens.
1129383	WLSWCDF NATURAL DRAINAGE FLOOD PROGRAMMATIC		\$2,105,000	Stormwater Natural Drainage Flood Protection - Projects within this program address chronic drainage and flooding problems associated with the natural drainage system, such as stream, lakes, and wetlands. Projects will include constructing new facilities, improving/expanding existing facilities, removing sediment, controlling vegetation, or other work in the natural system to improve drainage or minimize flooding.
1129385	WLSWCWQ WATER QUALITY PROGRAMMATIC		\$1,701,571	Stormwater Water Quality Program - This program will apply Best Management Practices to manage stormwater runoff and improve water quality and stream health in unincorporated King County. The work includes "stormwater retrofitting" the older developed areas that are lack of stormwater flow control and/or water quality facilities; addressing erosion from stormwater pipe outlets.
1129388	WLSWCA ASSET PRESERVATION PROGRAMMATIC		\$4,009,804	Stormwater Asset Preservation - This program preserves or replaces the existing aging stormwater facilities/assets owned by Water and Land Resources (WLRD). Work includes the rehabilitation, restoration, and replacement of the facilities and/or their components (e.g. pipes, catch basins, manholes, etc.) to extend the life, improve and restore the function before or after they have failed or partially failed. Projects will be identified and prioritized through WLRD's stormwater asset management planning.
1129460	WLER FUND GRANT CONTINGENCY PROGRAMMATIC		\$3,000,000	Ecological Restoration Grant Contingency - The WLER Fund grant contingency provides spending authority for anticipated receipt of funds from a grant donor or other external funding sources for Ecological Restoration projects within the various regional Watershed Resource Inventory Areas.
1129530	WLER EMERGENT NEED CONTINGENCY STANDALONE		\$150,000	Ecological Restoration Emergent Need Contingency - This project provides a management reserve for ecological capital design and construction projects. The amount of reserve (Contingency) is based upon the amount of construction funding planned for the current budget year. This project provides contingency funds to cover unanticipated unplanned program or project costs.
3292 - SWM CIP NON-BOND		Total	\$22,207,228	
SUBFUND				

2017-2018 Biennial - Executive Proposed

3522 OS KC NON BND FND SUBFUND - Water and Land Resources

Project Number	Project Name Class Code	Tech Adj	FY17-18	Current Scope
1047267	WLOS GRANT CONTINGENCY PROGRAMMATIC		\$6,333,901	Open Space Grant Contingency - The WLOS Grant Contingency project holds spending authority pending receipt of signed federal and state grants and Interlocal agreements. Budget is activated in individual projects only after a signed agreement is received.
3522 - OS KC NON BND FND SUBFUND		Total	\$6,333,901	

3673 CRITICAL AREAS MITIGATION - Water and Land Resources

Project Number	Project Name Class Code	Tech Adj	FY17-18	Current Scope
1047594	WLMR CAO MR MASTER STANDALONE		\$6,227,382	Critical Areas Ordinance Mitigation Reserves Program - The Critical Areas Ordinance Mitigation Reserves Program is an "in-lieu-fee" compensatory mitigation program which provides a service to developers and other permittees whose projects require mitigation for impacts to aquatic resources. In lieu of completing their own mitigation, permittees can pay a mitigation fee to King County. The county then uses the fee to implement mitigation projects in places where projects will have the most benefit to the watershed in which the impact occurred. This is a master project which holds budget authority until developer fees are received and appropriate receiving sites are identified and approved through a multi-jurisdictional review team consisting of King County Department of Natural Resources, Washington State Department of Ecology, Army Corps of Engineers and local tribes.
3673 - CRITICAL AREAS MITIGATION		Total	\$6,227,382	

3691 TRNSF OF DEV CREDIT PROG - Water and Land Resources

Project Number	Project Name Class Code	Tech Adj	FY17-18	Current Scope
1033971	WLTD TDR BANK STANDALONE		\$20,719,433	Transfer of Development Rights (TDR) Bank - The King County Transfer of Development Rights (TDR) Bank acts as a revolving fund to accomplish land preservation through the buying, holding, and selling of Development Rights authorized by the TDR Program in K.C.C. 21A.37. Revenues are received from the sale of TDR's.
1033976	WLTD TDR PROGRAM SUPPORT STANDALONE		\$350,589	TDR Program Support - This project provides for on-going administrative support to the Transfer Development Rights (TDR) Program. This includes marketing, negotiating and developing new Transfer Development Rights partnership agreements with cities, acquisition of development rights from open space lands, review of grant reimbursement requests from jurisdictions, grant management and the review and preparation of legislation and other land acquisition related support.
3691 - TRNSF OF DEV CREDIT PROG		Total	\$21,070,022	

3840 FARMLAND & OPEN SPACE ACQ - Water and Land Resources

2017-2018 Biennial - Executive Proposed

Project Number	Project Name Class Code	Tech Adj	FY17-18	Current Scope
1034868	WLR FARMLAND LEASE STANDALONE		\$75,093	Farmland Lease - This project is for planned improvements including soil amendments, well, fence repairs, drainage improvements, and access road improvements on county owned agricultural lands that are leased to farmers.
3840 - FARMLAND & OPEN SPACE ACQ		Total	\$75,093	
Grand Total			\$80,161,257	

Financial Plan 2017-2018 Proposed Budget
CONSERVATION FUTURES LEVY SUBFUND /000003151

Capital Improvement Program (CIP) Budget

	2015-2016 Carryforward (YE ITD Balance) ¹	2017-2018 Proposed ²	2017-2018 Total (Balance + Budget)	2019-2020 Estimated ³	2021-2022 Estimated ³
Capital Budget Revenue Sources:					
Revenue Backing from Fund Balance	22,750,300	1,243,866	23,994,166	-	-
Conservation Futures Levy Current ⁷	-	20,795,169	20,795,169	23,527,790	25,050,132
Interest Income	-	386,704	386,704	759,453	1,478,297
Other Revenue	-	1,821,892	1,821,892	100,000	100,000
Total Capital Revenue	\$ 22,750,300	\$ 24,247,631	\$ 46,997,931	\$ 24,387,243	\$ 26,628,429
Capital Appropriation:					
Acquisition and Relocations	(22,750,300)	(24,247,631)	(46,997,931)	(24,387,243)	(26,628,429)
Total Capital Appropriation	\$ (22,750,300)	\$ (24,247,631)	\$ (46,997,931)	\$ (24,387,243)	\$ (26,628,429)

CIP Fund Financial Position

	2015-2016 Biennial to Date Actuals ⁴	2015-2016 Estimated ⁵	2017-2018 Biennial to Date Actual	2017-2018 Estimated	2019-2020 Estimated ⁶	2021-2022 Estimated ⁶
Beginning Fund Balance	23,992,898	23,992,898	-	25,965,758	22,750,000	22,750,000
Capital Funding Sources						
Conservation Futures Levy Current ⁷	15,591,605	20,490,226	-	20,795,169	23,527,790	25,436,732
Interest Income	247,936	293,346	-	386,704	759,453	1,478,297
Other Revenue	4,768	165,024	-	100,000	100,000	100,000
Total Capital Revenue	\$ 15,844,309	\$ 20,948,596	\$ -	\$ 21,281,873	\$ 24,387,243	\$ 27,015,029
Capital Expenditures						
Acquisition and Relocations	(12,752,420)	(21,417,628)	-	(24,497,631)	(24,387,243)	(26,628,429)
Total Capital Expenditures	\$ (12,752,420)	\$ (21,417,628)	\$ -	\$ (24,497,631)	\$ (24,387,243)	\$ (26,628,429)
Other Fund Transactions⁸						
TDR Loan Repayment		1,721,892	-	-		
Sale of Tall Chief		720,000	-			
Ending Fund Balance	\$ 27,084,787	\$ 25,965,758	\$ -	\$ 22,750,000	\$ 22,750,000	\$ 23,136,600
Fund Balance designated to current projects⁹	\$ (27,084,787)	\$ (22,750,300)	\$ -	\$ (22,500,000)	\$ (22,500,000)	\$ (22,886,600)
Reserves						
Reserve For Future Allocations ¹⁰		(2,965,458)				
Cash Flow Reserve(s) ¹¹		(250,000)		(250,000)	(250,000)	(250,000)
Total Reserves	\$ -	\$ (3,215,458)	\$ -	\$ (250,000)	\$ (250,000)	\$ (250,000)
Projected Shortfall	-	-	-	-	-	-
Ending Undesignated Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Financial Plan Notes (samples below)

¹ 2015-2016 Carryover reflects estimates of year end inception to date appropriation balances.

² 2017-2018 Proposed Budget is consistent with expenditure and revenue data from PIC and matches the CIP Attachment A.

³ Outyear budget estimates are consistent with Attachment A out years estimates with exceptions noted.

⁴ 2015-2016 Biennial-to-Date Actuals reflects actual revenues and expenditures as of 04/30/2016, using EBS report GL010.

⁵ 2015-2016 Estimated reflects updated revenue and expenditure estimates as of 06/17/2016.

⁶ Outyear revenue and spending estimates are based on current revenue estimates and project spending plans.

⁷ 2017-2018 planned Debt Service for the Eastside Rail Corridor Acq was \$961,700 per Ordinance 17915, revised Debt Service is \$1,923,400, reducing the conservation levy revenues by \$961,700.

⁸ Sale of Tall Chief \$720,000 per Ordinance #18291. Repayment of loan by TDR Fund per Ordinance #13340 - Section 119 (B) \$1,721,892. Loan repayment contingent on 2016 actual TDR sales.

⁹ Fund balance designated to current projects is for projects that are already appropriated. This fund balance cannot be used for other projects without disappropriating projects or creating a shortfall in the fund.

¹⁰ Revenues to be allocated to projects following 17-18 budget approval \$2,965,458.

¹¹ Cash flow reserve due to revenue fluctuations and debt service assumptions.

¹² This plan was update by Veronica Doherty on 09/02/2016.

2017-2018 Proposed Financial Plan
Surface Water Management (SWM) CIP NONBOND /000003292

Capital Improvement Program (CIP) Budget					
	2015-2016 Carryforward (YE ITD Balance)¹	2017-2018 Proposed²	2017-2018 Total (Balance + Budget)	2019-2020 Estimated³	2021-2022 Estimated³
Capital Budget Revenue Sources:					
Revenue Backing from Fund Balance	4,912,789	-	4,912,789	-	-
SWM Operating Transfer (Pay-As-You-Go)		13,761,436	13,761,436	13,761,436	13,761,436
Grant, ILA, Other	23,679,710	19,466,564	43,146,274	49,397,592	26,839,460
Reduction in Grant Contingency ⁴		(11,020,772)	(11,020,772)	-	-
				-	-
				-	-
				-	-
Total Capital Revenue	\$ 28,592,499	\$ 22,207,228	\$ 50,799,727	\$ 63,159,028	\$ 40,600,896
Capital Appropriation:					
Stormwater Services Capital	(5,539,279)	(16,837,490)	(22,376,769)	(21,712,713)	(25,873,097)
Ecological Restoration Capital	(19,251,517)	(16,390,510)	(35,642,027)	(41,446,315)	(14,727,799)
Reduction in Grant Contingency ⁴	-	11,020,772	11,020,772		
Capital Project Oversight, KCD Grant authority	(3,801,703)		(3,801,703)		
	-		-		
	-		-		
Total Capital Appropriation	\$ (28,592,499)	\$ (22,207,228)	\$ (50,799,727)	\$ (63,159,028)	\$ (40,600,896)

CIP Fund Financial Position						
	2015-2016 Biennial to Date Actuals⁵	2015-2016 Estimated⁶	2017-2018 Biennial to Date Actual	2017-2018 Estimated⁶	2019-2020 Estimated⁷	2021-2022 Estimated⁷
Beginning Fund Balance	4,912,789	4,912,789	-	4,912,789	-	-
Capital Funding Sources						
SWM Operating Transfer (Pay-As-You-Go)	8,874,000	8,874,000	-	13,761,436	13,761,436	13,761,436
Debt Proceeds	3,130,563	3,394,762	-	-	-	-
Grant, ILA, Other	7,167,135	8,018,334	-	18,954,132	54,663,751	31,800,051
		-	-	-	-	-
Total Capital Revenue	\$ 19,171,698	\$ 20,287,096	\$ -	\$ 32,715,568	\$ 68,425,187	\$ 45,561,487
Capital Expenditures						
Ecological Restoration	(10,119,163)	(12,466,009)	-	(16,390,510)	(41,586,035)	(14,727,799)
Stormwater	(5,475,524)	(7,421,384)	-	(21,237,847)	(26,839,152)	(30,833,688)
Other Misc.	(342,477)	(399,703)	-	-	-	-
Total Capital Expenditures	\$ (15,937,164)	\$ (20,287,096)	\$ -	\$ (37,628,357)	\$ (68,425,187)	\$ (45,561,487)
Other Fund Transactions						
		-	-	-		
Ending Fund Balance	\$ 8,147,323	\$ 4,912,789	\$ -	\$ -	\$ -	\$ -
Fund Balance designated to current projects⁸	\$ (8,147,323)	\$ (4,912,789)	\$ -	\$ -	\$ -	\$ -
Reserves						
Total Reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Projected Shortfall	-	-	-	-	-	-
Ending Undesignated Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Financial Plan Notes (samples below)

¹ 2015-2016 Carryover reflects estimates of year end inception to date appropriation balances.

² 2017-2018 Proposed Budget is consistent with expenditure and revenue data from PIC and matches the CIP Attachment A.

³ Outyear budget estimates are consistent with Attachment A out years estimates with exceptions noted.

⁴ Reduction in Grant Contingency- For the 2017-2018 budget WLR is proposing to consolidate the grant contingencies into two grant contingency projects at the fund level, one designated for each of the two lines of business in this fund. Previously a grant contingency sub-project was embedded within each of the program masters. This change in accounting for grant contingency has the overall effect of reducing the grant contingency for the fund.

⁵ 2015-2016 Biennial-to-Date Actuals reflects actual revenues and expenditures as of 09/14/2016, using EBS report GL-33.

⁶ 2015-2016 Estimated reflects updated revenue and expenditure estimates as of 04/21/2016.

⁷ Outyear revenue and spending estimates are based on current revenue estimates and project spending plans.

⁸ Fund balance designated to current projects is for projects that are already appropriated. The current practice is to transfer Pay-As-You-Go (PAYG) funds annually from the operating budget. These PAYG funds are designated to projects as part of the total project cost even though the expenditure may not have been made to full within the current biennium to utilize the transfer. This fund balance cannot be used for other projects without disappropriating projects or creating a shortfall in the fund.

⁹ This plan was updated by Robert Kniestedt on 08/17/2016.

2017-2018 Proposed Financial Plan
OPEN SPACE NON-BOND COUNTY PROJECTS / 000003522

Capital Improvement Program (CIP) Budget

	2015-2016 Carryforward (YE ITD Balance) ¹	2017-2018 Proposed ²	2017-2018 Total (Balance + Budget)	2019-2020 Estimated ³	2021-2022 Estimated ³
Capital Budget Revenue Sources:					
Revenue Backing from Fund Balance	-	-	-	-	-
Grant & Other Revenue ⁷	3,213,205	6,333,901	9,547,106	5,000,000	5,000,000
				-	-
Total Capital Revenue	\$ 3,213,205	\$ 6,333,901	\$ 9,547,106	\$ 5,000,000	\$ 5,000,000
Capital Appropriation:					
Acquisitions	(3,213,205)	(6,333,901)	(9,547,106)	(5,000,000)	(5,000,000)
				-	-
Total Capital Appropriation	\$ (3,213,205)	\$ (6,333,901)	\$ (9,547,106)	\$ (5,000,000)	\$ (5,000,000)

CIP Fund Financial Position

	2015-2016 Biennial to Date Actuals ⁴	2015-2016 Estimated ⁵	2017-2018 Biennial to Date Actual	2017-2018 Estimated ⁵	2019-2020 Estimated ⁶	2021-2022 Estimated ⁶
Beginning Fund Balance	373,694	373,694	-	-	-	-
Capital Funding Sources						
Revenue Backing from Fund Balance	-	-	-	-	-	-
Grant and Other Revenue ⁷	4,468,364	5,930,000	-	4,342,766	5,638,331	5,000,000
Rental Income	260,163	300,000	-	-	-	-
Interest Income	2,100	3,000	-	-	-	-
Total Capital Revenue	\$ 4,730,627	\$ 6,233,000	\$ -	\$ 4,342,766	\$ 5,638,331	\$ 5,000,000
Capital Expenditures						
Acquisitions & Relocations	(5,232,451)	(6,606,694)	-	(4,342,766)	(5,638,331)	(5,000,000)
Total Capital Expenditures	\$ (5,232,451)	\$ (6,606,694)	\$ -	\$ (4,342,766)	\$ (5,638,331)	\$ (5,000,000)
Other Fund Transactions						
Ending Fund Balance	\$ (128,130)	\$ -	\$ -	\$ -	\$ -	\$ -
Fund Balance designated to current projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reserves						
Total Reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Projected Shortfall	128,130	-	-	-	-	-
Ending Undesignated Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Financial Plan Notes

¹ 2015-2016 Carryover reflects estimates of year end inception to date appropriation balances.

² 2017-2018 Proposed Budget is consistent with expenditure and revenue data from PIC and matches the CIP Attachment A.

³ Outyear budget estimates are consistent with Attachment A out years estimates with exceptions noted.

⁴ 2015-2016 Biennial-to-Date Actuals reflects actual revenues and expenditures as of 04/30/2016, using EBS report GL010.

⁵ 2015-2016 Estimated reflects updated revenue and expenditure estimates as of 06/14/2016.

⁶ Outyear revenue and spending estimates are based on current revenue estimates and project spending plans.

⁷ Revenues include awards from the following agencies: the Puget Sound Acquisition and Restoration program (PSAR), the Estuary and Salmon Restoration Program (ESRP), the Washington Wildlife and Recreation Program (WWRP), and the Aquatic Lands Enhancement Account (ALEA).

⁸ This plan was update by Veronica Doherty on 08/23/2016.

**2017-2018 Proposed Financial Plan
CRITICAL AREAS MITIGATION /00003673**

Capital Improvement Program (CIP) Budget					
	2015-2016 Carryforward (YE ITD Balance)¹	2017-2018 Proposed²	2017-2018 Total (Balance + Budget)	2019-2020 Estimated³	2021-2022 Estimated³
Capital Budget Revenue Sources:					
Revenue Backing from Fund Balance	5,872,681	1,792,382	7,665,063	-	-
CAO Mitigation Fees	-	4,400,000	4,400,000	4,000,000	4,000,000
Interest Earnings	-	35,000	35,000	5,000	5,000
Total Capital Revenue	\$ 5,872,681	\$ 6,227,382	\$ 12,100,063	\$ 4,005,000	\$ 4,005,000
Capital Appropriation:					
Acquisitions	-	(200,000)	(200,000)	(200,000)	(200,000)
Restoration Projects	(5,872,681)	(6,027,382)	(11,900,063)	(3,805,000)	(3,805,000)
Total Capital Appropriation	\$ (5,872,681)	\$ (6,227,382)	\$ (12,100,063)	\$ (4,005,000)	\$ (4,005,000)

CIP Fund Financial Position						
	2015-2016 Biennial to Date Actuals⁴	2015-2016 Estimated⁵	2017-2018 Biennial to Date Actual	2017-2018 Estimated⁵	2019-2020 Estimated⁶	2021-2022 Estimated⁶
Beginning Fund Balance	666,055	666,055	-	2,079,956	701,025	706,025
Capital Funding Sources						
Revenue Backing from Fund Balance	-	-	-	-	-	-
CAO Mitigation Fees	7,957,717	15,161,822	-	4,400,000	4,000,000	4,000,000
Interest Earnings	74,375	84,420	-	35,000	5,000	5,000
Total Capital Revenue	\$ 8,032,092	\$ 15,246,242	\$ -	\$ 4,435,000	\$ 4,005,000	\$ 4,005,000
Capital Expenditures						
Acquisitions	(5,268,128)	(5,368,128)	-	(200,000)	(200,000)	(200,000)
Program Administration Fees	(316,065)	(409,016)	-	(435,530)	(460,723)	(488,782)
Restoration Projects	(3,024,656)	(5,955,197)	-	(11,187,500)	(3,270,000)	(3,147,500)
Total Capital Expenditures	\$ (8,608,849)	\$ (11,732,341)	\$ -	\$ (11,823,030)	\$ (3,930,723)	\$ (3,836,282)
Other Fund Transactions						
Equity Adjustment - GAAP Liability ⁷	-	(2,100,000)	-	6,009,099	(69,277)	(163,718)
Ending Fund Balance	\$ 89,298	\$ 2,079,956	\$ -	\$ 701,025	\$ 706,025	\$ 711,025
Fund Balance designated to current projects⁸	\$ (89,298)	\$ (287,574)	\$ -	\$ (701,025)	\$ (706,025)	\$ (711,025)
Reserves⁹						
Reserve For Future Allocations		(1,792,382)		-	-	-
Total Reserves	\$ -	\$ (1,792,382)	\$ -	\$ -	\$ -	\$ -
Projected Shortfall	-	-	-	-	-	-
Ending Undesignated Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Financial Plan Notes (samples below)

¹ 2015-2016 Carryover reflects estimates of year end inception to date appropriation balances.

² 2017-2018 Proposed Budget is consistent with expenditure and revenue data from PIC and matches the CIP Attachment A.

³ Outyear budget estimates are consistent with Attachment A out years estimates with exceptions noted.

⁴ 2015-2016 Biennial-to-Date Actuals reflects actual revenues and expenditures as of 04/30/2016, using EBS report GL010.

⁵ 2015-2016 Estimated reflects updated revenue and expenditure estimates as of 06/10/2016.

⁶ Outyear revenue and spending estimates are based on current revenue estimates and project spending plans.

⁷ GAAP liability adjustment per FBOD based on GASB 65, Sec. 9 interpretation of revenues from in-lieu mitigation fees.

⁸ Fund balance designated to current projects is for projects that are already appropriated. This fund balance cannot be used for other projects without disappropriating projects or creating a shortfall in the fund.

⁹ Revenues received that will be allocated to projects following budget approval.

¹⁰ This plan was update by Veronica Doherty on 06/22/2016.

2017-2018 Proposed Financial Plan
TRANSFER OF DEVELOPMENT CREDIT PROGRAM /000003691

Capital Improvement Program (CIP) Budget

	2015-2016 Carryforward (YE ITD Balance) ¹	2017-2018 Proposed ²	2017-2018 Total (Balance + Budget)	2019-2020 Estimated ³	2021-2022 Estimated ³
Capital Budget Revenue Sources:					
Revenue Backing from Fund Balance	2,060,720	7,255,299	9,316,019		
TDR Fees & Program Support ⁷	-	13,699,000	13,699,000	6,325,000	2,200,000
Interest Income	-	115,723	115,723	89,592	26,131
Total Capital Revenue	\$ 2,060,720	\$ 21,070,022	\$ 23,130,742	\$ 6,414,592	\$ 2,226,131
Capital Appropriation:					
Acquisitions	(2,060,720)	(20,719,433)	(22,780,153)	(6,043,723)	(1,832,676)
Program Administration Fees	-	(350,589)	(350,589)	(370,869)	(393,455)
Total Capital Appropriation	\$ (2,060,720)	\$ (21,070,022)	\$ (23,130,742)	\$ (6,414,592)	\$ (2,226,131)

CIP Fund Financial Position

	2015-2016 Biennial to Date Actuals ⁴	2015-2016 Estimated ⁵	2017-2018 Biennial to Date Actual	2017-2018 Estimated ⁵	2019-2020 Estimated ⁶	2021-2022 Estimated ⁶
Beginning Fund Balance	592,039	592,039	-	9,316,019	15,280,153	9,962,876
Capital Funding Sources						
Revenue Backing from Fund Balance	-	-	-	-	-	-
TDR Fees & Program Support	4,709,049	14,561,166	-	13,699,000	6,325,000	2,200,000
Interest Income	9,784	24,265	-	115,723	89,592	26,131
Total Capital Revenue	\$ 4,718,833	\$ 14,585,431	\$ -	\$ 13,814,723	\$ 6,414,592	\$ 2,226,131
Capital Expenditures						
Acquisitions ⁸	(1,436,442)	(3,809,427)	-	(7,500,000)	(11,361,000)	(11,600,000)
Program Administration Fees	(175,141)	(330,132)	-	(350,589)	(370,869)	(393,455)
Total Capital Expenditures	\$ (1,611,583)	\$ (4,139,559)	\$ -	\$ (7,850,589)	\$ (11,731,869)	\$ (11,993,455)
Other Fund Transactions⁹						
Repay CFL Loan	-	(1,721,892)	-	-	-	-
Ending Fund Balance	\$ 3,699,289	\$ 9,316,019	\$ -	\$ 15,280,153	\$ 9,962,876	\$ 195,552
Fund Balance designated to current projects¹⁰	\$ (3,699,289)	\$ (2,060,720)	\$ -	\$ (15,280,153)	\$ (9,962,876)	\$ (195,552)
Reserves¹¹						
Reserve For Future Allocations		(7,255,299)				
Total Reserves	\$ -	\$ (7,255,299)	\$ -	\$ -	\$ -	\$ -
Projected Shortfall	-	-	-	-	-	-
Ending Undesignated Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Financial Plan Notes:

¹ 2015-2016 Carryover reflects estimates of year end inception to date appropriation balances.

² 2017-2018 Proposed Budget is consistent with expenditure and revenue data from PIC and matches the CIP Attachment A.

³ Outyear budget estimates are consistent with Attachment A out years estimates with exceptions noted.

⁴ 2015-2016 Biennial-to-Date Actuals reflects actual revenues and expenditures as of 04/30/2016, using EBS report GL010.

⁵ 2015-2016 Estimated reflects updated revenue and expenditure estimates as of 06/13/2016.

⁶ Outyear revenue and spending estimates are based on current revenue estimates and project spending plans.

⁷ The King County Transfer of Development (TDR) Bank acts as a revolving fund to accomplish land preservation through the buying, holding, and selling of Development Rights authorized by the TDR Program in K.C.C. 21A.37.

⁸ The TDR program prioritizes properties with extraordinary ecological or recreational value. Acquisitions include working farms, open space, forest land, and conservation easements over farmland. Appraisals are performed to establish the market value of properties. The rate of acquisition depends upon market conditions of viable properties and willing sellers.

⁹ Repayment of loan to CFL per Ordinance #13340 - Section 119 (B). Contingent on 2016 actual sales.

¹⁰ Fund balance designated to current projects is for projects that are already appropriated. This fund balance cannot be used for other projects without

¹¹ Revenues received that will be allocated to projects following budget approval.

¹² This plan was updated by Veronica Doherty on 08/23/2016.

**2017-2018 Proposed Financial Plan
FARMLAND AND OPEN SPACE ACQUISITION /000003840**

Capital Improvement Program (CIP) Budget					
	2015-2016 Carryforward (YE ITD Balance)¹	2017-2018 Proposed²	2017-2018 Total (Balance + Budget)	2019-2020 Estimated³	2021-2022 Estimated³
Capital Budget Revenue Sources:					
Revenue Backing from Fund Balance	1,122,279	56,011	1,178,290	-	-
Farmland Rental Income	-	18,112	18,112	-	-
Interest Earnings	-	970	970	-	-
Total Capital Revenue	\$ 1,122,279	\$ 75,093	\$ 1,197,372	\$ -	\$ -
Capital Appropriation:					
Acquisitions ⁶	(1,077,662)	(40,491)	(1,118,153)	-	-
Supplies & Services	(44,617)	(34,602)	(79,219)	-	-
Total Capital Appropriation	\$ (1,122,279)	\$ (75,093)	\$ (1,197,372)	\$ -	\$ -

CIP Fund Financial Position						
	2015-2016 Biennial to Date Actuals⁴	2015-2016 Estimated⁵	2017-2018 Biennial to Date Actual	2017-2018 Estimated⁵	2019-2020 Estimated³	2021-2022 Estimated³
Beginning Fund Balance	1,388,689	1,388,689	-	1,178,290	-	-
Capital Funding Sources						
Revenue Backing from Fund Balance	-	-	-	-	-	-
Farmland Rental Income ⁷	35,367	36,000	-	18,112	-	-
Interest Earnings	12,638	13,390	-	970	-	-
Total Capital Revenue	\$ 48,005	\$ 49,390	\$ -	\$ 19,082	\$ -	\$ -
Capital Expenditures						
Acquisitions	(178,403)	(179,455)	-	(1,073,045)	-	-
Supplies & Services	(16,042)	(52,618)	-	(124,327)	-	-
Total Capital Expenditures	\$ (194,445)	\$ (232,073)	\$ -	\$ (1,197,372)	\$ -	\$ -
Other Fund Transactions⁸						
Transfer To Operating Fund	-	(27,716)	-	-	-	-
Ending Fund Balance	\$ 1,242,249	\$ 1,178,290	\$ -	\$ -	\$ -	\$ -
Fund Balance designated to current projects⁸	\$ (1,242,249)	\$ (1,122,279)	\$ -	\$ -	\$ -	\$ -
Reserves⁹						
Reserve For Future Allocation	-	(56,011)	-	-	-	-
Total Reserves	\$ -	\$ (56,011)	\$ -	\$ -	\$ -	\$ -
Projected Shortfall	-	-	-	-	-	-
Ending Undesignated Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Financial Plan Notes (samples below)

¹ 2015-2016 Carryover reflects estimates of year end inception to date appropriation balances.

² 2017-2018 Proposed Budget is consistent with expenditure and revenue data from PIC and matches the CIP Attachment A.

³ Fund 3840 is projected to close 12/31/2018 if planned acquisitions are successful.

⁴ 2015-2016 Biennial-to-Date Actuals reflects actual revenues and expenditures as of 04/30/2016, using EBS report GL010.

⁵ 2015-2016 Estimated reflects updated revenue and expenditure estimates as of 05/31/2016.

⁶ 1979 Bond proceeds used to acquire farmland and/or conservation easements on farmland.

⁷ Transfer Non-Bond rental activities to SWM Operating Fund. Starting in 2016 and going forward, a portion of the Farmland Rental Income will be redirected to the SWM Operating Fund.

⁸ Fund balance designated to current projects is for projects that are already appropriated. This fund balance cannot be used for other projects without disappropriating projects or creating a shortfall in the fund.

⁹ Revenues received that will be allocated to projects following budget approval.

¹⁰ This plan was update by Veronica Doherty on 08/23/2016.

DEPARTMENT OF PERMITTING AND ENVIRONMENTAL REVIEW

Mission

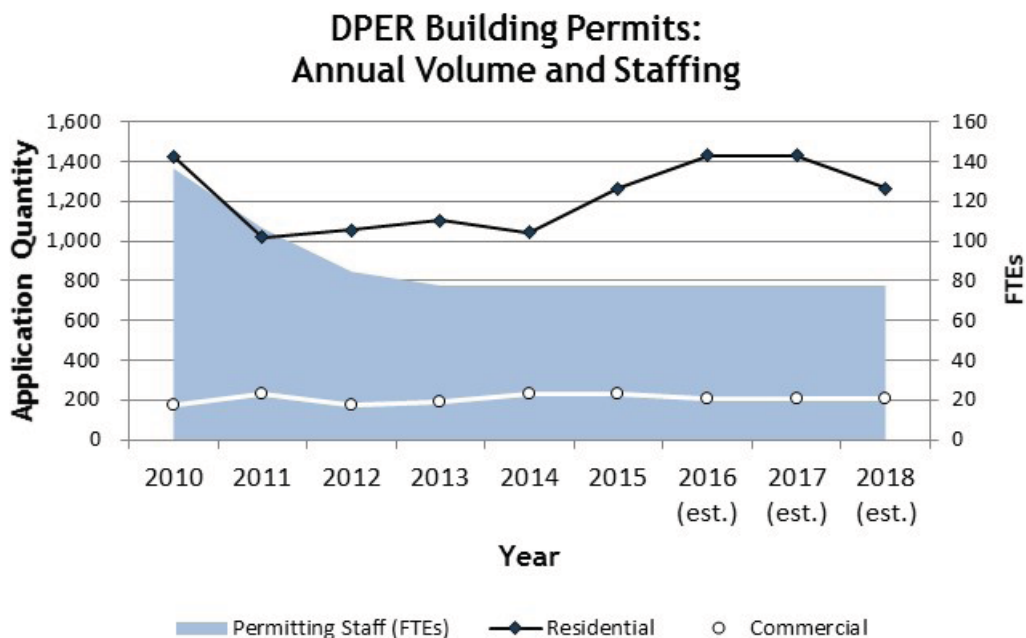
To serve, educate and protect our community by shaping and implementing King County's development and environmental regulations.

Overview

The Department of Permitting and Environmental Review (DPER) is responsible for regulating and permitting all building and land use activity in unincorporated King County. The department's core business programs are permit review, inspection, and code enforcement in unincorporated areas. About 85 percent of DPER's operating budget is supported by fees charged to permit applicants. General Fund contributions support DPER's code enforcement, agricultural permitting assistance, and local area planning programs, as well as other work that benefits unincorporated King County, but not a specific permit holder.

DPER is composed of three appropriation units that mirror the sections of the organization:

Planning and Permitting comprises 85 percent of the department staff and is responsible for reviewing, approving, and inspecting land use and development proposals. Services include providing customer assistance and public information about permitting; application intake processing; review of development proposals for compliance with the King County building, fire, and land use codes; construction inspection; site development inspection; and monitoring of critical areas impacted by development.



As shown in the chart above, applications for residential building permits have increased in 2015 and 2016, rebounding back to the level they were at in 2010 before a series of annexations reduced the area served by DPER. DPER's staffing for Planning and Permitting remains at the lower level established following reductions due to annexations.

General Public Services is supported by the General Fund and houses DPER's code enforcement section, which investigates and resolves complaints of code violations in unincorporated King County. General Public Services also includes a subarea planning position that works with communities to update subarea plans. Subarea planning efforts are currently focused on Vashon Island and will move to other unincorporated subareas when the work on Vashon is completed.

Abatement Services manages the contracted abatement work on nuisance properties. Civil penalties and property liens collected by DPER are used to reimburse the Abatement Fund for contracted abatement work; however revenue collections are relatively low and the Fund has very limited resources to support abatement activities.

2017-2018 Problems, Opportunities, and Priorities

DPER's largest revenue source is the permit fees that support the permitting line of business. DPER's practice is to raise permitting fees biennially in conjunction with the Proposed Budget. The 2017-2018 Proposed Budget includes a 20 percent increase in permit fees, which is offset by the expiration of a 4.63 percent surcharge for a net increase to customers of 15.37 percent. About 65 percent of the total increase goes towards bringing revenues and expenditures into balance by covering the increases in DPER's labor costs and the cost of services provided by other King County agencies.

Since the implementation of the Accela permitting data system, DPER has been planning to implement online permitting for its customers. This change will save customers from traveling to DPER's office in Snoqualmie to apply and pay for permits and will also allow customers to check on the status of permits and schedule inspections remotely. In the spring of 2016, DPER began offering residential mechanical permits online through Accela. As of summer 2016, over 80 percent of these permit applications are now received online. Residential mechanical permits make up a large percentage of DPER's permits by volume, so over 30 percent of all of DPER's permit applications are now made online.

Although the implementation of online residential mechanical permits has been very successful, DPER has determined that Accela is an impractical platform for offering other permit types online. Instead, DPER plans to implement online permitting for their full menu of permits through MyBuildingPermit.com (MBP), a regional consortium that allows customers to use a single portal to apply for permits with multiple jurisdictions. The proposed permit fee increase package includes funding to initiate online permitting with MBP in 2017 and for 2018 subscription fees.

At the end of 2014 and 2015, DPER wrote off a total of approximately \$2.4 million in uncollectible revenue that was at least 6 years past due. While necessary, this write-off resulted in a negative fund balance at the end of the 2015-2016 biennium. Another component of the permitting fee increase raises 2017-2018 revenues above planned expenditures and begins to bring the fund back into balance. Because DPER's current practice is to charge fixed fees for permits prior to issuance, it is not anticipated that there will be a need to write off additional revenue in the future.

Smaller components of the fee increase will fund the fees charged by banks so that DPER will be able to begin accepting credit cards and the separation costs for employees expected to retire in 2017-2018.

Alignment with Executive Strategic Initiatives

Equity and Social Justice

DPER's subarea planning program was initiated in 2015 to include communities in unincorporated King County in land use planning efforts. In many cases, these communities have large immigrant and low-income populations. After completing the Vashon Island subarea plan, DPER plans to complete plans for White Center in 2017 and Snoqualmie Valley in 2018.

Strategic Climate Action Plan (SCAP)

DPER's 2017-2018 Proposed Budget includes funding for a term-limited position that will develop green building codes, as recommended in the Strategic Climate Action Plan approved by the County Council. In addition, the expansion of online permitting will eliminate the need for customers to drive to Snoqualmie for permit applications, thus reducing emissions from eliminated automobile trips.

Best Run Government

Implementation of MyBuildingPermit.com will greatly simplify interactions with DPER for permit applicants and save applicants money. Although online permitting will necessitate increased permit fees, customer savings due to online permitting will exceed the marginal fee increase. DPER estimates that in-person permit application costs exclusive of fees exceed \$300 per application. These costs, which include additional plan sets and travel time, would be eliminated with online permitting and exceed the additional fee of \$164 required to fund MBP for a typical custom home building permit.

