



King County

Metropolitan King County Council

Health, Human Service & Internal Service Panel of the Budget and Fiscal Management Committee

Thursday, October 13, 2016 – 9:30 A.M.

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Analyst:	Nick Wagner
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PROSECUTING ATTORNEY ANTIPROFITEERING

BUDGET TABLE

	2015-2016 Revised*	2017-2018 Proposed	% Change 2015-2016 v. 2017-2018
Budget Appropriation	\$119,896	\$120,000	N/A
Max FTEs:	N/A	N/A	N/A
Max TLTs:	N/A	N/A	N/A
Estimated Revenues	\$0	\$0	N/A
Major Revenue Sources	Assets seized by law enforcement		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE

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

SUMMARY OF PROPOSED BUDGET AND CHANGES

The PAO requests that this appropriation be carried over so that if the opportunity to pursue a major racketeering case should arise, these resources would be available to draw upon if necessary. The proposed budget supports this request.

ISSUES

Staff has identified no issues with this budget.

Analyst:	Nick Wagner
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PROSECUTING ATTORNEY

BUDGET TABLE

	2015-2016 Revised*	2017-2018 Proposed	% Change 2015-2016 v. 2017-2018
Budget Appropriation	\$134,845,488	\$140,338,746	4.1%
Max FTEs:	470.5	456.5	(3.0%)
Max TLTs:	4.0	4.0	N/A
Estimated Revenues	\$36,517,066	\$39,756,000	8.9%
Major Revenue Sources	General Fund; charges to non-General-Fund agencies to which the PAO provides legal services		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE

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 serves as legal counsel to the Metropolitan King County Council, the King County Executive, all executive agencies, the Superior and District Courts, the King County Sheriff's Office, the King County Assessor, the various independent boards and commissions, and some school districts. The PAO also establishes and enforces child support obligations, is an integral part of the mental health civil commitment process, and manages or participates in several programs that provide alternatives to the mainstream criminal justice system.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The Executive's proposed budget would increase the PAO's appropriation by 4.1 percent, from \$134,845,488 in 2015-2016 to \$140,338,746 in 2017-2018, an increase of \$5,493,258 for the biennium. Revenues are expected to increase by 8.9 percent, from \$36,517,066 in 2015-2016 to \$39,756,000 in 2017-2018. The employee count for the PAO would decrease by 13.5 FTEs, or 3.0 percent.

The proposed budget includes the following changes:

Direct Service Changes

- **Staff Reductions – Expenditures: (\$2,000,000); FTE reduction: to be determined.**
The Prosecuting Attorney intends to eliminate positions and expenditures over the 2017-2018 biennium to meet this savings target, but expects the reductions to reduce the PAO's 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, just as the 2017-2018 proposed

budget includes a technical adjustment to reflect the reductions of \$2,596,943 and 11.0 FTEs that the PAO made to meet its 2015-2016 Target Reductions, as noted below. If the ratio of expenditure reduction to FTEs were the same in 2017-2018 as it was in 2015-2016, the PAO would need to eliminate about 8.5 positions to meet its target of \$2 million in expenditure reductions. In his testimony before the Budget and Fiscal Management Committee on October 5, the Prosecuting Attorney said he intended to achieve the position reductions through attrition.

- Familiar Faces Deputy Prosecuting Attorney – Revenue: \$288,213. The Familiar Faces (FF) initiative focuses on individuals who are high utilizers of the 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. The goal is to coordinate services to improve their health and social outcomes. This proposed appropriation is for an existing Deputy Prosecuting Attorney (DPA) position that would now be funded by the Mental Illness and Drug Dependency (MIDD) fund, which was transmitted to the Council in August 2016. The DPA will serve as liaison between the FF steering committee and law enforcement agencies and will work with FF to track new bookings, pending charges, criminal history, hearings, and requirements involving FF participants.
- LEAD PAO Staff – Revenue: \$762,655. LEAD is a pre-booking diversion pilot program developed with the community to address low-level drug and prostitution crimes in the Belltown neighborhood in Seattle and the Skyway area of unincorporated King County. The program allows law enforcement officers to redirect low-level offenders engaged in drug or prostitution activity to case managers who can provide immediate assessment, crisis response, and long-term wrap-around services, instead of jail and prosecution. This proposed appropriation is for two existing DPA positions and one paralegal position that would now be funded by MIDD, as described in the MIDD 2 Service Improvement Plan.

