

Financial Plan January 2018
MIDD/ 00001135

Category	2015-2016 Actuals ¹	2017-2018 Adopted Budget ²	2017-2018 Current Budget ³	2017-2018 Biennial-to-Date Actuals ⁴	2017-2018 Estimated ⁵	2019-2020 Projected ⁶	2021-2022 Projected ⁶
Beginning Fund Balance	16,257,983	11,869,049	15,674,183	15,674,183	15,674,183	19,762,654	22,787,134
Revenues							
Local	119,406,150	133,955,400	132,912,892	69,066,381	132,912,892	147,694,172	159,723,733
Other	401,527	117,953	117,953	54,294	117,953	124,794	132,532
Total Revenues	119,807,677	134,073,353	133,030,845	69,120,675	133,030,845	147,818,966	159,856,265
Expenditures							
Salaries, Wages & Benefits	(23,802,164)	(20,783,042)	(20,783,042)	(9,417,915)	(20,783,042)	(22,279,421)	(23,638,466)
Supplies and Other	(106,454)	(166,213)	(166,213)	(59,263)	(166,213)	(175,355)	(185,350)
Contracted Services	(80,130,061)	(86,845,403)	(89,777,457)	(41,123,619)	(81,879,831)	(94,715,217)	(100,113,985)
Intergovernmental Services	(7,195,623)	(5,355,312)	(5,355,312)	(1,431,425)	(5,355,312)	(5,724,829)	(6,068,318)
Interfund Transfers	(9,157,175)	(20,757,976)	(20,757,976)	(10,660,955)	(20,757,976)	(21,899,665)	(23,147,946)
Total Expenditures	(120,391,477)	(133,907,946)	(136,840,000)	(62,693,176)	(128,942,374)	(144,794,486)	(153,154,064)
Estimated Underexpenditures							
Other Fund Transactions							
Total Other Fund Transactions	-	-	-	-	-	-	-
Ending Fund Balance	15,674,183	12,034,456	11,865,028	22,101,681	19,762,654	22,787,134	29,489,335
Reserves							
Revenue Reserves ⁷	(6,268,823)						
Services Stabilization Reserve ⁸	(895,000)						
Emerging Issues Reserve ⁹	-	(1,316,000)	(1,014,000)	(1,014,000)	(1,014,000)		
Reappropriation Reserve ¹⁰	(2,455,000)	(2,455,000)					
Medicaid Reconciliation Reserve ¹¹			(300,000)	(300,000)	(300,000)		
Reserve for 2016 invoices and Intensive Case Management ¹²			(802,915)	(275,000)			
Reserve for System Incentives and Core Services ¹³					(8,700,541)	(8,700,541)	(8,700,541)
Rainy Day Reserve (60 days) ¹⁴	(4,554,134)	(11,158,996)	(11,403,333)	(11,403,333)	(10,745,198)	(12,066,207)	(12,762,839)
Total Reserves	(14,172,957)	(14,929,996)	(13,520,248)	(12,992,333)	(20,759,739)	(20,766,748)	(21,463,380)
Reserve Shortfall	-	2,895,540	1,655,221	-	997,085	-	-
Ending Undesignated Fund Balance	1,501,226	-	-	9,109,348	-	2,020,385	8,025,955

Financial Plan Notes

¹ 2015-2016 Actuals reflect year end information as of 12/31/2016 from EBS and are consistent with the Budgetary Fund Balance figures published by FBOD.

² 2017-2018 Adopted Budget reflects the council approved budget per ordinance 18409.

³ 2017-2018 Current Budget reflects the council approved budget per ordinance 18409 and 2017 supplemental per ordinance 18544. Also reflects November 2017 council ordinance 18602 to add one-time funding of \$102,000 to District Court MIDD for Community Court Planning, \$200,000 to DCHS MIDD for Safe Places. Revenues reflect August 2017 OEFA forecast (not updated in EBS).

⁴ 2017-2018 Biennial-to-Date Actuals reflects actual revenues and expenditures as of 1/31/2018, using EBS report GL10, run 2/15/2018.

⁵ 2017-2018 Estimated is adjusted for the recently approved supplemental and reflects updated revenue forecast per the August 2017 OEFA.

⁶ Out year projections assume revenue growth per August 2017 OEFA forecasts and King County Office of Performance, Strategy and Budget planning assumptions.

We have applied the October 2017 PSB biennial planning assumptions to Blended Labor (19-20, 7.2%); (21-22, 6.1%); Internal Service Rates (19-20, 6.9%), (21-22, 6.0%), Supplies, Contracted Services & Interfund Transfers (19-20, 5.5%, 5.7%); (21-22, 5.7%).

⁷ Revenue Reserve is equal to 5.25% of MIDD tax receipts. In 2017-2018 the fund switched to a 60 day expenditure reserve (see also footnote 14).

⁸ The Services Stabilization Reserve was designated to fund MIDD 1 services during transition to MIDD 2 to avoid service disruptions for vulnerable populations.

⁹ Funding in the Emerging Issues Reserve will be appropriated by Council on an as-needed basis through the supplemental process. The Emerging Issues Reserve was reduced to reflect the November supplemental ordinance 18602 adding one-time funding of \$102,000 to District Court MIDD for Community Court Planning and \$200,000 to DCHS MIDD for Safe Places.

¹⁰ The Reappropriation Reserve sets aside unspent dollars from council approved supplemental requests approved in 2016 to be fully expended in 2017. These requests were approved in ordinance 18544 and are now shown as an increase to the current budget.

¹¹ A Medicaid Reconciliation Reserve has been created for initiatives with a lower Medicaid proportion than formally budgeted.

¹² Reserve for 2016 invoices received in 2017 and for Intensive Case Management in 2018.

¹³ Reserve to create an incentive pool to be used for system wide value based purchasing incentives. In addition, due to the uncertainty around Medicaid rates, these funds may be utilized to maintain core services.

¹⁴ The Rainy Day Reserve is to provide a 60 day expenditure reserve in case operations are reduced or closed down.

This plan was updated by DCHS staff on 2/15/2018.