2017-2018 Executive Proposed Operating Budget PLANNING AND PERMITTING (EN_A32510)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	27,367,250	26,123,000	77.6	0.0
Base Budget Adjustments	646,685	0	0.0	0.0
Decision Package Adjustments	903,267	3,273,000	0.0	0.0
2017-2018 Executive Proposed Budget	28,917,202	29,396,000	77.6	0.0
2017-2018 Executive Proposed Ordinance	28,918,000	29,396,000	77.6	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_001) Pacific Raceways Demonstration Project Implement Ordinance 2015-0437 by adding expenditure authority for consultants to provide expedited review of Pacific Raceways permit applications. The associated revenue represents reimbursement from Pacific Raceways.	200,000	200,000	0.0	0.0
Administrative Service Changes				
(AC_001) Expiration of Permit Fee Surcharge Eliminate the 4.63 percent permit fee surcharge scheduled to expire on January 1, 2017.	0	(1,077,000)	0.0	0.0
(AC_002) Increase Permit Fee Revenue to Match Pro Forma Expenditures Raise permit fees by 12.7 percent to bring Pro Forma revenues into balance with expenditures. This proposal includes 7.9 percent to cover labor cost increases, 1.7 percent for increases in the cost of supplies and services, and 3.1 percent for central rate increases.	0	2,888,000	0.0	0.0

2017-2018 Executive Proposed Operating Budget PLANNING AND PERMITTING (EN_A32510)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(AC_003) Increase Permit Fee Revenue to Fund Credit Card Acceptance Increase permit fees by 1.7 percent to cover the cost of bank card fees, enabling customers to pay for permits issued by DPER with credit cards. Until now, DPER has been unable to accept payments by credit card because it did not have funds available to pay associated fees.	380,000	380,000	0.0	0.0
(AC_004) Increase Permit Fee Revenue to Fund MyBuildingPermit.com Implementation and Subscription Increase permit fees by 1.9 percent to fund 2017 implementation costs of joining MyBuildingPermit.com and 2018 subscription costs. Participation in MyBuildingPermit.com will enable DPER's customers to apply for permits, check permit status, receive permits, and schedule their inspections online, saving the need for them to call or go to DPER's office in Snoqualmie for these tasks.	426,000	426,000	0.0	0.0
(AC_005) Increase Permit Fee Revenue to Fund Employee Separation Costs Increase permit fees by 1.7 percent to fund retirement payouts for staff expected to retire during the 2017-2018 biennium.	380,000	380,000	0.0	0.0
(AC_006) Increase Permit Fee Revenue to Build Permitting Fund Balance Increase permit fees by 2.2 percent to rebuild Permitting Fund balance. The Permitting Fund is projected to end 2016 with a negative balance due to permit fees set below the cost of service in 2015-2016.	0	500,000	0.0	0.0
Technical Adjustments				
(TA_010) Net Zero Adjustments Net zero changes to reflect current spending patterns.	0	0	0.0	0.0
(TA_050) Revenue Adjustments Revise budgeted revenues to match current forecast.	0	(424,000)	0.0	0.0
(TA_114) Special Pays Adjustment Update special pay accounts for general wage increase (GWI) plus associated payroll taxes and retirement benefits.	1,680	0	0.0	0.0
Central Rate Adjustments	(484,413)	0	0.0	0.0
Total Decision Package Adjustments	903,267	3,273,000	0.0	0.0

2017-2018 Executive Proposed Operating Budget GENERAL PUBLIC SERVICES (EN_A32530)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	4,171,438	4,171,448	9.0	0.0
Base Budget Adjustments	76,520	33,998	0.0	0.0
Decision Package Adjustments	(159,902)	(116,805)	0.0	1.0
2017-2018 Executive Proposed Budget	4,088,056	4,088,641	9.0	1.0
2017-2018 Executive Proposed Ordinance	4,089,000	4,089,000	9.0	1.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_002) Code Enforcement for Cannabis-Related Business Activity Add 1.0 code enforcement position to respond to demand for marijuana code enforcement. This has been a high priority for residents of unincorporated King County, as expressed during Community Service Area meetings. This position will be backed by marijuana excise tax revenue that accrues to the General Fund.	227,270	227,270	1.0	0.0
Administrative Service Changes				
(AC_007) SCAP Green Building Position Implement the 2015 Strategic Climate Action Plan (SCAP) by adding 1.0 TLT position to draft green building codes. Funding for this position will be split between the General Fund and Solid Waste.	286,371	286,371	0.0	1.0
Technical Adjustments				
(TA_001) Transfer Abatement Manager to Abatement Services Transfer the Abatement Manager position from General Public Services to Abatement Services, which pays for the position according to King County Code.	(313,473)	(313,473)	(1.0)	0.0

**2017-2018 Executive Proposed Operating Budget
GENERAL PUBLIC SERVICES (EN_A32530)**

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(TA_010) Net Zero Adjustments Net zero changes to reflect current spending patterns.	0	0	0.0	0.0
(TA_050) Revenue Adjustments Revise budgeted revenues to match current forecast.	0	(316,973)	0.0	0.0
(TA_114) Special Pays Adjustment Update special pay accounts for general wage increase (GWI) plus associated payroll taxes and retirement benefits.	1,283	0	0.0	0.0
Central Rate Adjustments	(361,353)	0	0.0	0.0
Total Decision Package Adjustments	(159,902)	(116,805)	0.0	1.0

2017-2018 Executive Proposed Operating Budget DPER ABATEMENT (EN_A52500)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	593,020	204,224	0.0	0.0
Base Budget Adjustments	(400,000)	0	0.0	0.0
Decision Package Adjustments	1,124,677	1,113,473	1.0	0.0
2017-2018 Executive Proposed Budget	1,317,697	1,317,697	1.0	0.0
2017-2018 Executive Proposed Ordinance	1,318,000	1,318,000	1.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Administrative Service Changes				
(AC_008) Renton Concrete Recyclers Abatement Increase expenditure authority to reflect remaining abatement costs for the Renton Concrete Recyclers property, known colloquially as Mt. Anderson, and repayment of a \$400,000 interfund loan. Increase revenues to reflect proceeds from \$400,000 interfund loan and \$400,000 in revenue from sale of the property to reimburse abatement costs. This abatement action will resolve a long-standing code enforcement case affecting health, environment, and quality of life in the West Hill unincorporated area.	691,294	800,000	0.0	0.0
Technical Adjustments				
(TA_001) Transfer Abatement Manager to Abatement Services Transfer the Abatement Manager position from General Public Services to Abatement Services, which pays for the position according to King County Code.	313,473	313,473	1.0	0.0
(TA_050) Net Zero Revenue Adjustments Net zero adjustments to various revenue accounts to reflect current forecast.	0	0	0.0	0.0
Central Rate Adjustments	119,910	0	0.0	0.0

**2017-2018 Executive Proposed Operating Budget
DPER ABATEMENT (EN_A52500)**

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Total Decision Package Adjustments	1,124,677	1,113,473	1.0	0.0

2017-2018 Proposed Financial Plan
DPER Operating Fund / 000001340 and subfunds 1341 and 1346

Category	2015-2016 Estimated ¹	2017-2018 Proposed Budget ²	2019-2020 Projected ³	2021-2022 Projected ³
Beginning Fund Balance	1,160,044	(872,956)	(392,956)	1,542,044
Revenues				
Planning & Permitting (A32510)	25,437,000	29,396,000	26,456,000	26,985,000
General Government Services (A32530)	4,047,000	4,089,000	4,334,000	4,594,000
Abatement Services (A52500) ⁴	605,000	1,318,000	500,000	500,000
Total Revenues	30,089,000	34,803,000	31,290,000	32,079,000
Expenditures				
Planning & Permitting (A32510)	(26,572,000)	(28,917,000)	(24,522,000)	(25,993,000)
General Government Services (A32530)	(4,007,000)	(4,088,000)	(4,333,000)	(4,593,000)
Abatement Services (A52500)	(515,000)	(1,318,000)	(500,000)	(500,000)
Total Expenditures	(31,094,000)	(34,323,000)	(29,355,000)	(31,086,000)
Estimated Underexpenditures				
Other Fund Transactions				
Receivables Discount - Permitting ⁵	(1,003,000)	-	-	-
Revenue Deferral - Permitting ⁶	(25,000)	-	-	-
Total Other Fund Transactions	(1,028,000)	-	-	-
Ending Fund Balance	(872,956)	(392,956)	1,542,044	2,535,044
Reserves				
Rainy Day Reserve (45 days) ⁷	(1,638,000)	(1,783,000)	(1,512,000)	(1,602,000)
Total Reserves	(1,638,000)	(1,783,000)	(1,512,000)	(1,602,000)
Reserve Shortfall ⁸	2,510,956	2,175,956	-	-
Ending Undesignated Fund Balance	-	-	30,044	933,044

Financial Plan Notes

¹ 2015/2016 estimated reflects actual YTD thru May 2016.

² 2017/2018 Proposed Budget is consistent with expenditure and revenue data from Hyperion.

³ Outyear projections assume revenue growth of 12.5% and expenditure growth of 6% in 2019-2020, offset by a 20% decline in revenues and expenditures due to annexations and development cycle downturn. In 2021-2022, the financial plan assumes that revenues will grow by 2% and expenditures by 6%.

⁴ Abatement Services 2015-2016 revenue includes \$400,000 interfund loan to pay for abatement work on Mt. Anderson. This loan will be repaid in 2017-2018 when the Abatement Fund is reimbursed for abatement costs from proceeds from the sale of the property.

⁵ Receivable discounts reflect amounts due that have surpassed the six-year collection window. No material changes receivables are expected after 2015-16.

⁶ Permit fee revenue is deferred to reflect receipt of fees paid for services to be delivered in a future period. No material deferred revenues are expected after 2015-2016.

⁷ Rainy day reserves calculated as 45/365 x 1/2 of expenditures in Planning and Permitting.

⁸ Reserve shortfall and negative fund balance will be addressed by fee increases sufficient to gradually rebuild fund balance.

⁹ This plan was updated by Warren Cheney on 08/18/2016 and reviewed by Andrew Bauck on 08/24/2016.

DEPARTMENT OF TRANSPORTATION (DOT)

DEPARTMENT OF TRANSPORTATION (DOT)

DIRECTOR'S OFFICE

Mission

To improve the quality of life for the citizens of King County by providing mobility in a way that protects the environment, helps to manage growth, and provides transportation options to keep people and goods moving.

Overview

The King County Department of Transportation (DOT) Director's Office supports the delivery of transportation services by the department's Airport, Fleet Administration, Marine, Roads Services, and Transit divisions. The Director's Office represents the DOT and works closely with other departments to ensure coordinated delivery of transportation services. Leaders in the Director's Office work to establish the department as a key stakeholder in county and central Puget Sound regional forums where decisions are made regarding transportation policy, projects, and funding.

The Director's Office also delivers central provision of various services to DOT divisions, largely eliminating redundancy of effort and taking advantage of economies of scale. In addition, the Director's Office provides support and additional capacity to carry out existing and new functions mandated by the County or by state or federal law.

2017-2018 Problems, Opportunities, and Priorities

Over the next two years, the people of King County and their elected leaders will likely be presented with several proposals for maintaining or expanding public transportation services. While the public generally supports transportation as a priority, people do not clearly understand how local and state agencies are funded, often see all transportation agencies as one, and do not see how existing funding structures leave mounting unmet needs for local transportation.

In addition, several of the DOT divisions will be implementing significant projects/initiatives to address operational challenges:

- The Airport Division is developing a master plan that will address development alternatives, inform capital programming, and influence financial planning. In addition, the Airport will look to capitalize on expiring leases to enhance the regional economy as well as the long term financial viability of the facility and its operations.
- Fleet Administration will pursue actions to achieve aggressive Strategic Climate Action Plan (SCAP) goals regarding County vehicle fuel efficiency and greenhouse gas emissions.
- The Marine Division will engage with the Washington State Ferries on a generational opportunity – the construction of the new Colman Dock ferry facility. The new facility will enhance King County's provision of water taxi service, accommodate growth in service, and support potential new passenger ferry service in the future
- The Road Services Division will continue to use its limited resources to address safety and regulatory priorities and the highest priority maintenance issues. The division will continue to press for a funding solution to deliver a road system that supports transportation needs, local and regional economic development, and quality of life.
- Metro Transit Division will begin to plan for and implement the world class transportation system envisioned in METRO CONNECTS, Metro's long range plan. This will require considerable investments in service, capital infrastructure, and organizational capital.

Enhancing public understanding of mobility issues and supporting these large, multi-agency projects, programs, and plans will require strategic communications and intergovernmental staff resources. In response to this need, the DOT Director's Office has reorganized the Communications and Government Relations sections to strengthen support for these functions. In addition, existing resources were repurposed to create dedicated staff support for the implementation of equity and social justice, SCAP, and employee engagement activities, as described in more detail below.

Alignment with Executive Strategic Initiatives

Equity and Social Justice

The Director's Office provides leadership and coordination among the divisions to fully build a culture of equity and social justice in all services, daily business operations, internal county interactions, and external interactions with customers and the community.

The Director's Office internal focus is to build and maintain a work environment that is truly inclusive and supports and promotes all types of diversity. The Director's Office is also pursuing initiatives and efforts focused on community engagement and partnerships to support the external facing goals of equity and social justice. Planned activities include:

- Interacting with and tailoring materials and web-based information to communities of color, and low-income and limited English proficient populations by translating materials and developing culturally appropriate messaging.
- Increasing the cultural awareness and competencies of all staff, including management and supervisors, through training and workforce development.
- Ensuring equity in employment and development opportunities at all levels.
- Provide support to the Transit's Partnership to Achieve Comprehensive Equity (PACE) program.

Strategic Climate Action Plan (SCAP)

The Director's Office also leads and coordinates DOT's implementation of the SCAP and serve as the department's central point of contact. The office will provide the leadership, support, and coordination necessary to leverage new and existing resources, capture opportunities, and ensure a consistent, effective, and fiscally responsible approach to achieving the SCAP targets for reducing energy consumption and greenhouse gas emissions and preparing for the likely impacts of climate change.

To ensure that DOT remains on track toward the SCAP targets, the Director's Office will:

- Pursue grants, funding opportunities, utility-backed rebates, and partnerships that support energy efficiency, emissions reductions, and other strategies that advance the SCAP goals and targets.
- Work with federal, state, and local jurisdictions to guide development of policies that support a cleaner, lower-carbon fuel economy and infrastructure development.
- Encourage the use of public transportation as a key strategy to reduce countywide greenhouse gas emissions.
- Provide division-specific support, information, and data analysis to comprehensively evaluate and leverage opportunities, overcome barriers, and implement strategies to reduce emissions and increase operational efficiency.

Best Run Government

The Director's Office will support the Best Run Government initiative by investing in employee engagement, the use of Lean tools and data-based decision-making, and partnership development. The Director's Office will provide leadership and resources to the divisions to support responses to the 2015 Employee Engagement Survey and will ensure that action plans are developed with employee participation and implemented throughout the department. The Director's Office will continue to expand the use of performance management practices, using tier boards/visual management tools to help employees connect to division, department, and County goals and to measure success and identify opportunities to improve service delivery. The Director's Office will lead efforts to enhance the integration of financial, operational, asset, and other data sources to improve decision-making. Lastly, the DOT Director's Office efforts to strengthen strategic communications will support communications with jurisdictions and other partners regarding major projects and initiatives. Partnerships will be critical for the success of future regional mobility.

2017-2018 Executive Proposed Operating Budget DOT DIRECTOR (EN_A46400)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	11,291,405	4,190,124	28.6	0.0
Base Budget Adjustments	623,147	70,846	0.0	0.0
Decision Package Adjustments	228,475	226,600	0.5	1.0
2017-2018 Executive Proposed Budget	12,143,028	4,487,570	29.1	1.0
2017-2018 Executive Proposed Ordinance	12,144,000	4,488,000	29.1	1.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_120) Transfer Central Climate Change Costs	(331,075)	0	0.0	0.0
Allocate the County's central climate-related costs for 2017-2018, including membership fees in climate related organizations, a countywide greenhouse gas inventory update, consulting fees, regulatory dues to the Puget Sound Clean Air Agency, as well as the centralization of costs for four FTEs to help agencies across the county with climate-related activities. The allocation methodology is based on greenhouse gas emissions (51 percent DNRP, 45 percent DOT, and 4 percent FMD).				

Administrative Service Changes

2017-2018 Executive Proposed Operating Budget DOT DIRECTOR (EN_A46400)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(AC_001) Strategic Communications Positions Add an FTE and a TLT while eliminating one part-time position and repurposing consulting/professional services budget to help offset the cost of the new positions. The new positions enhance Department of Transportation (DOT) department-wide strategic communication and support community outreach and communications associated with increased activities in 2017-2018. The TLT position requested is a senior strategic communications advisor to provide strategic communication support. The FTE position requested is a communications specialist IV to provide additional community relations support needed in Transit, Roads and other DOT divisions.	412,803	0	0.5	1.0
Technical Adjustments				
(TA_001) Technical Adjustments Eliminate expenditure budget in the 464007 cost center, which was closed in the 2015-16 biennium.	(900)	0	0.0	0.0
(TA_050) Revenue Adjustments Adjusts revenue consistent with current expenditures.	0	226,600	0.0	0.0
(TA_110) Net Zero Adjustments Net zero changes to reflect current spending patterns.	0	0	0.0	0.0
(TA_113) Vacancy Rate Adjustment Reflects the salary savings associated with the natural rate of employee turnover for a given agency and provide greater transparency in the budget.	(110,000)	0	0.0	0.0
(TA_198) Motor Pool Dispatch Rental Remove vehicle dispatch rental rates from the Fleet Motor Pool central rate account 55010 and move them into account 55258 Motor Pool ERR SVS. The amount was estimated based on 2015 actual rental billings and revised based on agency need and estimated usage for 2017-2018.	25,000	0	0.0	0.0
Central Rate Adjustments	232,647	0	0.0	0.0
Total Decision Package Adjustments	228,475	226,600	0.5	1.0

METRO TRANSIT DIVISION

Mission

Provide the best possible public transit services and improve regional mobility and quality of life in King County.

Overview

Metro Services

The Metro Transit Division is responsible for providing public transportation services to the residents of King County. Metro Transit had a record year in 2015 as buses delivered 121.8 million passenger trips, making up more than 75 percent of the total transit boardings in King County.

Metro Transit provides other transportation services as well, including vanpools, paratransit, and alternative services. In 2015, the vanpool program provided 3.6 million passenger trips in more than 1,300 vanpools, and the paratransit services provided 1.3 million passenger trips (including Community Access Transportation partnerships). The Alternative Services Program introduced community shuttles and other innovative travel options in several communities.

Metro Transit also operates regional express bus and light rail services for Sound Transit. While regional express bus ridership was relatively stable compared to 2015, Link light rail grew by 7 percent. The opening of the University Link segment in March 2016 is already resulting in increased light rail usage, including increased transfer activity between light rail and buses.

In 2015, Metro Transit began operating bus services under contract with the City of Seattle. These services, funded by taxes within the City of Seattle, will support more than 270,000 annual hours of service by the end of 2016. The City of Seattle's streetcar network, operated by Metro Transit, grew as the First Hill Streetcar line joined the South Lake Union line.

Current Conditions

Following the Great Recession, Metro Transit faced several years of austerity while the organization grappled with revenues that were not keeping pace with the cost of providing service. Starting in 2014, regional economic conditions have improved and sales tax has shown strong growth, improving with each successive revenue forecast and eliminating the need for drastic service reductions that had been projected in the past few years. Coupled with strong economic growth, lower fuel costs are contributing to costs growing considerably less than inflation in the period 2014-2015.

Since 2014, population and employment in the service area have grown by 5 percent and 2 percent respectively. This growth is reflected in increased ridership, and Metro continues to identify overcrowded buses and corridors that are below their target service levels, as defined in the adopted Service Guidelines. In addition, Metro is also seeing more traffic congestion stemming from the strong economy and lower fuel prices. This has resulted in the need for service-hour investments to maintain schedule reliability.

Metro Transit is currently operating 3.7 million hours of service, significantly more than the 3.2 million hours of service envisioned 2 years ago during the 2015-2016 budget development. During the recession, Metro mitigated some of the impacts by cutting non-direct staff, programs, and projects, reducing Metro's capacity to support growth. As the economy improves and more service is operated, Metro's ability to deliver the increased service is stretched thin.

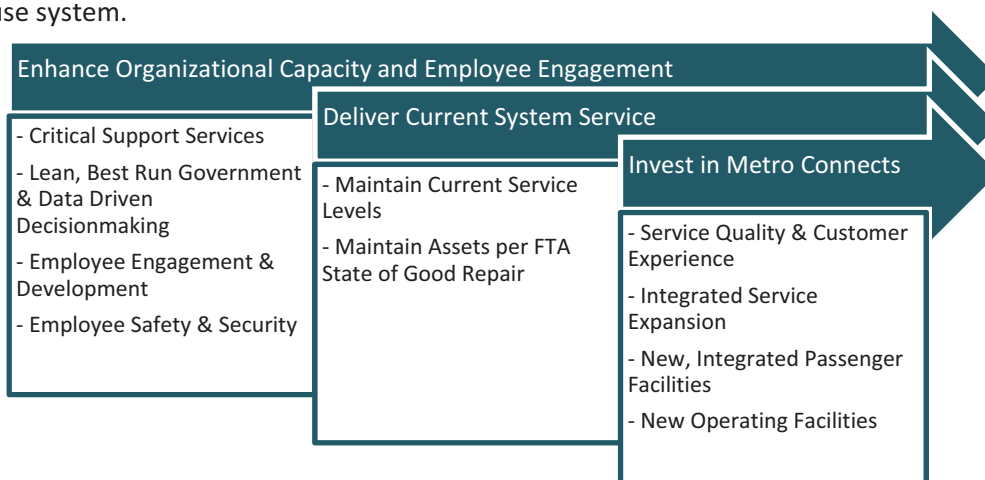
Planning for the Future

The 2017-2018 Proposed Budget was developed on the strong foundation established by *Metro's Strategic Plan for Public Transportation 2011-2021* (Strategic Plan). A significant part of the strategic plan is the Service Guidelines, which are used each year to analyze the corridors and bus routes in the transit system using objective criteria. The results of the analysis are published annually as the *Service Guidelines Report* and used to determine where service should be increased, reduced, or changed. Metro has also developed a new long-range plan that would shape future transit system service and investments. This plan, METRO CONNECTS, is Metro's vision for creating more service, more choices and one easy-to-use system over the next 25 years.

As Metro Transit looks forward to enhancing service in the next biennium, the theme of the 2017-2018 budget is to impress transit customers and inspire employees by:

- Delivering great service
- Improving service reliability
- Keeping the system safe
- Making Metro a great place to work

To accomplish the above, Metro Transit's 2017-2018 Proposed Budget focuses on enhancing organizational capacity and employee engagement, effectively and efficiently delivering the current service levels, and investing in the METRO CONNECTS vision of more service, more choices, and one easy to use system.



2017-2018 Problems, Opportunities, and Priorities

Current Service Needs

Metro Transit operates under policies adopted by the King County Council and its Regional Transit Committee. These include the *Strategic Plan for Public Transportation 2011-2021*, which establishes broad goals, and the *Service Guidelines*, which are used to plan and manage the transit system. The Strategic Plan and Service Guidelines reflect the recommendations of the 2010 Regional Transit Task Force and the 2015 Service Guidelines Task Force.

The Service Guidelines enable the public to see the basis of Metro Transit's proposals to expand, reduce, or revise service. They set priorities for service changes and have guided Metro in planning service changes since their adoption. The service guidelines support Metro's goals for human potential, service excellence, financial stewardship, and public transparency.

The draft *2016 Service Guidelines Report* has determined a need for approximately 520,000 additional service hours annually to address crowding, reliability, and target service level needs, compared to the approximately 472,000 hours of service need identified in the *2015 Service Guidelines Report*.

The 2017-2018 Proposed Budget adds approximately 160,000 service hours to address crowding, reliability, and target service level needs identified in the Service Guidelines. In addition, the budget also includes another 140,000 hours to mitigate reliability impacts related to construction activity and to provide time in schedules for operators to take restroom breaks.

Fund Management Policies

During 2015 and 2016, in response to Executive and County Council direction, Metro Transit worked with the Office of Performance, Strategy and Budget (PSB), Executive Office, and Council staff to review and revise the Fund Management Policies that apply to the Public Transportation Fund. This workgroup engaged a financial management consulting firm to review existing reserves and reserve target levels while staff focused primarily on ensuring consistency with the King County Comprehensive Financial Policies.

The result of this work was presented to a Special Committee on Transit and agreement was reached on a set of fund management policies that will support the financial sustainability of the transit system. Key elements of these policies, which were unanimously adopted by the Council in July 2016 and are incorporated into the 2017-2018 Proposed Budget, include establishing a revenue stabilization reserve and refining the existing practice of funding fleet replacements by establishing a stable contribution approach.

Fares and Fare Policy

An integral part of Metro's financial plan is the contribution customers make to fund transit service. From 2010 to 2015, Metro's farebox recovery rate grew from 26.9 percent to a record level of 31 percent. The new Fund Management Policies establish a target of 30 percent and a floor of 25 percent for farebox recovery.

During the 2017-2018 biennium, Metro Transit will embark on a program to design and implement the Next Generation ORCA system for fare payment. A fare policy review is needed in order to ensure that King County has the best fare policies for the future as the Next Generation ORCA system is being developed for implementation early in the next decade. Opportunities to simplify fares, examine ways

to collect fares off the bus, as well as address emerging concerns with youth fares are some of the areas that will be explored.

The ORCA LIFT low-income fare program was introduced in March 2015. The continued growth of the ORCA LIFT program will put pressure on the farebox recovery ratio. To provide for additional, temporary capacity to pilot different fare policy options, an increase in the Special Rates of Fare cap established in the King County Code is being proposed as part of the budget.

Federal Funding and State of Good Repair

Like transit agencies around the country, Metro Transit depends on federal money to assist in buying new buses and financing capital projects. Currently, Metro receives approximately \$70 million annually in federal assistance through the Federal Transit Administration (FTA) formula grant program. The *Fixing America's Surface Transportation Act* (FAST Act), provides the framework and sets authorization levels for the next five years for federal transportation spending. The FAST Act is scheduled to expire September 2020.

The FAST Act increases federal assistance to transit agencies, re-introduces a discretionary bus program, increases funding levels for formula grant programs over the life of the act, has an increased emphasis on maintaining assets in the "State of Good" repair, and changes some of the formula programs to be more restrictive in how the funding can be used. Failure to meet the federal State of Good Repair requirements could result in Metro's inability to qualify for federal funding.

A new restriction on the use of the State of Good Repair High Intensity Fixed Guideway funding that Metro Transit receives, primarily related to its electric trolley/bus network, may prove to be a challenge for Metro. The new restriction will require a revised approach to the use of these grant funds and will require working with other transit agencies to address the restrictions. Even with the passage of the FAST Act, a long-term issue remains with the Highway Trust Fund. Currently funding is in place for the first half of the FAST Act. Future funding solutions must be addressed by Congress to fully implement the FAST Act as envisioned.

Maintaining Metro Transit assets in a state of good repair has been a priority of the capital program for more than a decade. FTA's new State of Good Repair program will require ongoing reporting of asset condition and demonstration of how the needed work will be funded. Approximately 80 percent of Metro Transit facilities have been assessed since the start of the current effort in 2014. The recently completed assessments identify \$50 million to \$80 million of additional investment need in the next 10 years. The 2017-2018 Proposed Budget dedicates funding to this program consistent with the identified need.

An issue for Metro Transit is how to provide sufficient resources for these efforts. While the budget provides funding for implementation, the staff resources to plan, design, engineer, inspect, and manage projects have been lacking. This is due in part to the need to address emerging capital program issues associated with partnerships and work that was not foreseen when the 2015-2016 biennial budget was developed. The resource issue was noted in the King County Auditor's report *Transit Asset Management: Improvements Needed to Meet Workload*, issued in December 2015. In response, the 2017-2018 Proposed Budget includes additional staff to support asset maintenance work and other capital programs.

The Changing Marketplace of Service Provision

Metro Transit's budget also includes investments in service options other than traditional fixed-route bus service.

- **Alternative Services.** The 2015-2016 budget included funds for a four-year demonstration program for Alternative Services. While the program arose due to anticipated reductions in bus service, it has quickly become an important tool for providing equitable access to public transportation. Specifically, the Alternative Services "toolbox" provides options to more effectively meet the mobility needs of people who are not well served by the fixed-route service or where there are geographic gaps in service. The program works with communities to tailor transportation services to their needs. By the end of the fourth year, the program will have implemented 15 individualized services. While to date the program has focused on development and implementation, it will begin working on establishing targets for the long-term sustainability of the program. The 2017-2018 Proposed Budget continues funding for the alternative services program operating costs and expands funding for capital vehicle purchases.
- **Accessing Transit.** In addition to providing alternatives to fixed-route buses, Metro is exploring ways to work with new alternatives such as Uber, Lyft, Car2Go and ReachNow. These new services, combined with bike and pedestrian programs, will provide more options for customers to meet their local travel needs and connect to the larger transit system by combining products and services. The Proposed Budget includes grant funding to support planning work for non-motorized investments as well as expansion of park-and-ride capacity.
- **Seattle Community Mobility Contract.** As part of the City of Seattle's Community Mobility Contract, the City will be increasingly targeting its services to future RapidRide corridors in Seattle, consistent with its Move Seattle program. Metro Transit's 6-year capital program includes project funding to support this work, as well as expansion of the RapidRide program throughout King County as envisioned in METRO CONNECTS.
- **Sound Transit (ST) Integration.** By 2021, the existing ST2 program will have expanded the light rail system to the north and east areas of the county. Further expansion proposed in ST3 could result in a number of opportunities for service integration to give customers smooth transfers between travel modes. Metro has been working closely with Sound Transit during the planning process for the development of Metro's long-range plan and Sound Transit's system plan. Together the two agencies identified opportunities for service integration. Metro Transit's 6-year capital program includes funding for Link integration planning, design, and implementation work.

The Foundation for the Future

Metro Transit has spent the last year and a half working with jurisdictions to complete Metro's draft 25-year long-range plan, METRO CONNECTS. This long-term vision grew out of a highly collaborative process among transit customers, King County cities, Sound Transit and other transportation agencies, businesses, and others. Through community forums, advisory group meetings, and other opportunities, hundreds of participants shared their needs and ideas for mobility. Based on this input, METRO CONNECTS envisions an interconnected system of transportation choices that move people farther, faster, and more reliably to places they want to go.

The 2040 vision includes the following key elements:

- Doubling of transit ridership across the county, with a 70 percent increase in Metro services.
- 20 new RapidRide lines for a total of 26 around the county; 13 more by 2025.
- New express and local services tailored to community needs.
- Improved connections to Link and other transit providers.
- Enhanced customer information.
- Improved access to transit through more sidewalks and other non-motorized improvements, park-and-ride lots, and wayfinding.

With this vision and working with partner agencies such as Sound Transit, the percentage of people with frequent service, such as RapidRide, will triple. The percentage of the region's population using transit is projected to double as a result of the proposed investments, removing 300,000 cars from county roadways.

METRO CONNECTS calls on Metro to work with partner transit agencies to deliver services collaboratively, and to invest with jurisdictions in infrastructure improvements to improve the customer experience and the speed and reliability of the service. The 2017-2018 operating budget and 2017-2022 capital program start implementing the METRO CONNECTS vision through investments in new service consistent with the Service Guidelines and implementing new RapidRide lines, speed and reliability investments to improve travel times, improvements to transfer facilities and transit hubs, and investments in critical support services such as base capacity, buses, and other revenue vehicles. The 2017-2018 budget lays the foundation for the efficient and effective expansion the transit system over the next 25 years to meet the vision of METRO CONNECTS. However, attaining the full vision requires investment beyond Metro's existing resources.

Internally-Facing Areas of Focus

In addition to the above external-facing problems, opportunities, and priorities, Transit must also focus on several internal issues.

Managing Change In response to the Great Recession, Metro took steps to reduce costs and preserve bus service. These steps included cutting staff, tightening bus schedules, and delaying base expansion. While these and other cost-containment efforts and mitigation strategies were largely successful and Metro experienced only minor service reductions through 2014, the scaled back organization will continue to represent a challenge to expanding service and project delivery.

By late 2014, the economy had improved and most of the identified reductions were not required to maintain sustainable levels of service. In addition, funded by the voter-approved 2014 Proposition One, the City of Seattle entered into a Community Mobility Contract with the County that resulted in the addition of more than 270,000 hours by 2017. The 2017-2018 budget proposes the addition of 300,000 more service hours, phased in over the biennium to address the areas of highest need as defined in the Service Guidelines. The ability to add reliable service is currently constrained due to the lack of base capacity, the ability to hire and train staff, and to adequately equip coaches.

This recent and proposed growth in service levels has created an organizational challenge for Metro Transit. While the higher-than-planned service levels have resulted in more service for the

customer, it has created an unprecedented need to recruit, hire, and train employees and has stretched Metro's internal resources to support and expand the system. The needs for recruiting, hiring, and training are particularly acute with regard to operators. To address this need, the 2017-2018 budget invests in staff to support operator hiring and training. The budget maintains vehicle maintenance staff hired in the 2015-2016 biennium to support preparing vehicles for service.

The unanticipated increase in service levels also resulted in the need to continue to operate coaches that were beyond the end of their useful life and due to be surplus. Retaining these vehicles in daily operation requires more intensive and expensive maintenance. During the recession, Metro deferred plans to expand operating capacity. The current and proposed increase in service requires more coaches and has strained existing base capacity, jeopardizing efficient and reliable operations. Therefore, as discussed in more detail in the capital section, the 6-year capital program includes significant resources to both replace these existing coaches and to expand Metro Transit's base capacity.

In response to the 2009 Performance Audit, Metro Transit removed about 120,000 hours from the bus schedules. These hours, identified as schedule efficiencies, were primarily layover (or recovery) time built into the schedule to afford drivers breaks and to ease the impacts of traffic congestion on service schedules. These reductions led to less reliable service for customers, who see their buses arrive late more often. The reductions are most keenly felt by Metro employees because, in some cases, they have resulted in insufficient break time for operators. Adequate breaks and convenient restroom facilities are important to the personal health of operators and have an impact on customers as well. Operators who are rested and not worrying about when they will be able to find a restroom can provide safer operations and better customer service. The 2017-2018 Proposed Budget service additions include about 30,000 hours to be added to bus schedules providing operators sufficient time to take restroom breaks, and the 6-year capital program includes funding to plan, design, and implement comfort stations conveniently sited at the end of the bus routes for operator use.

Many of the budget proposals identify areas where investment is needed to ensure that Metro Transit can support its growing services and system, including staff to support hiring and training and the expansion of the capital program. These changes are not simply adding back items that were cut. Rather Metro and the Executive have looked strategically at the organization and identified key investments that are needed now.

Moving Technology Forward Over the past two years Metro developed a *Strategic Technology Roadmap for Transit* (STRT). Initially a response to a County Council proviso, this became a valuable exercise for Metro and King County Information Technology (KCIT) to identify and document the current and emerging issues associated with the Metro's use of technology. The STRT builds on prior efforts to develop an "enterprise architecture" that identifies each system used along with the interdependencies of data elements. The STRT outlines a vision, goals, objectives and strategies for Metro's technology program in addition to providing a framework for moving forward.

Consistent with the STRT, the Proposed Budget includes investments in the Next Generation ORCA fare payment system, replacement of the wireless data network, business intelligence data, safety and security data systems, automatic vehicle location and vehicle telematics, and projects related to transit signal priority.

Taking the steps identified in the STRT will be key to moving forward with technological systems that meet the needs of the dynamic transit system and avoid business disruptions caused by system failures. In addition, a new element of the FTA State of Good Repair program discussed earlier involves technology systems used to provide and support service. Under the FTA program, these systems are subject to the same requirements as buildings and structures.

To successfully address technology needs, including modernization and replacing aging systems, Metro Transit and KCIT staff will not only identify the needed work and resources, but also pursue innovative ways to address agency needs quickly. Solutions may include organizational changes, more agile approaches to project management, and the development of requirements so that the needed work is clearly described.

Employee Engagement Consistent with the Executive's Best Run Government initiative, in the 2017-2018 biennium Metro Transit will work to improve employee engagement in a number of ways, including training, employee development, safety program changes, management interaction with employees, employee communication improvements, and other actions. The ability to increase organizational capacity requires an engaged workforce and a work environment free of negative elements that detract from the energy and effort employees bring to their work. It involves maximizing individual and group contributions toward a customer-focused and continuously improving work environment.

Some results of the 2015 employee engagement survey indicated a disconnect between individual employee's commitment to customer service and their sense that King County does not support their collective efforts. Metro has initiated efforts to address the concerns raised by employees.

Investments in employee engagement included in the proposed budget include the comfort stations and additional time in schedules for restroom breaks as discussed above as well as cameras in all buses, employee development activities, moving to predictive safety and crime analysis, and additional Metro Transit police. The proposed budget includes resources to begin implementation of various safety improvements called for in an independent safety review including implementation of a safety data system, addition of data analysis resources, and development of an implementation plan for other recommendations related to improving the safety culture at Metro Transit. In addition, building on the Partnership to Achieve Comprehensive Equity (PACE) initiative launched in 2014, the 2017-2018 budget continues efforts to build an inclusive, fair, and equitable work environment.

Alignment with Executive Strategic Initiatives

Equity and Social Justice

Metro applies equity and social justice principles throughout its service operations as well as within the organization itself.

Equity and Social Justice in Service Provision

One of the eight goals in Metro's Strategic Plan for Public Transportation 2011-2021 is to provide equitable opportunities for people from all areas of King County to access the public transportation system. Pursuant to this goal, Metro strives to provide access to jobs, education, and other destinations for all customers, particularly those who have been historically disadvantaged (people with low incomes, students, youth, seniors, people of color, people with disabilities, and others with limited transportation options).

In the Service Guidelines that are part of the Strategic Plan, social equity is one of three priorities considered when setting target service levels for corridors. Specifically, Metro takes into account the number of people who board buses in areas that have a relatively high concentration of low-income and minority residents. Metro also ensures that social equity is a primary consideration in any service reduction proposal, making sure that historically disadvantaged populations are not disproportionately impacted. With the most recent update of the Strategic Plan and Service Guidelines, Metro will now more directly involve affected communities. Techniques will include more targeted community engagement opportunities to gather input and identify impacts and benefits of service and fare proposals before they are finalized.

Metro Transit complies with federal laws that require the public transportation system to be equitable, accessible, and just. The Americans with Disabilities Act (ADA) requires that Metro ensure equal opportunities and access for people with disabilities. A 1994 executive order requires that all federal agencies include environmental justice in their missions. This means that Metro cannot disproportionately impact minority or low-income populations and must ensure full and fair participation by all potentially affected groups. Metro provides public transportation that adheres to these and other federal requirements.

Metro Transit regularly reports on its compliance with Title VI of the Civil Rights Act of 1964. These reports identify minority and low-income census tracts—those that have a percentage of low-income and minority residents that is greater than the countywide average—and characterize impacts by census tract. With each major service change or fare change, Metro completes and provides for King County Executive and Council review a Title VI analysis aimed at identifying disparate or disproportionate impacts.

Metro has a number of services and programs that serve and provide opportunities for disadvantaged populations. These include:

- **Access** The Access program meets the ADA mandate to provide service that is comparable to fixed-routes service for people with disabilities who are unable to use the fixed-route system.
- **Community Access Transportation Program (CAT)** CAT is an alternative to the more expensive Access service. Metro provides vans and support to community groups and others that provide travel options for disabled and elderly people.

- **Job Access and Reverse Commute Program** This program provides community van programs to transport low-income clients to training or employment sites.
- **Human Services Ticket Program** Metro's Human Services Ticket Program sells bus tickets at a substantial discount to human service agencies. The agencies then provide the tickets to their clients so they can get to shelters, medical appointments, job training/interviews, etc.
- **Downtown circulator shuttle** To reduce the impacts of the elimination of the Ride Free Area in downtown Seattle, Metro assisted Solid Ground and the City of Seattle with operation of a free downtown circulator service.
- **Discounted fares** Metro's fare structure recognizes the income differences among segments of our society and provides lower fares for seniors, people with disabilities, and youth.
- **ORCA LIFT low-income fare program** In February 2014, the King County Council created a low-income fare that took effect March 1, 2015. Through June 2016, the ORCA LIFT program has registered over 30,000 individuals, who are now taking more than 550,000 rides on Metro and other regional services monthly.

Equity and Social Justice within Metro Transit

In addition to supporting the County's employee engagement efforts, Metro Transit's continued work to address inequities internally are driven by:

- Recognition that Metro's internal workplace dynamics influence its service to the public.
- Compliance with Equal Employment Office (EEO) federal funding requirements.
- The Partnership to Achieve Comprehensive Equity (PACE).

To address and comply with the recommendations and requirement of these key drivers, Metro established the EEO/Diversity and Inclusion Program. One existing FTE currently staffs this program. The 2017-2018 budget request includes the investment of one additional FTE to help increase organizational capacity to effectively address issues of equity and social justice, EEO, diversity, and inclusion. This investment will aid in the provision of overall program development support and oversight related to the following:

- Establishing an effective and efficient system-wide approach to identify and address EEO and diversity concerns at the lowest level.
- Providing agency-wide support and consultation regarding the integration of ESJ, EEO, and diversity and inclusion principles and strategies into all practices, policies, training programs, systems, and procedures.
- Overseeing, supervising and/or performing investigations into complaints of discrimination or harassment.
- Monitoring, evaluating, and reporting on program progress and challenges.
- Ensuring equity in recruitments and all employee actions including development, promotions, and discipline.

Strategic Climate Action Plan (SCAP)

Metro has a key role to play in helping King County achieve its aggressive goals related to reducing countywide and County operations greenhouse gas emissions by providing travel options that promote the use of public transportation and by incorporating green concepts into every aspect of its operations. Transportation accounts for nearly half of all greenhouse-gas emissions in the region. Trends point to a continued rise in transportation emissions as population and employment increase and as land-use patterns continue to favor automobile travel. Reducing emissions will require significant changes in how King County residents live and travel, and solutions must address a key emissions driver—vehicle miles traveled.

At the most basic level, Metro Transit will work to increase ridership through the provision of more service to more people through one easy to use system. Metro Transit's 2017-2018 budget also invests in safety, information services, and other elements that will improve the Metro experience for the customer. These activities support the SCAP's priority action to make transit service more productive and attractive and will help increase the non-drive alone rate by providing increased transit connectivity throughout the region. All efforts to increase Metro Transit services support the countywide goal to reduce greenhouse gas emissions and do so by reducing congestion and replacing single occupancy vehicle travel with a more efficient method of getting people where they need to go when they need to get there.

Metro is working to reduce its emissions through continued monitoring of the current low-emission fleets and through the piloting of electric vehicles. As Metro expands operations over the next several years, it will also work to achieve platinum green building/sustainability certification.

A few of the SCAP targets that Metro Transit is working toward with investments in service, fleet, and other budget investments include the following:

- Grow transit service thru 2020 with no increase in operational GHG emissions
- Double transit ridership by 2040
- Increase non-drive-alone rate for Commute Trip Reduction (CTR)-affected worksites by 2020
- Utilize all hybrid and electric bus fleet by 2018
- Deploy low GHG emissions fleet technologies across fleets
- Reduce fuel use in all fleets by 10 percent by 2020
- Increase the use of alternative fuels by 10 percent by 2025 (over the 2014 baseline)
- Reduce energy use in existing buildings 25 percent below 2012 levels by 2030
- Reduce energy use by 5 percent by 2020, 10 percent by 2025
- Use 100 percent GHG-neutral electricity by 2025

Best Run Government

Metro Transit is committed to becoming a Lean organization and now has a small office of continuous improvement staff. The Lean Transformation Office is using the Lean maturity model put forward by the County Auditor to develop the agency's transformation plan for the biennium. The maturity model areas of focus for 2017-2018 are leadership, culture, transformation strategy, and implementation. In 2017-2018, Metro Transit will continue its use of Lean and other continuous improvement processes to improve its operations.

Maturity Model Focus Metro will use several strategies to move the dial on Lean maturity, including building visual management systems (tier boards) throughout the agency, further developing Lean leaders at every level, and developing a model line.

Visual management systems connect all staff in every section to Metro's key strategic goals and measures. They also provide the structure that allows managers, frontline leaders, and frontline staff to make everyday improvements based on facts and data. Leaders use these systems to practice critical Lean leader behaviors such as listening, coaching, grasping the problem, challenging the current process, and making it safe to test creative solutions. The goal is to have more than half of managers and staff engaged around visual systems by the end of 2018.

Lean leaders will be further developed through development paths customized for their level of leadership (frontline, middle management, senior management) in the organization. Leaders throughout Metro, with a special emphasis on Bus Operations, Power and Facilities, and Vehicle Maintenance sections, will receive additional training and coaching support in the areas of visual systems, Lean problem-solving (A3 thinking and plan-do-check-act), and listening and coaching.

A model line is under development at Ryerson Base. The concept of a model line is to create an example of a fully Lean management system. The model lines will include Lean technical elements that maximize the value creation steps and eliminate much of the non-value added steps. Lean principles such as flow, 5S, pitch boards, and kanban will reduce the amount of labor expended on the work that flows through the model line, freeing up capacity in these work-cells for other work. The model lines also become demonstration sites providing a rich training ground where others throughout the organization can "go see" what can be realized through Lean practices.