Administrative Service Changes

- Deputy Prosecuting Attorney Assistants to Cover Paid Parental Leave Absences – Expenditure: \$250,000. Based on a disproportionate number of PAO attorneys having participated in the County's paid parental leave (PPL) pilot program and the tentative agreement with the King County Coalition of Unions to make PPL an ongoing benefit (not yet ratified by the Coalition unions or approved by the Council), this proposed one-time appropriation for the 2017-2018 biennium would cover the cost of hiring contract attorneys to cover part of the PAO attorney absences due to PPL. Whether there is a need for such funding to continue beyond the 2017-2018 biennium would be assessed when more data on leave usage becomes available during the biennium.

Other Changes

The other proposed changes in the PAO budget are the result of:

- Base budget adjustments – Expenditures: \$9,304,101; Revenues: (\$278,886);

- Technical adjustments:
 - Allocate Existing Therapeutic Court Staff to PAO MIDD: Expenditure: (\$133,970); (3.0 FTEs);
 - Revenue Adjustments (to match current forecasts): \$2,466,951;
 - 2015-2016 Target Reductions: (\$2,596,943); (11.0 FTEs);
 - Contra Removal: Expenditure: \$395,182;
 - Salary Adjustment for Non-Senior Deputies: \$1,035,000;
 - Eliminate Courthouse Screening Rate: (\$1,778,690);
 - Vacancy Rate Adjustment: (\$1,764,000); and
 - Motor Pool Dispatch Rental: \$42,000; and
- Central Rate Adjustments – Expenditure: \$2,790,578.

ISSUES

ISSUE 1 – STAFF REDUCTIONS – EXPENDITURES: (\$2,000,000); FTE REDUCTION: TO BE DETERMINED.

The Prosecuting Attorney has testified that he expects these reductions to impair the PAO's capacity to bring cases to trial in a timely manner. Council staff is reviewing information provided by the PAO to better understand that impact.

Staff analysis of the PAO budget is continuing.

Analyst:	Nick Wagner
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PUBLIC DEFENSE

BUDGET TABLE

	2015-2016 Revised*	2017-2018 Proposed	% Change 2015-2016 v. 2017-2018
Budget Appropriation	\$127,020,998	\$136,490,000	7.5%
Max FTE:	365.3	390.9	7.0%
Max TLTs:	0.0	1.0	N/A
Estimated Revenues	\$26,325,178	\$31,677,000	20.3%
Major Revenue Sources	General Fund, DPD contracts with other jurisdictions, fees		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE

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

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

SUMMARY OF PROPOSED BUDGET AND CHANGES

The Executive's proposed budget would increase DPD's appropriation by 7.5 percent, from \$127,020,998 for 2015-2016 to \$136,490,000 for 2017-2018, an increase of \$9,469,002 for the biennium. Revenues are expected to increase by 20.3 percent, from \$26,325,178 in 2015-2016 to \$31,677,000 in 2017-2018. The employee count for DPD would increase by 25.6 FTEs, or 7.0 percent.