Operational Focus Areas The primary operational Lean focus area at Metro Transit has been on the parts supply process. Vehicle Maintenance continues to move from a "just-in-case" to a "just-in-time" inventory to improve inventory turns (the number of times that inventory turns or cycles) and prevent the accumulation (and eventual write-off) of obsolete inventory. The value of inventory on hand at the test base (Ryerson) has been reduced by \$417,000 since the effort started in 2014. The inventory processes have recently been exported to four more bases with two more bases planned by the end of 2016.

More recently, Metro has used Lean methods to reduce the time that it takes to outfit new coaches for revenue service from 67 to 30 days. This improvement allows Metro to get coaches on the road faster and maximizes the ability to find manufacturer defects and reclaim money while the coach is still under its one-year warranty. A pilot program is also underway at Ryerson base to speed up the receipt and inspection of new coaches when they arrive at the base and to better coordinate new fleet training with Operations.

Capital Improvement Program

The purpose of the Public Transportation Capital Program is to address the needs of the Metro Transit system. In order to support the transit system in King County, Metro owns, operates and maintains a large number of capital assets. Metro currently owns assets valued in excess of \$2.6 billion, ranging from buses and other vehicles to technology systems to a network of passenger and operating facilities. The capital program aims to maintain assets in a state of good repair, support current service provision, and support service expansion as identified in METRO CONNECTS.

State of Good Repair

The first priority of the capital improvement program (CIP) is to ensure that the existing infrastructure is maintained in a state of good repair as described earlier in this narrative. Annually, 20 percent or more of the system infrastructure assets are subject to a condition assessment. These condition assessments help Metro identify the financial resources needed to make the needed improvements. Based on these assessments, the 2017-2022 CIP budget for just the Metro Transit Asset Maintenance Program – which contains projects to maintain Metro Transit facilities, equipment, sites, and operations infrastructure – has increased by more than \$70 million. As noted by the County Auditor, Metro has not always had the staff resources to support the identified improvements. The budget looks to address this issue with a significant increase in program staffing.

Other investments in state of good repair include revenue vehicle and information technology system replacements. The CIP continues to prioritize timely replacement of revenue vehicles.

Current System Improvements

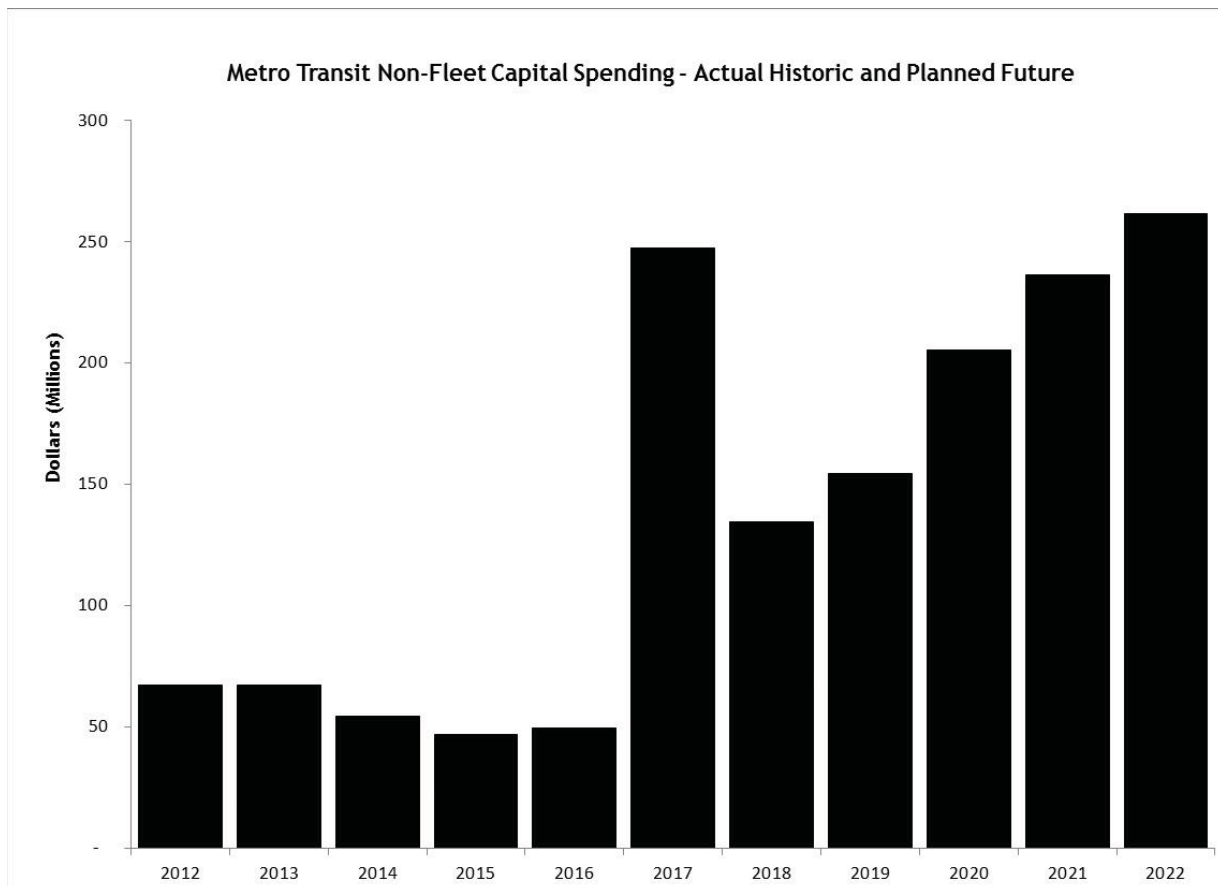
The second priority of the program is to support the needs of the current transit system. Projects in this category include ongoing investments in the shelter network, corridor improvements, and some technology projects. Major investments in the system include siting and construction of downtown layover, participation in the One Center City Mobility Plan, and funding for the Regional Transit Connectivity project.

System Expansion

The third priority of the CIP is to support system expansion. The proposed METRO CONNECTS plan identifies investments needed to build the 2025 network that is envisioned in the plan. The 2017-2022 Metro Transit CIP includes a number of priority investments for METRO CONNECTS. Significant investments are listed below and described in more detail in the capital program tables on the following pages.

- Base Capacity Projects
- 13 RapidRide Lines
- Hubs, Transfer Points, and Sound Transit Integration
- Transit Priority Corridor Improvements
- Access to Transit Investments

Overall, Metro Transit anticipates significant increases in non-fleet capital spending over the 6-year program, as illustrated below.



2017-2018 Proposed Financial Plan
Public Transportation - Enterprise Fund / 4641,4643,3641,3642,8430

Category	2015-2016 Estimated ¹	2017-2018 Proposed Budget ²	2019-2020 Projected ³	2021-2022 Projected ³
Beginning Fund Balance	559,727,168	802,524,301	643,951,373	682,010,481
Revenues				
Fares (Bus, ACC, VP, SC)	348,182,632	353,240,941	380,670,982	408,042,254
Other Operations (Bus, ACC, VP, SC)	44,076,350	44,438,751	45,352,428	46,639,822
Seattle CMC	38,273,683	71,218,000	75,125,610	79,800,792
Sales Tax	1,093,435,313	1,229,651,118	1,308,642,210	1,408,551,511
Property Tax	53,295,222	46,692,577	58,667,508	61,386,631
Congestion Relief Charge	2,333	-	-	-
Interest Income	10,072,924	9,465,684	21,577,183	36,282,340
Grants	234,660,871	175,053,769	136,789,432	215,122,867
Sound Transit Payments	173,976,207	203,935,126	217,899,637	222,657,966
Support of Other KC Divisions	3,975,620	4,487,570	4,735,093	4,964,739
Miscellaneous	50,624,764	58,708,689	55,767,679	71,834,070
Total Revenues	2,050,575,920	2,196,892,225	2,305,227,762	2,555,282,992
Expenditures				
Transit Operating	(1,421,138,542)	(1,578,033,137)	(1,750,761,268)	(1,864,755,670)
DOT Director's Office	(11,337,338)	(12,143,027)	(12,868,379)	(13,462,349)
Revenue Stabilization	-	-	-	-
Infrastructure Capital	(469,501,749)	(419,710,261)	(405,378,412)	(547,693,294)
Revenue Fleet Capital	-	(481,606,076)	(160,241,387)	(142,236,096)
Debt Service	(31,409,539)	(44,614,000)	(45,635,894)	(45,624,989)
Estimated Underexpenditures				
Operating Program	3,784,782	7,950,881	8,818,148	9,391,090
Capital Program	6,413,013	20,659,546	(1,949,508)	11,883,269
Total Expenditures	(1,923,189,372)	(2,507,496,074)	(2,368,016,699)	(2,592,498,039)
Estimated Underexpenditures				
Other Fund Transactions⁴				
Debt Proceeds	-	149,594,322	101,384,696	62,724,983
Misc Balance Adjustments	115,410,585	2,436,599	(536,650)	1,812,000
Total Other Fund Transactions	115,410,585	152,030,920	100,848,046	64,536,983
Ending Fund Balance	802,524,301	643,951,373	682,010,481	709,332,418
Reserves⁵				
Operating Ending Target Requirement	(38,899,385)	(42,131,502)	(44,762,407)	(48,586,850)
Revenue Stabilization Reserve	(220,429,846)	(238,745,178)	(253,653,641)	(275,325,484)
Capital Designated Revenue	(40,560,714)	(34,412,380)	(35,164,046)	(35,164,046)
Revenue Fleet Replacement Reserve	(43,895,769)	(42,000,000)	(132,000,000)	(228,000,000)
Bond Ending Fund Reserve	(20,590,530)	(21,215,129)	-	-
Total Reserves	(364,376,242)	(378,504,189)	(465,580,093)	(587,076,379)
Reserve Shortfall	-	-	-	-
Ending Undesignated Fund Balance⁶	438,148,059	265,447,184	216,430,388	122,256,038

Financial Plan Notes

¹ 2015-2016 Actuals reflect year end information from EBS and are consistent with the Budgetary Fund Balance figures published by FBOD.

² 2017-2018 Proposed Budget is consistent with expenditure and revenue data from Hyperion.

³ Outyear projections assume revenue and expenditure growth of consistent with anticipated service levels and reflect the most recent estimates.

⁴ Other fund transactions include accounting adjustments to balance to budgetary fund balance, debt proceeds, and transfers between funds.

⁵ Reserve levels reflects those adopted in the Fund Management Policies for Public Transportation.

⁶ The undesignated fund balance identified in this financial plan will be used consistent with proposed improvements in METRO CONNECTS, Transit's long range plan, which sequences service expansion and capital investments to provide efficient and effective service provision.

⁷ This plan was updated by Shelley De Wys on September 17, 2016.

2017-2018 Executive Proposed Operating Budget TRANSIT (EN_A46410)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	1,437,003,386	1,492,253,823	4,242.8	27.0
Base Budget Adjustments	89,465,945	15,962,101	15.9	1.0
Decision Package Adjustments	51,563,806	284,116,849	325.5	20.0
2017-2018 Executive Proposed Budget	1,578,033,137	1,792,332,773	4,584.2	48.0
2017-2018 Executive Proposed Ordinance	1,578,034,000	1,792,333,000	4,584.2	48.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_001) Metro Transit Direct Service	30,466,940	0	213.0	0.0
Add approximately 300,000 bus service hours in the 2017-2018 biennium. The proposed changes address several needs, including:				
- Addressing crowding, reliability, and other high priority needs per the Service Guidelines.				
- Maintaining system reliability by mitigating the impact of construction activity and the assumed removal of buses from the Downtown Seattle Transit Tunnel currently scheduled for Fall of 2018				
- Improving operators' work environment				
- Adding hours purchased by the City of Seattle resulting from the supplantation rules in the Community Mobility Contract				
- Adding hours purchased by Sound Transit - Regional Express (REX)				
The service adds result in additional fare revenue, which is accounted for in the revenue adjustment decision package.				

2017-2018 Executive Proposed Operating Budget TRANSIT (EN_A46410)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(DS_010) Comprehensive HR Delivery Invest in the Human Resources/Labor Relations Section within Metro Transit to increase the agency's capacity to deliver comprehensive HR services to all sections throughout the Agency. This investment will allow Metro Transit Human Resources/Labor Relations section to pursue strategic initiatives and programs aimed at establishing an efficient and effective workforce capable of meeting the future needs of Metro Transit. This package transitions term-limited temporary positions into FTEs in the 2017-2018 biennial budget. Additional FTEs are also added in 2018. These positions are distributed across a variety of functions within Metro Transit Human Resources including: employee and labor relations, disability services, employment and recruitment, drug and alcohol programming, and workforce development. In addition to personnel related expenditures, non-personnel resources are being added to the budget to support professional services, consultant services, supplies, and employee training.	2,019,827	0	11.0	(3.0)
(DS_011) Transit Police Force Add Transit patrol deputies, a Transit resource officer, and a criminal investigations detective to help increase the safety and security of both Metro Transit customers and bus operators. An increase in the number of security personnel will establish capacity within the organization to strategically deploy officers to areas and at times of greatest needed. An increase in the number of officers will help ensure that each part of Metro Transit's service delivery area is afforded adequate protection.	2,957,465	0	0.0	0.0
(DS_012) Crime Analyst Add staff and other resource to support a pilot program to collect and analyze crime data. Collecting and analyzing data related to crimes across Metro Transit's service area will inform strategies related to identifying crime trends as they emerge and preventing them from occurring. This will be the responsibility of the proposed term-limited temporary project/program manager position (predictive crime analyst). By using data, to identify geographic areas or times susceptible to crime, Metro Transit Police can more strategically distribute resources to deter, prevent and more readily respond to incidents that may arise. Two independent reviews of the Metro Transit Security system have recommended adding a position dedicated to studying and analyzing crime. In addition to the Term-Limited Temporary position, this package funds non-personnel resources dedicated to IT hardware and software.	283,241	0	0.0	1.0

2017-2018 Executive Proposed Operating Budget TRANSIT (EN_A46410)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(DS_013) HASTUS Business Lead Create a functional analyst position to serve as the technical expert and vendor liaison for the HASTUS software. HASTUS is a critical transit enterprise system which is used to create and manage bus schedules, daily operator assignments and operator payroll. Metro Transit is undergoing an upgrade of the HASTUS software where additional modules will be added and user interfaces and reports will continue to be refined and developed. The functional analyst will serve as the vendor's single point of contact, facilitate communications among the user groups, the vendor, and KCIT, plan for and manage queries and requests for enhancements, and manage and prioritize changes and modifications to the system. Additionally, non-personnel related resources have been added in professional services to pay the HASTUS vendor for minor requests related to system enhancements or modifications.	362,586	0	1.0	0.0
(DS_014) HR Pace/Diversity & Inclusion Program Add a project/program manager (assistant diversity manager) within the Diversity and Inclusion Office at Metro Transit. Metro Transit, in response to a variety of institutional directives, commissioned reports, internal surveys, and regulatory requirements, is engaged in a variety of diversity work, including: PACE (Partnership to Achieve Comprehensive Equity), FTA (Federal Transportation Administration) compliance requirements, the employee engagement initiative, and the ESJ strategic plan. This additional position will allow Metro to build capacity to manage the workload associated with these initiatives.	277,241	0	1.0	0.0
(DS_015) Metro Transit Safety Program To further recommendations of an independent safety audit, add a full-time project/program manager and other resources to support data analysis related to employee and customer safety. Utilizing historic and current incidence reports along with safety hazard and safety risk mitigation data, the proposed position will identify priority needs for the strategic development of an expanded safety management program aimed at handling and preventing safety issues throughout the agency. The addition of this position will be accompanied by resources dedicated to professional services, supplies, and consultant services. These resources will be used to address priority areas identified in the safety audit for immediate action.	627,241	0	1.0	0.0
(DS_016) District Court Costs Add funding to support for the cost to District Court of processing infractions and adjudicating criminal filings issued by Transit police. These expenses were previously paid by the General Fund. Estimated costs are based on 2015 service.	724,012	0	0.0	0.0

2017-2018 Executive Proposed Operating Budget TRANSIT (EN_A46410)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(DS_021) Supervisor In Training Program Add supervisor in training positions to provide additional capacity to train a sufficient number of first line supervisors to fill vacancies prompted by current employee retirements and/or promotions. These positions will train for supervisors in one of four roles: base planner/dispatches, transit instructor, communication center coordinator, or service quality supervisor. These positions provide promotional opportunities for transit operators and involve a significant amount of specialized training.	670,838	0	3.0	0.0
(DS_022) Service Quality Supervisor Temporarily reinstate a service quality supervisor position to conduct a review and evaluation of the way that service is managed while simultaneously providing leadership to the four chiefs and 55 first line supervisors who maintain operator security, conduct incidence response, and develop service schedules. This position was deleted during budget initiation. The review/evaluation was identified to be completed within the 2015-2016 biennium; however, Metro Transit was unable to complete the work due to unanticipated change in service hours during that time. This position will provide the leadership needed to plan and execute on-street efforts to maintain service during disruptions and changing circumstances while a longer term evaluation of business practices is undertaken.	359,589	0	1.0	0.0
(DS_023) Operations Training and Instructional Designers Provide staffing to support operations training, including a training chief, first line supervisors (trainers), and training developers. The training chief is responsible for planning, scheduling and evaluating training of operators, supervisors in training, and operations chiefs. The current capacity of two training chiefs is logistically insufficient to carry out current responsibilities spread across many different locations. The first line supervisors are needed to train an expanding operator workforce to meet the needs of the bus system. These positions will also support refresher training, mandatory retraining following accidents, and customer service/ride checks for current operators. The instructional designers will develop and redesign supervisor in training and continuing education courses for first line supervisors and chiefs.	1,565,088	0	7.0	0.0

2017-2018 Executive Proposed Operating Budget TRANSIT (EN_A46410)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(DS_024) Operations Employee Communication Program Add a communications specialist position to support production and maintenance of route books, policy bulletins, SharePoint sites, and other communications provided to over 3,000 employees within the operations section of Metro Transit. Historically, Metro Transit would utilize a rotation of transit operators to perform this work. Operations needs continuity in staffing these responsibilities to move its technology-driven communication system forward.	265,426	0	1.0	0.0
(DS_025) Base Chiefs Add operations chief positions to maintain span of control ratios between base chiefs and Transit operators. These positions are being added in response to commitments to employee engagement, work place safety, and employee access to chiefs in addition to the planned increase in operators to provide proposed increases in service in the 2017-2018 biennium.	807,092	0	3.0	0.0
(DS_026) Base Dispatcher/Planners Add first line supervisor positions to respond to the need for additional base planner and base dispatchers. Increases in service hours in 2015-2016 and planned increases in service in 2017-2018, create an increased need for support of daily planning, the Transit operator pick process, and the work assignment planning system. Currently, these needs are accomplished by drawing from existing other base operations first line supervisors. The requested positions will allow for more efficient utilization of first line supervisor resources and will provide better continuity of managing the daily dispatching and planning processes.	486,443	0	2.0	0.0
(DS_027) South Base Administration Convert a current administrative specialist term-limited position to a regular FTE. During the 2015-2016 biennium, this position has provided administrative support at the South Base and generated Family Medical Leave Act (FMLA) documentation for chiefs across all seven bases. Converting this to an ongoing position allows Metro Transit to ensure accuracy in tracking leave along with satisfying workload requirements at the South Base. The current term-limited position was removed during budget initiation in decision package TA_106.	168,607	0	1.0	0.0

2017-2018 Executive Proposed Operating Budget TRANSIT (EN_A46410)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(DS_031) Accounting Specialist Add an accounting specialist dedicated to warranty administration to ensure that warranty claims are processed in a timely manner. Current contracts for bus purchases have shortened the window for processing warranty claims, and Transit anticipates significant warranty activity over the next several years associated with on-boarding of new fleets. Timely administration of warranty claims is required to recover dollars the County is entitled to receive.	193,960	500,000	1.0	0.0
(DS_032) Vehicle Maintenance (VM) Staffing Add five journey level craft positions to the Vehicle Maintenance section to support service additions in 2015-2016 and planned service expansion in 2017-2018. Providing additional resources will allow buses to enter service as they arrive on site and return to service more quickly following required work.	1,130,329	0	5.0	0.0
(DS_033) Driver Seat Rebuild Program Provides a dedicated resource to develop a driver seat rebuild program to reduce the change out cycle from 5.3 years to 2 years. Based on operator input, the current cycle of 5.3 years is not meeting their needs as the foam and moving parts break down due to age and use. Decreasing the driver seat rebuild cycle from 5.3 years to 2 years will help prevent back injuries and improve the safety and comfort of the operators.	224,087	0	1.0	0.0
(DS_034) Vehicle Camera Expansion Add staff to support the maintenance of Metro's On-Board Camera Systems (OBCS). Metro Transit is currently working to equip all revenue fleet with OBCS. Additional operation security liaisons are needed to continue manual retrieval of video and additional electronic technicians are required to conduct monthly OBCS preventative maintenance inspections to ensure system reliability. This resource need is temporary while Metro develops and implements a camera management system.	1,274,278	0	0.0	7.0
(DS_035) Component Supply Center Workforce Study Allocate resources to conduct a workforce and resource review of Component Supply Center. Several recommended changes were identified in an audit by the King County auditor. Consistent with that audit, this review will ensure that the staffing and activities performed at Component Supply Center efficiently and effectively support the needs of the Transit system moving forward.	400,000	0	0.0	0.0

2017-2018 Executive Proposed Operating Budget TRANSIT (EN_A46410)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(DS_036) VM Fleet Engineering Redesign Allocate resources to conduct a review of fleet engineering's functions to determine the most effective way to organize and train the work unit that maintains and supports onboarding of new revenue vehicles. Optimization of work unit organization, training, and workforce utilization is vital given the number of fleet differences; increased fleet and staff size; new federal, state and local regulations; and new training demands. This comprehensive review of the program will look at the structure of the organization and their functions and will likely result in recommendations and training to improve the skill level of Vehicle Maintenance technicians.	250,000	0	0.0	0.0
(DS_039) Bus Cleaning Program Increase the frequency of deep bus cleanings from the current 60 day interval to 30 days. This change will occur gradually over the biennium, with a change to deep cleaning every 45 days in 2017 and the change to 30 days by the end of 2018.	2,535,889	0	26.0	0.0
(DS_040) Apprentice Program Add a term-limited project/program manger to develop a high capacity apprentice program for Power & Facilities and Vehicle Maintenance work areas. These two sections have a diverse array of skilled trade classifications that will benefit from an apprenticeship program. Developing this program will give opportunities to employees to advance within the organization. Additionally, this program helps to develop talent/skills within our current workforce that are often difficult to acquire from the outside.	277,241	0	0.0	1.0
(DS_041) Power & Facilities (P&F) Assistant Manager Add an assistant manager to support the Power & Facilities manager in providing sound management practices for employees (labor contracts, personnel concerns and grievances, training and advancement opportunities), for its operating and capital programs (business plans, performance, productivity, asset outcomes), and for its business systems (work processes, asset management tools).	320,055	0	1.0	0.0

2017-2018 Executive Proposed Operating Budget TRANSIT (EN_A46410)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(DS_042) Enterprise Asset Management Add an additional functional analyst position to support the Power & Facilities section's Enterprise Asset Management (EAM) system, an industry standard maintenance and asset database used to schedule and track work (work order process), provide historical documentation of repairs, inventory and organize fixed assets, analyze data for resource planning and other research (e.g., audits), and update asset data from capital projects. Developing and implementing a fixed asset management plan is required by the Federal Transit Administration.	287,207	0	1.0	0.0
(DS_043) Building and Paving Envelope Program Increase the funding for paving and building envelope repair and upkeep for work that previously met the capital threshold and now is completed under operational activities. This work is necessary to ensure the safety of both the riding public and employees as well as to maximize the life cycle of existing transit infrastructure.	400,000	0	0.0	0.0
(DS_044) Power & Facilities Infrastructure Increase staffing to maintain the Metro Transit facilities including, but not limited to, Transit vehicle maintenance bases, Transit operations bases, the Transit Control Center, bus shelters and stops, transit centers, Park & Ride lots, parking garages, passenger facilities, trolley infrastructure, facility maintenance buildings, warehouses, and sub-stations. The additional positions will also support landscaping, comfort stations maintenance, garbage collection, signage installation, and other related tasks. Additional staffing resources are needed in order to maintain pace with the workload from expanded service and the additional customers (internal and external) using facilities and amenities. This will provide clean facilities for the riding public and appropriate oversight of the workforce.	1,434,162	0	7.0	0.0
(DS_045) Trolley Overhead De-Energization Increase staffing to support Trolley overhead de-energization work, performed at the request of private contractors and other customers external to Transit. The costs of this program are offset by full revenue recovery from contractors and other external parties. The revenue associated with this work is captured in the revenue decision package TA_050.	932,686	0	0.0	4.0

2017-2018 Executive Proposed Operating Budget TRANSIT (EN_A46410)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(DS_046) P&F Capital Programs Add a position to develop capital work plans and fiscally manage capital programs that replace, add new and modify/improve the fixed assets associated with Transit's Power & Facilities operations. This position supports the continual analyses and implementation of the asset management plan. All transit agencies that receive FTA funding are required to have an asset management plan to ensure its assets are maintained and renewed in a timely manner.	0	0	1.0	0.0
(DS_050) Transit External Project Office Establish an External Project Office (EXPO) to coordinate projects that are built by outside agencies that affect transit operations and the built customer environment. An appropriation for this type of work was made in 2015-2016 biennial budget. This proposal converts that appropriation into permanent Transit positions.	(11,020)	0	2.0	0.0
(DS_051) Non-Base Capital Staff Add staff resources to accomplish and support the capital program proposed for the 2017-2025 period with specific focus on the 2017-2018 biennium. Significant new project work is needed to begin implementing portions of the METRO CONNECTS vision, accommodate system growth, and create synergy with external capital investments being made by Sound Transit and City of Seattle to handle growth in the region.	(1)	0	17.0	16.0
(DS_052) Base Capital Staff Add staff resources to accomplish and support the base expansion capital work being proposed in the 2017-2018 biennium. New base expansion projects are being undertaken by Metro Transit to accommodate system growth.	0	0	2.0	2.0
(DS_060) Rapid Ride Signal Priority System Refresh Add resources to update traffic signals and the transit signal priority system along the RapidRide C and D corridors to respond to changing traffic conditions.	230,000	0	0.0	0.0
(DS_061) Alternative Services and Shared Mobility Establish permanent staffing to plan and implement alternative services throughout King County, fund the operation of up to 20 new alternative service projects in the 2017-2018 biennium, and shift some of the operating funds to provide capital funding to purchase vehicles and other equipment needed to operate alternative services.	1,106,490	0	4.0	0.0

2017-2018 Executive Proposed Operating Budget TRANSIT (EN_A46410)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(DS_062) METRO CONNECTS Implementation Plan Add staff resources to support the ongoing review and analysis of service options associated with the 2025 and 2040 networks. With the adoption of King County Metro's first Long Range Plan, METRO CONNECTS, Metro will make changes to the way it does business, including working to implement the transit service and capital improvements described in METRO CONNECTS. Metro will establish an implementation program with assistance from all parts of the agency to develop rolling six-year service and capital plans that will guide near- and medium-term transit service changes. Metro will work to develop this implementation program with the King County Executive and King County Council and will coordinate with local jurisdictions and other transportation agencies.	578,865	0	1.0	0.0
(DS_063) Base Planning Add temporary staff to support the development of the King County Metro Facility Master Plan. The King County Metro Long Range vision, METRO CONNECTS, identifies a vision of service and capital facilities between now and 2040. As an important next step, Metro needs to develop a complementary plan that looks closely at capital facilities needed to support the vision. The Facility Master Plan will help guide Metro toward its vision, inform the long range plan implementation program, and inform Metro in planning and funding capital facilities in a strategic and cost effective manner.	265,426	0	0.0	1.0
(DS_065) Non-Motorized Guidelines/Park and Ride Program Add staffing and resources to oversee and implement METRO's Access to Transit Program, complete a park and ride expansion study and associated plan, begin implementation of that plan, and develop non-motorized agency standards. The King County Strategic Plan and King County Metro Long Range Plan, METRO CONNECTS, call for improved non-motorized connections, expansion of park-and-ride supply, and improved efficiency of existing park-and-ride supply. As the service network expands, more and more customers are within walking and cycling distance to frequent transit, creating the need for consistent provision of supportive facilities. For those not within walking or cycling distance to transit, park-and-rides are still a critical connection point to the transit network, but most park-and-rides are full, some very early in the morning. This program provides cost effective strategies to increase safe and convenient non-motorized access as well as increase transit parking supply while making the existing supply available for more transit riders.	2,096,961	1,514,837	1.0	0.0

2017-2018 Executive Proposed Operating Budget

TRANSIT (EN_A46410)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(DS_070) Community Access Transit (CAT) Expansion Transfer resources from Access paratransit to expand the Community Access Transportation (CAT) program. CAT agencies targeted for expansion have a very high percentage of Access eligible customers (100% at Adult Day Health sites) and want to expand service to meet the growing demand for transportation for people with special transportation needs. By expanding CAT, this proposal would divert current, but mostly new ride requests off of the more expensive Access paratransit service.	0	0	0.0	0.0
(DS_071) American's with Disabilities Act (ADA) Compliance Convert a term-limited position to an ongoing position to continue support for the Americans with Disabilities Act (ADA) compliance officer in ensuring compliance with ADA requirements of Metro's programs, facilities, and fleet.	0	0	1.0	(1.0)
(DS_072) Access Paratransit Customer Outreach And Engagement Add resources to hire a consultant to help design and implement a program that encourages Access customers to provide on-going feedback regarding their experiences with the service. Methods of gathering customer feedback may include focus groups, surveys, and engagement around specific issues or policy changes and proposed changes in service delivery. This is a one-time request in the biennium.	135,200	0	0.0	0.0
(DS_073) Vanpool Baseline Fund an increase of 70 vanpool and three vanshare groups in 2017 and in 2018 for a total net increase in service of 146 groups. This request includes adjustments for gas, maintenance, and insurance. This proposal is funded by fares collected from vanpool and vanshare customers. Fares are established so they generate revenues sufficient to cover 100 percent of capital costs, 100 percent of operating costs, and at least 25 percent of administrative costs. Additional fare revenue associated with the increase in vanpools is captured in the revenue decision package TA_050.	394,090	0	0.0	0.0
(DS_074) Rideshare Operations Staff Reduction Eliminate a position in Rideshare Operations group to reflect reduced support and oversight tasks. Rideshare Operations has made changes to the support relationship with Washington State Department of Transportation (WSDOT), implemented a less cumbersome phone system, and developed tools to assist customer service staff when responding to customers, all of which require less support involvement and oversight.	(265,226)	0	(1.0)	0.0

2017-2018 Executive Proposed Operating Budget TRANSIT (EN_A46410)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(DS_080) Customer Communication and Promotion Add resources to provide dedicated funding to the Customer Communications and Services Section to acquire new Metro bus customers, educate the public about Metro services, and position Metro within the community.	510,000	0	0.0	0.0
(DS_081) ORCA Low-Income Fare Program Staff Continue funding for positions conducting outreach efforts to grow the ORCA Low Income Fare Transportation (LIFT) program. These positions were added in 2015 to support the implementation and expansion of the LIFT program, and then removed during the 2017-18 Proforma budget process as they had been designated as one-time. Continued funding would allow Metro to continue the existing schedule of 40+ outreach efforts every month. The positions were removed during budget initiation in decision package TA_106.	923,885	0	0.0	4.0
(DS_082) Customer Information Responsiveness Add staff resources to help support real-time customer information about Metro and Sound Transit services and to help respond to Transit customer comments in social media forums. These resources would allow the Metro CITRS (Customer Information Technology Resources) group to increase the number of hours that they provide real-time customer information on a number of channels including on-board announcements, rider alerts, etc., and provide for more continuous monitoring and response to customer requests for information and customer comments in social media.	700,408	0	2.5	0.0
(DS_083) ORCA Autoload Collections Staff Add staff to assist customers with ORCA autoload and payment transaction problems. The number and value of these declined transactions has more than doubled in the last three years and additional help is needed to keep up with customer demand. This position minimizes the potential for lost revenue associated with transaction problems. Autoload continues to increase in popularity with Metro customers and the trend is expected to continue for the foreseeable future. Supporting the autoload function is one of King County's regional responsibilities associated with the ORCA program. The ORCA Joint Board has approved this increase.	119,609	0	1.0	0.0

2017-2018 Executive Proposed Operating Budget TRANSIT (EN_A46410)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(DS_090) Link Light Rail Service Add staff to support the continuing expansion of Link Light Rail and to meet the service, schedule and maintenance standards set forth in the Interlocal Agreement (IGA) between King County and Sound Transit. Sound Transit Link started service to the University of Washington and Capitol Hill Stations in Spring 2016 and will open the new Angle Lake Station in the fall of 2016. With the opening of the three new stations, service and associated bodies of work have increased and requires additional resources. All expenditures are fully reimbursed; revenue backing for this service is captured in the revenue decision package TA_050.	4,440,160	0	24.0	0.0
(DS_091) Seattle Street Car Service Add staff to achieve the necessary staffing levels for service agreed by the City of Seattle and the County. This proposal also includes several non-labor expense adjustments to the budget. All expenditures are fully reimbursed; revenue backing for this service is captured in the revenue decision package TA_050.	990,665	0	3.0	0.0
(DS_106) Automatic Vehicle Location (AVL) Information Technology Project Fund Transit's contribution to the non-revenue vehicle AVL information technology project	582,628	0	0.0	0.0
(DS_120) Central Climate Change Costs Update Adjust Transit Division's share of the central climate-related costs for 2017-2018; these costs include membership fees in climate related organizations, a countywide greenhouse gas inventory update, consulting fees, regulatory dues to the Puget Sound Clean Air Agency, as well as the centralization of costs for four FTEs to help agencies across the county with climate related activities. The allocation methodology is based on greenhouse gas emissions (51 percent DNRP, 45 percent DOT, and 4 percent FMD).	857,514	0	0.0	0.0
Technical Adjustments				
(TA_001) VM Mechanic and Parts Fleet Mix Adjustments Adjust Vehicle Maintenance staffing levels and parts budget consistent with the changing fleet mix and newer fleet.	(10,791,663)	0	(21.0)	0.0
(TA_002) Diesel Price Adjustment Adjust diesel budget to account for the change in the forecasted unit costs between the March and August forecasts.	5,583,498	0	0.0	0.0

2017-2018 Executive Proposed Operating Budget TRANSIT (EN_A46410)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(TA_010) Employee Background Checks Increase the amount budgeted for securing pre-employment services such as background checks and physical exams. All newly hired individuals are required to undergo these pre-employment screenings. The change is needed due to an increase in hiring resulting from expansion of services and an uptick in expected retirements.	105,798	0	0.0	0.0
(TA_011) General Technical Adjustments Adjust loan-in/loan-out labor accounts consistent with the proposed budget for all sections except for Design & Construction.	(745,059)	0	0.0	0.0
(TA_012) Design & Construction Specific Technical Adjustments Adjust loan-in/loan-out labor accounts and overhead allocations to the capital budget for the Design & Construction section consistent with the 2017-2018 budget. The 2017-2018 proposed budget includes three Decision Packages (DS_050, DS_051, DS_052) that request additional staff for the Design & Construction Section of Metro Transit. The Design & Construction section has an overhead cost pool which accumulates costs in the operating fund that are redistributed to individual projects, both Operating and Capital, through a burden rate driven by direct labor dollars. With the addition of new staff the ratio between direct capital labor and direct operating labor will increase resulting in a greater portion of the overhead cost pool being allocated to capital projects. This change is needed to account for the additional overhead that will be allocated to Capital Projects. This proposal additionally includes adjustments to the budget for loan out labor to be allocated to capital projects.	(485,233)	0	0.0	0.0
(TA_041) Regulatory Compliance and Fees Adjust resources to support a variety of fee and compliance rate increases including: industrial storm water permit fees, Seattle fire department permit fees, storm water pond cleaning, and security monitoring services at bases, shelters and other Metro Transit facilities and spill bucket tightness. These changes allow Transit to meet requirements for both regulatory compliance and eligibility for federal funding.	238,926	0	0.0	0.0
(TA_050) Revenue Adjustments Revise budgeted revenues to match current forecasts and estimates.	0	282,102,012	0.0	0.0

2017-2018 Executive Proposed Operating Budget TRANSIT (EN_A46410)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(TA_100) Inflation and Carryforward Service Adjustments - VM and P&F Adjust costs to address inflation, unit cost changes, and carryforward service adjustments related to vehicle maintenance and power and facilities. The most significant change in this package relates to a reduction in the line item cost of diesel relative to the carryover cost. The cost for coach parts also declined because of the newer fleet mix.	(22,842,693)	0	2.0	0.0
(TA_101) One-Time Costs Associated with the Long Range Plan Remove costs associated with the Long Range Plan development.	(700,000)	0	0.0	0.0
(TA_102) Carryforward Link Light Rail Service Adjust resources and positions consistent with carryforward service level needs. This item is revenue backed; associated revenue is captured in the revenue decision package TA_050.	(947,935)	0	(1.0)	(3.0)
(TA_103) ORCA Contract Provision Adjustments Incorporate costs and rates for ORCA consistent with the latest contract provisions.	1,763,092	0	0.0	0.0
(TA_104) First Hill Streetcar Adjustments Add resources to switch from an external provider to a more cost effective internal service provision model. This item is revenue backed; associated revenue is captured in the revenue decision package TA_050.	153,229	0	2.0	0.0
(TA_105) One-Time Costs Associated with Pilot Programs Remove positions associated with pilot programs for security camera data maintenance and rear door boarding in the tunnel.	(1,155,213)	0	(5.0)	0.0
(TA_106) One-Time Costs Associated with Special Projects Remove term-limited positions associated with the ORCA Lift implementation project and the Leave Coordination project.	(1,072,061)	0	0.0	(6.0)
(TA_107) Access Contract Provisions and Inflationary Adjustments Adjust Access costs consistent with contract provisions and inflationary impacts.	1,551,283	0	0.0	0.0
(TA_108) Vanpool Inflation and Carryforward Service Adjustments Adjust vanpool costs consistent with current forecasts and also reduces assumptions consistent with actual vanpool demand trends.	(3,594,172)	0	0.0	0.0

2017-2018 Executive Proposed Operating Budget TRANSIT (EN_A46410)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(TA_109) Miscellaneous Position Adjustments Convert TLT positions to FTE positions as the activities being performed represents ongoing bodies of work.	(2,302)	0	3.0	(3.0)
(TA_110) Net Zero Adjustments Net zero changes to reflect current spending patterns.	0	0	0.0	0.0
(TA_113) Vacancy Rate Adjustment Reflects the salary savings associated with the natural rate of employee turnover for a given agency and provide greater transparency in the budget.	(2,959,200)	0	0.0	0.0
(TA_199) Parking Fees Increase fees at County parking facilities commensurate with local market rates. These changes will affect agencies that pay or reimburse for privately-operated vehicles and for agency-assigned Fleet vehicles that park in the Goat Hill Garage, Chinook Building, KC Correctional Facility, and (as of June 2017) King Street Center.	419,040	0	0.0	0.0
(TA_200) Community Services Area (CSA) Contribution Update Update this agency's costs in the CSA's cost allocation model, which is based on projected CSA staff hours per agency over the biennium. Overall costs for the program increased due to the growth in labor costs (general wage increase, benefits) and central rates.	(23,131)	0	0.0	0.0
Central Rate Adjustments	21,710,418	0	0.0	0.0
Total Decision Package Adjustments	51,563,806	284,116,849	325.5	20.0

2017-2018 Proposed Financial Plan
Public Transportation - Operating Fund / 4641

Category	2015-2016 Estimated ¹	2017-2018 Proposed Budget ²	2019-2020 Projected ³	2021-2022 Projected ³
Beginning Fund Balance	269,169,608	560,118,714	301,968,596	248,532,091
Revenues				
Fares (Bus, ACC, VP, SC)	348,182,632	353,240,941	380,670,982	408,042,254
Other Operations (Bus, ACC, VP, SC)	44,076,350	44,438,751	45,352,427.93	46,639,821.58
Seattle CMC	38,273,683	71,218,000	75,125,610	79,800,792
Sales Tax	903,655,621	1,004,980,828	858,456,216	919,750,774
Property Tax	53,295,222	46,692,577	58,667,508	61,386,631
Congestion Relief Charge	2,333	-	-	-
Interest Income	6,021,545	750,000	2,376,005	3,485,172
Grants	63,047,317	50,843,157	53,273,410	24,221,217
Sound Transit Payments	163,481,656	193,618,217	212,740,743	222,657,966
Support of Other KC Divisions	3,975,620	4,487,570	4,735,093	4,964,739
Miscellaneous	23,383,503	13,300,301	11,421,437	11,218,005
Total Revenues	1,647,395,483	1,783,570,343	1,702,819,431	1,782,167,372
Expenditures				
Bus Operations	(1,051,549,559)	(1,177,035,357)	(1,315,666,979)	(1,401,699,673)
DART Operations	(19,745,417)	(25,257,963)	(26,669,623)	(28,245,133)
ACCESS Operations	(130,473,130)	(133,793,596)	(145,271,602)	(158,102,114)
DSTT Operations	(33,347,079)	(32,432,091)	(36,027,315)	(37,658,254)
Sound Transit Link Operations	(68,492,950)	(78,908,929)	(84,074,627)	(88,013,728)
Sound Transit REX Operations	(79,691,611)	(89,581,498)	(98,368,098)	(102,971,622)
Streetcar Operations	(15,948,962)	(20,631,428)	(21,345,449)	(22,325,405)
Vanpool Operations	(21,889,833)	(20,392,276)	(23,337,574)	(25,739,741)
Transit	(1,421,138,542)	(1,578,033,137)	(1,750,761,268)	(1,864,755,670)
DOT Director's Office	(11,337,338)	(12,143,027)	(12,868,379)	(13,462,349)
Total Expenditures	(1,432,475,880)	(1,590,176,164)	(1,763,629,647)	(1,878,218,020)
Estimated Underexpenditures	3,784,782	7,950,881	8,818,148	9,391,090
Other Fund Transactions⁴				
Misc Balance Adjustment	43,713,651	-	-	-
Transfer from Capital Program	28,531,069	-	-	-
One-Time Transfer for Revenue Fleet Reappropriation	-	(225,000,000)	-	-
Transfer to Revenue Stabilization Reserve	-	(234,495,178)	(1,444,436)	(1,922,532)
Total Other Fund Transactions	72,244,720	(459,495,178)	(1,444,436)	(1,922,532)
Ending Fund Balance	560,118,714	301,968,596	248,532,091	159,950,002
Reserves⁵				
Operating Ending Target Requirement	(38,899,385)	(42,131,502)	(44,762,407)	(48,586,850)
Revenue Stabilization Reserve (Legacy)	(220,429,846)	-	-	-
Total Reserves	(259,329,230)	(42,131,502)	(44,762,407)	(48,586,850)
Reserve Shortfall	-	-	-	-
Ending Undesignated Fund Balance⁶	300,789,484	259,837,094	203,769,684	111,363,152

Financial Plan Notes

¹ 2015-2016 Actuals reflect year end information from EBS and are consistent with the Budgetary Fund Balance figures published by FBOD.