The proposed budget includes the following changes:

- Sexually Violent Predator Reduction – Expenditure: (\$949,995); Revenue: (\$522,000); (3.3 FTEs). King County has a contract with the State of Washington for DPD to represent defendants in Sexually Violent Predator proceedings. The scope of this contract has been narrowed at King County's initiative to include only King County cases. This change is expected to yield a savings of \$949,995, a revenue loss of \$522,000, and a reduction in staffing of 3.3 FTEs for the 2017-2018 biennium. (In SVP cases outside King County, the State of Washington is now providing defense representation.)
- Seattle Municipal Court Contract – Expenditure: 2,142,025; Revenue: \$2,740,063; 8.3 FTEs. King County has a contract with the City of Seattle for DPD to represent defendants in Seattle Municipal Court. This is a full-cost-recovery contract that is periodically renegotiated. The proposed appropriation request reflects the agreed changes to the contract for the second half of 2016 and projects those changes through the 2017-2018 biennium. Though the 2017 contract is still being negotiated, according to DPD, the Executive will ensure that it remains full-cost-recovery. The reason the projected increase in revenues exceeds the increase in expenses is that the most recent version of the contract includes payment for DPD staffing whose cost had not been recovered in earlier contracts.
- Raising Our Youth As Leaders (ROYAL) Program – Expenditure: \$215,364; Revenue: \$538,049; (1.0 FTEs). The ROYAL program provides a variety of services to reduce recidivism among high-risk, justice-involved youths aged 14 to 17. As a result of a 2016 change in the program management model, DPD now contracts with Therapeutic Health Services to provide client services. This change has made it possible to eliminate a vacant position that was previously intended to operate ROYAL directly.

Administrative Service Changes

- Assigned Counsel Reduction – Expenditure: (\$636,435); 3.5 FTEs. This proposed change would add 3.5 FTEs to handle cases that currently are being referred to assigned counsel for lack of DPD staffing to handle them. This change is consistent with DPD's policy to avoid referral of cases to assigned counsel unless the referral is necessary to avoid a conflict of interest. The change is expected to result in a net savings of \$636,435.
- Efficiency Reductions – Expenditure: (\$688,114). This proposed savings would result from implementation of a staffing model that would increase support staff for DPD attorneys and thereby reduce the need for more expensive contract staff and temporary support staff.
- Staffing Model Implementation – Expenditure: \$1,331,749; Revenue: \$2,616,804; 10.0 FTEs. This proposed change would add 10.0 FTEs to comply with a staffing model developed jointly by DPD and the County's Office of Performance, Strategy, and Budget as a result of a recommendation of the King County Public

Defense Budget Workgroup, which was established by Ordinance 17941 (the 2015-2016 biennial budget ordinance). The revenue increase is due to additional staff being assigned to Involuntary Treatment Act Court, which is reimbursed by the King County Behavioral Health Organization. Council staff will be meeting with executive staff before Week 2 to review the staffing model in detail and confirm the proposed changes in expenditure, revenue, and FTEs.

- Flexibility in Hiring First Year Lawyers – 15.0 FTEs (Unfunded). This proposal would create 15.0 unfunded FTEs to allow DPD to make offers of employment to third-year law students while they are still in school. This would allow DPD to be competitive with other employers, who make similar offers. Between the time when the students are hired into these FTEs and the time when they start work at DPD, it is anticipated that at least the same number of current DPD attorneys will have vacated their positions through attrition. The net effect is that, properly implemented, this will not increase DPD's actual staffing levels, and no funding for increased staffing for this purpose is being requested.
- Transfer Therapeutic Court Support Staff to MIDD – Expenditure: (\$754,535); (3.5 FTEs). This proposal would transfer to the Public Defense MIDD appropriation unit 3.5 support staff who work in therapeutic courts supported by MIDD.
- Family Medical Leave Attorneys – Expenditure: \$599,474; 2.0 FTEs. This would add two attorneys to compensate for lost capacity due to attorney who are out on long-term or family medical leave.
- Reduce Clerical Support – Expenditure: (\$651,197); (4.0 FTEs). This proposal would eliminate four clerical positions by reducing the clerical staffing ratio from 0.25 clerical positions per attorney to 0.22.

Other Changes

The other proposed changes in the DPD budget are the result of:

- Base budget adjustments – Expenditures: \$4,712,615; Revenues: \$513,774; 0.6 FTEs;
- Technical adjustments:
 - Senior Attorney Promotions (\$1,459,565) (promotion of 35 attorneys to senior attorneys, as provided in the applicable collective bargaining agreement);
 - Revenue Adjustments (to match current forecasts): (\$534,822);
 - Eliminate Courthouse Screening Rate: (\$291,182);
 - Vacancy Rate Adjustment: (\$680,000); and
 - Motor Pool Dispatch Rental: \$108,000; and
- Central Rate Adjustments – Expenditure: \$4,149,891.

ISSUES

Staff analysis of the proposed DPD budget is continuing and will also include review of the Public Defense Advisory Board (PDAB) report on the proposed DPD budget. The PDAB report, which is required by ordinance, is due to be submitted to the Council this week.

Issue 1: Increase Dependency Caseload (\$598,819) (2.0 FTE)

This proposed change reflects a planned increase in the permitted caseload for dependency attorneys from 65 open cases to 72 open cases. After transmittal of the proposed budget, however, executive staff learned that a provision in the collective bargaining agreement covering DPD dependency attorneys may require maintenance of the caseload standard that was in effect on May 15, 2015, which was the 65 open cases. Consequently, this proposed change may need to be withdrawn.

Analyst:	Greg Doss
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SHERIFF, SHERIFF SUCCESSION PLANNING, DRUG FORFEITURE

SHERIFF BUDGET TABLE

	2015-2016 Revised*	2017-2018 Proposed	% Change 2015-2016 v. 2017-2018
Budget Appropriation	\$313,899,000	\$343,816,000	10%
Max FTE:	1,003.5	1011.5	0%
Max TLTs:	8	9	13%
Estimated Revenues	\$183,531,000	\$204,379,000	11%
Major Revenue Sources	N/A		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE

The King County Sheriff's Office (KCSO) provides law enforcement services for unincorporated King County as well as for over 40 other governmental agencies, including full service police services to 12 contract cities¹. In addition to providing patrol services, KCSO provides numerous specialty law enforcement services including an air support unit, marine unit, SWAT, major crime investigations, bomb disposal, major accident response and reconstruction and arson investigations. KCSO also performs other functions such as emergency 9-1-1 call receiving and dispatching, service of court orders related to civil court filings, issuing concealed weapons permits, and sex offender registration. KCSO is led by an independently elected Sheriff.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The 2017-2018 proposed budget of \$344 million for KCSO is an increase of \$30 million, or 10 percent, compared to 2015-2016. Revenues of \$204 million represent an increase of \$20 million, or 11 percent. The proposed KCSO budget is focused around a number of issues:

No decreases in patrol staffing. With the exception of specialized patrols in 2018 (Marine and Air patrols), the Proposed Budget includes no decreases in patrol FTE.

Increases in contract services. KCSO is relatively unique in the degree to which it contracts services to partner jurisdictions. Revenues from these contracts support about half of the department's operating costs. Contract services are proposed to continue to grow in the 2017-2018 budget. The proposed budget contains about \$3.6 million in increased / new contract services for Metro Transit, Sound Transit and the King County Parks Department (see Table 1).

¹ Beaux Arts Village, Burien, Covington, Kenmore, Maple Valley, Newcastle, North Bend, Sammamish, SeaTac, Shoreline, Skykomish and Woodinville

Other requests are partially supported by contract revenue and include position and overtime related adds that total about \$1.3 million. Budget requests with associated contract revenue are highlighted in Tables 1 and 2 below.