² 2017-2018 Proposed Budget is consistent with expenditure and revenue data from Hyperion.

³ Outyear projections assume revenue and expenditure growth of consistent with anticipated service levels and reflect the most recent estimates.

⁴ Other fund transactions include accounting adjustments to balance to budgetary fund balance, debt proceeds, and transfers between funds.

⁵ Reserve levels reflects those adopted in the Fund Management Policies for Public Transportation.

⁶ The undesignated fund balance identified in this financial plan will be used consistent with proposed improvements in METRO CONNECTS, Transit's long range plan, which sequences service expansion and capital investments to provided efficient and effective service provision.

⁷ This plan was updated by Shelley De Wys on September 17, 2016.

2017-2018 Executive Proposed Operating Budget TRANSIT REVENUE STABILIZATION (EN_A75700)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	0	0	0.0	0.0
Base Budget Adjustments	0	0	0.0	0.0
Decision Package Adjustments	0	0	0.0	0.0
2017-2018 Executive Proposed Budget	0	0	0.0	0.0
2017-2018 Executive Proposed Ordinance	0	0	0.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Administrative Service Changes				
(AC_001) Revenue Stabilization Reserve	0	0	0.0	0.0
No appropriation is requested in this fund at the time of budget development. Appropriation may be requested when economic conditions stipulated in the Fund Management Policies for Public Transportation are met.				
Total Decision Package Adjustments	0	0	0.0	0.0

2017-2018 Proposed Financial Plan
Public Transportation - Revenue Stabilization Reserve Fund / 4643

Category	2015-2016 Estimated ¹	2017-2018 Proposed Budget ²	2019-2020 Projected ³	2021-2022 Projected ³
Beginning Fund Balance	-	-	238,745,178	253,653,641
Revenues				
Sales Tax	-	-	-	-
Property Tax	-	-	-	-
Interest	-	4,250,000	13,464,026	19,749,311
Miscellaneous	-	-	-	-
Total Revenues	-	4,250,000	13,464,026	19,749,311
Expenditures⁶				
Transfer to Operating Program	-	-	-	-
Transfer to Capital Program - 3641	-	-	-	-
Transfer to Capital Program - 3642	-	-	-	-
Transfer to Debt Fund	-	-	-	-
Total Expenditures	-	-	-	-
Estimated Underexpenditures	-	-	-	-
Other Fund Transactions⁴				
Misc Balance Adjustment	-	-	-	-
Transfer from Operating Program ⁵	-	234,495,178	1,444,436	1,922,532
Total Other Fund Transactions	-	234,495,178	1,444,436	1,922,532
Ending Fund Balance	-	238,745,178	253,653,641	275,325,484
Reserves^{6,7}				
Revenue Stabilization Reserve	-	(238,745,178)	(253,653,641)	(275,325,484)
Total Reserves	-	(238,745,178)	(253,653,641)	(275,325,484)
Reserve Shortfall	-	-	-	-
Ending Undesignated Fund Balance	-	-	-	-

Financial Plan Notes

¹ 2015-2016 Actuals reflect year end information from EBS and are consistent with the Budgetary Fund Balance figures published by FBOD.

² 2017-2018 Proposed Budget is consistent with expenditure and revenue data from Hyperion.

³ Outyear projections assume revenue and expenditure growth of consistent with anticipated service levels and reflect the most recent estimates.

⁴ Other fund transactions include accounting adjustments to balance to budgetary fund balance, debt proceeds, and transfers between funds.

⁵ Reserve levels reflects those adopted in the Fund Management Policies for Public Transportation.

⁵ This transfer seeds the newly created Revenue Stabilization fund in 2017-2018 and then provides adjusts it annually consistent with the Fund Management Policies for Public Transportation.

⁶ The reserve funding contained in this fund will be used via appropriated transfers to one or more of the other Public Transportation funds in the event of an economic recession consistent with the limitations and requirements contained in the Fund Management Policies for Public Transportation.

⁷ This plan was updated by Shelley De Wys on September 17, 2016.

2017-2018 Executive Proposed Operating Budget TRANSIT REVENUE VEHICLE REPLACEMENT (EN_A75600)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	329,367,192	147,889,938	0.0	0.0
Base Budget Adjustments	64,444,812	3,958,028	0.0	0.0
Decision Package Adjustments	(393,812,004)	(151,847,966)	0.0	0.0
2017-2018 Executive Proposed Budget	0	0	0.0	0.0
2017-2018 Executive Proposed Ordinance	0	0	0.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Technical Adjustments				
(TA_001) Zero Out Pro Forma Revenues and Expenditures Zero out revenues and expenditures in this fund consistent with new Public Transportation Fund Management Policies, which move the function of this fund to a reserve in the Transit Revenue Fleet Capital Fund	(393,812,004)	(151,847,966)	0.0	0.0
Total Decision Package Adjustments	(393,812,004)	(151,847,966)	0.0	0.0

2017-2018 Proposed Financial Plan
Public Transportation - Revenue Fleet Replacement Fund / 4642⁶

Category	2015-2016 Estimated ¹	2017-2018 Proposed Budget ²	2019-2020 Projected ³	2021-2022 Projected ³
Beginning Fund Balance	141,176,909	86,962,732	0	0
Revenues				
Sales Tax	44,757,836	-	-	-
Interest	1,487,827	-	-	-
Grants	-	-	-	-
Other Income	-	-	-	-
Total Revenues	46,245,662	-	-	-
Expenditures				
Total Expenditures	-	-	-	-
Estimated Underexpenditures				
Other Fund Transactions⁴				
Fleet Replacement Transfer to CIP	(59,949,490)	0	0	0
Transfer (to) Revenue Fleet Capital Program	30,600,000	(86,962,732)	0	0
Balance Sheet Adjustments	(71,110,349)	0	0	0
Total Other Fund Transactions	(100,459,839)	(86,962,732)	-	-
Ending Fund Balance	86,962,732	0	0	0
Reserves⁵				
RFRF Year-end Balance Calculation	(43,895,769)	-	-	-
Total Reserves	(43,895,769)	-	-	-
Reserve Shortfall	-	-	-	-
Ending Undesignated Fund Balance	43,066,964	-	-	-

Financial Plan Notes

¹ 2015-2016 Actuals reflect year end information from EBS and are consistent with the Budgetary Fund Balance figures published by FBOD.

² 2017-2018 Proposed Budget is consistent with expenditure and revenue data from Hyperion.

³ Outyear projections assume revenue and expenditure growth of consistent with anticipated service levels and reflect the most recent estimates.

⁴ Other fund transactions include accounting adjustments to balance to budgetary fund balance, debt proceeds, and transfers between funds.

⁵ Reserve levels reflects those adopted in the Fund Management Policies for Public Transportation.

⁶ All appropriation and fund balance is being removed from this fund as this fund will be closed during the 2017-2018 biennium. The functions normally assigned to this fund will be accomplished by the Revenue Fleet Replacement Reserve in the Revenue Fleet Capital Fund.

⁷ This plan was updated by Shelley De Wys on September 17, 2016.

2017-2018 Executive Proposed Operating Budget TRANSIT DEBT SERVICE (EN_A84300)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	30,810,593	31,625,786	0.0	0.0
Base Budget Adjustments	(10,491)	14,962	0.0	0.0
Decision Package Adjustments	13,813,897	13,336,191	0.0	0.0
2017-2018 Executive Proposed Budget	44,613,999	44,976,939	0.0	0.0
2017-2018 Executive Proposed Ordinance	44,614,000	44,977,000	0.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Technical Adjustments				
(TA_001) Financing Contingency Add funding to cover uncertainties associated with debt financing.	3,613,897	0	0.0	0.0
(TA_050) Revenue Adjustments Adjust revenues to cover debt service payment requirements and meet bond covenant requirements.	0	13,336,191	0.0	0.0
Central Rate Adjustments	10,200,000	0	0.0	0.0
Total Decision Package Adjustments	13,813,897	13,336,191	0.0	0.0

2017-2018 Proposed Financial Plan
Public Transportation - Bond Fund / 8430

Category	2015-2016 Estimated¹	2017-2018 Proposed Budget²	2019-2020 Projected³	2021-2022 Projected³
Beginning Fund Balance	17,775,135	21,591,306	22,578,844	9,004,408
Revenues				
Sales Tax	30,479,252	43,733,516	33,188,265	45,107,641
Interest	284,644	362,939	404,574	399,604
Miscellaneous	-	-	-	-
Federal Debt Service Subsidies	897,115	880,484	817,269	517,348
Total Revenues	31,661,011	44,976,939	34,410,108	46,024,593
Expenditures				
Bond Debt Service Payments	(31,409,539)	(44,614,000)	(45,635,894)	(45,624,989)
Variable Debt Service Payments	-	-	-	-
Total Expenditures	(31,409,539)	(44,614,000)	(45,635,894)	(45,624,989)
Estimated Underexpenditures				
Other Fund Transactions⁴				
Balance Sheet Adjustments	2,965,752	-	-	-
Sinking Fund Transfers	598,946	624,599	(2,348,650)	-
Total Other Fund Transactions	3,564,698	624,599	(2,348,650)	-
Ending Fund Balance	21,591,306	22,578,844	9,004,408	9,404,012
Reserves⁵				
Annual Net Debt Service Reserve (One Year)	(18,866,479)	(18,866,479)	-	-
Sinking Bond Reserve	(1,724,051)	(2,348,650)	-	-
Total Reserves	(20,590,530)	(21,215,129)	-	-
Reserve Shortfall	-	-	-	-
Ending Undesignated Fund Balance⁶	1,000,776	1,363,715	9,004,408	9,404,012

Financial Plan Notes

¹ 2015-2016 Actuals reflect year end information from EBS and are consistent with the Budgetary Fund Balance figures published by FBOD.

² 2017-2018 Proposed Budget is consistent with expenditure and revenue data from Hyperion.

³ Outyear projections assume revenue and expenditure growth of consistent with anticipated service levels and reflect the most recent estimates.

⁴ Other fund transactions include accounting adjustments to balance to budgetary fund balance, debt proceeds, and transfers between funds.

⁵ Reserve levels reflects those adopted in the Fund Management Policies for Public Transportation.

⁶ Current bond payments requiring reserves end in 2019. Bond requirements regarding reserves for future bond issuances are not known at this time. Undesignated fund balance contained in the outyears of this plan provide some funding allowance for possible future reserve requirements.

CAP SUMMARY REPORT

2017-2018 Biennial - Executive Proposed

3641 PUBLIC TRANS CONST-UNREST - Transit

Project Number	Project Name Class Code	Tech Adj	FY17-18	Current Scope
1028617	TD REGIONAL SIGNAL PRIORITY STANDALONE	✓	(\$2,468)	Regional Signal Priority - The project is completed. Disappropriating remaining funds.
1028620	TD TRANSIT ORIENTED DEVELOP STANDALONE		\$988,451	Transit Oriented Development (TOD) Project - This project currently covers capital lease payments for a former TOD effort, a parking garage in Renton. The new project scope expands this to include a planning effort to identify and evaluate other TOD opportunities within King County. The Long Range Plan identifies many new high capacity transit hubs which would need to be constructed around King County to meet the 2025 vision of the plan. These hubs offer excellent opportunities for TOD. The program will develop a methodology for assessing development potential, which will then be applied to both existing park and rides and high capacity transit centers identified in the long-range plan. Near-term efforts are likely to focus on redevelopment of Redondo and Shoreline Park and Rides.
1028624	TDC TOD CONVENTION PLACE PROGRAMMATIC		\$6,644,178	Convention Place Transit Oriented Development (TOD) Project - This project involves planning and other activities in support of redevelopment of the existing Convention Place Station (CPS) to include: (1) an expansion of the existing Washington State Convention Center (WSCC); (2) retention of Transit assets of bus layover, passenger load/unload, and tunnel access as long as possible; (3) addition of a hotel and/or residential and/or commercial buildings; and (4) public space. To date, project planning and administration costs have been funded to support development of the Purchase and Sale Agreement. This budget request funds continuation of that work as well as the relocation of low voltage and communication systems.
1028636	TD BUS VAPOR CLASS ADJ PEDALS STANDALONE	✓	(\$2,998)	Bus Vapor Contact-Less Acoustic Sensing System (CLASS) and Adjustable Pedals Project - The project is completed. Disappropriating remaining funds.
1028637	TD SO KIRKLAND TOD STANDALONE	✓	(\$24,836)	South Kirkland Transit Oriented Development (TOD) - This project is completed. Disappropriating remaining funds.
1028644	TDC MDT REPLACEMENT STANDALONE		\$0	Mobile Data Terminals (MDTs) Replacement Project - This projects funds the purchase of replacement mobile data terminals (MDTs), aka mobile data computers (MDCs), and dispatching system for the Access Transportation paratransit fleet and paratransit control center. King County Metro provides paratransit service in accordance with the Federal Americans with Disabilities Act (ADA) requirements and King County Ordinances. The Access Transportation revenue fleet currently consists of 317 vehicles equipped with MDCs. The Access Transportation control center currently utilizes 8 dispatch consoles to oversee the delivery of revenue service. The Project also encompasses the purchase of project consulting services to assist King County staff during the duration of the project. Consulting services will assist staff with market research, development of system requirements, preliminary system design, and implementation support.
1028718	TD NON REV VEHICLE REPLACEMENT STANDALONE		\$1,861,832	Non-Revenue Vehicle (NRV) Program - The NRV program provides for both on and off road vehicles to support the King County Metro Transit revenue fleet and transit service. This project provides for the replacement of existing transit non-revenue equipment that have either met or exceeded

CAP SUMMARY REPORT

2017-2018 Biennial - Executive Proposed

				the expected life or are no longer economical/effective to maintain. Using an established life as the base for the replacement schedule, the criteria for equipment replacement is adjusted based on the type of vehicle, utilization, and application. Transit currently has 589 non-revenue vehicles in operation.
1028723	TD BUS 40FT MB08 1 HYBRID PROGRAMMATIC		\$0	40-Ft Hybrid Bus Purchase Program (Legacy Program) - For 2017-2018 and forward, revenue fleet purchases will be executed through newly created project in the fleet revenue fund. This project will be closed during the 2017-2018 biennium, and the remaining budget will be disappropriated.
1028777	TD SIGNAGE REPLACEMENT STANDALONE		\$1,201,648	<p>Signage Replacement Project - Since 2012, this project has been replacing and updating bus route information signs at King County bus stops and transit facilities. The project includes new and additional database tools to provide destination information on each sign, a new design, new information holders, new frames and changeable hard-copy information. A new Signage Standards Manual has also been produced. The project will replace or retro-fit all large kiosk signs throughout the system by the end of 2018 and a portion of the remaining permanent small bus flag signs as funds permit.</p> <p>As the Transit system continues to grow and change, there will be new stops added and changes to existing stops that will require new signs, information holders, and changeable hard-copy information. In addition, large signs currently placed at some bus stops may no longer be required due to changes in service and could be repurposed to other stops. Projections point to a net gain in the total number of bus stops and locations that will require large information signs. Additional funds are being requested to address these potential changes and to keep the entire system current.</p>
1028793	TD ADA VAN PURCHASES PROGRAMMATIC		\$0	Americans with Disabilities Act (ADA) Van Purchase Program (Legacy Program) - For 2017-2018 and forward, revenue fleet purchases will be executed through newly created projects in the Revenue Fleet Capital fund. During the 2017-2018 biennium, this project will be closed and the remaining budget will be disappropriated.
1028816	TD BUS 60FT MB06 2 HYBRID PROGRAMMATIC		\$0	60-Ft Hybrid Bus Purchase Program (Legacy Program) - For 2017-2018 and forward, revenue fleet purchases will be executed through newly created projects in the revenue fleet capital fund. During the 2017-2018 biennium, this project will be closed and the remaining budget will be disappropriated.
1028827	TD CAPITAL PROJECT OVERSIGHT ADMIN		\$318,211	Capital Project Oversight Project - This project funds oversight costs allocated to Transit.
1028830	TD TRANSIT PRIORITY IMPROVEMET PROGRAMMATIC		\$2,099,875	Transit Priority Improvement Program - The Transit Priority Improvement program covers corridor planning studies and conceptual development activities for high-ridership corridor improvements and also includes design and implementation phases for localized improvements. Efforts range from small, low cost to large, high cost projects. Small sized and low cost projects typically involve constructing spot improvements at chokepoints where buses experience blockages or delays approaching intersections or merging back into traffic after serving a bus stop. Medium cost projects include transit priority improvements for a portion of a high ridership route corridor, such as bus lanes along a particular arterial shared by several different routes, or re-timing traffic signals along a corridor. High cost projects include a variety of speed and reliability improvements along the

CAP SUMMARY REPORT

2017-2018 Biennial - Executive Proposed

				entire length of a route corridor, such as transit signal priority and fiber communication infrastructure. Typically, high cost projects are part of larger capital projects such as early implementation of the transit priority treatment in the RapidRide program.
1028854	TD VANPOOL VEHICLE PURCHASE STANDALONE		\$0	Vanpool Vehicle Purchase Project - For 2017-18 and forward, revenue fleet purchases will be executed through newly created projects in the fleet revenue fund. This project will be closed and the remaining budget will be disappropriated.
1111770	TD CIP CONTINGENCY ADMIN		\$14,878,033	CIP Emergent Need Contingency - This is an overall Transit contingency project that can be used to fund emergent needs in specific projects. If needed, appropriation authority in this project would be transferred to other projects.
1111771	TD RADIO ALASKAN WAY TUNNEL STANDALONE	✓	(\$500,000)	Alaska Way Radio Project - Project was cancelled. Disappropriating remaining funds. The WashDOT engineering team for the SR-99 tunnel chose a different technological approach that did not require KCM's involvement.
1111785	TD CUSTOMER INFO SYS PLATFORM PROGRAMMATIC		\$765,394	Customer Information System Platform Project - The Customer Information Systems project develops and implements an architecture for customer related information and applications. This will provide internal and external customers with a means to access regional transportation information and present it through a variety of contemporary communication methods. This project will: - Provide an integration software architecture for Transit's customer information systems that permits the sharing of data and message content facilitating consistent information across systems. - Replace or upgrade legacy at risk systems with proven off-the-shelf vendor products, open source technologies, and/or in-house developed systems, achieving the best solution and use of resources. These include Automated Trip Planning, Customer Relations Management, Lost and Found, IVR, Tracker, and printed and electronic bus schedules. - Introduce new customer information tools and independent information delivery mechanisms that use the latest technology, which may include mapping and real time information, and will permit the introduction of new ways to provide customer information that can grow and change as technology advances.
1111786	TD FACILITY MASTER PLAN STANDALONE	✓	(\$5,676)	Facility Master Plan Project - This project is completed. Disappropriating remaining funds.
1111971	TDC BATTERY DOMINANT BUS PROGRAMMATIC		\$0	Battery Dominant Bus Purchase Program (Legacy Program) - For 2017-2018 and forward, revenue fleet purchases will be executed through newly created projects in the revenue fleet capital fund. During the 2017-2018 biennium, this project will be closed, and the remaining budget will be disappropriated.
1111975	TD RT 120 TRANSIT IMPROVEMENTS STANDALONE	✓	(\$8,071)	Route 120 Transit Improvement Project - The project is completed. Disappropriating remaining funds.
1111992	TD DSTT ESCALATOR REFURB STANDALONE	✓	(\$381,474)	Downtown Seattle Transit Tunnel Escalator Refurbishment Project - The project is completed. Disappropriating remaining funds.

CAP SUMMARY REPORT

2017-2018 Biennial - Executive Proposed

1111993	TD FIBER REPLACEMENT STANDALONE	✓	(\$36,584)	Fiber Optic Cable Replacement Project - The project is completed. Disappropriating remaining funds.
1112015	TDC DOWNTOWN SOUTHEND PATHWAY PROGRAMMATIC		\$300,000	Downtown Southend Pathway Project - This project will create a new transit pathway between the Alaskan Way Tunnel and Third Avenue via Columbia Street by changing Columbia Street from Alaskan Way to 3rd Avenue to two way traffic operation and reconstructing the roadway on Columbia Street from 1st to 3rd Avenues.
1112016	TD SE CONNECTOR FACILITIES STANDALONE	✓	(\$722)	Southeast Connector Facilities Project - The project is completed. Disappropriating remaining funds.
1114074	TDC 60 FT TROLLEY STANDALONE		\$0	60-Ft Trolley Purchase Project (Legacy Project) - For 2017-2018 and forward, revenue fleet purchases will be executed through newly created projects in the revenue fleet capital fund. During the 2017-2018 biennium, this project will be closed, and the remaining budget will be disappropriated.
1114075	TD 40 FT TROLLEY PROGRAMMATIC		\$0	40-Ft Trolley Program (Legacy Program) - For 2017-2018 and forward, revenue fleet purchases will be executed through newly created projects in the revenue fleet capital fund. During the 2017-2018 biennium, this project will be closed, and the remaining budget will be disappropriated.
1115954	TDC TRANSIT ASSET MAINT BUDGET PROGRAMMATIC		(\$25,218,717)	Transit Asset Maintenance Program (TAMP) Budget - This is a master project that holds Transits' TAMP budget through the end of 2016. For the 2017-2018 budget cycle (and forward), Transit is splitting its asset maintenance program into five separate master projects to address auditor recommendations, to better align the program's structure with anticipated Federal Transit Authority (FTA) State of Good Repair (SGR) guidelines, and to increase transparency. The newly created projects are: - 1129626 INFRASTRUCTURE ASSET MGMT - 1129627 SITE ASSET MGMT - 1129628 BUILDING ASSET MGMT - 1129629 EQUIPMENT ASSET MGMT - 1129630 STATE OF GOOD REPAIR (SGR) MGMT
1116014	TD IS PRESERVATION BUDGET PROGRAMMATIC		\$17,484	Information Systems Preservation Budget Project - The project funds replacements and upgrades of database, file, and application servers; applications and operating systems; backup and storage devices; and switches and other LAN equipment. This project is replacing Transit information equipment and systems that are currently in use and that face failure due to their age and changes in business requirements that are not covered by KCIT or that require capital funds for modernization/life cycle costing.
1116015	TD TOH, SHELTER, EQUIP BUDGET PROGRAMMATIC		\$7,456,679	Trolley Overhead, Shelter, and Equipment Replacement Budget Program - The Trolley Poles and Switches, Shelter, and Equipment Replacement program consists of four subprojects with annual routine asset replacements: - Trolley switches - 5-15 intersection electrical hardware annually. - Trolley poles (including mast arms) - 100-120 wood poles annually. - Bus stop shelter refurbishment - 140-160 shelters annually. - Equipment replacement - \$800,000 to \$900,000 of shop, field, grounds, power, and custodial equipment annually.
1116036	TD CAPITAL OUTLAY BUDGET PROGRAMMATIC		\$1,482,979	Capital Outlay Budget Project - The Capital Outlay project provides for the purchase of new equipment that is not associated with other capital projects. Requests are submitted from sections within the Transit Division

CAP SUMMARY REPORT

2017-2018 Biennial - Executive Proposed

				and DOT Administration for new equipment and tools that meet King County's current capital asset definition. Only items that have been approved by the Capital Program Review Committee may be purchased. These assets then become part of the fixed asset base of the Public Transportation Fund and are replaced through one of the asset management projects.
1116057	TD NORTHGATE TOD BUDGET PROGRAMMATIC		\$8,093,185	<p>Northgate Transit Oriented Development (TOD) Project - The Northgate TOD project involves four major elements: (1) design and construction of a new transit facility integrated with Sound Transit's (ST) Northgate Link light rail station, (2) demolition of the existing facility, (3) coordination and implementation of TOD, and (4) integration of the first three elements with non-motorized improvements planned for the station area.</p> <p>The main Transit project is relocation of the Transit center, which includes the Transit center for passenger loading, bus layover, and transit roadway. The Transit Center is to be integrated with the ST's Link Light rail station. It is envisioned that ST will design and construct both their rail station and the Transit center and that Transit will pay ST for the Transit center work. The parties are working on a formal agreement on design, construction, and operations and maintenance. The Transit center design is underway. The Transit center construction is forecast to occur in 2020. Transit staff will be involved in planning, design development, and reviews of the integrated Transit center and light rail station. Related tasks include negotiation of property transactions with ST and WSDOT regarding the rail station and bus layover. In addition, Transit staff will be involved in design and construction of the transit roadway, as well as permit acquisition from the City of Seattle.</p> <p>The TOD project will redevelop the parcels to the east of the Link station and transit street, which includes open space and possible street improvements. Development of the parcels is likely to be guided by an agreement between the City of Seattle and King County. The content of this agreement is under discussion by the parties.</p> <p>The non-motorized Improvements project is a City of Seattle project to develop bicycle and pedestrian improvements in the Northgate area to improve connections to the new Link light rail station. The project includes the proposed pedestrian/bike bridge over I-5 and connections to the east of the station. Transit staff will be involved in design reviews to ensure integration with the transit facilities and TOD.</p> <p>The Transit center demolition project will consist of decommissioning the existing Northgate Transit Center as necessary after the new Northgate Station/Transit Center begins operation but prior to redevelopment of the property as a TOD. This is expected to occur in late 2021.</p>
1116071	TD OP FACILITY IMP BUDGET PROGRAMMATIC		\$2,770,088	<p>Operating Facilities Improvement Program - The Operating Facilities Improvements program supports transit operations and maintenance by adding new assets or by extending the lives of existing assets. Improvements are justified by changes in business practices, technology, regulations, etc. The program targets transit operating facilities (bases, maintenance, and support) and, in certain cases, passenger facilities and employee work environments.</p>
1116072	TD BUS ZONE SAFETY BUDGET PROGRAMMATIC		\$2,120,998	<p>Bus Zone Safety Budget Project - The Bus Zone Safety and Access program makes improvements to bus stops throughout King County. Specifically, this appropriation makes improvements within the Americans with Disabilities Act (ADA) guidelines at bus stops as well as improvements that address safety, comfort, and accessibility. Through the construction of landing pads, pedestrian pathways, increased curb heights, and curb</p>

CAP SUMMARY REPORT

2017-2018 Biennial - Executive Proposed

				<p>ramps, physical obstructions to transit services are removed and bus stops are identified as ADA accessible. These improvements increase the accessibility of bus stops for customers with disabilities while meeting the federal requirements of the ADA. In addition, the comfort of transit customers, with increased emphasis for senior and disabled passenger needs, will continue to be addressed through the installation of stand-alone benches, railings, and curb-cuts.</p> <p>This appropriation also strives to improve the accessibility and transfer environment between ACCESS vans and regular fixed route service and to enhance the transit passenger's ease of use of each bus stop.</p>
1116073	TD SHELTERS & LIGHTING PROGRAMMATIC		\$4,617,088	<p>Transit Shelters and Lighting Program - Shelters and Lighting is an ongoing program that makes improvements to bus stops and adds passenger facilities including new shelters, upgraded shelters, awnings, benches, trash cans, leaning rails and lighting. This project also works closely with jurisdictions and developers to coordinate and mitigate impacts to existing bus stops and transit facilities and often coordinates the removal and upgrade of existing facilities. This Project also adds hard-wired and solar-grounded lighting to new and existing shelter projects. These lighting projects increase visibility at night and aide in the reduction of loitering and vandalism and the increase in security.</p>
1116112	TD TROLLEY MOD BUDGET PROGRAMMATIC		\$1,639,902	<p>Trolley Modification Budget Project - The project provides identification, analysis, selection and implementation of modifications to the trolley overhead infrastructure. Modifications are required due to changes in road alignments, safety concerns and other matters such as service changes and improvements that mandate a change to the trolley overhead configuration.</p>
1116236	TD RIDER INFO SYSTEMS BUDGET PROGRAMMATIC		\$1,089,998	<p>Rider Information Systems Budget Project - This project is a series of information system improvements to increase customer access to transit information. It specifically includes the development or replacement of information systems for direct customer access to transportation information and services including timetables, stop information, trip planning, ride matching, online pass sales, and bus status information. Completed efforts include replacement of the Customer Information Interactive Voice Response (IVR) system, the Automated Call Distribution (ACD) system for the call center and updating the Bus Tracker System to work with the new radio system. Current efforts include replacing the Timetables and Bus Stop Information System (TABS).</p>
1116746	TD RELACE LEGACY TSP EQUIPMENT STANDALONE	✓	(\$965,464)	<p>Replace Legacy Transit Signal Priority Equipment Project - This project was cancelled. Disappropriating remaining funds.</p>
1124125	TDC A/C OPS & WAREHOUSE DEMOS PROGRAMMATIC		\$1,669,318	<p>Atlantic/Central Base Operations Building and Warehouse Demolition Project - The project will demolish the Frye Warehouse and the Old Atlantic/Central Base Operations Buildings. The project will also create additional coach parking on Atlantic/Central Site. The Frye Warehouse site will temporarily developed for vehicle parking. This is the first phase of base development anticipated under the overall 2013 Facility Master Plan.</p>
1124234	TDC RADIO LIFE CYCLE REPLACE STANDALONE		\$0	<p>Radio Life Cycle Replacement - This request will provide funding for a program of life cycle hardware and software updates to maintain the Transit Radio System (TRS) in a state of good repair, avoid early obsolescence of IT components within the system, and allow Transit to ensure vendor support for the system past the current support contract term of 2022. The system primary vendor revised their strategic product roadmap to provide a long term support model that reduces the need to</p>

CAP SUMMARY REPORT

2017-2018 Biennial - Executive Proposed

				do a large capital replacement project for the system, but hardware will require replenishment.
1124256	TDC REGL TRANSIT CONNECTIVITY PROGRAMMATIC		\$1,661,808	Regional Transit Connectivity - This project will support Metro's participation in funding transit and traffic improvements recommended in the 5-agency Regional Transit Coordination for Downtown Seattle working group and related supportive activities associated with the emerging work of the Center City Mobility Plan led by SDOT in cooperation with Metro, Sound Transit, and the Downtown Seattle Association. This work related to downtown Seattle mobility with regional reach is charged with maintaining and improving transit and transportation solutions from South Lake Union through South of Downtown (SODO) area in a 20-year horizon of intense and transformative transportation investment, especially in the next six years.
1124395	TDC INTERIM POLICE FACILITY STANDALONE		\$966,757	Interim Police Facility - The project will pay for tenant improvements to implement a new Interim Metro Transit Police Building to relocate staff from their current work spaces in the old Atlantic/Central Operations Building and Frye Warehouse. Consistent with the facility master plan for Central/Atlantic Campus, Metro security staff will also join the Metro Transit Police in the new location. The tenant improvements will include features such as locker rooms, bike repair, weapon and ammunition storage; security and access control systems; and IT infrastructure. The interim building will be a 10-year leased office space for approximately 110 total daily staff and 50 secure parking spaces, to be used on an interim basis while a permanent solution is implemented for the Metro Transit Police. The interim building will be a commercial lease in the SODO vicinity with tenant improvements based on a requirements document prepared by Transit Design and Construction.
1124396	TDC RAPIDRIDE AWV & ELINK FAC PROGRAMMATIC		\$238,202	RapidRide Alaskan Way Viaduct & East Link Facility - This project will add new or upgrade existing RapidRide bus stops and associated passenger facilities that are impacted by the construction of the Alaskan Way Viaduct (AWV) Replacement North and South Portal facilities (being implemented by the Washington State Department of Transportation (WSDOT) and the City of Seattle Department of Transportation (SDOT)) and East Link Light Rail stations (being implemented by Sound Transit (ST)). These RapidRide facilities will serve the RapidRide B, C, D and E Lines. The standard suite of RapidRide passenger amenities, already implemented at other RapidRide stations on these corridors, will be installed when sidewalk, roadway and Link Light Rail facilities are completed. Design and construction work will primarily be performed by WSDOT, SDOT and ST, with facility equipment procured, assembled, and installed by King County. These passenger facilities will include specially branded RapidRide shelters and signage, real-time rider information displays, street furniture including benches and litter receptacles, and improved lighting. Facilities associated with the AWV Replacement North and South Portals affect seven RapidRide stops: Four on Alaskan Way between Jackson Street and Columbia Street, and three on Aurora Avenue between Denny Way and Harrison Street. These stops are expected to be operational in 2019 or later. Facilities associated with the ST East Link project affect three existing RapidRide stops that will be impacted by ST station construction: one at NE 8th Street and 116th Avenue NE (Wilburton Station), and two at 156th Avenue NE and NE 40th Street (Redmond Technology Center Station). Two new RapidRide stations would be established at 152nd Avenue NE and NE 30th Street (Overlake Village Station). ST station construction is expected

CAP SUMMARY REPORT

2017-2018 Biennial - Executive Proposed

				to begin in 2020 and East Link is scheduled to begin operations in 2023.
1124413	TDC REAL TIME IMPROVEMENTS STANDALONE		\$565,018	<p>Real Time Improvements Project - This project will conduct a detailed analysis of the systems and processes involved in creating, managing, delivering and displaying customer information—and real time information in particular—in order to develop and implement a logical, phased approach for modifying, upgrading and integrating these systems, as well as the processes and connections between them, to improve the quality of real time information.</p> <p>Customer-facing systems that would be evaluated in this project include: timetables, posted bus stop schedules, posted rider alerts, public media notifications, Twitter, blogs, Transit Alerts, Metro Online, Real-Time Information Signs, Trip Planner (including Tracker), Interactive Voice Response, OneBusAway and other third party applications. Internal systems and processes that might be evaluated or touched by this project include: Transit Control Center (TCC) systems, including computer-aided dispatch and related processes; the addition of new interfaces from TCC to other systems; the management and distribution of reroutes and other special service changes; and various customer information systems processes, including internal and external notifications and updates.</p>
1124415	TDC HASTUS PLANNING MODULE STANDALONE		\$99,444	<p>HASTUS Planning Module - The HASTUS Planning Module project will acquire a new module for HASTUS, the software suite currently used by the scheduling group to produce vehicle and operator/crew schedules. The new module would be used primarily by the Service Planning group to develop and evaluate route and transit network concepts, including the associated costs. Service Development and Systems Development & Operations staff would work with the software vendor, GIRO, to evaluate out-of-the-box functionality, identify any shortcomings, and customize the software module as necessary to meet the agency's specific needs.</p>
1124427	TDC REPL SIGNAL PRIORITY EQUIP STANDALONE		\$4,328,805	<p>Replace Signal Priority Equipment - This project will implement a new TSP system. This project will be done in conjunction with the 4.9GHz wireless network and Intelligent Transportation Systems (ITS) Architecture update project utilizing the Systems Engineering approach. The project scope includes:</p> <ul style="list-style-type: none"> • Detailed system design of the new TSP system to match the Concept of Operations (ConOps), solution architecture, and specifications for procurement of a new TSP system completed in prior phases of the project. • Initial intersection design, installation and testing to System acceptance. • Full intersection design, installation and testing. • Project closeout. <p>Work will be performed by King County staff, consultant teams where specific subject matter expertise is necessary, and by Vendors.</p>
1124429	TDC REPL 4.9 NETWK & ROUTERS STANDALONE		\$23,950,639	<p>Replace 9.4 Gigahertz Network and Routers - This project is requested because the County's 4.9 GHz wireless network equipment that Transit uses to upload and download data from the bus fleet as well as the ORCA readers, transit signal priority system and real-time information signs on the RapidRide corridors is reaching end-of-life. The proposed solution is to design, purchase, install, and test a replacement network that provides the same or better network connectivity supporting these Transit business operations.</p> <p>The scope of work includes design, engineering, procurement, integration, installation, testing and implementation of a new network that will replace the following components:</p>

CAP SUMMARY REPORT

2017-2018 Biennial - Executive Proposed

				<ul style="list-style-type: none"> • 1,450 mobile routers installed on transit fleet, and 140 on RapidRide corridors; • 44 access points installed at transit bases; • 241 access points along RapidRide and other Intelligent Transportation System corridors; • Back-office network controllers and related network management tools. <p>To maintain business continuity during the transition, Transit and KCIT will need to build and implement the new system as a parallel network at the bases and along the corridors, and then migrate the fleet by installing or modifying mobile routers in a coordinated, phased process.</p>
1124456	TDC ORCA REPLACEMENT STANDALONE		\$42,933,167	<p>One Regional Card for All (ORCA) Replacement - This project is for replacement of the existing ORCA smart card regional fare collection system. The future fare collection system that will replace the existing system operated by regional transit agencies is expected to include the following elements:</p> <ul style="list-style-type: none"> • Fare card readers or validators at all fare collection points, including buses, rail and streetcar stations; • Operator displays and functionality to collect and manage fares while delivering service; • Fare inspection equipment for fare enforcement officers; • Agency servers and other equipment needed to collect fares from readers, and otherwise manage system devices and functions; • A central clearinghouse and associated financial processing to manage, reconcile and settle transactions; • System websites for agency management, business accounts and customer uses; • Reporting and management processes required for system implementation and ongoing maintenance.
1124523	TDC CIP GRANT CONTINGENCY PROGRAMMATIC		(\$862,420)	<p>CIP Grant Contingency Project - This is a contingency project for capital grants that Transit may receive during the 2017-2018 biennium. Currently, Transit expects to receive funding from the federal Surface Transportation Program for two projects:</p> <ol style="list-style-type: none"> 1. Totem Lake/Kirkland/Bellevue/Eastgate transit corridor for speed and reliability improvements; 2. Renton to Auburn transit corridor for speed and reliability improvements. <p>The grant applications have been submitted.</p>
1124538	TDC BUS SECURITY CAMERA REPL STANDALONE		(\$4,913,350)	<p>Bus Security Replacement Project - This project provides for the systematic replacement of on-board camera systems that have been installed between 2008 and 2014. The current systems include cameras (4-11 depending on the size of the bus), microphones, closed circuit televised video, a digital video recorder (DVR) and DVR hard drive.</p>
1126349	TDC ALTERNATIVE SERVICES STANDALONE		\$5,612,859	<p>Alternative Services Project - This project plans to purchase vehicles to allow implementation of alternative services in partnership with jurisdictions throughout King County. A variety of vehicle types are required to support different service types. Vehicle types include 12 and 18 passenger vans, similar to those purchased for the ACCESS program, that are used for community shuttle services like those implemented in Snoqualmie, Mercer Island and Burien. Metro will also purchase retired vans from our vanpool fleet and ramp mini vans. These will be used to provide TripPools (flexible van sharing) and community van products. These products are launching in 2nd quarter 2016 in Mercer Island and Duval. Additional product launches are in the planning stages for SE King County, Vashon Island, Bothell-Woodinville, Kirkland/Kenmore. Provisions</p>