Table 1. Proposed Budget Adds Fully Revenue-Backed by Contract Revenue

Budget Request	Expenditure	Revenue	FTE	Comment
Metro Transit Officers	\$2,516,844	\$3,085,400	9.0	7 Deputies, 1 Detective, 1 Transit Resource Officer
Communications Dispatchers	\$397,286	\$537,317	2.0	Adds Dispatchers for dedicated Sound Transit and Metro Transit console.
Parks Department Contract ²	\$641,278	\$789,627	0	Overtime currently worked for the Parks Department is moved into KCSO Budget.
Total	\$3,555,408	\$4,412,344	11.0	

Table 2. Proposed Budget Adds Partially Revenue-Backed by Contract Revenue

Budget Request	Expenditure	Revenue	FTE	Comment
Digital Forensics Detective	\$325,964	\$145,699	1.0	Addresses electronically stored data that must be accessed and reviewed during investigations.
Records Specialist	\$187,954	\$187,954	1.0	Transfer of sexual offender fingerprinting function previously performed by AFIS.
Anti-Bias Training	\$800,000	\$160,000	0	Sound Transit and Metro are providing revenue for trainings.
Total	\$1,313,918	\$493,653	(4.0)	

Savings and efficiencies. In order to find savings and efficiencies, the proposed budget contains changes that reflect restructuring and reallocation of resources, as well as reduction of positions that are no longer needed. Table 3 summarizes these proposals.

² Parks Department contract existed prior to 2017-18, but expenses were transferred between agencies. The 2017-18 Proposed Budget moves these expenses, and associated revenue, into the Sheriff's budget.

Table 3. Proposed KCSO Position Eliminations

Budget Request	Expenditure	Revenue	FTE	Comment
Investigative Auditor Reduction	(\$363,607)	(\$181,803)	(1)	Eliminate vacant position responsible for tracking assets and overtime.
Inspectional Service Manager Reduction	(\$363,607)	0	(1)	Position oversees compliance with standard operating procedures and accreditation.
Division Secretary Reduction	(\$106,575)	(\$53,228)	(1)	Technical Services Div.
Close 4 th Ave Entrance to the Courthouse	(\$714,410)	0	(4)	Positions necessary to staff the 4 th Ave entrance to the Courthouse. Third Ave and the Admin tunnel will remain open.
Eliminate Air Unit in 2018	(\$1,430,701)	0	(5)	Eliminate KCSO's full-time rotary-wing aviation unit
Eliminate Marine Unit in 2018	(\$945,176)	(\$182,200)	(6.0)	Eliminate KCSO's full-time Marine Rescue Dive Unit
Total	(\$3,924,076)	(\$417,231)	(18)	

New funding sources. The proposed budget also contains new funding from various sources, including the General Fund, other funds, and some new ways of extending overhead charges to contract entities. Table 4 summarizes proposals for new revenue sources.

Table 4. New KCSO Revenue Sources

Budget Request	Expenditure	Revenue	FTE	Comment
Increase Overhead Allocations		\$693,137		Extend overhead to UW contract overtime, off-duty vehicle use and AFIS program.
Increase Civil Fees (Proposed Ordinance 2016-0477)		\$207,108		Increase by 11.1% the civil processing fees authorized under RCW 38.18.040.

Increase Roads Fund Transfer		\$3,000,000		Increase Roads Fund transfer from \$12 million to \$15 million.
Marijuana Excise Tax		\$2,654,595		Appropriate entirety of revenue shared with local jurisdictions under 2E2SHB-2136.
Total		\$6,554,840		

Technology Adds: The Proposed Budget Includes \$2.0 million in KCSO's operating budget to cover expenses for a new Records Management system (described below) as well as a retention of a \$287,023 TLT that is assisting KCSO in delivering an electronic data feed to PeopleSoft. This is necessary because the agency's four payroll fiscal specialists must currently enter manually all time and attendance and overtime slips.

Summary: the KCSO budget has no patrol FTE cuts in 2017, achieves efficiencies through tightening of positions and locating new sources of revenue. Contract services also continue to expand. The most significant cuts in 2017 are to close the 4th Avenue entrance to the Courthouse and eliminate the Air Unit's ability to respond to emergencies outside of King County. The latter cut is \$185,000 in fuel and maintenance reductions.