CAP SUMMARY REPORT

2017-2018 Biennial - Executive Proposed

				for purchasing some new accessible vans are included, to ensure all service types are fully accessible.
1126880	TDC RT 245 OPERATIONAL IMP STANDALONE		\$1,915,001	Route 245 Operational Improvements - The Route 245 Corridor Improvements project will implement a package of transit preferential treatments within the existing right-of-way along the route that spans Kirkland, Redmond, and Bellevue. The project implementation includes traffic signal retiming, traffic signal modification, pavement markings, bus access improvements, and bus stop facilities improvements. The project will fund the pre-design and design, procurement of updated signal equipment, construction, and operational changes. With the project, Route 245 is expected to see travel time savings of 5-7 percent of total travel time.
1127330	TDC COMFORT STATIONS PROGRAMMATIC		\$2,746,495	Comfort Stations Program - This project involves siting, design and construction of permanent comfort stations for transit operators throughout the Metro Transit System. A number of routes terminate at locations where no restroom facilities are available for drivers or where restroom facilities exist, but are only available during regular business hours. This project provides restroom facilities at 6 prioritized locations (Eastgate P&R, Sandpoint Way at NE 70th Street, SODO Busway, Westwood Village, Tukwila International Boulevard Station and Vashon Island) thru 2019, although the program will likely continue beyond that timeframe.
1129299	TDC EL BUS CHRG INFRASTR STANDALONE		\$5,466,727	Electric Bus Charging Infrastructure - This project will involve planning, design, and construction of multiple charging stations throughout Metro's service area. When completed there will be up to 4 more charging stations at various locations, most likely bus bases, park and rides, and transit centers to support battery electric bus operations.
1129343	TDC DT SEATTLE LAYOVER FAC STANDALONE		\$20,041,876	Downtown Seattle Layover Facility - The Center City Layover project (Project) includes development of permanent bus layover facilities in the northern downtown area of the City of Seattle, generally in the South Lake Union area, and the southern downtown area of the City of Seattle, generally in the Pioneer Square/International District area. The north layover includes two elements: interim facilities and long-term facilities. Development of the north layover facilities may include one or more sites in north downtown for the interim facilities and one or more sites in north downtown for the long-term facilities. The south layover currently only includes long-term facilities. Development of the south layover facilities may include one or more sites in south downtown for the long-term layover. Twelve (12) bus spaces are necessary in the north interim facilities. Thirty (30) to thirty-five (35) spaces are necessary in the north long-term facilities. Ten (10) to twenty (20) spaces are necessary in the south long-term facilities.
1129510	TDC TRANSFER ENV IMPR BUD STANDALONE		\$977,919	Transfer Environment Improvement Budget - This program will improve the transfer environment at high ridership bus stops. This project will design and construct improvements the at non-Sound Transit Link Integration projects identified in the Work Plan for Improving the Transfer Environment at Locations Impacted by University Link Bus Integration, and expand upon this effort to provide similar improvements at additional high ridership points throughout the Metro service area. The transfer locations include bus stops within reasonable walking distance. The package of improvements will include shelters, benches, lighting, trash receptacles, way finding, and real time information signs (RTIS). The Sound Transit Link integration improvements will be managed under a separate capital

CAP SUMMARY REPORT

2017-2018 Biennial - Executive Proposed

				program focused on Sound Transit Link Station Integration.
1129621	TDC BICYCLE PARKING EXP STANDALONE		\$304,010	Bicycle Parking Expansion Project - This project will design and construct/install 36 secure bicycle parking spaces at over-crowded transit facilities. On-demand lockers or bike cages will be selected as suited to the site. Initial locations for assessment by Design and Construction are Issaquah Highlands, Northgate Transit Center, and Kent-Des Moines Park and Ride. Other locations will be considered depending on site assessments, available funds, and local demand.
1129622	TDC VAN DISTR CENTER PARKING STANDALONE		\$2,375,745	<p>Van Distribution Center Parking - The King County Metro Transit Van Distribution Center (VDC) was constructed in 1997 and is located at 18655 N.E. Union Hill Road in Redmond. The VDC is the vehicle distribution facility for King County's commuter van fleet. Program support functions at the VDC include the following:</p> <ul style="list-style-type: none"> • Receipt of new vans; • After-market preparation of vans prior to distribution to customers; • Customer drop-off/pick-up locations for van starts, trades, and folds; • Preparation of retired vans for sale • Sales of retired vans. <p>The VDC, as currently utilized, has a 439 van capacity including use of the lot perimeter. This project funds an expansion of 100 parking stalls at the VDC to accommodate growth in the vanpool program. Adding capacity comes from paving land already owned by King County and use allowed by the City of Redmond.</p>
1129624	TDC PASS SELES OFFICE RENOV STANDALONE		\$455,351	<p>Pass Sales Office Renovation - This project would provide funding to design and implement improvements within the Transit Pass Sales lobby and Transit customer information Call Center at King Street Center. The Pass Sales Lobby for customer information and pass sales is located on the ground floor of the King Street Center and is approximately 3,000 square feet. The preliminary list of changes, upgrades, repairs and replacements include: new carpet; fresh paint; replacement of the counter facing the customers; adding large, easily visible numbers above each cashier window to help direct customers ;possible upgrade of the information storage closets and racks on the west side of the lobby; possible improvements to lighting and improved camera angles for security; better placement of and security for the video screen and the computer that runs it; repaired/replaced pedestals behind the counter to replace worn and damaged cash drawers; better storage for behind-the-counter supplies; and possible upgrades to the HVAC, electrical, mechanical, and life-safety systems as required by current code.</p> <p>The Call Center is located on the third floor of the King Street Center and is approximately 2,400 square feet. The preliminary list of changes, upgrades, repairs and replacements includes improvements consistent with other modifications in the King Street Center and possible upgrades to the HVAC, electrical, mechanical, and life-safety systems as required by current code.</p>
1129626	TDC INFRASTR ASSET MGMT PROGRAMMATIC		\$40,753,142	<p>Infrastructure Asset Management - This master project replaces or renovates fixed asset infrastructure based on expected life cycle and actual condition in order to maintain each in state of good repair. Replacement and renovation sub-projects included in this master project include exiting fixed assets spanning multiple locations functioning interdependently. Examples include but not limited to: radio transmitting sites, electric bus infrastructure, diesel & gas fuel systems, access and roadways, bus passenger shelters and security systems.</p>
1129627	TDC SITE ASSET		\$27,175,175	Site Asset Management - This master project replaces or renovates site

CAP SUMMARY REPORT

2017-2018 Biennial - Executive Proposed

	MGMT PROGRAMMATIC			assets based on expected life cycle and actual condition in order to maintain each in a state of good repair. Site assets are defined as assets installed on, above, or below the ground/property. It excludes buildings or structures. Qualifying targets for sub-projects in this master project are paving, drainage vaults, storm water systems, underground tanks, and yard lighting, to name a few examples.
1129628	TDC BUILDING ASSET MGMT PROGRAMMATIC		\$57,658,563	Building Asset Management Program - This master project replaces or renovates building assets based on expected life cycle and actual condition in order to maintain each in a state of good repair. Building assets are defined as components within, over and beneath building structures. Qualifying targets for sub-projects in this master project are electrical systems, roof/skylights, HVAC systems, lighting, glazing (windows), and floors and subfloors, to name a few examples.
1129629	TDC EQUIP ASSET MGMT PROGRAMMATIC		\$3,592,691	Equipment Asset Management - This master project replaces or renovates equipment assets based on expected life cycle and actual condition in order to maintain each in a state of good repair. Equipment assets are defined as major equipment essential for bus, facility, and property maintenance and operations. To function for their intended purposes, the equipment requires addition or change to building systems, for instance, ventilation, electrical or structural work. Major equipment sub-project costs are over \$100,000. Qualifying targets for sub-projects in this master project are engine dynamometers, air compressing sets, bus vacuums, parts cleaners (dip tanks), to name a few examples.
1129630	TDC SGR ADMINISTRATION PROGRAMMATIC		\$11,681,064	State of Good Repair (SGR) Administration - This master project contains administrative costs associated with replacing assets based on expected life cycle and actual condition in order to maintain each in a state of good repair.
1129631	TDC 8TH BASE CONSTRUCTION STANDALONE		\$30,406,055	8th Base Construction Project - The scope of this project comprises all the activities that will lead to the purchase of property suitable for a new, eighth bus base in South King County. This expansion of Transit's bus base network will be referred to as the "Eighth Base." The project will include the search for and purchase of suitable property on which a new bus base can be built, thereby enabling Transit to realize the long range plan for service by supplying more long-term base capacity. This project is one of three land acquisition efforts to expand the transit base network capacity to meet unprecedented regional transit demands forecasted in the Transit Division's Metro Long Range Plan. To capture the real estate opportunities in competitive markets in Seattle and King County, Transit is focusing on identified properties in the SODO area (for Central Base) and Tukwila (for South Base) and seeking property for an eighth transit base in South King County. Both Central and South base expansions will help ease capacity constraints until a new base can be built and open for service by the 2025-2030 timeframe.
1129632	TDC MOVE SEATTLE RR EXP PROGRAMMATIC		\$4,041,970	Move Seattle RapidRide Expansion - This project begins Metro's activities to expand the RapidRide program throughout King County. Corridors for the next RapidRide lines to be implemented in the 2019 - 2025 timeframe have been identified in Metro Connects, King County Metro's draft long range plan. Seven RapidRide lines would be implemented in partnership with the City of Seattle as described in the Seattle Transit Master Plan (amended in 2016) and the Levy to Move Seattle funding initiative approved by Seattle voters in November 2015. Two initial lines would be implemented in 2019, and would operate along the Madison ST corridor, currently served by

CAP SUMMARY REPORT

2017-2018 Biennial - Executive Proposed

				<p>routes 11/12 (Downtown Seattle, First Hill, E Madison ST) and the Delridge Way SW corridor, currently served by Metro Route 120 (Downtown Seattle, Delridge Way SW, White Center and Burien). Predesign activities on these two lines would begin in 2017, design in 2018, and implementation in 2019.</p>
1129633	TDC CCMP 2019 PROGRAM PROGRAMMATIC		\$27,190,210	<p>Center City Mobility Plan (CCMP) 2019 Program - This project plans, designs, and implements the capital components of a program designed to mitigate impacts of the end of joint bus-rail operations in the Downtown Seattle Transit Tunnel (DSTT), currently planned for late 2018 or early 2019. At that time buses that now use the DSTT to travel through the downtown Seattle area will be rerouted to surface streets, impacting traffic flow and transit use in downtown Seattle.</p> <p>King County Metro, Sound Transit, the City of Seattle and the Downtown Seattle Association are working in partnership to develop the Center City Mobility Plan (CCMP). The CCMP will establish a 20-year transportation and public realm vision for the City of Seattle and is supported by implementation plans for the near-term and long-term. Together, the plan's vision and implementation plans will guide policies, programs and investments by the city and its agency partners and stakeholders.</p> <p>The near-term CCMP planning effort is focused on developing strategies to maintain and improve mobility and access following the termination of joint bus-rail operations in the DSTT, including detailed recommendations for transit service and capital improvements, surface street traffic operational changes, and complementary multimodal and public realm investments.</p> <p>To date a preliminary set of capital investments has been identified in these areas and will be further analyzed and reviewed with key stakeholders and the public through the fall of 2016, with a final recommended set of near-term investments approved at that time. The proposed CCMP 2019 Program includes those project elements that are directly related to bus stop improvements, off board fare collection, and bus layover investments. Due to the high degree of uncertainty around the final set of investments, this capital project also allocates additional King County funding to design and construct project elements that have not yet been identified. Implementation of these capital improvements will result in new transit assets, as well as the potential removal of some existing transit assets throughout the project area if certain existing transit stops are permanently closed.</p>
1129634	TDC AB REPL MAINT BLD HVAC STANDALONE		\$2,299,556	<p>Atlantic Base Replacement of Vehicle Maintenance Building Heating, Ventilation, and Air Cooling System - This project will replace/upgrade the heating-ventilation-air cooling (HVAC) system in the Atlantic Transit Base Vehicle Maintenance (VM) Building.</p>
1129636	TDC ST LINK STATION INTEGR STANDALONE		\$1,719,668	<p>Sound Transit Link Station Integration - This project will enhance connectivity between King County Metro bus service and Sound Transit (ST) Link light rail services by designing and constructing improved passenger facilities for customers, including: passenger amenities at bus stops, pedestrian access improvements between transit services, way finding signs to orient transit users, and printed or electronic information for customers including schedules, maps, and bus arrivals. Improvements will be provided at 18 new or existing bus stops and along pedestrian connections between bus stops, in vicinity of Sound Transit Link light rail stations including: Capitol Hill; University of Washington; University District; and Roosevelt stations. Rail service to University District and Roosevelt is scheduled to begin in 2021. The program includes staff</p>

CAP SUMMARY REPORT

2017-2018 Biennial - Executive Proposed

				support for planning and pre-design of Sound Transit station area bus-rail integration efforts noted above on Sound Transit Link line extensions along North Link from Roosevelt to Northgate, South Link from SeaTac to Federal Way, and East Link from downtown Seattle to Redmond, where rail operations is scheduled to begin by 2023.
1129642	TDC SOUTH BASE EXPANSION STANDALONE		\$47,248,587	<p>South Base Expansion - The primary scope of this project is to purchase property and buildings near the South Transit Operating Base. This acquisition will enable the Transit Division to increase bus base capacity and remedy overcrowded conditions of the support functions presently located around South Base. A secondary scope is to relocate various work groups into the acquired building and demolish the training facility for reuse as interim bus parking in order to begin increasing capacity at the Base.</p> <p>This project is one of three land acquisition efforts to expand the transit base network capacity to meet unprecedented regional transit demands forecasted in the Transit Division's Metro Long Range Plan. To capture the real estate opportunities in competitive markets in Seattle and King County, Transit is focusing on identified properties in Tukwila (for South Base), the SODO area (for Central Base) and seeking property for an eighth transit base in South King County. Both South and Central base expansions will help ease capacity constraints until a new base can be built and open for service by the 2025-2030 timeframe.</p>
1129643	TDC YESLER WAY ELECTRIFIC STANDALONE		\$1,973,953	<p>Yesler Way Electrification - This project is the first two phases of a project that will construct approximately 0.6 miles of new trolley overhead wire and support structures along Yesler Way between Third Avenue and 8th Avenue, along 8th Avenue between Yesler Way and Fir Street, and along 9th Avenue between Fir Street and Jefferson Street. It will involve constructing new trolley infrastructure and tying into existing trolley system at two locations. When complete, this project will expand the trolley system providing an improved pathway for trolley buses to use between the Seattle Central Business District and First Hill.</p> <p>The work under this appropriation involves the planning and predesign phases required to proceed with the design of the construction of trolley overhead wire and support structures. The information from this effort will provide direction to management on the scope and costs of the proposed improvements including the requirements to provide support structures on the bridge over I-5. With management approval the project can be programmed to complete the design and construct the project under the following year budget cycle (2019-2020).</p>
1129644	TDC CNTRL/ATL BASE EXP STANDALONE		\$59,974,752	<p>Central/Atlantic Base Expansion Project - The scope of this project comprises all the activities that will lead to the purchase of land adjacent to the Atlantic/Central [joint] Base. To simplify the description, this expansion effort will be referred to as "Central Base." This purchase will extend the base property, thereby enabling Transit to realize the long range plan for service by supplying more base capacity. The properties will enable Transit to implement the 2013 Atlantic-Central Base Master Plan which calls for 1) increasing bus parking and bus maintenance and 2) relocating non-direct base functions that will be displaced. The parcels will add approximately 9.14 acres to the Central Campus (which comprises the property across 6th Avenue South and Ryerson Base). The parcels will supply space for additional bus parking and maintenance and will provide space for displaced functions.</p> <p>This project is one of three land acquisition efforts to expand the transit base network capacity to meet unprecedented regional transit demands</p>

CAP SUMMARY REPORT

2017-2018 Biennial - Executive Proposed

				forecasted in the Transit Division's Metro Long Range Plan. To capture the real estate opportunities in competitive markets in Seattle and King County, Transit is focusing on identified properties in the SODO area (for Central Base) and Tukwila (for South Base) and seeking property for an eighth transit base in South King County. Both Central and South base expansions will help ease capacity constraints until a new base can be built and open for service by the 2025-2030 timeframe.
1129648	TDC ON BUS CAMERA EXP STANDALONE		\$7,600,255	On Bus Camera Expansion - The project implements King County Executive's proposal to equip 100 percent of Metro's transit coaches with on-board camera systems (OBCS) within as short a timeframe as reasonable. The project scope produces an OBCS Program that includes on-board camera components including cameras and digital video recorder (DVR) with hard-drive storage. To equip 100 percent of Metro coaches with OBCS requires both the retrofit of some existing buses with camera systems and the acquisition of new coaches with original equipment manufacturer installed OBCS.
1129745	TDC ON BORAD SYSTEM REPL STANDALONE		\$0	On Board System Replacement - This is an out year placeholder for replacement of existing systems on the bus. The existing systems addressed by this replacement provide automated vehicle location, automated stop announcements, automated passenger counting, and interior next stop displays.
1129746	TDC MC P&R EXPANSION STANDALONE		\$0	METRO CONNECTS Park & Ride Expansion - The project would build two 250-stall structured park-and-ride garages. The project would include planning, property acquisition, pre-design and environmental review, design, construction, and close out. The project assumes a 50 percent match, 25 percent from grant funds and 25 percent from partner city contributions. This project is planned to start in 2019, if approved.
1129747	TDC MC RR EXPANSION STANDALONE		\$13,646,635	METRO CONNECTS RapidRide Expansion - Corridors for the next RapidRide lines to be implemented in the 2019-2025 timeframe have been identified in METRO CONNECTS, King County Metro's draft long range plan. METRO CONNECTS identifies 13 new RapidRide corridors by 2025. Seven RapidRide lines are planned for implementation by the City of Seattle beginning in 2019, and six additional corridors, located primarily suburban jurisdictions of King County, are planned for implementation beginning in 2021. Thirteen (13) King County RapidRide corridors will be implemented in this project. The first year of operations for two of the 13 new RapidRide lines is planned for 2019. Program-wide planning, covering initial program-wide conceptual design efforts, will begin in 2017 for routes located in suburban King County and will encompass activities such as: RapidRide network planning; development of a program-wide implementation, phasing and funding plan; and potentially performance of corridor-specific analyses. In addition, on corridors within the City of Seattle, conceptual planning efforts are underway or have already been completed by the City of Seattle, will move into the pre-design phase in 2017, continue into final design in 2018, and begin construction in 2019. A similar staggered phasing would occur for subsequent lines, with the project fully complete in 2025.
1129748	TDC MC TRANSIT HUB IMPR STANDALONE		\$0	METRO CONNECTS Transit Hub Improvements - The 2040 service network identified in METRO CONNECTS anticipates a high level of transfer activity, with nearly 70 percent of all trips requiring a transfer. Metro with support for partners will invest in new transit hubs and stations, and retrofit existing passenger facilities. Amenities will depend on the location and number of transfers, and the travel modes servicing each location. METRO

CAP SUMMARY REPORT

2017-2018 Biennial - Executive Proposed

				CONNECTS has identified 85 new or improved key transfer points. The types of improvements will include passenger amenities at bus stops, pedestrian access improvements between transit services, wayfinding signs to orient transit users, and printed or electronic information for customers including schedules, maps, and bus arrivals.
1129749	TDC MC S&R PROGRAM STANDALONE		\$0	<p>METRO CONNECTS Speed & Reliability Program - This establishes a program to support the 2025 vision articulated in the Metro Connects plan. Three categories of projects that would enhance the speed and reliability of transit service across King County are included:</p> <ol style="list-style-type: none"> 1. The project would fund transit priority treatments on up to 6 frequent or express corridors. The types of projects included within these corridors could include bus queue jump signals, bus/HOV lanes, traffic signal modifications, transit signal priority, bus bulbs, and other minor civil improvements. 2. The project would partner with cities within King County to enhance their existing traffic signal systems along transit routes. Enhancements could include signal retiming, synchronization, hardware/software upgrades, and upgrades to communication infrastructure. These improvements may be implemented on local transit corridors in addition to frequent and express corridors. 3. The project would support the planning, design and construction of up to 7 projects of regional importance and that improve the speed that transit services can access regional high capacity transit services. One example project is the Bellevue Connector, which would construct a new roadway near Bellevue College to allow more-direct transit routing through the campus. Project funds would be used to form partnerships with local agencies and leverage transit-supportive elements from those projects. This is a placeholder project. The scope and level of effort of the project is dependent on partner agencies support and availability of transit program funding.
1129798	TDC OB CAMERA MGMT SYSTEM STANDALONE		\$640,778	<p>On Board Camera Management System - This project will implement a new On-Board Camera Management System that will integrate with the existing and any new (On-Board Camera Systems (OBCS)). This new system will address short-comings with Metro's current system and processes. This new system will include:</p> <ul style="list-style-type: none"> - Wireless video retrieval to allow staff to remotely access and download stored video files to reduce the amount of travel time and manual processing required. - File management and storage to provide automated system reporting and tracking of downloaded video. - Health status monitoring to monitor all coaches in the fleet on a daily basis and provide automated OBCS health status reporting. This will identify problems with OBCS on a coach and notify Vehicle Maintenance (VM) immediately when a problem occurs. OBCS health monitoring will eliminate the need for manual preventative maintenance checks, provide VM Electronic Technicians information as to problem improving the efficiency of repairs and increase the percentage of OBCS that are operating correctly.
1129799	TDC VEH TELEMAT FOR COACHES STANDALONE		\$3,428,817	<p>Vehicle Telematics for Coaches - The purpose of this project is to implement a vehicle telematics system on the existing fleet of revenue vehicles (buses) to accurately capture vehicle mileage and other information about the behavioral and mechanical variables affecting fuel efficiency. This information includes:</p> <ul style="list-style-type: none"> • Performance of critical drive train and engine components

CAP SUMMARY REPORT

2017-2018 Biennial - Executive Proposed

			<ul style="list-style-type: none"> • Engine fault codes • Braking and speed history <p>Metro has an existing technical solution in mind, based on research conducted over the past two years, including a pilot test and alternatives analysis, and compatibility with other equipment and systems currently used by Vehicle Maintenance (VM). This solution will employ Vehicle Information Boxes (VIBs) provided by AssetWorks, the vendor providing the existing fleet management software (FleetFocus or M5) and automated fuel management system (FuelFocus). The VIB is a piece of equipment in the FuelFocus product line that collects diagnostic information from various systems on the vehicle. It will automatically transmits this data to M5 via onboard RF (radio frequency) communications when the bus pulls up near the fueling and service islands.</p> <p>AssetWorks is the preferred solution provider because it will allow Metro to automatically capture and integrate accurate mileage and vehicle diagnostics into the existing fleet management system, further leveraging that investment.</p>
1129800	TDC SAFETY & SECURITY SYS STANDALONE	\$2,114,368	<p>Safety & Security Systems - The purpose of this project is to implement a comprehensive safety data system in the 2017-2018 timeframe. It is anticipated that the vendor community will be developing products to support the Safety Management Systems required by FTA and that by 2018 Metro can be in a position to move forward with a proven product. The safety data system would be planned and developed in parallel with a redesign of key business processes recommended by the Safety System Review.</p> <p>The project would initiate with a needs assessment and concept of operations, followed by a vendor Request for Information (RFI) to further understand the capabilities and direction of the industry before developing detailed requirements. Key areas for analysis would include data intake, data sources, data analytics capabilities, metrics and reporting.</p> <p>It is expected that two key needs can be addressed prior to the implementation of the primary system: a safety training tracking system and a security hazard risk log. The training tracking system may be pursued as an additional module in PeopleSoft, and would provide a simple means of tracking safety training received by employees. The security hazard risk log would require minimum development once the applicable data sources were identified and would provide a snapshot of the greatest risk priorities in terms of severity and probability.</p>
1129801	TDC TR BUSINESS INTEL DATA STANDALONE	\$1,678,764	<p>Transit Business Intelligence Resource Data (TBIRD) - This project will implement a new, enterprise-class reporting platform that replaces several limited-function, siloed, legacy reporting tools. The new platform will significantly advance Transit's analytical capabilities to include data mining, data discovery, business intelligence and data visualization tools, especially geo-spatial analysis and presentation. The core focus of TBIRD is the transit service network and the systems and performance metrics related to that service, including on-time performance, ridership, fare collection, incidents, accidents and other historical performance data.</p> <p>Staff across Transit will use TBIRD, including Customer Communications and Services, Operations, Service Development, Strategy and Performance, Safety, Security, Power and Facilities, Systems Development and Operations, and Vehicle Maintenance. The project will implement a technology platform which is intended to grow in the future with the addition of new data sources after the project itself is complete. This strategy, and the project, is aligned with KCIT's other business intelligence</p>

CAP SUMMARY REPORT

2017-2018 Biennial - Executive Proposed

				initiatives and the goals of the emerging Business Intelligence Center of Excellence. KCIT will be fully engaged in project planning, design, implementation and operational support of TBIRD.
1129881	TDC RAIDO MICROWAVE REPL STANDALONE		\$2,819,313	Radio Microwave Replacement - This project with replace key components in the 7 Microwave towers that are part of King County Metro's mobile radio infrastructure.
3641 - PUBLIC TRANS CONST- UNREST Total \$489,376,701				
3642 PUBLIC TRANS REVENUE FLEET CAPITAL - Transit				
Project Number	Project Name Class Code	Tech Adj	FY17-18	Current Scope
1130169	TDC VANPOOL VEHICLE PURCHASE STANDALONE		\$14,710,525	Vanpool Vehicle Purchase - The project funds the purchase of new vans needed to support the County's Vanpool Program. New vans are purchased to replace vans at the end of their useful vanpool life and to expand service.
1130286	TDC 40' HYBRID BUDGET PROGRAMMATIC		\$209,974,239	40-Ft Hybrid Bus Replacement Program - This project funds the continuation of the replacement of King County Metro's existing fleet of 40-ft diesel and hybrid buses. These new hybrid buses will feature all electric accessories. The first of the 181 new 40-ft Hybrid buses will be placed into service starting in mid-2018. The new fleet of 40-ft Hybrid buses will be low-floor buses with an FTA service life of 12 years. The buses will be purchased from the Washington State Department of Transportation (WSDOT) Consortium contract.
1130287	TDC 60' HYBRID BUDGET PROGRAMMATIC		\$297,499,452	60-Ft Hybrid Bus Replacement Program - This project funds the continuation of the replacement and a modest expansion of King County Metro's existing fleet of 60-ft diesel and hybrid buses. These new hybrid buses will feature all electric accessories. The first of these 251 new 60-ft Hybrid buses will be placed into service starting in the Fall of 2018. The new fleet of 60-ft hybrid buses will be low-floor buses with an FTA service life of 12 years. The buses will be purchased from the Washington State Department of Transportation (WSDOT) Consortium contract.
1130288	TDC 60' TROLLEY BUDGET PROGRAMMATIC		\$21,481,596	60-Ft Trolley Replacement Program - This project funds the full replacement and a modest expansion of King County Metro's fleet of 59 60-ft electric trolley buses with 64 60-ft electric trolley buses. This budget request seeks new funding for 13 additional trolleybuses to serve the City of Seattle's planned Bus Rapid Transit (BRT) route for Madison Street scheduled to begin service in 2019. The addition of the Madison BRT trolleys brings the 60-ft. trolley fleet to 77 buses. All of the new fleet of 60-ft electric trolley buses will be low-floor buses with an FTA service life of 15 years and will feature a battery pack that provides the capability to travel off-wire for a limited range.
1130289	TDC BATTERY BUS BUDGET PROGRAMMATIC		\$9,182,978	Battery Bus Budget Program - This project funds the expansion of King County Metro's existing fleet of three 40-ft battery electric buses adding 8 more 40-ft battery electric buses. These new buses, like their predecessors, will use fast-charge technology providing the capacity to operate the buses for up to approximately 23 miles between charges and allow the bus to remain in service up to 24 hours a day. Batteries can charge in 10 minutes or less. The combination of these eight buses and the original three buses purchased in 2014 will allow King County Metro to fully electrify two bus routes with battery electric buses. The eight new

CAP SUMMARY REPORT

2017-2018 Biennial - Executive Proposed

				buses should enter service in late 2017 or early 2018. The new fleet of 40-ft battery electric trolley buses will be low-floor buses with an FTA service life of 15 years. The buses will be purchased from an existing King County Metro contract No. EB 11-2 with Proterra, Inc.
1130290	TDC ADA PARATR BUDGET PROGRAMMATIC		\$12,768,232	<p>Americans with Disabilities Act (ADA) Paratransit Vehicle Replacement Program Budget - This program funds the following:</p> <ol style="list-style-type: none"> 1. Purchase expansion and replacement vehicles for Access Transportation ADA paratransit service program, project 1028793, which provides paratransit service in accordance with the Federal ADA requirements and King County Ordinances. A total of 74 new vehicles are being requested for Access; 67 replacement and 7 expansion vans at a cost of \$6,018,408. The 2016 Access Transportation revenue fleet currently consists of 317 vehicles. 2. Replace the aging Community Access Transportation (CAT) revenue vehicles that currently equal 119, using WSDOT Paratransit supplemental grant funds to pay for 46 CAT replacement vehicles in 2017. In 2018, 41 replacements will be paid for using funds from the WSDOT 2017-2019 grant award. 3. Expand the Community Access Transportation (CAT) service by up to 10 percent, which will require 10 expansion vehicles in 2017, to meet the growing demand from existing CAT agencies and new agencies that serve seniors and people with disabilities in King County. By expanding CAT service by approximately 24,000 riders it is presumed that 2017-2018 Access ridership growth will decline by half of CAT increase or 12,000 (6,000 rides per year). In addition, Access expansion vans for the biennium were reduced from 12 to 7. This amount is half of the vehicles required for CAT expansion.
3642 - PUBLIC TRANS REVENUE FLEET CAPITAL		Total	\$565,617,022	
Grand Total			\$1,054,993,723	

**2017-2018 Proposed Financial Plan
Public Transportation - Infrastructure Capital Fund / 3641**

Capital Improvement Program (CIP) Budget					
	Carryforward (YE ITD Balance)¹	2017-2018 Proposed²	2017-2018 Total (Balance + Budget)	2019-2020 Estimated³	2021-2022 Estimated³
Capital Budget Revenue Sources:					
Revenue Backing from Fund Balance	326,752,648	190,164,681	516,917,328		5,992,830
Revenue Carryforward	144,227,986	-	144,227,986	-	-
Sales Tax	-	84,565,226	84,565,226	226,421,193	320,381,203
Interest Income	-	1,616,813	1,616,813	1,399,352	2,152,368
Sound Transit Payments	-	10,316,909	10,316,909	5,158,894	-
Capital Grants	-	20,243,525	20,243,525	7,357,398	105,462,248
Debt Proceeds	-	149,594,322	149,594,322	101,384,696	62,724,983
Miscellaneous	-	32,875,228	32,875,228	29,154,250	43,510,790
Total Capital Revenue	\$ 470,980,633	\$ 489,376,703	\$ 960,357,336	\$ 370,875,784	\$ 540,224,422
Capital Appropriation:					
FLEET ¹⁰	399,148,607	-	399,148,607	-	-
ASSET MAINTENANCE	27,492,021	177,753,422	205,245,443	80,328,622	84,280,066
RAPID RIDE	10,403,680	17,926,807	28,330,487	100,843,405	257,221,878
TRANSIT SYSTEMS (IT)	6,416,975	53,315,750	59,732,726	17,844,382	14,347,496
VANPOOL	-	-	-	-	-
PASSENGER FACILITIES	996,897	13,012,344	14,009,241	32,898,146	57,852,370
OPERATING FACILITIES	5,146,793	143,035,558	148,182,350	20,459,350	64,488,322
OTHER	21,375,660	109,551,539	130,927,199	118,501,880	62,034,289
DISAPPROPRIATING LEGACY TAMP PROGRAM	-	(25,218,717)	(25,218,717)	-	-
Total Capital Appropriation	\$ 470,980,633	\$ 489,376,703	\$ 960,357,336	\$ 370,875,784	\$ 540,224,422
Anticipated Legacy Fleet Disappropriation (to be disappropriated in 2017-2018)			(399,148,607)		

CIP Fund Financial Position						
	2015-2016 Biennial to Date Actuals⁴	2015-2016 Estimated⁵	2017-2018 Biennial to Date Actual	2017-2018 Estimated⁵	2019-2020 Estimated⁶	2021-2022 Estimated⁶
Beginning Fund Balance	131,605,517	131,605,517	133,851,549	133,851,549	35,824,855	35,912,278
Capital Funding Sources						
Sales Tax	46,725,069	114,542,605	-	84,565,226	261,148,751	320,381,203
Interest Income	1,308,202	2,278,909	-	1,616,813	1,399,352	2,152,368
Sound Transit Payments	7,785,632	10,494,551	-	10,316,909	5,158,894	-
Capital Grants	96,754,648	170,716,439	-	20,243,525	7,357,398	105,462,248
Miscellaneous	25,188,176	27,241,260	-	32,875,228	29,154,250	43,510,790
Total Capital Revenue	\$ 177,761,727	\$ 325,273,763	\$ -	\$ 149,617,700	\$ 304,218,646	\$ 471,506,609
Capital Expenditures						
FLEET ¹⁰	(236,968,876)	(347,166,013)	-	-	-	-
ASSET MAINTENANCE	(31,841,037)	(50,737,202)	-	(80,258,150)	(80,536,566)	(84,280,066)
RAPID RIDE	(3,316,913)	(7,827,297)	-	(28,330,484)	(100,843,405)	(257,221,878)
TRANSIT SYSTEMS (IT)	(5,197,412)	(12,436,100)	-	(29,371,730)	(41,697,772)	(22,091,367)
VANPOOL	(7,462,075)	(11,333,719)	-	-	-	-
PASSENGER FACILITIES	(4,685,057)	(6,902,286)	-	(14,006,175)	(32,898,146)	(57,852,370)
OPERATING FACILITIES	(2,227,977)	(5,517,010)	-	(148,178,563)	(20,459,350)	(64,488,322)
OTHER	(10,749,777)	(27,582,122)	-	(119,565,159)	(128,943,174)	(61,759,290)
Total Capital Expenditures	\$ (302,449,125)	\$ (469,501,749)	\$ -	\$ (419,710,262)	\$ (405,378,412)	\$ (547,693,294)
Estimated Underexpenditures	-	6,413,013	-	20,659,546	(1,949,508)	11,883,269
Other Fund Transactions⁷						
Miscellaneous Fund Balance Adj.		137,430,584	-	-	-	-
RFRF Funds for Fleet Replacement		59,949,490	-	-	-	-
Lease and Prepaid Lease Offset		1,812,000	-	1,812,000	1,812,000	1,812,000
Transfers (to) from RFRF		(30,600,000)	-	-	-	-
Transfer (to) from Operating Sub-fund		(28,531,069)	-	-	-	-
Debt Proceeds		-	-	149,594,322	101,384,696	62,724,983
Ending Fund Balance	\$ 6,918,118	\$ 133,851,549	\$ 133,851,549	\$ 35,824,855	\$ 35,912,278	\$ 36,145,845
Fund Balance designated to current projects⁸	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reserves⁹						
Capital Designated Revenues	(40,560,714)	(40,560,714)	-	(34,412,380)	(35,164,046)	(35,164,046)
Total Reserves	\$ (40,560,714)	\$ (40,560,714)	\$ -	\$ (34,412,380)	\$ (35,164,046)	\$ (35,164,046)
Projected Shortfall	-	-	-	-	-	-
Ending Undesignated Fund Balance	\$ -	\$ 93,290,835	\$ 133,851,549	\$ 1,412,476	\$ 748,232	\$ 981,800

Financial Plan Notes

¹ 2015-2016 Carryover reflects estimates of year end inception to date appropriation balances or actual balance as reported by the PA_103 report.

² 2017-2018 Proposed Budget is consistent with expenditure and revenue data from PIC and matches the CIP Attachment A.

³ Outyear budget estimates are consistent with Attachment A out years estimates with exceptions noted.

⁴ 2015-2016 Biennial-to-Date Actuals reflects actual revenues and expenditures as of 6/30/2016..

⁵ 2015-2016 Estimated reflects updated revenue and expenditure estimates as of 6/30/2017.

⁶ Outyear revenue and spending estimates are based on current revenue estimates and project spending plans.

⁷ Other fund transactions include accounting adjustments to balance to budgetary fund balance, debt proceeds, and transfers between funds.

⁸ Fund balance designated to current projects is for projects that are already appropriated. This fund balance cannot be used for other projects without disappropriating projects or creating a shortfall in the fund.

⁹ Reserve levels reflects those adopted in the Fund Management Policies for Public Transportation.

¹⁰ In 2017-2018 and beyond, revenue fleet appropriation and related revenues are moved to the new Revenue Fleet Capital Fund (3642).

¹¹ This plan was updated by Shelley De Wys on September 17, 2016.

2017-2018 Proposed Financial Plan
Public Transportation - Revenue Fleet Capital Fund / 3642

Capital Improvement Program (CIP) Budget						
	2015-2016 Carryforward (YE ITD Balance)¹	2017-2018 Proposed²	2017-2018 Total (Balance + Budget)	2019-2020 Estimated³	2021-2022 Estimated³	
Capital Budget Revenue Sources:						
Revenue Backing from Fund Balance	-	351,139,779	351,139,779	-	-	
Sales Tax	-	96,371,548	96,371,548	-	35,347,333	
Interest Income	-	2,485,932	2,485,932	-	-	
Capital Grants	-	103,086,603	103,086,603	65,899,884	84,922,054	
Miscellaneous	-	12,533,160	12,533,160	15,191,993	17,105,275	
Total Capital Revenue	\$ -	\$ 565,617,022	\$ 565,617,022	\$ 81,091,877	\$ 137,374,662	
Capital Appropriation:						
40 FT BUS	-	209,974,239	209,974,239	-	-	
60 FT BUS	-	297,499,452	297,499,452	49,507,043	101,067,201	
60 FT TROLLEY	-	21,481,596	21,481,596	-	-	
BATTERY DOMINANT BUS	-	9,182,978	9,182,978	-	-	
ADA PARATRANSIT FLEET	-	12,768,232	12,768,232	10,505,833	15,199,462	
VANPOOL	-	14,710,525	14,710,525	21,079,000	21,108,000	
Total Capital Appropriation	\$ -	\$ 565,617,022	\$ 565,617,022	\$ 81,091,876	\$ 137,374,662	
CIP Fund Financial Position						
	2015-2016 Biennial to Date Actuals⁴	2015-2016 Estimated⁵	2017-2018 Biennial to Date Actual	2017-2018 Estimated⁵	2019-2020 Estimated⁶	2021-2022 Estimated⁶
Beginning Fund Balance	-	-	-	-	44,833,899	134,908,063
Capital Funding Sources						
Sales Tax	-	-	-	96,371,548	155,848,978	123,311,893
<i>Sales Tax Contribution for Revenue Fleet Replacement</i>	-	-	-	96,371,548	106,848,978	117,311,893
<i>Sales Tax for New Fleet/Misc</i>	-	-	-	-	49,000,000	6,000,000
Interest Income	-	-	-	2,485,932	3,933,226	10,495,885
Capital Grants	-	-	-	103,086,603	75,341,355	84,922,054
Miscellaneous	-	-	-	12,533,160	15,191,993	17,105,275
Total Capital Revenue	\$ -	\$ -	\$ -	\$ 214,477,243	\$ 250,315,551	\$ 235,835,107
Capital Expenditures						
40 FT BUS	-	-	-	(181,786,453)	(23,326,352)	(4,861,434)
60 FT BUS	-	-	-	(263,157,888)	(83,848,607)	(101,067,201)
40 FT TROLLEY	-	-	-	-	-	-
60 FT TROLLEY	-	-	-	-	(21,481,596)	-
BATTERY DOMINANT BUS	-	-	-	(9,182,978)	-	-
ADA PARATRANSIT FLEET	-	-	-	(12,768,232)	(10,505,833)	(15,199,462)
VANPOOL	-	-	-	(14,710,525)	(21,079,000)	(21,108,000)
Total Capital Expenditures	\$ -	\$ -	\$ -	\$ (481,606,076)	\$ (160,241,387)	\$ (142,236,096)
Estimated Underexpenditures	-	-	-	-	-	-
Other Fund Transactions⁷						
One-Time Tranfer from Operating for Reappropriation	-	-	-	225,000,000	-	-
Transfer from Legacy Revenue Fleet Replacement Fund	-	-	-	86,962,732	-	-
Ending Fund Balance	\$ -	\$ -	\$ -	\$ 44,833,899	\$ 134,908,063	\$ 228,507,074
Fund Balance designated to current projects⁸	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reserves⁹						
Revenue Fleet Replacement Reserve	-	-	-	(42,000,000)	(132,000,000)	(228,000,000)
Total Reserves	\$ -	\$ -	\$ -	\$ (42,000,000)	\$ (132,000,000)	\$ (228,000,000)
Projected Shortfall	-	-	-	-	-	-
Ending Undesignated Fund Balance	\$ -	\$ -	\$ -	\$ 2,833,899	\$ 2,908,063	\$ 507,074

Financial Plan Notes

¹ 2015-2016 Carryover reflects estimates of year end inception to date appropriation balances or actual balance as reported by the PA_103 report.

² 2017-2018 Proposed Budget is consistent with expenditure and revenue data from PIC and matches the CIP Attachment A.

³ Outyear budget estimates are consistent with Attachment A out years estimates with exceptions noted.

⁴ 2015-2016 Biennial-to-Date Actuals reflects actual revenues and expenditures as of 6/30/2016..

⁵ 2015-2016 Estimated reflects updated revenue and expenditure estimates as of 6/30/2017.

⁶ Outyear revenue and spending estimates are based on current revenue estimates and project spending plans.

⁷ Other fund transactions include accounting adjustments to balance to budgetary fund balance, debt proceeds, and transfers between funds.

⁸ Fund balance designated to current projects is for projects that are already appropriated. This fund balance cannot be used for other projects without disappropriating projects or creating a shortfall in the fund.

⁹ Reserve levels reflects those adopted in the Fund Management Policies for Public Transportation.

¹⁰ This plan was updated by Shelley De Wys on September 17, 2016.

MARINE DIVISION

Mission

To provide safe, reliable, efficient, environmentally sound, customer-friendly, and fiscally responsible passenger-only ferry services to the public and establish waterborne transportation as a viable alternative mode of transportation in support of regional mobility and a high quality of life in King County.