In 2018, the budget carries forward the efficiencies and revenues of the prior year, but also completely eliminates the Air unit and Marine Rescue Dive unit.

ISSUES

ISSUE 1 – ELIMINATE THE MARINE RESCUE DIVE UNIT (MRDU): (\$763,000)³ AND (6.0) FTE

The Proposed Budget would eliminate in 2018 the MRDU, which deploys specially trained, certified, equipped and experienced Deputies that are responsible for water related law enforcement, rescue and recovery work. The Unit provides service in unincorporated Puget Sound (Vashon-Maury Island), unincorporated Lake Washington and Lake Sammamish as well as numerous other lakes ponds, rivers and streams in the unincorporated areas. The Unit provides contract services for Beaux Arts village, Bellevue (Lake Sammamish), Kenmore, Kirkland, Issaquah, Redmond, Sammamish and Yarrow Point.

Elimination of the MRDU would result in \$180,000 in contract revenue loss, an absence of boat accident and investigation, discontinuation of buoy coordination response and maintenance, discontinuation of invasive species education and enforcement, discontinued water-related criminal investigations, boater rescues, victim recovery, drowning prevention, investigation of derelict vehicles, oil spill responses, firefighting, dewatering, swift-water rescue and elimination of the Tactical Action Group (TAG), which responds to maritime security events (e.g. active shooters).

³ This number is a net of \$945,000 in expenditures and \$182,000 in revenue.

The MRDU is considered a regional service and, with the exception of specific contracting jurisdictions, does not collect any fees for its service. The Department has indicated that State law allows County Sheriffs to collect a portion of vessel registration fees using a formula that includes the miles of shoreline patrolled. With the loss of marine patrol, KCSO indicates that it is no longer eligible to receive this revenue, which amounts to approximately \$70,000 per year. The \$70,000 in revenue loss is captured in the \$182,000 total revenue loss noted in Table 3. Staff analysis is ongoing.

ISSUE 2 – ELIMINATE THE KCSO AIR SUPPORT UNIT (ASU): (\$1.4 MILLION) AND (5.0) FTE

This Proposed Budget would eliminate in 2017 the Air unit support that is provided to other Counties and Cities. In 2018, the Sheriff's Office Air Support Unit (ASU) is eliminated altogether. The Sheriff's Office ASU is the only full-time law enforcement rotary-wing aviation unit in Washington State. The unit provides Airborne Patrol, Tactical Operations, and Search and Rescue (SAR) in King County and throughout the region during natural disasters or emergencies.

Emergency Response: The Department has indicated that the ASU will insert SAR volunteer personnel and equipment in the backcountry to save time in a rescue operation that may involve medical emergencies. The Department has indicated that in 2015 the KCSO Air Support unit executed 15 SAR missions, rescued 25 people and recovered three bodies. About half of the rescues were in King County.

KCSO staff has indicated that RCW 38.52.400 mandates search and rescue activities to the County Sheriff, but that they are not aware of any laws requiring a helicopter to perform this function. The Sheriff's Office indicates that, in the absence of the ASU, the use of military or Coast Guard helicopters will cause delay in responding to an SAR or other emergencies:

There is no guarantee that the military is available. It can take two to four hours for an Army helicopter crew to get a decision as to whether they can even fly a SAR mission. The Army National Guard has pilots and a crew chief but no rescue specialist. They too, have to wait hours for a flight decision. In the event of a major disaster, it can take anywhere from 48 to 72 hours for authorization to respond. The Navy is often faster, but the Whidbey Island base is facing losing one of three rescue helicopters. Coast Guard helicopters are based in Port Angeles and Astoria, Oregon. Once permission is granted, their flight time alone to inland mountains is close to an hour. Another factor, Coast Guard rescue crews specialize in water rescues, not mountain hoist missions. There is no guarantee a military helicopter will not be tied up with a military task or mission that takes precedence. The military will not hoist or help recover deceased bodies.