Overview

The Marine Division provides passenger-only ferry service from downtown Seattle to Vashon Island and West Seattle. The Division currently owns and operates three vessels to serve its two routes. The Vashon Island/downtown Seattle route provides year-round passenger-only ferry services during commute periods on weekdays. The West Seattle/downtown Seattle route provides similar weekday commuter ferry service during the winter months, and daily passenger-only ferry service for 11 to 16 hours a day between April and October.

The Marine Operating appropriation unit is A46250 and is located in Fund 000004591.

2017-2018 Problems, Opportunities, and Priorities

The Marine Division provides passenger only ferry service in support of Regional Mobility. The Division is unable to financially sustain present operations beyond 2016. In 2017, projected operating expenditures are \$7.4 million, while projected revenues are \$4.2 million, leaving a gap of \$3.2 million. The division is using a multi-faceted approach to overcoming this gap by pursuing revenue solutions while looking for opportunities to increase efficiency of service delivery.

The most significant action that can improve the financial situation for the Marine Division is to increase the current property tax levy from approximately 0.3 cents to 1.25 cents per \$1,000 of assessed value. This is expected to generate \$9.2M over the biennium, enough to cover the operational funding gap noted above as well as provide funding for Marine's Capital Improvement Program (CIP). Along with increasing the levy, the passenger fares for service are proposed to increase by \$0.50 in early 2018, which follows current fare practices.

The 2017-2018 biennial budget includes an increase in efficiency for the Division. The 2015-2016 biennial budget included additional staffing to crew the new larger vessels and during design of the new vessels, King County worked with the vessel designer and U.S. Coast Guard regulators and later demonstrated the ability to operate safely with a crew of three versus the budgeted crew of four. This represents a biennial savings of \$613,000 and a reduction of 3.0 FTEs, helping reduce expenditures and narrowing the gap described above.

Alignment with Executive Strategic Initiatives

Equity and Social Justice

The Marine Division has taken steps to ensure equitable access to the Water Taxi by instituting a low income fare in 2015 and by printing West Seattle route schedules in Spanish. The two new vessels put into service in 2015 feature many new accessibility accommodations for riders including Americans with Disabilities Act (ADA) compliant restrooms, wheelchair tie-downs, visual monitors displaying text versions of onboard announcements, tactile guidance signage, and more. The new King County Water Taxi Terminal at Pier 50, which will start construction in the next biennium as part of Washington State Ferries' Seattle Multimodal Terminal project, will provide fully accessible connectivity to all terminal amenities and many modes of transportation.

Strategic Climate Action Plan (SCAP)

The Marine Division has taken the following actions to meet the SCAP goals:

- Increasing ridership: Experienced a 10 percent increase in 2015 and trending toward even higher passenger growth in 2016.
- Using biodiesel fuel: Began purchasing fuel with 10 percent biofuel (B10) content in 2015.
- New vessels: The two new vessels introduced in the 2015-2016 biennium are powered by highly efficient Tier-3 engines, adhering to strict Environmental Protection Agency (EPA) emissions standards.

- In 2017-2018, the Division will further its SCAP efforts by:
- Increasing its biofuel content from 10 to 20 percent.
- Replacing the engines in the M/V Spirit of Kingston with energy efficient Tier 3 engines.
- Constructing the new terminal facility at Pier 50 in downtown Seattle to achieve Green Building platinum standards. Some of the features include daylight harvesting (natural light), LED lighting, natural ventilation and radiant heat for passengers.

Best Run Government

Since 2010, the Division has been aware that existing funding sources would not sustain operations in the long-term. The Division rose to the challenge and focused on operating as efficiently and effectively as possible, while providing safe, on-time and reliable ferry service, to increase ridership. Moreover, the Division has successfully obtained competitive federal grants over that time period. The two new vessels were 80 percent funded by federal grants (\$10.6 million secured) and the new maintenance facility received \$1.3 million of grant funding. Grants fund ongoing preventive maintenance of the vessels and the Division's backup vessel was an asset transferred at no cost from the Port of Kingston at the end of Kingston ferry service. Continuing this successful history of federal participation, the Division has earmarked grant funding of \$16.9 million to support construction of the new passenger ferry terminal facility at Colman Dock.

The voters in Kitsap County will have a measure on the November 2016 general election ballot for passenger only ferry service connecting the Kitsap Peninsula with the central business district in Seattle. If approved by the voters, Kitsap Transit's plan is to contract with King County to provide this service, fully funded by Kitsap Transit. This new service would support the region's public transportation needs and play a role in reducing congestion while providing an alternative transportation option. This service is not assumed in the 2017-2018 proposed budget.

Capital Improvement Program

The Marine Division Capital Program provides for the planning, design, and acquisition of necessary infrastructure to deliver safe, reliable, customer-friendly, and fiscally responsible passenger-only ferry service in King County. The program accomplishes this by providing vessel moorage and maintenance facilities, maintaining vessels, preserving existing passenger terminals, and the planning, designing and construction of new vessels and passenger-only ferry terminal facilities. This infrastructure gives the Marine Division the physical capability to deliver passenger-only ferry services to its customers. In addition to funding from the King County Ferry property tax levy, significant federal grant funds have been secured to support the construction and acquisition of the capital improvement program.

2017-2018 Executive Proposed Operating Budget MARINE DIVISION (EN_A46250)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	14,199,003	7,921,149	18.7	0.0
Base Budget Adjustments	790,046	166,077	1.8	0.0
Decision Package Adjustments	3,173,683	9,798,492	(3.0)	0.0
2017-2018 Executive Proposed Budget	18,162,732	17,885,718	17.5	0.0
2017-2018 Executive Proposed Ordinance	18,163,000	17,886,000	25.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_001) New Vessel Staffing Adjustment Remove three vacant purser deckhand positions that are no longer needed to operate the new vessels. The Marine Division was able to demonstrate that they could safely operate the new vessels with less crew than originally required by the United States Coast Guard, hence the removal of these positions.	(614,817)	0	(3.0)	0.0
(DS_002) Passenger-only Ferry Facility Temporary Move Costs Cover incidental costs due to the temporary relocation of the Passenger-only Ferry (POF) facility during construction of the new Seattle Ferry Terminal at Colman Dock. The current POF facility will move from Pier 50 to Pier 52. Incidental costs include overtime, marketing and signage, moving equipment, and the rental or storage of equipment.	219,709	0	0.0	0.0
(DS_003) Implement Levy Rate Increase Increase the current property tax levy from .33 cents to 1.25 cents per \$1,000 of assessed property value effective January 1, 2017. This increase is needed in order to sustain current operations as the Division is no longer able to draw on reserves to stay afloat.	0	9,177,164	0.0	0.0

2017-2018 Executive Proposed Operating Budget

MARINE DIVISION (EN_A46250)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(DS_004) Passenger Fare Increase in 2018 Increase the Regular Adult Fare \$0.50 per rider effective March 1, 2018. This is consistent with the current fare policy of increasing the passenger fare every two years with the last increase occurring in 2016.	0	198,142	0.0	0.0
(DS_120) Central Climate Change Costs Update Adjust Marine Division's share of the central climate-related costs for 2017-2018; these costs include membership fees in climate related organizations, a countywide greenhouse gas inventory update, consulting fees, regulatory dues to the Puget Sound Clean Air Agency, as well as the centralization of costs for four FTEs to help agencies across the county with climate related activities. The allocation methodology is based on greenhouse gas emissions (51 percent DNRP, 45 percent DOT, and 4 percent FMD).	21,371	0	0.0	0.0
Administrative Service Changes				
(AC_001) Develop a Ridership Demand Model Develop a ridership demand model to aid in forecasting fare revenue and ridership trends as well as inform fare policy discussions.	200,000	0	0.0	0.0
(AC_002) Water Taxi Rebranding Update the King County Water Taxi brand as the current branding is from 2009 when this service was part of the King County Ferry District (KCFD). Due to the change in governance, rebranding the boats, uniforms, and other publically visible materials with the King County logo and a unique symbol or marking will help inform our customers that King County now runs the service.	144,000	0	0.0	0.0
(AC_003) Increase Biodiesel Fuel Usage Increase biodiesel fuel usage from a 10 percent biodiesel blend to a 20 percent biodiesel blend thereby reducing the Water Taxi's carbon footprint and helping King County achieve its energy goals in the Strategic Climate Action Plan.	46,302	0	0.0	0.0
(AC_004) Transfer to Construction Fund Transfer funds to the Marine Division Construction Fund to fund capital projects.	2,790,000	0	0.0	0.0
Technical Adjustments				
(TA_001) Management & Support Technical Changes Adjust several service and intragovernmental accounts in the Management and Support section to better reflect recent years' actual spending patterns and projected needs.	98,958	0	0.0	0.0

2017-2018 Executive Proposed Operating Budget
MARINE DIVISION (EN_A46250)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(TA_002) Vessel Maintenance Technical Changes Adjust several labor, supply, and service accounts in the Vessel Maintenance section to better reflect recent years' actual spending patterns and projected needs.	(150,090)	0	0.0	0.0
(TA_003) Vashon Operations Technical Changes Adjust several wage and benefit accounts in the Vashon Operations section to better reflect recent years' actual spending patterns and projected needs.	133,117	0	0.0	0.0
(TA_004) West Seattle Operations Technical Changes Adjust several wage and benefit accounts in the West Seattle Operations section to better reflect recent years' actual spending patterns and projected needs.	161,987	0	0.0	0.0
(TA_005) Shoreside Operations Technical Changes Adjust several labor, supply, and service accounts in the Shoreside Operations section to better reflect recent years' actual spending patterns and projected needs.	32,079	0	0.0	0.0
(TA_010) Net Zero Adjustments Net zero changes loaning labor out of the Management and Support section and loaning in to the Shoreside Operations and Vessel Maintenance sections.	0	0	0.0	0.0
(TA_050) Revenue Adjustments Revise revenues to match current forecasts. Revisions better reflect grant revenue sources and shifts more of the revenue collection from cash to ORCA cards as more passengers are using ORCA to ride the boat.	0	423,186	0.0	0.0
(TA_198) Motor Pool Dispatch Rental Remove vehicle dispatch rental rates from the Fleet Motor Pool central rate account 55010 and move them into account 55258 Motor Pool ERR SVS. The amount was estimated based on 2015 actual rental billings and revised based on agency need and estimated usage for 2017-2018.	6,000	0	0.0	0.0
Central Rate Adjustments	85,067	0	0.0	0.0
Total Decision Package Adjustments	3,173,683	9,798,492	(3.0)	0.0

**2017-2018 Proposed Financial Plan
Marine Operating Fund/000004591**

Category	2015-2016 Estimated¹	2017-2018 Proposed Budget²	2019-2020 Projected³	2021-2022 Projected³
Beginning Fund Balance	-	2,541,216	2,264,202	1,416,816
Revenues				
Taxes	2,371,716	11,520,002	12,103,253	12,696,197
Federal/State Grants	1,420,168	1,634,380	1,568,306	1,568,306
Passenger Fares/Cash Fares	4,062,883	1,740,093	1,790,977	1,939,156
ORCA Fares		2,991,243	3,476,603	3,764,244
Miscellaneous Revenue	34,297			
Total Revenues	7,889,064	17,885,718	18,939,140	19,967,903
Expenditures				
Management & Support	(3,304,003)	(4,046,106)	(4,045,938)	(4,299,251)
Shoreside Operations	(2,291,805)	(2,514,451)	(2,656,882)	(2,823,629)
Vessel Operations & Maintenance	(7,529,510)	(8,812,175)	(9,252,686)	(9,833,109)
Debt Service ⁴			(941,020)	(941,020)
Transfer to Construction Fund		(2,790,000)	(2,890,000)	(1,950,000)
Total Expenditures	(13,125,318)	(18,162,732)	(19,786,526)	(19,847,009)
Estimated Underexpenditures				
Other Fund Transactions⁵				
Transfer from King County Ferry District	5,777,470			
Transfer from Marine Construction	2,000,000			
Total Other Fund Transactions	7,777,470	-	-	-
Ending Fund Balance	2,541,216	2,264,202	1,416,816	1,537,710
Reserves⁶				
Rainy Day Reserve (45 days)	(820,332)	(960,796)	(1,056,033)	(1,118,563)
Total Reserves	(820,332)	(960,796)	(1,056,033)	(1,118,563)
Reserve Shortfall	-	-	-	-
Ending Undesignated Fund Balance	1,720,884	1,303,407	360,783	419,147

Financial Plan Notes (samples below)

¹ 2015-2016 Estimated reflects actuals through May 2016 from EBS GL 10 Reports and estimated expenses through December 2016 and are consistent with the Budgetary Fund Balance figures published by FBOD. There is no beginning fund balance for 2015-2016 because these funds were still located with the King County Ferry District (KCFD) at the beginning of 2015. Footnote 5 details how funds were transferred from the KCFD to the Marine Division.

² 2017-2018 Proposed Budget is consistent with expenditure and revenue data from Hyperion.

³ Outyear projections assume revenue and expenditure growth based on PSB Financial Planning Expenditure Assumptions and Guidance updated 3/8/2016 and reflect the most recent estimates, including outyear impacts of supplementals, if applicable.

⁴ The Marine Division will issue debt to fund capital projects in 2018 leading to debt service payments beginning in 2019. Currently anticipated to be \$7,000,000 at 3% interest for 20 years, primarily for the Seattle Ferry Terminal with a life of 60 years.

⁵ Other fund transactions include accounting adjustments to balance to budgetary fund balance and the transfer from the King County Ferry District upon its fund closure, which required a net added transfer of \$2,000,000 from the Marine Construction fund to Operating fund to place remaining fund balance primarily in the operating fund.

⁶ The Marine Division is using a 45 day calculation of a single year expenditure appropriation, excluding the transfer to capital fund appropriation to arrive at the Rainy Day Reserve.

This plan was updated by John Walsh on 8/31/16.

CAP SUMMARY REPORT

2017-2018 Biennial - Executive Proposed

3591 KC MARINE CONST - Marine Division

Project Number	Project Name Class Code	Tech Adj	FY17-18	Current Scope
1111713	MD VESSEL PRESERVATION STANDALONE		\$0	Vessel Preservation - The Vessel Preservation project is part of the CIP six year plan to provide major vessel maintenance to extend the useful life of the vessel assets. Budget appropriation will be requested in the 2019-20 budget cycle.
1111716	MD TERMINAL IMPROVEMENTS STANDALONE		\$180,000	Terminal Improvements - This project will make improvements to the operating terminals and maintenance facility, and make capital improvements to fare collection methods aimed at safety, customer comfort, and efficiency.
1111718	MD SEATTLE FERRY TERMINAL STANDALONE		\$20,700,933	<p>Seattle Ferry Terminal - The overall project will include all aspects of designing and constructing a new permanent passenger-only facility (POF) on the southern edge of the expanded Washington State Ferries (WSF) terminal, vehicle holding lanes. It includes an interim POF terminal location to allow passenger ferry operations during construction. The WSF Colman Dock preservation project includes replacement of their ferry terminal building, Slip #3 overhead loading and expansion of their vehicle holding lanes as well as the replacement of the adjacent Pier 50 passenger-only ferry (POF) facility. The POF is operated by the King County Marine Division, and will be owned by King County upon completion.</p> <p>WSF will manage the project utilizing a General Contractor/Construction Manager delivery method and the King County Marine Division will monitor, review and approve activities related to the design and construction of the POF facility.</p>
1111720	MD MARINE GENERAL CAPITAL ADMIN	✓	\$21,578	Marine General Capital - Covers the cost of CIP oversight services provided to the Marine Division's CIP projects by the King County Auditor's Office.
1111723	MD TERMINAL PRESERVATION STANDALONE		\$0	Terminal Preservation - The Terminal Preservation project is part of the CIP six year plan to provide terminal maintenance to extend the useful life of the terminal assets. Budget appropriation will be requested in the 2019-20 budget cycle.
1129116	MD Float Replacement STANDALONE		\$5,287,897	Float Replacement - To replace the existing Pier 50 POF mooring float that is nearing the end of its useful life. The float is critical to safely operating the King County's POF service, the mooring of vessels and the safe and efficient boarding and disembarking of passengers.
1129117	MD Float Expansion STANDALONE		\$0	<p>Float Expansion - King County will assume ownership of the Pier 50 Seattle POF Terminal upon completion at the end of 2018. This new shoreside terminal will accommodate the expected ridership growth of the King County Water Taxi.</p> <p>The Float (dock) expansion project will expand the floats capacity which is critical to meeting the increased demand for of the water taxi services and instrumental in executing safe and efficient queueing to embark and disembark passengers.</p> <p>Budget appropriation will be requested in the 2019-20 budget cycle.</p>
1129118	MD Grant Contingency		\$5,000,000	Grant Contingency - As allowed by Title 4A of the King County Code, this project has been established to provide capital appropriation in

CAP SUMMARY REPORT

2017-2018 Biennial - Executive Proposed

	ADMIN			anticipation of a new or existing Marine capital project that has received funds from a grant donor or other external funding source or from a combination of external funds and county matching funds. (Ord. 17929 § 59, 2014)
1129119	MD Emergent Need Contingency ADMIN		\$1,250,000	Emergent Need Contingency - As allowed by Title 4A of the King County Code, this project has been established to provide capital appropriation for an existing project that is included in the Marine capital fund's six year capital improvement program for costs that were not anticipated at the time of budget adoption. (Ord. 17929 § 21, 2014)
1129120	MD Spirit Engine Replacement STANDALONE		\$626,150	Spirit Engine Replacement - This project replaces four (4) main propulsion engines on the King County POF vessel, Spirit of Kingston. The current Spirit of Kingston engines are EPA Tier 2 and this project replaces existing engines with new EPA Tier 3 engines, each developing 800 HP while maintaining fuel efficiency, power requirements, and providing substantial reductions to air pollutants including diesel particulate matter (PM), hydrocarbons (HC) and nitrogen oxides (NOx).
1129121	MD W Sea Terminal Relocation STANDALONE		\$0	West Seattle Terminal Relocation - The existing West Seattle Terminal location at Seacrest Dock is a short term location and leased from the City of Seattle. This project is has been established to plan, design and construct a new West Seattle POF Terminal, during the 2019-20 budget cycle.
1129122	MD Maint Facility Relocation STANDALONE		\$0	Maintenance Facility Relocation - Future appropriation will be requested to relocate the POF Moorage and Maintenance Facility. The current location at Pier 48 is through a lease with the Washington State Department of Transportation with an anticipated need to vacate the existing space during the 2019-20 Biennium.
3591 - KC MARINE CONST		Total	\$33,066,558	
Grand Total			\$33,066,558	

**2017-2018 Proposed Financial Plan
KC Marine Construction/000003591**

Capital Improvement Program (CIP) Budget					
	2015-2016 Carryforward (YE ITD Balance)¹	2017-2018 Proposed²	2017-2018 Total (Balance + Budget)	2019-2020 Estimated³	2021-2022 Estimated³
Capital Budget Revenue Sources:					
Revenue Backing from Fund Balance	1,032,654		1,032,654	-	-
R3310 - Federal Grants-Direct	3,106,438	18,252,005	21,358,443	6,692,067	800,000
R33XX - Federal Grants-Indirect		2,000,000	2,000,000		
R3340 - State Grants	-	-	-	-	-
R3600 - Miscellaneous Revenue		35,000	35,000	35,000	35,000
Transfer from Capital to Operating					
Interfund Borrowing/Bond Service		9,989,553	9,989,553		
Transfer from Operating to Capital		2,790,000	2,790,000	3,138,017	1,915,000
Total Capital Revenue	\$ 4,139,092	\$ 33,066,558	\$ 37,205,650	\$ 9,865,084	\$ 2,750,000
Capital Appropriation:					
Seattle Ferry Terminal	(3,883,048)	(20,700,933)	(24,583,981)	-	-
Float Replacement		(5,287,897)	(5,287,897)		
Spirit Engine Replacement		(626,150)	(626,150)	-	-
Grant Contingency		(5,000,000)	(5,000,000)		
Emergent Need Contingency		(1,250,000)	(1,250,000)		
Other Vessel Projects	(114,449)		(114,449)	(1,000,000)	(1,000,000)
Other Terminal & Facility Projects	(141,595)	(201,578)	(343,173)	(8,865,084)	(1,750,000)
Total Capital Appropriation	\$ (4,139,092)	\$ (33,066,558)	\$ (37,205,650)	\$ (9,865,084)	\$ (2,750,000)

CIP Fund Financial Position						
	2015-2016 Biennial to Date Actuals⁴	2015-2016 Estimated⁵	2017-2018 Biennial to Date Actual	2017-2018 Estimated⁵	2019-2020 Estimated⁶	2021-2022 Estimated⁶
Beginning Fund Balance	793	793		897,143	1,117,226	619,209
Capital Funding Sources						
R3310 - Federal Grants-Direct	3,894,755	5,181,876	-	19,470,820	6,692,067	800,000
R33XX - Federal Grants-Indirect				2,000,000		
R3340 - State Grants						
R3600 - Miscellaneous Revenue	25,172	35,000	-	35,000	35,000	35,000
Interfund Borrowing/Bond Service				7,000,000		
Transfer from Operating to Capital (tax levy)				2,790,000	2,890,000	1,950,000
Total Capital Revenue	\$ 3,919,927	\$ 5,216,876	\$ -	\$ 31,295,820	\$ 9,617,067	\$ 2,785,000
Capital Expenditures						
Seattle Ferry Terminal	(649,726)	(2,162,093)	-	(24,583,981)		
Float Replacement			-	(5,287,897)		
Spirit Engine Replacement				(626,150)		
Grant Contingency						
Emergent Need Contingency				(250,000)	(250,000)	(250,000)
Other Vessel Projects	(4,272,582)	(4,282,582)			(1,000,000)	(1,000,000)
Other Terminal & Facility Projects	(679,469)	(699,469)		(327,709)	(8,865,084)	(1,750,000)
Total Capital Expenditures	\$ (5,601,777)	\$ (7,144,144)	\$ -	\$ (31,075,737)	\$ (10,115,084)	\$ (3,000,000)
Other Fund Transactions⁷						
Transfer from King County Ferry District	4,823,618	4,823,618				
Transfer from Capital to Operating	(2,000,000)	(2,000,000)	-			
Ending Fund Balance	\$ 1,142,561	\$ 897,143	\$ -	\$ 1,117,226	\$ 619,209	\$ 404,209
Fund Balance designated to current projects⁸	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reserves⁹						
Total Reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Projected Shortfall	-	-	-	-	-	-
Ending Undesignated Fund Balance	\$ 1,142,561	\$ 897,143	\$ -	\$ 1,117,226	\$ 619,209	\$ 404,209

Financial Plan Notes (samples below)

¹ 2015-2016 Carryover reflects yearend inception to date appropriation estimated balances or actual balance as reported by the PA_105, RUG - PA, GL 33 reports.

² 2017-2018 Proposed Budget is consistent with expenditure and revenue data from PIC and matches the CIP Attachment A.

³ Outyear budget estimates are consistent with Attachment A out years estimates with exceptions noted.

⁴ 2015-16 Biennial-to-Date Actuals reflects actual revenues and expenditures as of 05/31/2016, using EBS RUG PA Project Expenditure Detail & Summary report.

⁵ 2015-16 Estimated reflects updated revenue and expenditure estimates as of 05/31/2016.

⁶ Outyear revenue and spending estimates are based on current revenue estimates and project spending plans.

⁷ Other fund transactions include accounting adjustments to balance to budgetary fund balance and the transfer from the King County Ferry District upon its fund closure, which required an additional transfer from the Marine Construction fund to Operating fund to place remaining fund balance primarily in the operating fund.

⁸ Fund balance designated to current projects is for projects that are already appropriated. This fund balance cannot be used for other projects without disappropriating projects or creating a shortfall in the fund.

⁹ All reserves are indicated on the Operating Financial Plan, Marine Division has no capital fund reserves.
This plan was updated by John Walsh on 8/31/16.

ROAD SERVICES DIVISION

Mission

Manage the unincorporated King County road system through focused investment of available resources to facilitate the movement of people, goods and services, and respond to emergencies.

Overview

The Road Services Division (Roads) is responsible for all County-owned roads, bridges, and related infrastructure in the unincorporated area of the County, and the division is tasked with meeting the road-related transportation needs of a very large and diverse service area. The County's many bridges are an integral part of the road system, as are other components such as sidewalks and pathways, bike lanes, guardrails, drainage and water quality facilities, traffic control equipment, and traffic cameras. The division's organizational structure consists of the Director's Office and three sections: Maintenance, Engineering Services, and Strategic Business Operations. Overall, the division is organized to focus on key functions and skill sets that best meet the strategic plan goals of safety and regulatory compliance and ensure that key resources are available to respond to unplanned failures and emergencies.

Roads is experiencing a substantial and sustained funding gap due to municipal annexations, ongoing impacts of the 2008 recession, declines in gas tax revenues, the effects of voter initiatives, and an aging bridge and road system. In this fiscal environment, critical safety work is the top priority. Available resources are focused on reacting to the highest risks associated with the deteriorating road system. Even with this focus, Roads will have to limit the use of or close assets in the future.

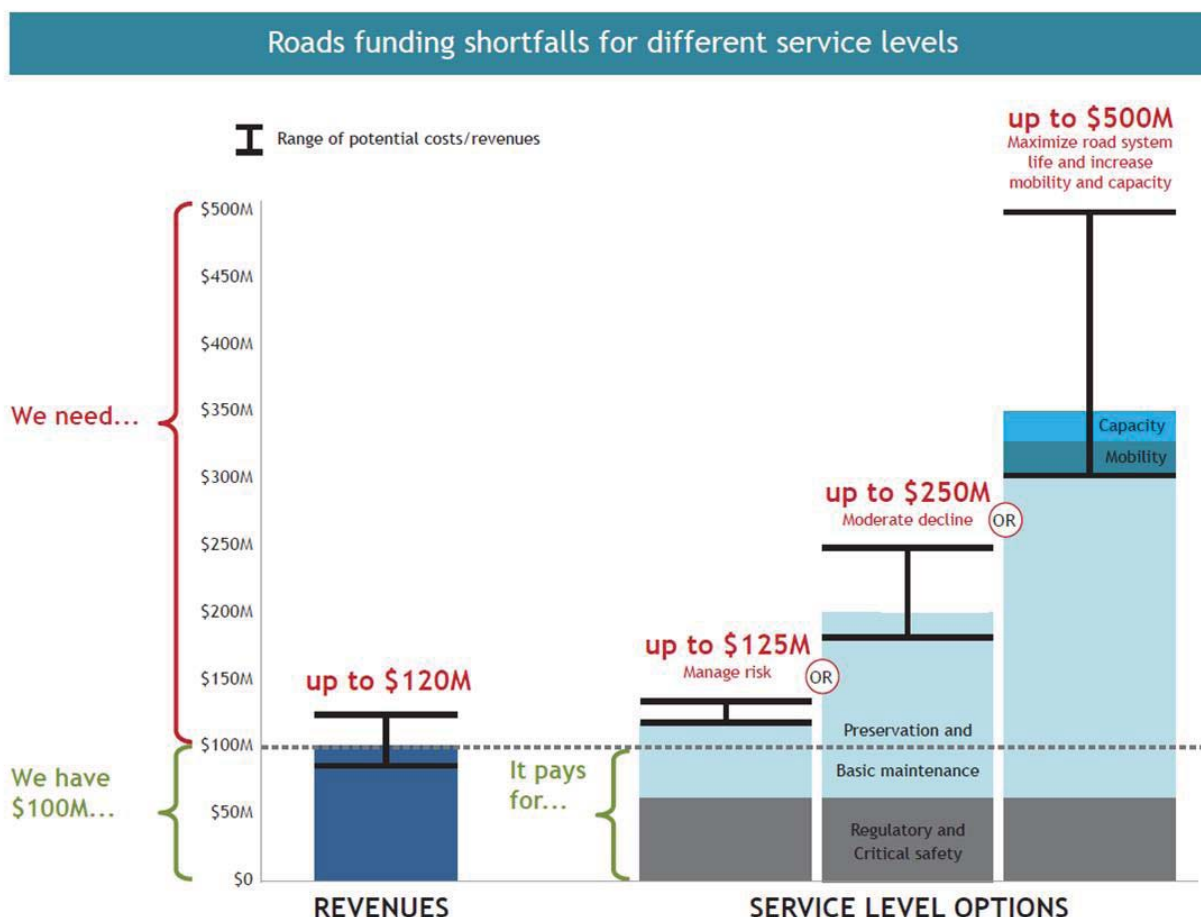
To reduce the impact of the funding gap, Roads continues to implement efficiencies in both the approach to the work and the equipment and materials used. Reductions to work groups that provide maintenance, engineering, and administrative support to the road system occurred in previous budget cycles, and Roads has reached a stable staffing level consistent with the funding projections for the next several years. The division also limited its commitments to provide engineering, project management, and general maintenance work for cities and other agencies in order to fully focus the agency on keeping County roads and bridges as safe and functional as possible.

2017-2018 Problems, Opportunities, and Priorities

Obtaining Financial Sustainability

Roads is funded through three primary sources: unincorporated area property taxes, federal and state grants, and the gas tax. The dedicated property tax provides the largest portion of funding for Roads. The property tax is tied to the assessed value of properties in unincorporated King County. During the recession, property values in the unincorporated area dropped sharply. While the economy has recovered, future growth in property tax revenues is limited by state law, which restricts the growth of property taxes generally to one percent per year plus new construction.

A financial consultant recently estimated that it would cost upwards of \$400 to \$500 million annually for a period of more than ten years to fully address the current backlog of road system needs, embark on an asset management program that produces the lowest life cycle costs, and meet road capacity, mobility, and non-motorized needs. Based upon current forecasts, the division estimates that the average revenue for the next ten years is about \$100 million annually. The funding gap is illustrated below.



In August 2015, County Executive Dow Constantine and Councilmember Kathy Lambert invited a panel of regional leaders and community members to meet and explore solutions for maintaining and preserving the aging bridge and road system in unincorporated King County. Following a series of briefings and discussions, the resulting Bridges and Roads Task Force made several findings and recommendations, including:

- **Revenue:** The County needs new authority from the state legislature for a fair, non-regressive countywide revenue tool that is tied to inflation, that is sustainable over the long-term, and that provides a benefit to both cities and the county.
- **Infrastructure:** The County should work to transfer urban road segments that are orphaned (i.e. parts of roads completely surrounded by cities that were not transferred from county responsibility) and Potential Annexation Areas (PAAs) within the growth boundaries of cities into those jurisdictions. This may require additional authority from the state legislature and support for recipient cities.
- **Further Study:** The County should study other funding options that are based on utilization and address the overall decline in gas tax revenues caused by fuel efficiency gains and reduced fuel consumption. These alternatives could include taxes or fees based on various road pricing options including vehicle miles traveled, congestion pricing, and/or tolling.
- **Outreach:** The County should expand outreach to all stakeholders to increase awareness of the problems Roads faces.

Investing in Safety and Reacting to Risk

As established in the Strategic Plan for Roads Services (SPRS), safety is the number one priority for Roads. This priority drives the agency's budget, business planning, and daily operations. The 2017-2018 proposed budget priorities are based upon state and Federal Highway Administration (FHA) adopted American Association of State Highway and Transportation Officials (AASHTO) design standards that provide a guide for safety investments. Using standardized criteria, projects are given priority rankings, and efforts are selected and scheduled based upon these rankings and available funding.

Managing Water

Managing polluted stormwater runoff poses a major challenge for King County and jurisdictions throughout the Puget Sound basin. Polluted stormwater degrades water quality and adversely impacts ecosystems. Most of the existing stormwater conveyance system runs under the road network, and unmanaged stormwater on roadways not only impairs water quality but also damages road infrastructure.

King County must comply with National Pollutant Discharge Elimination System (NPDES) permit requirements and the County has a Surface Water Management (SWM) program with an associated fee to enforce the NPDES permit requirements, reduce flooding, maintain stormwater infrastructure, and address stormwater-related water quality impairment. Recent studies illustrate that the costs of addressing stormwater runoff in King County and more broadly in the Puget Sound region, far exceed the funds available from existing SWM fees and other funding sources. Given inadequate resources, the County and cities across the Puget Sound basin will need to find ways to better coordinate and plan programs and explore new and innovative funding sources and approaches to managing stormwater.

Addressing Facility Needs

The division evaluated its maintenance facilities as part of the SPRS 2015 update. The evaluation identified the need to deliver maintenance services more efficiently, identified needed repairs, and guided the process of facility consolidation. In 2014, Roads consolidated facilities and redrew maintenance district boundaries. Roads moved out of three facilities and staff were consolidated into the remaining six facilities. Roads is currently addressing many needed repairs, including the replacement of failing roofs, siding, windows, HVAC systems, and minor repairs to a number of facilities, and a consultant is currently evaluating siting alternatives for replacement facilities in northeast King County and on Vashon Island. In addition, Roads is constructing nine covered sand and salt storage facilities to support snow and ice control services.

Despite these improvements, additional work remains. Some maintenance facilities have been surrounded by urban growth and no longer allow for efficient and time sensitive service delivery to the current service area. These facilities may need to be relocated in the future. The 2017-2018 budget proposal includes funding for a site master plan for the Roads' maintenance headquarters campus located in Renton. This campus also houses several other County agency users. The City of Renton is requiring a master plan before permitting further improvements that are needed by Roads and its tenant agencies.

Maximizing Current Workforce

Over the past several years, the Roads' fiscal condition resulted in reductions in service and significant staff layoffs. Creating stability in the workforce is essential to supporting productivity and effectiveness. In the 2015-2016 biennial budget development process, staffing levels were adjusted to a point that was sustainable over the 6 year planning horizon. The 2015-2016 biennium was a period of learning what a smaller, sustainable division should look like, including service, work program, and staffing mixes. In response to the lessons learned during this period, Roads is proposing the addition of 19 positions in the 2017-2018 biennium to address staffing needs in areas such as traffic safety engineering, mandatory bridge inspections, mandatory environmental mitigation monitoring, infrastructure asset management, and implementation of Bridges and Roads Task Force recommendations.

Roads is also embracing the findings of the 2015 employee survey and is investing in employee communication and creating development opportunities for all employees.

Alignment with Executive Strategic Initiatives

Equity and Social Justice

Roads integrates equity and social justice (ESJ) principles into agency business operations and budgeting in the following ways:

- Prioritizing emergency snow and ice response along Metro's highest priority transit snow routes since these may be the only source of transportation available to lower-income residents.
- Designing division communications and public engagement processes that are culturally relevant for diverse communities, including those with limited English proficiency.
- Using partnerships with other King County or external agencies, community groups, and non-profit organizations to better understand community needs and obtain community input.
- As funding or grant opportunities permit, providing road-related capital improvements that serve the needs of communities whose residents are low-income, racially/ethnically diverse, or have limited English proficiency. Past examples have included using grants to fund the construction of sidewalks in low-income, racially/ethnically diverse areas.
- Evaluating division projects and programs using census data and other relevant demographic and community data.
- Improving internal recruitment and hiring processes to encourage diversity, expand opportunities, and provide ESJ training opportunities to staff.

Strategic Climate Action Plan (SCAP)

Future shifts in climate are anticipated to increase the volume of stormwater as well as flooding intensities within King County's waterways and system of stormwater drainage assets. King County's road right-of-way contains drainage assets and facilities that Roads maintains to limit the damaging effects of water to roadways. When drainage assets need replacement, Roads installs larger sized culverts and pipes to accommodate future anticipated increases in storm flow. Ancillary habitat benefits of these larger sized conveyances may include improved fish passage and, in some cases, upsized wildlife movement corridors under the roadways during dry seasons. Projects incorporate native plants and bio-swales, which improve water infiltration and water quality. When feasible, projects are also designed to increase overall tree cover and habitat complexity within the project area.

Other SCAP goal areas that are advanced through Roads projects and programs include:

- Transportation/Land Use - sidewalk projects increase opportunities for non-motorized travel.
- Buildings and Facilities Energy - upgrades to and consolidation of maintenance facilities reduce energy consumption, as do recently completed LED conversion projects.
- Green Building - all Roads capital projects are reviewed early in the design process to maximize project efficiencies and sustainability outcomes.
- Consumption and Materials Management - Roads employs a coordinated approach to waste reduction and actively seeks opportunities to reduce, reuse, and recycle materials.

Roads has a long history of incorporating principles of sustainability into its delivery of projects and programs. Coordinated waste reduction strategies employed by Roads programs result in re-use of materials on site, salvaging of materials offsite, and recycling, when possible. For example, Roads vector solids and road sweepings are used as daily cover at the Cedar Hills Landfill and Roads has used recycled road concrete for the Dockton Seawall on Vashon Maury Island.

Best Run Government

In response to its ongoing funding crisis and consistent with the King County Executive's Best Run Government initiative, Roads has evaluated its business, work locations, tools, equipment, and materials. Services and service levels have been evaluated and modified as a result of this work. Some examples of improvements to operational processes include:

- Maximized asset data collection by centralizing staff and eliminating duplicate data collection
- Replaced manual travel time data collection with data purchased from a traffic data vendor
- Streamlined records management functions and reduced storage needs for old records
- Worked with unions to identify contract and work efficiencies
- Re-organized maintenance division boundaries to improve travel time and crew complements
- Transferred orphan roads to cities and vacated roads to other agencies/property owners

Additional improvements focused on underlying support activities include:

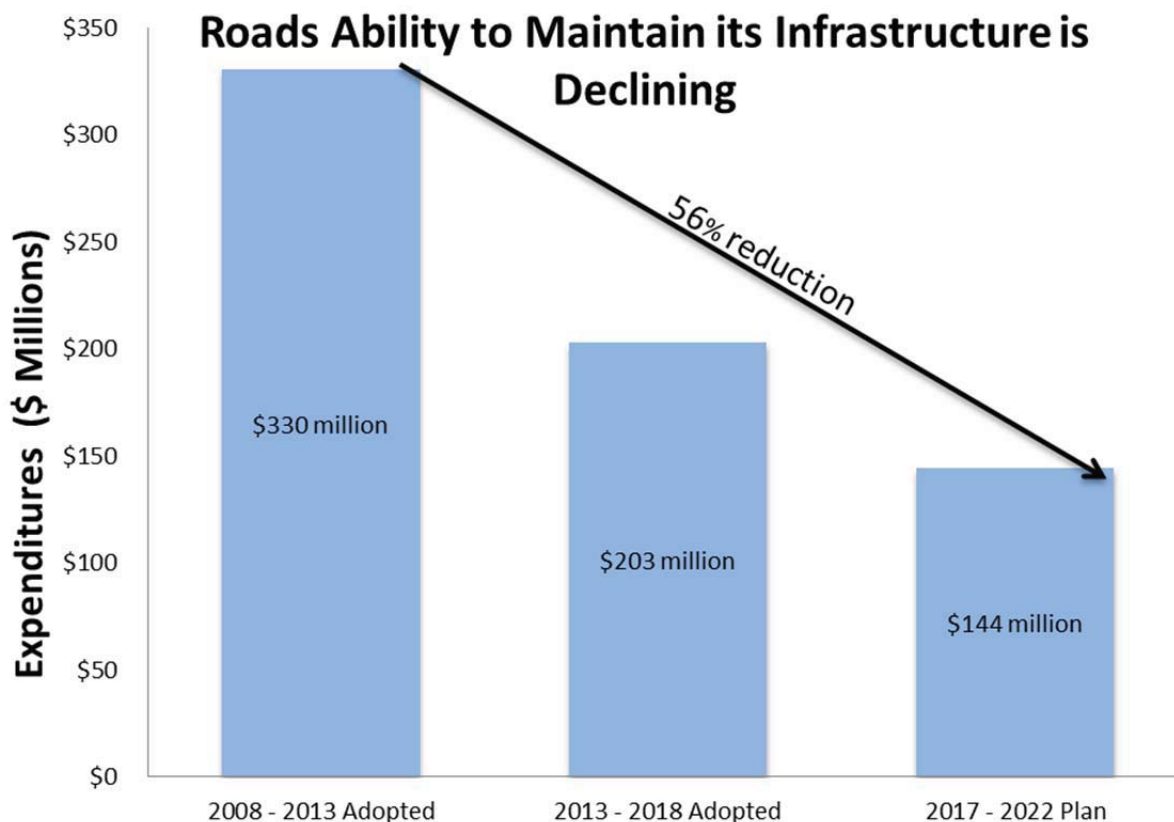
- Consolidated maintenance facilities and formed partnerships with WSDOT to share facilities
- Reduced fleet inventory by more than 20 percent, eliminating underutilized equipment
- Reduced radios, computers, telephones, and other operating equipment
- Converted County-owned street lighting to LED technology to reduce energy costs
- Implemented a state-of-the-industry asset management and work order system, replacing more than fifty data silos with a single system and saving an estimated \$1.2 million per year in process efficiencies.

Capital Improvement Program

As a result of the resource constraints described previously, the County's road system continues to deteriorate. Deferred maintenance and preservation will lead to an increase in the cost to repair these roads and associated infrastructure in the future. According to AASHTO, every one dollar spent to keep a road in good condition avoids six to fourteen dollars needed later to rebuild the same road once it has deteriorated prematurely.

The 2017-2022 capital improvement program is informed by the priorities identified in the SPRS as well as the Bridge Needs Report, the Transportation Needs Report, the guardrail priority array, and the 2016 High Collision Locations and High Collision Road Segments reports. Within existing resources – a constraint that has necessitated a significant decrease in overall capital spending (see chart) – the capital program focuses on drainage and roadway preservation, bridge maintenance, guardrail preservation and construction, clear zone and high collision area safety, and emergency responses to emergent risks.

To enhance the transparency of fund management and facilitate compliance with reporting requirements, the program was restructured with the use of two new funds, the County Road Construction Fund and the County Road Major Maintenance Fund. These funds will better define which projects are new construction and which are considered maintenance activities.



2017-2018 Executive Proposed Operating Budget ROADS (EN_A73000)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	173,933,519	201,342,718	345.5	2.0
Base Budget Adjustments	2,174,109	(1,069,246)	0.0	(1.0)
Decision Package Adjustments	12,260,918	22,575,645	18.0	5.0
2017-2018 Executive Proposed Budget	188,368,546	222,849,117	363.5	6.0
2017-2018 Executive Proposed Ordinance	188,369,000	222,850,000	363.5	6.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_001) WLRD Loan Out Staffing Add staffing to address increases in the Water and Land Resources Division's (WLRD) maintenance program.	(255)	0	4.0	0.0
(DS_002) Roads Direct Service Staffing Adjust Roads direct service staffing to support agency Strategic Plan for Roads Services (SPRS) and Line of Business Plan priorities. In the 2015-2016 biennial budget development process, staffing levels were adjusted to a point that was sustainable at least over the 6 year planning horizon. During the 2015-2016 biennium Roads has learned more about what a smaller, sustainable division would look like with regard to both the work program and staffing mix. This change adds staff consistent with those learnings and addresses staffing needs relative to capital program drainage and facilities work.	1,463,343	0	2.0	3.0
(DS_005) King County Sheriff's Office Transfer Adjust the Roads Services Division transfer to the King County Sherriff's Office to the statutorily allowed level.	3,000,000	0	0.0	0.0

2017-2018 Executive Proposed Operating Budget

ROADS (EN_A73000)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(DS_120) Central Climate Change Costs Update Adjust the Roads Division's share of the central climate-related costs for 2017-2018; these costs include membership fees in climate related organizations, a countywide greenhouse gas inventory update, consulting fees, regulatory dues to the Puget Sound Clean Air Agency, as well as the centralization of costs for four FTEs to help agencies across the county with climate related activities. The allocation methodology is based on greenhouse gas emissions (51 percent DNRP, 45 percent DOT, and 4 percent FMD).	5,343	0	0.0	0.0
Administrative Service Changes				
(AC_001) Roads Staffing Adjust Roads staffing to support agency Strategic Plan for Roads Services (SPRS) and Line of Business Plan priorities. In the 2015-2016 biennial budget development process, staffing levels were adjusted to a point that was sustainable at least over the 6 year planning horizon. During the 2015-2016 biennium Roads has learned more about what a smaller, sustainable division would look like with regard to both the work program and staffing mix. This change adds staff consistent with those learnings. and address staffing needs in areas such as traffic safety engineering, mandatory bridge inspections, mandatory environmental mitigation monitoring, infrastructure asset management, and implementation of Bridges and Roads Task Force recommendations.	4,553,898	0	12.0	2.0
(AC_002) Engineering Consulting Engage specialized engineering consultant services to meet mandated bridges rating and traffic count requirements during the 2017-2018 biennium. This is a one-time add.	320,000	0	0.0	0.0
(AC_003) Engineering Services Equipment Make capital equipment purchases to replace aging or obsolete technical engineering equipment in the Road Services Division Materials Lab, Survey Unit, and Traffic Management center. This change is a one-time add.	201,000	0	0.0	0.0
(AC_005) Facilities Master Plan Dedicate funding to support development of a facility master plan for the Renton campus.	200,000	0	0.0	0.0
Technical Adjustments				
(TA_001) Roads Maintenance Ongoing Program Allocate maintenance and traffic resources to appropriate internal cost centers and accounts for ongoing field operations	0	0	0.0	0.0

2017-2018 Executive Proposed Operating Budget

ROADS (EN_A73000)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(TA_002) Transfer of Costs to Operating Budget Transfer costs from the capital program budget to the operating budget. Operating impacts are partially offset by reductions to the transfer from operating to the capital program. Transferred costs include the following: -Full hard funding of Roads Engineering Services -Facilities Major Maintenance budget moved to operating -Ongoing ITS costs moved to operating -ES ongoing slope studies and non-labor budget moved to operating.	4,950,808	0	0.0	0.0
(TA_003) Roads City Contract Services Adjust costs associated with regional services provided by Roads to contract city customers including changes in labor rates, equipment rates, and minor shifts in demand from individual cities. This item is revenue backed.	206,344	206,342	0.0	0.0
(TA_004) Roads Labor Distribution and Miscellaneous Changes Recalculation and application of updated burden rates. Adjustment of appropriation for retirement pay outs.	561,754	0	0.0	0.0
(TA_005) Surface Water Fee Reflect current estimate of changes to Roads for the surface water utility fee.	4,548,674	0	0.0	0.0
(TA_006) DOT Directors Office Allocation Account for DOT Directors Office cost allocation to the Roads Services Division.	38,255	0	0.0	0.0
(TA_050) Revenue Adjustments Revise budgeted revenues to match current forecast.	0	22,369,303	0.0	0.0
(TA_110) Net Zero Adjustments Net zero changes to reflect current spending patterns.	0	0	0.0	0.0
(TA_113) Vacancy Rate Adjustment Reflects the salary savings associated with the natural rate of employee turnover for a given agency and provide greater transparency in the budget.	(1,010,000)	0	0.0	0.0
(TA_115) Annualization Related to South Park Bridge Operations Incorporate one year of South Park Bridge bridge tender costs in budget consistent with annexation assumptions.	1,000,000	0	0.0	0.0

2017-2018 Executive Proposed Operating Budget

ROADS (EN_A73000)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(TA_198) Motor Pool Dispatch Rental Remove vehicle dispatch rental rates from the Fleet Motor Pool central rate account 55010 and move them into account 55258 Motor Pool ERR SVS. The amount was estimated based on 2015 actual rental billings and revised based on agency need and estimated usage for 2017-2018.	28,000	0	0.0	0.0
(TA_199) Parking Fees Increase fees at County parking facilities commensurate with local market rates. These changes will affect agencies that pay or reimburse for privately-operated vehicles and for agency-assigned Fleet vehicles that park in the Goat Hill Garage, Chinook Building, KC Correctional Facility, and (as of June 2017) King Street Center.	153,600	0	0.0	0.0
(TA_200) Community Services Area (CSA) Contribution Update Update this agency's costs in the CSA's cost allocation model, which is based on projected CSA staff hours per agency over the biennium. Overall costs for the program increased due to the growth in labor costs (general wage increase, benefits) and central rates.	(22,802)	0	0.0	0.0
Central Rate Adjustments	(7,937,044)	0	0.0	0.0
Total Decision Package Adjustments	12,260,918	22,575,645	18.0	5.0

2017-2018 Executive Proposed Operating Budget ROADS CONSTRUCTION TRANS (EN_A73400)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	55,940,000	0	0.0	0.0
Base Budget Adjustments	15,140,000	0	0.0	0.0
Decision Package Adjustments	(41,480,000)	0	0.0	0.0
2017-2018 Executive Proposed Budget	29,600,000	0	0.0	0.0
2017-2018 Executive Proposed Ordinance	29,600,000	0	0.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Technical Adjustments				
(TA_002) Road Services Division Capital Transfer Align the transfer from the Roads operating fund to the Roads capital fund with the planned capital expenditures.	(41,480,000)	0	0.0	0.0
Central Rate Adjustments	0	0	0.0	0.0
Total Decision Package Adjustments	(41,480,000)	0	0.0	0.0

2017-2018 Proposed Financial Plan
Road Services Operating /000001030

Category	2015-2016 Estimated ¹	2017-2018 Proposed Budget ²	2019-2020 Projected ³	2021-2022 Projected ³
Beginning Fund Balance	19,889,311	11,606,313	16,486,884	12,652,150
Revenues				
Property Tax	162,356,542	175,539,949	170,321,123	184,265,224
Gas Tax	25,492,373	25,400,000	25,398,003	25,384,662
Utility Inspection -- Fee for Service	2,293,577	2,320,300	2,472,104	2,689,276
Reimbursable	11,823,359	12,588,868	13,423,848	14,598,796
Operating Grant Revenue	231,005	-	-	-
Grant Contingency	-	2,000,000	2,000,000	2,000,000
Sale of land	1,139,748	-	-	-
Other Revenues	6,101,346	5,000,000	5,000,000	5,000,000
Total Revenues	209,437,950	222,849,117	218,615,078	233,937,958
Expenditures				
Roads Base Operating Budget	(119,416,234)	(146,591,796)	(153,964,613)	(167,096,461)
Transfer to Sherriff / GF	(12,000,000)	(15,000,000)	(12,000,000)	(12,000,000)
Surface Water Utility Fee Transfer	(9,387,479)	(13,889,000)	(13,889,000)	(13,889,000)
Operating Debt Services	(18,986,110)	(11,887,750)	(11,596,199)	(11,267,064)
South Park Bridge Operations	(1,991,125)	(1,000,000)	-	-
Total Expenditures	(161,780,948)	(188,368,546)	(191,449,812)	(204,252,525)
Estimated Underexpenditures				
Other Fund Transactions⁴				
Roads Transfer to CIP	(55,940,000)	(29,600,000)	(31,000,000)	(26,600,000)
Total Other Fund Transactions	(55,940,000)	(29,600,000)	(31,000,000)	(26,600,000)
Ending Fund Balance	11,606,313	16,486,884	12,652,150	15,737,583
Reserves⁵				
Cash Flow Reserve(s)	(7,000,000)	(10,000,000)	(10,000,000)	(10,000,000)
Total Reserves	(7,000,000)	(10,000,000)	(10,000,000)	(10,000,000)
Reserve Shortfall	-	-	-	-
Ending Undesignated Fund Balance	4,606,313	6,486,884	2,652,150	5,737,583

Financial Plan Notes

¹ 2015-2016 Estimated reflect year end information from EBS and are consistent with the Budgetary Fund Balance figures published by FBOD.

² 2017-2018 Proposed Budget is consistent with expenditure and revenue data from Hyperion.

³ Outyear projections assume revenue and expenditure growth reflect the most recent estimates.

⁴ Other fund transactions include accounting adjustments to balance to budgetary fund balance and annual transfer to the Road Division CIP Fund.

⁵ Cash flow reserve is consistent with current financial policies.

⁶ This plan was updated by S. De Wys on 9/14/2016.

CAP SUMMARY REPORT

2017-2018 Biennial - Executive Proposed

3855 COUNTY ROAD MAJOR MAINTENANCE - Roads Services Division

Project Number	Project Name Class Code	Tech Adj	FY17-18	Current Scope
1129582	RSD EMERGENT NEED 3855 ADMIN		\$2,500,000	Emergent Need Contingency Project for Fund 3855 - This project provides funding for existing projects that experience unforeseen circumstances such as accelerations or delays.
1129583	RSD GRANT CONTINGENCY 3855 ADMIN		\$10,000,000	Grant Contingency Project for Fund 3855 - This project provides appropriation authority reflecting potential contingent grant sources that may be awarded.
1129584	RSD CWP QUICK RESPONSE PROGRAMMATIC		\$5,000,000	Countywide Quick Response Program - This project allows Roads to respond to emerging needs of citizens and the roadway system. The Quick Response master project supplies funds for sub-projects that require immediate attention, including emergency repairs associated with storm damage or other infrastructure deterioration or damage, unanticipated pedestrian or vehicle safety needs, or other emerging issues.
1129585	RSD CWP ROADWAY PRESERVATION PROGRAMMATIC		\$15,800,000	Countywide Roadway Preservation Program - This program preserves the roadway infrastructure using cost effective resurfacing treatments and minor roadway rehabilitation to extend the useful life of existing roadways.
1129586	RSD CWP DRAINAGE PRESERVATION PROGRAMMATIC		\$7,000,000	Countywide Drainage Preservation Program - This program funds replacement and preservation of aging drainage systems and associated roadway features in compliance with current codes and standards. Projects involve replacing failed systems as well as implementation of new pipe or catch basins to collect water that is adversely affecting the road system or private property.
1129587	RSD CWP GUARDRAIL PRESERVATION PROGRAMMATIC		\$4,800,000	Countywide Guardrail Preservation Program - This program identifies and prioritizes existing guardrail to be refurbished or upgraded to current standards. Program work includes installing guideposts on the guardrail according to federal standards and raising guardrail to current standard height recommendations.
1129588	RSD CWP BRIDGE PRIORITY MAINT PROGRAMMATIC		\$1,000,000	Countywide Bridge Priority Maintenance - This project funds high priority preservation and maintenance projects to keep the aging bridge inventory serviceable and safe for the traveling public. Project activities may include load upgrades, scour mitigation, re-decking, bridge rail repairs or retrofits, superstructure and substructure repairs, painting, etc.
1129589	RSD CWP CLEAR ZONE SAFETY PROGRAMMATIC		\$1,000,000	Countywide Clear Zone Safety Program - This program promotes the safety of the roadway network by removing roadside obstacles within the clear zone of the road right-of-way. This program will identify and remove or mitigate non-yielding or non-breakaway objects that are more than 6 inches high, such as trees, boulders, stumps, mailboxes, fences and utility poles in the clear zone. The clear zone is an area clear of objects for a minimum of 10 feet from the outside painted lane edge line on roads without curbing.
1129590	RSD CWP HIGH COLLISION SAFETY PROGRAMMATIC		\$4,000,000	Countywide High Collision Safety Program - This program improves the safety of the roadway network by making improvements to reduce the rate of collisions on roads in unincorporated King County. Improvements include, but are not limited to, traffic control signs and pavement markings.
1129591	RSD CWP SCHOOL ZONE SAFETY PROGRAMMATIC		\$800,000	Countywide School Zone Safety Program - This program improves the safety of students, pedestrians and others using roads near schools in unincorporated King County by implementing traffic calming measures as

CAP SUMMARY REPORT

2017-2018 Biennial - Executive Proposed

				needed, including safety-related signs, marked crosswalks, radar activated speed signs, flashing beacons or paved sidewalks.
1129841	RSD CIP OVERSIGHT 3855 ADMIN		\$34,595	CIP Oversight Project - This project funds the costs for the Capital Projects Oversight Committee.
3855 - COUNTY ROAD MAJOR Total				\$51,934,595
MAINTENANCE				
3865 KING COUNTY ROAD CONSTRUCTION - Roads Services Division				
Project Number	Project Name Class Code	Tech Adj	FY17-18	Current Scope
1129592	RSD EMERGENT NEED 3865 ADMIN		\$600,000	Emergent Need Contingency Project for Fund 3865 - This project provides funding for existing projects that experience unforeseen circumstances such as accelerations or delays.
1129593	RSD GRANT CONTINGENCY 3865 ADMIN		\$5,000,000	Grant Contingency Project for Fund 3865 - This project provides appropriation authority reflecting potential contingent grant sources that may be awarded.
1129594	RSD CWP GUARDRAIL CONSTRUCTION PROGRAMMATIC		\$1,350,000	Countywide Guardrail Construction Program - This program designs and constructs new guardrail systems.
1129595	RSD OLD CASCADE/MILLER BR WEST STANDALONE		\$2,300,000	Old Cascade Highway/Miller River Bridge West Improvements Project - This project makes drainage and pavement improvements on Old Cascade Highway and constructs a turnaround on the highway at the west bank of the Miller River.
1129596	RSD OLD CASCADE/MILLER BR EAST STANDALONE		\$2,750,000	Old Cascade Highway/Miller Bridge East Improvements Project - This project makes drainage and pavement improvements on Old Cascade Highway and constructs a turnaround on the highway at the east bank of the Miller River.
1129597	RSD ISS HBRT RD@CDR GROV RND BT STANDALONE		\$0	Issaquah Hobart Road and Cedar Grove Road Roundabout Project - This project constructs a roundabout at the intersection of Issaquah Hobart Road SE and Cedar Grove Road SE.
1129598	RSD ISS HBRT RD@MAY VLLY RND BT STANDALONE		\$0	Issaquah Hobart Road and May Valley Road Roundabout Project - This project constructs a roundabout at the intersection of Issaquah Hobart Road SE and SE May Valley Road.
1129599	RSD RENTON AVE PH III SIDEWALK STANDALONE		\$3,200,000	Renton Avenue Phase III Sidewalk Project - This project constructs a sidewalk on the west side of Renton Avenue S between 68th Avenue S and S 112th Street, a paved walking surface on the east side of Renton Avenue between 68th Avenue S and S 116th Place, and bicycle lanes on each side of Renton Avenue within the project area.
1129600	RSD HIGHLINE SCH DIST IMPRV MNT STANDALONE		\$5,250,000	Highline School District Improvements Project - This project constructs a sidewalk and a bicycle lane on the west side of 8th Avenue SW from SW 102nd Street to SW 108th Street, a sidewalk and a bicycle lane on the north side of SW 102nd Place between 4th Avenue SW and 6th Avenue SW, a sidewalk on the east side of 6th Avenue SW from SW 102nd Street to just south of SW 100th Street, and a parking area on the west side of this area. In addition, the project installs beacons at pedestrian crossings and pathways surrounding Mount View Elementary, White Center Heights

CAP SUMMARY REPORT

2017-2018 Biennial - Executive Proposed

				Elementary, and Cascade Middle schools and funds community outreach and education about the improvements.
1130260	RSD SW 108&8 AV SW ROUNDABOUT STANDALONE		\$792,000	SW 108th Street and 8th Avenue SW Roundabout Project - This project designs and constructs a mini-roundabout at 8th Avenue SW and SW 108th Street, including a rectangular rapid flashing beacon at the west crosswalk, improvements to the sidewalks, ramps to be compliant with the Americans with Disabilities Act, and other safety improvements.
1130261	RSD SE176&SE171 WAY ROUNDABOUT STANDALONE		\$340,000	SE 176th Street and SE 171st Way Roundabout Project - This project designs and constructs a mini-roundabout at the intersection of SE 176th Street and SE 171st Way, modify sidewalks and reconstruct ramps to be compliant with the Americans with Disabilities Act.
1130303	RSD CIP OVERSIGHT 3865 ADMIN		\$14,093	Capital Improvement Program Oversight Fund 3865 - This project funds the costs for the Capital Projects Oversight Committee.
3865 - KING COUNTY ROAD CONSTRUCTION		Total	\$21,596,093	
Grand Total			\$73,530,688	

**2017-2018 Proposed Financial Plan
County Road Major Maintenance Fund / 000003855**

Capital Improvement Program (CIP) Budget					
	2015-2016 Carryforward (YE ITD Balance)¹	2017-2018 Proposed²	2017-2018 Total (Balance + Budget)	2019-2020 Estimated³	2021-2022 Estimated³
Capital Budget Revenue Sources:					
Federal Aid Urban System Road Grant	-	15,800,000	15,800,000	-	-
Contribution - Surface Water Management	-	4,489,959	4,489,959	4,489,959	4,489,959
Contribution - County Road Fund	-	27,944,636	27,944,636	28,710,041	24,610,041
Contribution - Real Estate Excise Tax	-	3,000,000	3,000,000	-	-
Road Construction - Other Government	-	700,000	700,000	700,000	700,000
Total Capital Revenue	\$ -	\$ 51,934,595	\$ 51,934,595	\$ 33,900,000	\$ 29,800,000
Capital Appropriation:					
Emergent Need 3855	-	(2,500,000)	(2,500,000)	(1,550,000)	(1,400,000)
Grant Contingency 3855	-	(10,000,000)	(10,000,000)	-	-
Quick Response	-	(5,000,000)	(5,000,000)	(7,000,000)	(8,000,000)
Roadway Preservation	-	(15,800,000)	(15,800,000)	(11,000,000)	(11,000,000)
Drainage Preservation	-	(7,000,000)	(7,000,000)	(6,000,000)	(6,000,000)
Guardrail Preservation	-	(4,800,000)	(4,800,000)	(2,950,000)	-
Bridge Priority Maintenance	-	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)
Clear Zone Safety	-	(1,000,000)	(1,000,000)	(1,600,000)	(1,600,000)
High Collision Safety	-	(4,000,000)	(4,000,000)	(2,000,000)	-
School Zone Safety	-	(800,000)	(800,000)	(800,000)	(800,000)
CIP Oversight	-	(34,595)	(34,595)	-	-
Total Capital Appropriation	\$ -	\$ (51,934,595)	\$ (51,934,595)	\$ (33,900,000)	\$ (29,800,000)

CIP Fund Financial Position						
	2015-2016 Biennial to Date Actuals⁴	2015-2016 Estimated⁵	2017-2018 Biennial to Date Actual	2017-2018 Estimated⁵	2019-2020 Estimated⁶	2021-2022 Estimated⁶
Beginning Fund Balance					519,271	1,231,730
Capital Funding Sources						
Federal Aid Urban System Road Grant	-	-	-	15,290,000	510,000	-
Federal Bridge Grant	-	-	-	-	-	-
Washington State Department of Transportation Grant	-	-	-	-	-	-
Rural Arterial Program Road Grant	-	-	-	-	-	-
Contribution - Surface Water Management	-	-	-	4,489,959	4,489,959	4,489,959
Contribution - County Road Fund	-	-	-	24,703,907	29,250,000	25,710,000
Contribution - Real Estate Excise Tax	-	-	-	3,000,000	-	-
Road Construction - Other Government	-	-	-	700,000	700,000	700,000
Total Capital Revenue	\$ -	\$ -	\$ -	\$ 48,183,866	\$ 34,949,959	\$ 30,899,959
Capital Expenditures						
Emergent Need 3855	-	-	-	(2,500,000)	(1,550,000)	(1,400,000)
Grant Contingency 3855	-	-	-	(10,000,000)	-	-
Quick Response	-	-	-	(5,000,000)	(6,000,000)	(7,000,000)
Roadway Preservation	-	-	-	(12,210,000)	(12,475,000)	(12,105,000)
Drainage Preservation	-	-	-	(6,700,000)	(6,000,000)	(6,000,000)
Guardrail Preservation	-	-	-	(4,560,000)	(3,042,500)	(147,500)
Bridge Priority Maintenance	-	-	-	(950,000)	(1,000,000)	(1,000,000)
Clear Zone Safety	-	-	-	(950,000)	(1,570,000)	(1,600,000)
High Collision Safety	-	-	-	(4,000,000)	(1,800,000)	(200,000)
School Zone Safety	-	-	-	(760,000)	(800,000)	(800,000)
CIP Oversight	-	-	-	(34,595)	-	-
Total Capital Expenditures	\$ -	\$ -	\$ -	\$ (47,664,595)	\$ (34,237,500)	\$ (30,252,500)
Other Fund Transactions						
Ending Fund Balance	\$ -	\$ -	\$ -	\$ 519,271	\$ 1,231,730	\$ 1,879,189
Fund Balance designated to current projects⁷	\$ -	\$ -	\$ -	\$ (519,271)	\$ (1,231,730)	\$ (1,480,000)
Reserves						
Grant Contingency						
Cash Flow						
Total Reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Projected Shortfall	-	-	-	-	-	-
Ending Undesignated Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 399,189

Financial Plan Notes (samples below)

¹ 2015-2016 Carryover is null because this is a new fund.

² 2017-2018 Proposed Budget is consistent with expenditure and revenue data from PIC and matches the CIP Attachment A.

³ Outyear budget estimates are consistent with Attachment A out years estimates with exceptions noted.

⁴ 2015-2016 (or 2017-2018) Biennial-to-Date Actuals are null because this is a new fund.

⁵ 2015-2016 (or 2017-2018) Estimated values are null because this is a new fund.

⁶ Outyear revenue and spending estimates are based on current revenue estimates and project spending plans.

⁷ Fund balance designated to current projects is for projects that are already appropriated. This fund balance cannot be used for other projects without disappropriating projects or creating a shortfall in the fund. It is anticipated that once the projects in the former Roads capital funds are complete, there will be some revenue that can be transferred to this fund.

⁸ This plan was updated by S. De Wys on 09/14/2016

**2017-2018 Proposed Financial Plan
King County Road Construction Fund / 000003865**

Capital Improvement Program (CIP) Budget					
	2015-2016 Carryforward (YE ITD Balance)¹	2017-2018 Proposed²	2017-2018 Total (Balance + Budget)	2019-2020 Estimated³	2021-2022 Estimated³
Capital Budget Revenue Sources:					
Federal Aid Urban System Road Grant	-	5,000,000	5,000,000	-	-
Federal Emergency Management Agency Grants	-	3,250,000	3,250,000	-	-
Washington State Department of Transportation Grants	-	8,450,000	8,450,000	6,000,000	-
Contribution - County Road Fund	-	4,896,093	4,896,093	1,750,000	890,000
Total Capital Revenue	\$ -	\$ 21,596,093	\$ 21,596,093	\$ 7,750,000	\$ 890,000
Capital Appropriation:					
Emergent Need 3865	-	(600,000)	(600,000)	(400,000)	(40,000)
Grant Contingency 3865	-	(5,000,000)	(5,000,000)	-	-
Guardrail Construction	-	(1,350,000)	(1,350,000)	(1,350,000)	(850,000)
Old Cascade Hwy/Miller River Bridge Approaches	-	(5,050,000)	(5,050,000)	-	-
Issaquah Hobart Rd Roundabouts	-	-	-	(6,000,000)	-
Sidewalk Improvements	-	(8,450,000)	(8,450,000)	-	-
County Roundabouts	-	(1,132,000)	(1,132,000)	-	-
CIP Oversight	-	(14,093)	(14,093)	-	-
Total Capital Appropriation	\$ -	\$ (21,596,093)	\$ (21,596,093)	\$ (7,750,000)	\$ (890,000)

CIP Fund Financial Position						
	2015-2016 Biennial to Date Actuals⁴	2015-2016 Estimated⁵	2017-2018 Biennial to Date Actual	2017-2018 Estimated⁵	2019-2020 Estimated⁶	2021-2022 Estimated⁶
Beginning Fund Balance		-	-	-	185,200	95,000
Capital Funding Sources		-	-	-	-	-
Federal Aid Urban System Road Grant	-	-	-	5,000,000	-	-
Federal Emergency Management Agency Grants	-	-	-	3,250,000	-	-
Washington State Department of Transportation Grants	-	-	-	8,450,000	6,000,000	-
Contribution - County Road Fund	-	-	-	4,896,093	1,750,000	890,000
Total Capital Revenue	\$ -	\$ -	\$ -	\$ 21,596,093	\$ 7,750,000	\$ 890,000
Capital Expenditures		-	-	-	-	-
Emergent Need 3865	-	-	-	(600,000)	(400,000)	(40,000)
Grant Contingency 3865	-	-	-	(5,000,000)	-	-
Guardrail Construction	-	-	-	(1,255,000)	(1,350,000)	(900,000)
Old Cascade Hwy/Miller River Bridge Approaches	-	-	-	(5,050,000)	-	-
Issaquah Hobart Rd Roundabouts	-	-	-	-	(6,000,000)	-
Sidewalk Improvements	-	-	-	(8,450,000)	-	-
County Roundabouts	-	-	-	(1,041,800)	(90,200)	-
CIP Oversight	-	-	-	(14,093)	-	-
Total Capital Expenditures	\$ -	\$ -	\$ -	\$ (21,410,893)	\$ (7,840,200)	\$ (940,000)
Other Fund Transactions⁷		-	-	-	-	-
Ending Fund Balance	\$ -	\$ -	\$ -	\$ 185,200	\$ 95,000	\$ 45,000
Fund Balance designated to current projects⁸	\$ -	\$ -	\$ -	\$ (185,200)	\$ (95,000)	\$ (45,000)
Reserves		-	-	-	-	-
Grant Contingency	-	-	-	-	-	-
Cash Flow	-	-	-	-	-	-
Total Reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Projected Shortfall	-	-	-	-	-	-
Ending Undesignated Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Financial Plan Notes (samples below)

¹ 2015-2016 Carryover is null because this is a new fund.

² 2017-2018 Proposed Budget is consistent with expenditure and revenue data from PIC and matches the CIP Attachment A.

³ Outyear budget estimates are consistent with Attachment A out years estimates with exceptions noted.

⁴ 2015-2016 (or 2017-2018) Biennial-to-Date Actuals are null because this is a new fund.

⁵ 2015-2016 (or 2017-2018) Estimated values are null because this is a new fund.

⁶ Outyear revenue and spending estimates are based on current revenue estimates and project spending plans.

⁷ Other fund transactions include accounting adjustments to balance to budgetary fund balance.

⁸ Fund balance designated to current projects is for projects that are already appropriated. This fund balance cannot be used for other projects without disappropriating projects or creating a shortfall in the fund.

⁹ This plan was updated by S. De Wys on 09/14/2016.

FLEET DIVISION

Mission

Department of Transportation's (DOT) Fleet Administration Division is a fleet services provider agency, committed to providing high-quality customer service and environmentally sound and cost-effective vehicles and equipment, materials, supplies, and asset management services. We encourage and empower our employees to achieve excellence.

Overview

Fleet Administration Division (Fleet) is an internal service organization within the Department of Transportation. The division manages three equipment rental and revolving funds, and the acquisition, maintenance, replacement, and disposal of approximately 2,500 fleet vehicles and other pieces of equipment. These support the County's services associated with the Sheriff, Roads, Parks, Wastewater, Water and Land Resources, and other agencies.

The Division purchases and warehouses a large and diverse inventory of construction materials and supplies, traffic signs, safety equipment, and hand tools. It also provides reimbursable stores, materials, and supplies and vehicle maintenance services to more than 50 local cities and jurisdictions.

Fleet Administration accounts for the County's personal property capitalized assets and disposes of all surplus personal property. It administers the County's take-home vehicle program and facilitates the annual vehicle utilization review process.

The Division is committed to the reduction of greenhouse gas emissions through clean vehicle purchases and best management practices.

Over the past year, Fleet has participated in the Line of Business planning process. The Fleet Line of Business (LoB) is a partnership between Fleet Administration, Solid Waste, and Airport. It incorporates the Executive's top strategic initiatives: Equity and Social Justice, Strategic Climate Action, and Best Run Government priorities. The focus of the work was a collaboration to identify actions and strategies to meet King County's Strategic Climate Action Plan (SCAP) targets.

2017-2018 Problems, Opportunities and Priorities

The Fleet Division is focusing on better serving its customers through better access to data through new system implementation of Automatic Vehicle Location (AVL) Technology, creating efficiencies, process improvements, and the implementation of a Lean program, and continued coordination with the other King County Fleets. Highlights for 2017-2018 for the Fleet Division include:

Executive Policy Review

As identified in a 2015 Performance Audit conducted by the King County Auditor, there are a number of Executive Policies which provide specific guidance to Fleet Administration, many of which are more than ten years old. These policies will be reviewed and, if needed, will be updated in the next biennium to better serve Fleet and its customers. In this year's budget process, a pilot project was implemented to integrate the light duty vehicle utilization policy review through coordination with County Fleet agencies and the Office of Performance, Strategy and Budget (PSB).

Preventive Maintenance Compliance

One of the key performance indicators established by the One King County Fleet Manager's Group is Preventive Maintenance (PM) compliance. Following a standard recommended maintenance schedule extends the life of the vehicle, increases availability, and reduces costs. Fleet continues to focus on increasing PM compliance with customers while minimizing the downtime of the vehicle as much as possible. Two groups of interest are field vehicles and the Sheriff's patrol vehicles. In addition to the expanded use of mobile service at remote locations, Fleet will collaborate with customers to identify more tailored solutions to increase PM compliance and reduce costs.

Alignment with Executive Strategic Initiatives

Equity and Social Justice

The Fleet Division promotes Equity and Social Justice (ESJ) internally through several aspects of its business operations. The personal property section offers surplus County furniture free to local non-profit groups, allowing these organizations to do more with available resources. This program has grown in the recent years from 35 eligible organizations in 2013 to more than 400 eligible non-profits today. . The alternatives considered environmental equity, recognizing the impact that increased emissions have on populations living closer to major highways and arterials. These ESJ considerations were largely attributed to the estimated reduction in greenhouse gas emissions impacting communities where the County's vehicles and equipment operate.

Recognizing that the current employee pool is not representative of the overall County's population, diversity in hiring will continue to be a focus area the Division promotes and actively pursues over the biennium.

Strategic Climate Action Plan (SCAP)

The strategic goals and targets related to King County's fleet operations are detailed in the County Operations section of the SCAP's Goal Area 1: "Transportation and Land Use". Specifically, Goal 1 states

“King County will increase the efficiency of its vehicle fleets and minimize their greenhouse gas emissions.” This goal has two targets that are addressed in this Line of Business (LoB) Plan.

- **Target 1:** In its vehicle operations (excluding Metro Transit fleet vehicles), King County will reduce normalized net energy use by at least 10 percent by 2020, compared to a 2014 baseline.
- **Target 2:** Across all vehicle operations, King County will increase the usage percentage of alternative fuels in its fleets by ten percent by 2025, compared to a 2014 baseline. Alternative fuels include electricity, biofuels, compressed natural gas, liquefied natural gas, hybrid, plug-in hybrid, battery drive, or propane.

In 2014, alternative fuels comprised approximately 2.9 percent of the County’s total vehicle fuel consumption. Transit’s vehicle fuel consumption comprises approximately 80 percent of the County’s overall fuel consumption in vehicle operations. In the baseline year, alternative fuels comprised 0.6 percent of the fuel consumed by the non-transit fleets discussed in this Line of Business Plan.

This Line of Business Plan provides a preliminary roadmap with specific actions to take in the 2017-2018 biennium to work towards the two targets for fleet operations. A total of six alternatives were selected to address the targets including:

- Purchasing bulk biodiesel;
- Replacing gasoline-powered vehicles with all-electric vehicles;
- Purchasing the most fuel efficient vehicle for the job;
- Converting Airport vehicles to operate using propane;
- Converting Solid Waste semi-tractors to operate using compressed natural gas (CNG); and
- Deploying a countywide Automatic Vehicle Location (AVL) system.

King County Fleets have begun implementing the LoB by evaluating more fuel efficient and alternative fueled or electric options prior to replacing any vehicle and will begin implementing the remaining alternatives in the 2017-2018 biennium. The first three alternatives above will be implemented by Fleet Administration using existing resources and will not require additional budget authority. The Airport Division is proposing to implement the propane conversions in its 2017-2018 budget request. Due to the complexity and uncertainty of the CNG alternative, the recommendation is to complete the pilot project that is currently underway and update the analysis with the results of the pilot. Finally, the AVL project is included in the agency proposed budget. Funding for AVL is included in all three Fleet funds as well as in the other county fleet programs, Solid Waste, Airport, and Transit.

Countywide Automatic Vehicle Location Technology Implementation Fleet Administration is partnering with all of the County’s fleet agencies including Fleet, Transit, Airport and Solid Waste on a County-wide IT project, Automatic Vehicle Location (AVL). This effort will allow King County to pursue a consistent, enterprise-wide system to address the County’s needs holistically that will support and leverage existing enterprise asset management systems and provide economy of scale.

This project will outfit approximately 1,600 non-revenue vehicles with leased telematics hardware with the ability to accommodate additional vehicles and equipment in the future. It will capture vehicle location and additional information including odometer readings, frequency of use, idle time, engine diagnostics, status and usage information of attachment hardware (e.g. plow and sweeper blade use, sanding equipment use). AVL telematics automate and expand data collection to drive decisions on operational issues such as: right-sizing the fleet; rotating, pooling or downsizing vehicles; optimizing routes; scheduling; dispatching the closest maintenance or support vehicle to an incident site; enhancing interagency coordination; and minimizing fuel consumption and greenhouse gas emissions.

This project includes a vendor-hosted software interface to view real-time data in a cloud-based platform, with the ability to configure the system for basic needs. In addition, the software service allows the ability for agencies to view their assigned vehicles with customized settings and import data into their existing systems without any intervention by Fleet Administration. Ready access to pre-formatted data and reports will provide the ability to proactively manage the County's fleet. Fleet customers who have expressed interest in using AVL to enhance their business includes Road Services, Parks, Public Health, Community Corrections, Records and Licensing, Assessments, Water and Land Resources, and King County Information Technology.

This system will reduce labor-intensive, error-prone manual data collection and provide real-time access to vehicle information.

Best Run Government

The Fleet division has several initiatives that align with the Executive's Best Run Government initiative. Fleet's business plan includes several values that promote this initiative including:

- promoting effective management and efficient service delivery through open communication;
- facilitating collaboration and coordination;
- providing innovative approaches to service deliver and effective scheduling to support customer needs; and
- promoting employee growth and development.

The functional Line of Business approach between multiple divisions and departments was selected to promote cross collaboration and finding efficiencies to purchase, manage and maintain the County's Fleets. Highlighted below is further detail on Best Run Government items included in the Division's 2017-2018 work program that continue to promote collaboration and efficiency.

One King County Fleet This committee, led by Fleet management, has representatives from all separately managed fleets within the County: Transit, Solid Waste, Airport, and Fleet Administration. In addition to tracking and reporting out on agreed upon operational performance measures and targets, the committee members are becoming more familiar with each other's operations. Regular communication and discussion of common issues and goals is intended to lead to collaboration, standards, and efficiencies. Ongoing discussions with Solid Waste Division are exploring options and efficiencies using shared resources. A pilot program is underway to share staff resources in the areas of procurement, warranty, and accident management administration. These discussions are expected to evolve and result in additional shared resources.

Lean Continuous Improvement Initiative Fleet Administration hired a Lean consultant to train a group of 12 employees in continuous improvement and respect for people. The training was four full days over a four month timeframe and it was tailored to Fleet specific operations with homework to actively find efficiencies using the techniques learned. The remaining staff and supervisors will take basic continuous improvement training within the next few months. The goal is to build a culture of continuous improvement within the Division to enable employees to deliver more value to the customers served with existing resources, which helps create happier, more engaged employees.

Leadership Development Program Through focusing on its employees Fleet has implemented a successful leadership development program to help employees actively develop leadership and other necessary skills to take on more supervisory roles within the division. This will allow for more opportunities for employee growth and promotion but also for the division to promote internal hiring and retain institutional knowledge and experience.

Vehicle Standards and Fair Practices Fleet has deployed and enforced standards of vehicle replacements and purchases so that the agencies using the County's fleet vehicles are standardized, the appropriate fit for the function provided and promote fairness to all County employees using Fleet's services. Standardizing the fleet also will lead to efficiencies and cost savings in maintenance and repairs. In addition, by purchasing the appropriate vehicle for the function, this will in many cases reduce the size of the vehicle and/or the engine size leading to a more fuel efficient fleet.

2017-2018 Executive Proposed Operating Budget FLEET MANAGEMENT EQUIPMENT (EN_A75000)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	24,289,763	22,015,381	56.0	0.0
Base Budget Adjustments	537,127	55,341	0.0	0.0
Decision Package Adjustments	3,394,345	517,649	(3.0)	0.0
2017-2018 Executive Proposed Budget	28,221,235	22,588,371	53.0	0.0
2017-2018 Executive Proposed Ordinance	28,222,000	22,589,000	53.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_106) Automatic Vehicle Location (AVL) IT Project Implement a county-wide initiative of Automatic Vehicle Location (AVL) technology on certain vehicles and equipment. The AVL technology will automate and expand timely data collection and inform decision making. Project details are included in the KCIT capital budget within project #1129703.	284,798	0	0.0	0.0
(DS_120) Central Climate Change Costs Update Adjust Fleet Division's share of the central climate-related costs for 2017-2018; these costs include membership fees in climate related organizations, a countywide greenhouse gas inventory update, consulting fees, regulatory dues to the Puget Sound Clean Air Agency, as well as the centralization of costs for four FTEs to help agencies across the county with climate related activities. The allocation methodology is based on greenhouse gas emissions (51 percent DNR, 45 percent DOT, and 4 percent FMD). Fleet transferred a position from their agency to the Executive Office to cover the Energy Policy & Partnerships Specialist position.	(166,872)	0	(1.0)	0.0
Administrative Service Changes				

2017-2018 Executive Proposed Operating Budget
FLEET MANAGEMENT EQUIPMENT (EN_A75000)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(AC_003) Maintenance Position Reduction Reduce two vacant maintenance positions to reflect current program needs. There will be no reduction in service to Fleet customers.	(405,407)	0	(2.0)	0.0
(AC_004) Lighting and Heating improvements Upgrade heating and lighting systems at the Renton maintenance shop. This project installs individual metering within Fleet space at the Renton Roads complex, replaces compact fluorescent light bulbs with light-emitting diode (LED) equivalents, replaces oil furnaces with higher-efficiency units and installs a heat pump in the office space. Project funding is requested as part of the Fund to Reduce Energy Demand (FRED) program because of the project's positive payback within the 10-year loan term.	85,000	85,000	0.0	0.0
Technical Adjustments				
(TA_001) Vehicle/Equipment Replacement Adjust the replacement budget to allow for replacement of vehicles and equipment that are projected to reach the end of the economic useful life within the biennium.	3,288,580	0	0.0	0.0
(TA_002) Equipment Rental & Revolving Technical Adjustment Adjust various accounts based on historical and project expenditures for fuel, oil, grease, batteries, vehicle repairs, and other related vehicle costs.	(154,666)	0	0.0	0.0
(TA_050) Revenue Adjustment Increase revenue to reflect the current vehicle rental rates to be charged in the biennium; the rate is developed using full cost recovery of actual vehicles and equipment costs from the previous biennium. Update revenue collection assumptions for the sale of vehicles and equipment that will be retired from the fund within the biennium. Revenue from the sale of vehicles and equipment is estimated to be 8 to 12 percent of annual vehicle/equipment replacement expenditures. Update grant contingency revenue to reflect potential grant opportunities. Adjust interest revenues to reflect current investment pool projections.	0	432,649	0.0	0.0
Central Rate Adjustments	462,912	0	0.0	0.0
Total Decision Package Adjustments	3,394,345	517,649	(3.0)	0.0

2017-2018 Proposed Financial Plan
Public Works Equipment Rental and Revolving Operating Fund / 000005570

Category	2015-2016 Estimated ¹	2017-2018 Proposed Budget ²	2019-2020 Projected ³	2021-2022 Projected ³
Beginning Fund Balance	10,025,000	11,150,740	6,364,513	5,103,002
Revenues				
Sales of Stores & Materials	1,816,480	2,288,844	2,403,286	2,523,451
Investment Interest	118,681	161,883	275,736	460,440
Sale of Equipment	509,307	986,548	650,197	718,510
Other Miscellaneous Revenues	629,306	1,087,836	1,120,471	1,154,085
Vehicle Rental Revenues	15,780,103	16,191,846	18,215,827	20,492,805
Vehicle Rental Revenues Adjustments	-	-	-	-
Personal Property & Fixed Assets Revenues	1,761,786	1,671,414	1,754,985	1,842,734
Environmental Grants	-	200,000	-	-
Impaired Investments	2,626	-	-	-
Total Revenues	20,618,288	22,588,371	24,420,502	27,192,026
Expenditures				
Operating and Maintenance	(15,591,493)	(18,673,003)	(19,233,193)	(20,002,520)
Capital Equipment Replacement	(3,818,916)	(7,788,829)	(5,418,307)	(5,987,586)
ABT Debt Service	-	(76,690)	(39,495)	-
Personal Property & Fixed Assets	(1,575,812)	(1,670,061)	(1,773,069)	(1,881,049)
One Time Fund Balance Rebate	(6,327)	(12,654)	(6,517)	-
Intergovernmental Services	-	-	-	-
Total Expenditures	(20,992,548)	(28,221,236)	(26,470,580)	(27,871,155)
Estimated Underexpenditures	1,500,000	846,637	788,568	842,306
Other Fund Transactions				
Total Other Fund Transactions	-	-	-	-
Ending Fund Balance	11,150,740	6,364,513	5,103,002	5,266,179
Reserves⁴				
Encumbrance Carryover Reserve ^a	(1,118,165)	(1,134,993)	(1,157,807)	(1,192,831)
Cash Flow Reserve(s)				
Projected Cost Variance Reserve ^b	(3,212,045)	(3,761,811)	(3,874,857)	(3,952,741)
Total Reserves	(4,330,210)	(4,896,805)	(5,032,663)	(5,145,572)
Reserve Shortfall	-	-	-	-
Ending Undesignated Fund Balance⁵	6,820,530	1,467,708	70,338	120,607

Financial Plan Notes (samples below)

¹ 2015-2016 Actuals reflect year end information from EBS and are consistent with the Budgetary Fund Balance figures published

² 2017-2018 Proposed Budget is consistent with expenditure and revenue data from Hyperion.