Additionally, in the event of a large scale or manmade disaster, the KCSO has indicated that FEMA has advised that they would not be able to respond with any federal assets until 72 hours after the event.

The Department has indicated that there is no mandate for the State's Office of Emergency Management to operate a helicopter, although the State's OEM is responsible for ensuring that all State and local air resource options are exhausted before it calls for military assistance. In the absence of the King County ASU, the OEM might call the Snohomish County ASU, which performs hoist rescue missions in nearly all of Snohomish and Skagit County. However, the King County unit is the only full-time ASU in the State of Washington. Presumably, there could be some delay for Snohomish's ASU to mobilize if it is not at the ready.

KCSO Missions: If the ASU were eliminated, the KCSO would no longer have air support during high speed pursuits or to use during high-risk law enforcement operations or searching for criminal suspects. In 2015, the Department used the ASU 799 times to assist in approximately 82 captures, which the KCSO defines as the apprehension of a suspect that is a direct result of ASU involvement. Additionally, the KCSO Air unit flew 13 missions related to Anti-Terrorism Incidents/Training.

Support of other Jurisdictions: The KCSO has indicated that the ASU flew 425 missions in 2015 to support non-contract jurisdictions. The flights aided in approximately 49 captures. Some of the higher use jurisdictions include Seattle PD (177 flights), Kent PD (51 flights) and Renton PD (30 flights). The ASU flew 130 missions to support jurisdictions that contract with the KCSO, but do not specifically pay for use of the ASU. These missions aided in approximately 13 captures.

The Department has indicated that the Sheriff made at a King County Chiefs meeting a request for financial support of the ASU, but that no support was offered. The Department has also indicated that Federal Law may prohibit a charge for the ASU as it is a public use aircraft and that any kind of reimbursement may be synonymous with commercial operation. Staff analysis is ongoing.

ISSUE 3 – IMPLEMENT NEW RECORDS MANAGEMENT SYSTEM (RMS): \$2.0 MILLION

The Proposed Budget includes \$2.0 million for a new cloud-based records management system to replace the obsolete IRIS system. The \$2.0 million is for the on-going operating and license costs. Negotiations are still underway, so a final cost estimate is not known at this time. This proposal assumes an implementation date of March 1, 2017 for a pilot that will cost approximately \$140 per officer per month, which is partially reimbursable through KCSO's contracts with cities and other jurisdictions.

The Council requires a business case, benefit achievement plan and cost benefit analysis for all new and existing IT investments seeking appropriation authority in order to ensure technology proposals are ready for Council approval. KCSO anticipates completing these documents. Additionally, the project did not participate in the Executive IT review process required for all new and existing technology projects seeking appropriation authority in the budget. The executive's technology review process helps to improve the technology proposals prior to their transmission to the Council. As part of this process, all IT appropriation requests were prioritized and evaluated by a team of nine raters representing PSB and KCIT that evaluate the technology and business attributes of the project. Without the required documentation, it is very difficult for Council staff to evaluate the request for additional appropriation.

This project reflects a change in direction from a 2008 \$5.8 million capital project appropriation that would have implemented a software called Total Enforcement (TE). The TE software would have served as the Department's records management system as well as its property management system. The Sheriff's Office reports that a pilot of the TE software showed that officers were not able to enter data in a timely or practical manner. For this reason, KCSO decided to pursue a different approach to the RMS functionality.

The Department is able to utilize the TE software for its property management system. KCSO staff have indicated that the Property Management unit will continue to use TE as its system of record until a new, different system with a property module is implemented. The Records unit, Data unit and Communications Center have been instructed to use TE as their system of record until a new, different system is implemented. At this point in time, the property management functions are not expected to be integrated into the proposed cloud-based RMS service, but that functionality may be available by Q2 2017 at no additional cost.