³ Outyear projections assume revenue and expenditure growth outlined below and reflect the most recent estimates, including the outyear impact of supplementals.

^{a)} Assumes Investment Pool Rate of Return Forecast from Office of Economic and Financial Analysis (OEFA).

^{b)} Assumes sale of equipment is 12% of biennial capital expenditures.

^{c)} Capital expenditures are based on replacement schedule based on established replacement standards for each type of

^{d)} Assumes 12.5% biennial increase in rental revenue, 3% biennial increase in miscellaneous revenues, and 5% biennial increases in all other revenue categories and 3% increase in operating and maintenance costs in 2019-2020 and 4% increase in

⁴ Provide a footnote that describes each reserve.

^a Carryover Encumbrance Reserve is for capital vehicles and equipment ordered in one biennium but not received until the next biennium.

^b Projected Cost Variance Reserve is based on 10% of the Projected Fleet Replacement Cost (PFRC) which is based on the recommendation by the County Auditor, it is used to offset anticipated fluctuations in order to maintain current levels of service.

⁵ The target Fund Balance, as recommended by the County Auditor, is equal to a range of 10% to 20% of the Projected Replacement Cost of the fleet (PFRC). This Fund is currently within the recommended range. The Projected Cost Variance Reserve is at 10% or the low end of the recommended range.

⁶ This plan was updated by Deanne Radke on 08/30/2016.

2017-2018 Executive Proposed Operating Budget FLEET MOTOR POOL (EN_A78000)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	29,023,291	26,744,636	19.0	0.0
Base Budget Adjustments	(737,769)	113,774	0.0	0.0
Decision Package Adjustments	5,408,209	3,203,919	0.0	0.0
2017-2018 Executive Proposed Budget	33,693,730	30,062,329	19.0	0.0
2017-2018 Executive Proposed Ordinance	33,694,000	30,063,000	19.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_106) Automatic Vehicle Location (AVL) IT Project Implement a county-wide initiative of Automatic Vehicle Location (AVL) technology on certain vehicles and equipment. The AVL technology will automate and expand timely data collection and inform decision making. This represents Fleet's portion to fund a county-wide initiative to implement Automatic Vehicle Location (AVL) technology. Project details are included in the KCIT capital budget within project #1129703.	575,019	0	0.0	0.0
(DS_120) Central Climate Change Costs Update Adjust Fleet Division's share of the central climate-related costs for 2017-2018; these costs include membership fees in climate related organizations, a countywide greenhouse gas inventory update, consulting fees, regulatory dues to the Puget Sound Clean Air Agency, as well as the centralization of costs for four FTEs to help agencies across the county with climate related activities. The allocation methodology is based on greenhouse gas emissions (51 percent DNR, 45 percent DOT, and 4 percent FMD).	32,949	0	0.0	0.0
Technical Adjustments				

**2017-2018 Executive Proposed Operating Budget
FLEET MOTOR POOL (EN_A78000)**

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(TA_001) Vehicle/Equipment Replacement Adjust the replacement budget to allow for replacement of vehicles and equipment that are projected to reach the end of the economic useful life within the biennium.	3,011,014	0	0.0	0.0
(TA_002) Motor Pool Technical Adjustment Adjust various accounts based on historical and project expenditures for fuel, oil, grease, batteries, vehicle repairs, and other related vehicle costs.	2,724,420	0	0.0	0.0
(TA_050) Revenue Adjustments Increase revenue to reflect the current vehicle rental rates to be charged in the biennium; the rate is developed using full cost recovery of actual vehicles and equipment costs from the previous biennium. Update revenue collection assumptions for the sale of vehicles and equipment that will be retired from the fund within the biennium. Revenue from the sale of vehicles and equipment is estimated to be 8 to 12 percent of annual vehicle/equipment replacement expenditures. Update grant contingency revenue to reflect potential grant opportunities. Adjust interest revenues to reflect current investment pool projections.	0	3,203,919	0.0	0.0
(TA_199) Parking Fees Increase fees at County parking facilities commensurate with local market rates. These changes will affect agencies that pay or reimburse for privately-operated vehicles and for agency-assigned Fleet vehicles that park in the Goat Hill Garage, Chinook Building, KC Correctional Facility, and (as of June 2017) King Street Center.	204,976	0	0.0	0.0
Central Rate Adjustments	(1,140,170)	0	0.0	0.0
Total Decision Package Adjustments	5,408,209	3,203,919	0.0	0.0

**2017-2018 Proposed Financial Plan
Motor Pool Equipment Rental and Revolving
Operating Fund / 000005580**

Category	2015-2016 Estimated ¹	2017-2018 Proposed Budget ²	2019-2020 Projected ³	2021-2022 Projected ³
Beginning Fund Balance	10,550,000	11,848,960	9,228,368	9,785,715
Revenues				
Garage Services & Supplies	338,875	589,243	618,705	649,641
Investment Interest	113,166	270,357	396,943	532,724
Sale of Equipment	916,246	877,684	747,719	596,493
Other Miscellaneous Revenues	492,317	486,444	510,766	536,305
Contribution other funds/Other Financing Sources	251,577	391,374	410,943	431,490
Vehicle Rental Revenues	24,558,803	27,447,225	29,926,451	32,651,140
Total Revenues	26,670,984	30,062,327	32,611,528	35,397,792
Expenditures				
Operating and Maintenance	(17,770,723)	(22,351,681)	(23,692,782)	(25,114,349)
Capital Equipment Replacement	(8,226,806)	(11,171,052)	(9,346,488)	(7,456,162)
ABT Debt Service	(38,310)	-	-	-
One Time Fund Balance Rebate	(120,888)	(170,998)	-	-
Total Expenditures	(26,156,726)	(33,693,731)	(33,039,270)	(32,570,511)
Estimated Underexpenditures	784,702	1,010,812	985,090	971,296
Other Fund Transactions				
CAFR Adjustments	-	-	-	-
Total Other Fund Transactions	-	-	-	-
Ending Fund Balance	11,848,960	9,228,368	9,785,715	13,584,292
Reserves⁵				
Encumbrance Carryover Reserve ^a	(115,951)	(119,429)	(124,857)	(132,461)
Cash Flow Reserve(s)				
Projected Cost Variance Reserve ^b	(4,022,806)	(4,587,478)	(4,866,856)	(5,163,247)
Total Reserves	(4,138,757)	(4,706,907)	(4,991,713)	(5,295,708)
Reserve Shortfall	-	-	-	-
Ending Undesignated Fund Balance^c	7,710,203	4,521,460	4,794,002	8,288,584

Financial Plan Notes (samples below)

¹ 2015-2016 Actuals reflect year end information from EBS and are consistent with the Budgetary Fund Balance figures published by FBOD.

² 2017-2018 Proposed Budget is consistent with expenditure and revenue data from Hyperion.

³ Outyear projections assume revenue and expenditure growth outlined below and reflect the most recent estimates, including the outyear impact of supplementals.

^{a)} Assumes Investment Pool Rate of Return Forecast from Office of Economic and Financial Analysis (OEFA).

^{b)} Assumes sale of equipment is 8% of biennial capital expenditures.

^{c)} Capital expenditures are based on replacement schedule based on established replacement standards for each type of vehicle.

^{d)} Assumes 9% biennial increase in rental revenue and 6% biennial increase in operating and maintenance costs and miscellaneous revenues.

⁵ Provide a footnote that describes each reserve.

^a Carryover Encumbrances is for capital vehicles and equipment ordered in the current biennium but not received until the next biennium.

^b Projected Cost Variance Reserve is based on 10% of the Projected Fleet Replacement Cost (PFRC) which is based on the recommendation by the County Auditor, it is used to offset anticipated fluctuations in order to maintain current levels of service.

^c The target Fund Balance, as recommended by the County Auditor, is equal to a range of 10% to 20% of the Projected Replacement Cost of the fleet (PFRC). This Fund is currently within the recommended range. The Projected Cost Variance Reserve is at 10% or low end of the recommended range.

⁶ This plan was updated by Deanne Radke on 08/30/2016

2017-2018 Executive Proposed Operating Budget FLEET WASTEWATER ERANDR (EN_A13700)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	4,723,769	6,731,610	0.0	0.0
Base Budget Adjustments	(300,435)	341,996	0.0	0.0
Decision Package Adjustments	4,913,849	2,021,887	0.0	0.0
2017-2018 Executive Proposed Budget	9,337,183	9,095,493	0.0	0.0
2017-2018 Executive Proposed Ordinance	9,338,000	9,096,000	0.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_106) Automatic Vehicle Location (AVL) IT Project Implement a county-wide initiative of Automatic Vehicle Location (AVL) technology on certain vehicles and equipment. The AVL technology will automate and expand timely data collection and inform decision making. This represents Fleet's portion to fund a county-wide initiative to implement Automatic Vehicle Location (AVL) technology. Project details are included in the KCIT capital budget within project #1129703.	140,710	0	0.0	0.0
(DS_120) Central Climate Change Costs Update Adjust Fleet Division's share of the central climate-related costs for 2017-2018; these costs include membership fees in climate related organizations, a countywide greenhouse gas inventory update, consulting fees, regulatory dues to the Puget Sound Clean Air Agency, as well as the centralization of costs for four FTEs to help agencies across the county with climate related activities. The allocation methodology is based on greenhouse gas emissions (51 percent DNR, 45 percent DOT, and 4 percent FMD).	10,262	0	0.0	0.0
Technical Adjustments				

**2017-2018 Executive Proposed Operating Budget
FLEET WASTEWATER ERANDR (EN_A13700)**

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(TA_001) Vehicle/Equipment Replacement Adjust the replacement budget to allow for replacement of vehicles and equipment that are projected to reach the end of the economic useful life within the biennium.	4,463,829	0	0.0	0.0
(TA_002) Wastewater Equipment Rental & Revolving Technical Adjustment Adjust various accounts based on historical and project expenditures for fuel, oil, grease, batteries, vehicle repairs, and other related vehicle costs.	462,837	0	0.0	0.0
(TA_050) Revenue Adjustments Increase revenue to reflect the current vehicle rental rates to be charged in the biennium; the rate is developed using full cost recovery of actual vehicles and equipment costs from the previous biennium. Update revenue collection assumptions for the sale of vehicles and equipment that will be retired from the fund within the biennium. Revenue from the sale of vehicles and equipment is estimated to be 8 to 12 percent of annual vehicle/equipment replacement expenditures. Update grant contingency revenue to reflect potential grant opportunities. Adjust interest revenues to reflect current investment pool projections.	0	2,021,887	0.0	0.0
Central Rate Adjustments	(163,789)	0	0.0	0.0
Total Decision Package Adjustments	4,913,849	2,021,887	0.0	0.0

2017-2018 Proposed Financial Plan
Wastewater Equipment Rental and Revolving / Fund 000005441

Category	2015-2016 Estimated ¹	2017-2018 Proposed Budget ²	2019-2020 Projected ³	2021-2022 Projected ³
Beginning Fund Balance	7,823,000	9,942,960	9,701,269	12,821,321
Revenues				
Investment Interest	94,249	179,659	314,407	597,360
Sale of Equipment	365,172	449,302	229,139	254,011
Other Miscellaneous Revenues	76,398	30,900	32,304	34,272
Vehicle Rental Revenues	6,963,530	8,235,631	8,863,598	9,772,117
Grant Revenues	-	200,000	-	-
Total Revenues	7,499,349	9,095,492	9,439,448	10,657,759
Expenditures				
Operating and Maintenance	(2,558,616)	(3,250,904)	(3,455,157)	(3,665,577)
Capital Equipment Replacement	(2,820,773)	(6,086,279)	(2,864,239)	(3,175,133)
Total Expenditures	(5,379,388)	(9,337,183)	(6,319,396)	(6,840,710)
Estimated Underexpenditures				
Other Fund Transactions⁴				
Total Other Fund Transactions	-	-	-	-
Ending Fund Balance	9,942,960	9,701,269	12,821,321	16,638,371
Reserves⁵				
Allowance for Inventory ^a	(2,132)	(2,196)	(2,296)	(2,436)
Expenditure Reserves				
Cash Flow Reserves				
Projected Cost Variance Reserve ^b	(2,555,417)	(3,327,673)	(3,462,111)	(3,601,981)
Total Reserves	(2,557,549)	(3,329,869)	(3,464,407)	(3,604,416)
Reserve Shortfall	-	-	-	-
Ending Undesignated Fund Balance⁶	7,385,411	6,371,400	9,356,914	13,033,954

Financial Plan Notes (samples below)

¹ 2015-2016 Actuals reflect year end information from EBS and are consistent with the Budgetary Fund Balance figures published by FBOD.

² 2017-2018 Proposed Budget is consistent with expenditure and revenue data from Hyperion.

³ Outyear projections assume revenue and expenditure growth outlined and reflect the most recent estimates, including the ou

^{a)} Assumes Investment Pool Rate of Return Forecast from Office of Economic and Financial Analysis (OEFA).

^{b)} Assumes sale of equipment is 8% of annual capital expenditures.

^{c)} Capital expenditures are based on replacement schedule based on established replacement standards for each type of vehi

^{d)} Assumes 5% annual increase in rental revenue and 3% increase in operating and maintenance costs and miscellaneous reve

⁴ Other fund transactions include accounting adjustments to balance to budgetary fund balance.

⁵ Provide a footnote that describes each reserve.

^{a)} 2015-2016 Carryover Encumbrances is for capital vehicles and equipment ordered in 2015 but not received until 2016.

^{b)} Projected Cost Variance Reserve is based on 10% of the Projected Fleet Replacement Cost (PFRC) which is based on the recommendation by the County Auditor, it is used to offset anticipated fluctuations in order to maintain current levels of ser

⁶ The target Fund Balance, as recommended by the County Auditor, is equal to a range of 10% to 20% of the Projected Fleet Replacement Cost (PFRC). This Fund is currently within the recommended range. The "Projected cost Variance Reserve" is the 10% of the recommended range.

⁷ This plan was updated by Deanne Radke on 08/30/2016.

KING COUNTY INTERNATIONAL AIRPORT

Mission

To invest in facilities and services that will actively support economic vitality for the region and generate a financial rate of return on the public's assets at Boeing Field by providing world-class facilities and outstanding customer service; productively engaging with the community and the aviation industry; ensuring that development and operations integrate environmentally-sensitive practices; and, fostering a supportive and collaborative culture that values, recognizes, and builds the capacity of its workforce.

Overview

King County International Airport (KCIA) has been serving King County and its citizens since 1928. KCIA is classified by the Federal Aviation Administration as a Class IV, Primary, Commercial Service, Non-Hub Reliever Airport. DOT Airport Division accommodates flights at KCIA by keeping the runways and taxiways accessible and in good condition and providing access to airside facilities that support general aviation including hangars, tie-downs, and other facilities. The Federal Aviation Administration (FAA) provides specific and comprehensive regulatory direction and manages the flow of air and ground traffic.

KCIA supports the economic vitality of the county by supporting over 16,000 jobs in the local economy and creating \$1 billion in labor income in King County. KCIA clients range from private pilots to corporate aircraft operations, aircraft manufacturers, government organizations, retailers, and wholesalers. It is home to over 150 tenant businesses such as the Boeing Company, United Parcel Service (UPS), Signature Flight Support, and Clay Lacy Aviation. Major products include Rental Real Estate and Airfield. Rental Real Estate encompasses managing nearly 600 acres of King County land and facilities at the airport while the Airfield product entails keeping the entire airside infrastructure in compliance with FAA and safety standards.

There are two appropriation units for the Airport Division: A71000 for Airport Operations and A71600 for the Transfer to the Airport Construction Fund.

2017-2018 Problems, Opportunities and Priorities

One of the Airport's priorities in the upcoming biennium is its organizational development and capacity, one of the key goals of its Strategic Plan. Recently several senior leadership positions have been filled - the Airport Director, Finance and Administrative Services Manager, and the Marketing and Business Development Manager – who, along with the Assistant Director, form the core of a leadership group to guide the Airport Division in the implementation of its Strategic Plan. Additional staffing actions are proposed below, which will contribute to the capacity and development of the division, enhancing its professionalism and customer service.

- **Safety and Security Manager** – Currently a Special Duty Assignment, this position reports directly to the Airport Director, consistent with the organization's priority placed on safety (Best Run Government). The increased visibility on safety and security with stakeholders and ongoing need requires this position to be converted from a term limited temporary (TLT) position to a full time employee (FTE).
- **Maintenance Lead** – Converting the temporary Special Duty Assignment to an FTE will enhance the Maintenance section's service delivery on tenant customer service and airfield safety issues.
- **Business Analyst** – Converting the current TLT to an FTE, this position will continue the rollout of the Cityworks Asset Management platform, further integrate the use of geographic information systems (GIS) into the master planning process and operations, and analyze and report on data from these systems on an ongoing basis. Cityworks will help the Airport better manage their assets, while utilizing GIS information will lead to better decision making.
- **Operations Manager** – Reporting to the Deputy Director, this repurposing this existing position will improve the Airport Division's focus on the FAA's Airport Certification Program requirements and provide front line customer service managing day-to-day tenant relations and airfield safety, including Safety Management System (SMS) program implementation.
- **Program Manager** – Repurposing an existing position will provide a dedicated resource to lead efforts in performance management, continuous improvement, equity and social justice (ESJ), and business planning at the Airport.

Investment in employee development was a key message identified in the 2015 Employee Survey; additional training and development opportunities are proposed for 2017-2018. These opportunities include full Airport leadership participation in the King County Leadership Essentials training, updating knowledge and skills with current software systems, attaining industry specific professional designations, and training staff on Lean concepts. These investments will improve employee morale, productivity, and guard against attrition and retirements.

Another priority Airport is addressing in 2017-2018 is security. The Airport will implement a Perimeter Intrusion Detection System IT project to enhance gate access control, lighting and video capabilities surrounding the Airport, and connectivity improvements associated with these enhancements. This system will increase security by improving access controls and improving response times for an intrusion.

Alignment with Executive Strategic Initiatives

Equity and Social Justice

The Airport's improvements around organizational capacity, structure, and culture will have an impact on Equity and Social Justice efforts both internally and externally. The vacant position that was repurposed into a Program Manager will be a dedicated resource to address several County initiatives including ESJ. Previously, these efforts were handled on an ad-hoc basis by a variety of staff so having a single person leading these efforts will improve the Airport's work regarding ESJ.

Promoting more professional growth opportunities through broader training and development efforts will improve internal ESJ issues. Staff at all levels in the organization will increase in knowledge, skills, and certifications under this effort.

Strategic Climate Action Plan (SCAP)

The Airport is helping achieve carbon emission reduction goals by increasing the consumption of alternative fuels (propane) in on-airport vehicles. The Airport's fleet is also part of the Automated Vehicle Location (AVL) technology being implemented by the Fleet Division which will help with efficient deployment of Airport vehicles for runway and taxiway maintenance activities.

Best Run Government

The Airport's overall score on the King County Employee Engagement Survey in 2015 was 60%, well below the countywide average. Lower engagement corresponds to lower productivity, increase in sick leave, and higher turnover. In response to this, leadership and employees at the Airport jointly developed an Organizational Action Plan (OAP) to address these deficiencies. The OAP identified several issues and actions to improve the work environment and employee engagement. These actions will be regularly monitored for progress and adjusted along the way to ensure employee engagement improves.

Capital Improvement Program

The Airport Capital Improvement Program (CIP) maintains and preserves the airfield and landside assets at the Airport, meets regulatory obligations, and makes strategic investments to achieve the goals in its Strategic Plan. The Airport works diligently in the provision of an open access airport with facilities, including runways and taxiways that are in a state of good repair and maintained to the highest standard.

2017-2018 Executive Proposed Operating Budget AIRPORT (EN_A71000)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	31,886,309	36,260,231	45.5	0.0
Base Budget Adjustments	1,866,652	183,529	0.0	2.0
Decision Package Adjustments	775,631	5,702,739	3.0	0.0
2017-2018 Executive Proposed Budget	34,528,592	42,146,499	48.5	2.0
2017-2018 Executive Proposed Ordinance	34,529,000	42,147,000	48.5	2.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Direct Service Changes				
(DS_001) Improve Organizational Capacity Add three FTEs to improve delivery on the Airport's two key products – airfield and real estate – with a focus on safety and security, customer service, asset management, and integration of technology into operations. Building up this capacity allows the Airport to further support its strategic goals and objectives ensuring a sustainable future and the long term health of this vital asset.	703,528	0	3.0	0.0
(DS_002) Increase Employee Development Offer more training and development opportunities for Airport staff to enable them to acquire the skills necessary to adapt to the rapidly changing technological and operational environment and adequately prepare for succession planning. This was identified as one of the highest priorities in the 2015 Employee Engagement Survey.	104,000	0	0.0	0.0

2017-2018 Executive Proposed Operating Budget

AIRPORT (EN_A71000)

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(DS_003) ARFF Audit and Dispatch Services Conduct an audit and review of Airport Rescue Fire Fighting standards and procedures for compliance to reduce liability associated with non-compliance and ensure that County staff are operating in coordination with mutual aid partners. Add dispatch services (using ValleyCom) as there is currently no jurisdiction responsible for unified police/fire dispatch at King County International Airport.	305,000	0	0.0	0.0
(DS_106) AVL Technology in Fleet Implement a county-wide initiative of Automatic Vehicle Location (AVL) technology on certain vehicles and equipment. The AVL technology will automate and expand timely data collection and inform decision making. This represents Fleet's portion to fund a county-wide initiative to implement Automatic Vehicle Location (AVL) technology. Project details are included in the KCIT capital budget within project #1129703.	29,850	0	0.0	0.0
(DS_120) Central Climate Change Costs Update Adjust Airport Division's share of the central climate-related costs for 2017-2018; these costs include membership fees in climate related organizations, a countywide greenhouse gas inventory update, consulting fees, regulatory dues to the Puget Sound Clean Air Agency, as well as the centralization of costs for four FTEs to help agencies across the county with climate related activities. The allocation methodology is based on greenhouse gas emissions (51 percent DNRP, 45 percent DOT, and 4 percent FMD).	6,233	0	0.0	0.0
Technical Adjustments				
(TA_001) Technical Adjustments to the Maintenance Section Adjust several Fleet and utilities related items in the Maintenance section to better reflect recent years' actual spending patterns and projected needs.	12,948	0	0.0	0.0
(TA_002) Technical Adjustments to the General Admin and Noise Insulation Sections and Closure of Community Relations Section Adjust several accounts in the General Admin section to better reflect recent years' actual spending patterns and projected needs. Remove loaned/borrowed labor impacts from the Noise Insulation section as that program is now complete and is conducting only routine monitoring. Close down the Community Relations section because Airport will use the County's central service for this work.	(236,799)	0	0.0	0.0

**2017-2018 Executive Proposed Operating Budget
AIRPORT (EN_A71000)**

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
(TA_050) Revenue Adjustments Revise revenues to match current forecasts. Major changes include an increase in hangar rents due to a favorable fair market value appraisal and a decrease in landing and fuel fees due to DHL relocating to SeaTac.	0	5,702,739	0.0	0.0
(TA_110) Net Zero Adjustments Net zero changes to reflect current spending patterns.	0	0	0.0	0.0
(TA_113) Vacancy Rate Adjustment Reflects the salary savings associated with the natural rate of employee turnover for a given agency and provide greater transparency in the budget.	(262,000)	0	0.0	0.0
Central Rate Adjustments	112,871	0	0.0	0.0
Total Decision Package Adjustments	775,631	5,702,739	3.0	0.0

2017-2018 Executive Proposed Operating Budget

AIRPORT CONS BUDG TRANS (EN_A71600)

Operating Budget Summary	Expenditures	Revenues	Reg FTE	TLT
2015-2016 Revised Budget	6,000,000	0	0.0	0.0
Base Budget Adjustments	(2,000,000)	0	0.0	0.0
Decision Package Adjustments	3,330,175	0	0.0	0.0
2017-2018 Executive Proposed Budget	7,330,175	0	0.0	0.0
2017-2018 Executive Proposed Ordinance	7,331,000	0	0.0	0.0

Notes

1. The 2015-2016 Revised Budget equals the 2015-2016 Adopted Biennial Budget plus all Adopted Supplementals as of the publication of this document.
2. Base Budget Adjustments include the removal of one-time changes from the Revised Budget, the annualization of mid-biennial supplemental changes and the increase of personnel budgets to 2017-2018 rates. Personnel budgets reflect projected 2017-2018 salary and benefit rates, current position classifications, and step/merit increases.
3. The Executive Proposed Budget is the sum of the Revised Budget, Base Budget Adjustments and Decision Package Adjustments. All FTEs / TLTs are rounded to the nearest 1/10th of a position and in some cases, rounded numbers may not add up to the FTE/TLT totals in Executive Proposed. In the Executive Proposed Ordinance, expenditure and revenue totals are rounded up to the nearest 1,000 and FTEs and TLTs are rounded up to the maximum monthly FTEs / TLTs in the Biennium.

Decision Package Adjustment Detail	Expenditures	Revenues	Reg FTE	TLT
Technical Adjustments				
(TA_001) Increase Transfer to Capital Improvement Fund Increase the transfer from the Airport Operating Fund to the Airport Capital Improvement Fund to fund capital projects.	3,330,175	0	0.0	0.0
Central Rate Adjustments	0	0	0.0	0.0
Total Decision Package Adjustments	3,330,175	0	0.0	0.0

**2017-2018 Proposed Financial Plan
Airport Operating Fund /000004290**

Category	2015-2016 Estimated¹	2017-2018 Proposed Budget²	2019-2020 Projected³	2021-2022 Projected³
Beginning Fund Balance	9,422,495	7,677,063	7,677,063	7,143,473
Revenues				
Leases	24,055,170	33,011,481	33,511,481	34,748,828
Landing Fees	2,982,622	2,762,128	2,817,371	2,873,718
Fuel Fees	3,649,666	3,512,416	3,582,664	3,654,318
Other Revenue	5,183,185	2,860,474	3,003,498	3,153,673
Total Revenues	35,870,643	42,146,499	42,915,013	44,430,536
Expenditures				
Labor	(10,047,197)	(12,018,480)	(12,703,533)	(13,465,745)
Employee Development	(89,700)	(189,700)	(150,000)	(150,000)
Central Rates	(5,436,547)	(5,972,633)	(6,468,361)	(7,076,387)
Aircraft Rescue Fire Fighting	(7,370,587)	(7,902,048)	(8,356,416)	(8,866,157)
Stormwater	(2,936,000)	(3,064,000)	(3,241,712)	(3,442,698)
Debt	(1,274,528)	(1,259,396)	(1,259,396)	(1,259,396)
Other Expenses	(4,461,516)	(4,122,335)	(4,241,883)	(4,373,381)
Total Expenditures	(31,616,075)	(34,528,592)	(36,421,301)	(38,633,765)
Estimated Underexpenditures				
Other Fund Transactions⁴				
Operating Transfer to CIP	(6,000,000)	(7,330,175)	(7,027,302)	(8,204,700)
Total Other Fund Transactions	(6,000,000)	(7,330,175)	(7,027,302)	(8,204,700)
Ending Fund Balance	7,677,063	7,964,795	7,143,473	4,735,544
Reserves⁵				
Rainy Day Reserve (60 days)	(2,634,673)	(2,877,383)	(3,035,108)	(3,219,480)
Expenditure Reserve		(1,395,632)	(442,519)	
Total Reserves	(2,634,673)	(4,273,015)	(3,477,627)	(3,219,480)
Reserve Shortfall	-	-	-	-
Ending Undesignated Fund Balance	5,042,390	3,691,780	3,665,846	1,516,064

Financial Plan Notes (samples below)

¹ 2015-2016 Actuals reflect year end information from EBS and are consistent with the Budgetary Fund Balance figures published

² 2017-2018 Proposed Budget is consistent with expenditure and revenue data from Hyperion.

³ Outyear revenue projects two new leases currently in negotiations, a 6% FMV increase to all non-Boeing leases in 2018, and close to flat for landing and fuel fees; outyear expenses assume cost controls, labor cost growth, and general inflation factors.

⁴ Other fund transactions include accounting adjustments to balance to budgetary fund balance and Operating transfer to CIP.

⁵ Rainy Day Reserve is set at 60 days of expenditures to offset unknown risks, variable costs, and revenue fluctuations. Expenditure Reserve sets aside \$1.4M for an increase to transfer to Capital Fund in the following biennium to fund a potential redevelopment program.

This plan was updated by John Walsh on 8/31/16.

CAP SUMMARY REPORT

2017-2018 Biennial - Executive Proposed

3380 AIRPORT CONSTRUCTION - Airport Division

Project Number	Project Name Class Code	Tech Adj	FY17-18	Current Scope
1028653	AD PAVEMENT REHABILITATION PROGRAMMATIC		\$200,000	Pavement Rehabilitation - This is the master project for all pavement rehabilitation projects to keep runways, taxiways, ramp and aircraft parking areas, as well as all landside pavements in usable and safe conditions per FAA and other applicable codes.
1119982	AD AIRPORT REDEVELOPMENT PROGRAMMATIC		\$0	Airport Redevelopment - This master project is used to carry out the Airport Master Plan to create and preserve airport infrastructure for revenue production and for public and tenant use, carry out environmental studies and remediation, and to meet the strategic objectives of the airport and the covenants of FAA grant assurances.
1120730	AD AIRPORT FACILITIES REPAIR AD AIRPORT FACILITIES REPAIR		\$0	Airport Facilities Repair - Facilities preservation is a fiduciary responsibility that keeps assets available for best and highest use including revenue production; preservation and repair avoids costs for downtime, excess maintenance, major repair, inefficient operations, and ultimately demolition and replacement costs.
1120731	AD AIRPORT FLEET PROGRAMMATIC		\$1,998,594	Airport Fleet - This master project has subprojects for airport fleet equipment replacement as well as special fleet projects such as alternative fuel conversions.
1121024	AD CIP OVERSIGHT STANDALONE		\$7,647	Capital Improvement Program Oversight - Covers the cost of CIP oversight services provided to the Airport Divisions CIP projects by the King County Auditor's Office.
1126426	AD AIRPORT PHYS SEC IMPROVMNTS STANDALONE		\$1,020,063	Airport Physical Security Improvements - Securing the King County International Airport while providing the flexibility demanded by its core customers is of utmost priority. The Airport has begun a process to identify and improve its physical security through a number of projects and has also initiated a security working group comprised of tenant and stakeholders to address security concerns shared by all. The Airport conducted an independent security assessment last year that included a number of recommendations to enhance Airport Security. These recommendations included construction and installation of lighting in areas that are currently either not lit or poorly lit. Additionally, the assessment recommended replacement of fencing and gates that are nearing the end of their economic lives.
1129947	AD EQUIPMENT SNOW SHED STANDALONE		\$1,414,000	Equipment Snow Shed - The project involves construction of a storage building for the Airport's winter maintenance fleet of large equipment.
1129949	AD MAGVAR RUNWAY RENUMBERING STANDALONE		\$2,750,000	Magnetic Variation Runway Renumbering - FAA has requested KCIA undertake this project which involves changing the runway numbering to reflect changes in the magnetic North compass heading. This work will involve working closely with various FAA groups on changing published flight procedures and various publication documents used for both navigation and information as well as changing airport markings and signage. Verification flight checks will also be required. This project will also address a safety issue raised by FAA Air Traffic and Runway Safety pertaining to pilot confusion and errors with the current runway headings, Runways 13/31.
1129951	AD AIRFIELD ELECTRICAL		\$862,436	Airfield Electrical System - The most recent FAA Certification inspection identified a number of airfield electrical guidance signs that do not comply

CAP SUMMARY REPORT

2017-2018 Biennial - Executive Proposed

	SYSTEM STANDALONE			with current FAA standards, specifically related to their wiring. In general these signs are older, outdated models that are at the end of their useful lives and require replacement. It is not economical to replace their component parts. Base pedestals and electrical transformers also require replacement. A second component of the Airfield electrical project involves replacement of specific electrical distribution cabling circuits to improve airfield lighting system reliability. These circuits are nearing the end of their 15-20 year lifespan; monthly testing of insulation reading is showing a degradation trend of circuit integrity. This work will involve cable, transformer and regulator replacement, converting a portion of the airfield lighting system from incandescent to LED lighting, with anticipated energy savings.
1129953	AD AIRPORT EMERGENT NEEDS STANDALONE		\$500,000	Airport Emergent Needs - Budget authority and contingent funds for emergent needs that may arise during the biennium.
1129960	AD PERIMETER INTRUSION DET SYS STANDALONE		\$1,651,526	Perimeter Intrusion Detection System - Over the coming 6 months, KCIA will be engaged with KCIT project management and business analysis resources to identify its most pressing security and access control concerns, as well as technology and infrastructure projects necessary to mitigate attendant risks. KCIA and KCIT staffs expect that these investments will involve improvements to KCIA's gate access control software, lighting and video capabilities surrounding the Airport, and connectivity improvements throughout the grounds to enable these improvements. Specific investments, once identified, will require additional documentation and approval before more in-depth planning and implementation can begin.
1130061	AD AIRPORT GRANT CONTINGENCY STANDALONE		\$1,000,000	Airport Grant Contingency - Budget Authority for the eventuality that we are awarded a grant for which we had not budgeted in advance of the biennium.
1130186	AD CITYWORKS ADDL MODULES STANDALONE		\$314,700	Cityworks Additional Modules - This is a follow-on project to the IT implementation initiated in 2015 to convert from Maximo to Cityworks. KCIA is engaged with KCIT project management resources and an outside consultant to license, install, and activate additional modules for the increased efficiency and effectiveness to be gained from the collection and use of BIM airport data.
3380 - AIRPORT CONSTRUCTION		Total	\$11,718,966	
Grand Total			\$11,718,966	

**2017-2018 Proposed Financial Plan
Airport Capital Fund /000003380**

Capital Improvement Program (CIP) Budget

	2015-2016 Carryforward (YE ITD Balance) ¹	2017-2018 Proposed ²	2017-2018 Total (Balance + Budget)	2019-2020 Estimated ³	2021-2022 Estimated ³
Capital Budget Revenue Sources:					
Fund Balance	15,363,025		15,363,025		
FAA Grants	-	5,708,192	5,708,192	6,310,350	
Environmental Grants	-	100,000	100,000	100,000	100,000
Transfer from Operating	-	5,910,774	5,910,774	8,454,350	8,204,700
Total Capital Revenue	\$ 15,363,025	\$ 11,718,966	\$ 27,081,991	\$ 14,864,700	\$ 8,304,700
Capital Appropriation:					
Safety/Security Program	(1,349,090)	(2,986,289)	(4,335,379)	(364,700)	(364,700)
Redevelopment Program	(5,525,795)	-	(5,525,795)	(10,000,000)	(2,250,000)
Airside Infrastructure Program	(2,189,581)	(3,812,436)	(6,002,017)	(1,250,000)	(1,000,000)
Landside Infrastructure Program	(4,220,247)	(1,414,000)	(5,634,247)	(1,700,000)	(3,000,000)
Contingency	-	(1,500,000)	(1,500,000)	(300,000)	(300,000)
All Other CIP Projects	(2,078,312)	(2,006,241)	(4,084,553)	(1,250,000)	(1,390,000)
<i>Dissappropriations (positive)</i>			-	-	-
Total Capital Appropriation	\$ (15,363,025)	\$ (11,718,966)	\$ (27,081,991)	\$ (14,864,700)	\$ (8,304,700)

CIP Fund Financial Position

	2015-2016 Biennial to Date Actuals ⁴	2015-2016 Estimated ⁵	2017-2018 Biennial to Date Actual	2017-2018 Estimated ⁵	2019-2020 Estimated ⁶	2021-2022 Estimated ⁶
Beginning Fund Balance	14,561,781	14,561,781		16,192,190	9,544,776	3,247,317
Capital Funding Sources						
Transfer from Operating	-	6,000,000		7,337,822	7,027,302	8,204,700
FAA Grant Funding	4,771,330	6,555,409	-	4,281,144	7,737,398	
Environmental Grants	-	-	-	100,000	100,000	100,000
Total Capital Revenue	\$ 4,771,330	\$ 12,555,409	\$ -	\$ 11,718,966	\$ 14,864,700	\$ 8,304,700
Capital Expenditures						
Safety/Security Program	(400,121)	(602,695)	-	(4,335,379)	(364,700)	(364,700)
Redevelopment Program	(833,498)	(2,237,205)	-	(1,874,284)	(13,116,188)	(2,478,823)
Airside Infrastructure Program	(472,474)	(1,086,520)	-	(5,570,435)	(1,458,000)	(1,220,000)
Landside Infrastructure Program	(4,440,085)	(5,858,298)	-	(2,693,915)	(4,639,271)	(3,000,000)
Contingency	-	-	-	(300,000)	(300,000)	(300,000)
All Other CIP Projects	(723,472)	(1,140,282)	-	(3,592,367)	(1,284,000)	(1,866,880)
Total Capital Expenditures	\$ (6,869,650)	\$ (10,925,000)	\$ -	\$ (18,366,380)	\$ (21,162,159)	\$ (9,230,403)
Other Fund Transactions						
		-	-	-		
Ending Fund Balance	\$ 12,463,461	\$ 16,192,190	\$ -	\$ 9,544,776	\$ 3,247,317	\$ 2,321,614
Fund Balance designated to current projects⁷	\$ -	\$ (15,363,025)		\$ (8,044,776)	\$ (1,747,317)	\$ (821,614)
Reserves⁸						
Program Contingency		(316,350)		(1,500,000)	(1,500,000)	(1,500,000)
Total Reserves	\$ -	\$ (316,350)	\$ -	\$ (1,500,000)	\$ (1,500,000)	\$ (1,500,000)
Projected Shortfall	-	-	-	-	-	-
Ending Undesignated Fund Balance	\$ 12,463,461	\$ 512,815	\$ -	\$ -	\$ 0	\$ 0

Financial Plan Notes (samples below)

¹ 2015-2016 Carryover reflects estimates of year end inception to date appropriation balances or actual balance as reported by the PA_103 report.

² 2017-2018 Proposed Budget is consistent with expenditure and revenue data from PIC and matches the CIP Attachment A.

³ Outyear budget estimates are consistent with Attachment A out years estimates with exceptions noted.

⁴ 2015-2016 Biennial to Date through May 2016.

⁵ 2015-2016 and 2017-2018 Estimated reflects updated revenue and expenditure estimates as of 05/31/2016.

⁶ Outyear revenue and spending estimates are based on current revenue estimates and project spending plans.

⁷ Fund balance designated to current projects is for projects that are already appropriated. This fund balance cannot be used for other projects without disappropriating projects or creating a shortfall in the fund.

⁸ Other Program Contingency is set aside at the direction of DOT.

This plan was updated by John Walsh on 8/31/16.