To date, the Department has expended \$3.8 million on this project through June 2016 and expects that there will be \$1.2 million left at year-end. This balance of \$1.2 million is expected to be used for future project needs and is not related to the request for \$2.0 million, which is the operating component that will be used for officer subscriptions to the cloud-based service.

The County's Chief Information Officer has indicated that KCIT has been involved with the cloud-based solution and that the Project Review Board has performed an initial project review, but has not yet authorized a vendor. The CIO has indicated that this may occur at the Board's October 12th meeting. Staff are still analyzing this project and will provide more information in the Week 2 report.

ISSUE 4 – CLOSE 4TH AVE ENTRANCE TO THE KING COUNTY COURT: \$714,000 4 FTE

The Proposed Budget closes 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.

The Sheriff's Office has indicated that the 4th Ave entrance was closed in 2011 approximately 42 times due to staffing shortages. It was closed about 18 times in 2012, and 56 times in 2013. The KCSO noted that during the 4th Avenue closures a line sometimes formed and extended up the stairs to the Admin Building during peak hours. Additionally, the 3rd Avenue line frequently stretched to the corner of 3rd and James Street.

ISSUE 5 – ANTI BIAS TRAININGS: \$800,000

The Proposed Budget includes \$800,000 for in-service trainings conducted on overtime that will allow every King County Sheriff's Deputy to receive instruction on de-escalation techniques and how to recognize and deal with Implicit Bias. The \$800,000 is revenue backed by \$160,000 that will be collected from the Sound Transit and Metro partners. This add will allow each Deputy to receive eight hours of training, but does not account for any other costs the agency may incur. KCSO budget staff have indicated that the Department has not yet developed the curriculum or schedule for the proposed trainings.

ISSUE 6 - TRANSFER FROM THE ROADS FUND TO THE GENERAL FUND \$3.0 MILLION

The Proposed Budget transfer increases from \$12.0 million to \$15.0 million the Road Fund support of the King County Sheriff's Office. This transfer comports with State law that allows for the use of the road levy for public safety services provided in the unincorporated area.

While allowed by law, continued County Rural Arterial Program eligibility requires that all diverted funds be utilized only for road purposes. The term "road purposes" in this case means traffic law enforcement in the unincorporated area. Even though allowed by law, use of diverted road levy for anything other than traffic policing removes Rural Arterial Program eligibility. The Executive has indicated that the KCSO has transmitted to the County Road Administration Board documentation that shows that the proposed \$15 million in Road funding will be used to support traffic enforcement services.

The Proposed Budget's diversion of \$3.0 million in Road Funds to the General Fund is backfilled with REET revenue that is deposited in the Roads Fund. However, the \$3.0 million that is diverted could otherwise have boosted Road Fund expenditures over-and-above any REET backed levels.

APPROPRIATION NAME – SHERIFF, SHERIFF SUCCESSION PLANNING, DRUG FORFEITURE

SUCCESSION PLANNING BUDGET TABLE

	2015-2016 Revised*	2017-2018 Proposed	% Change 2015-2016 v. 2017-2018
Budget Appropriation	\$1,379,000	\$970,000	(30%)
Max FTE:	6	6	0%
Max TLTs:	0	0	0%
Estimated Revenues	0	0	0%
Major Revenue Sources	N/A		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE:

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

To fill expected vacancies, the Sheriff's Office uses the 6.00 FTE in Succession Planning as placeholder FTE appropriation authority for cadets in training, in addition to funding cadets through other vacated patrol positions. In 2015, 6 vacated patrol positions have been occupied by cadets for this purpose.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The 2017-2018 proposed budget for KCSO Succession Planning is proposed to decrease by \$409,000 or 30 percent, from the 2015-2016 revised budget. The change is due to technical adjustments and a \$482,000 adjustment that aligns the budget with the historical usage patterns. The department indicates that the original budget for this appropriation unit was developed at an average salary rate, which is higher than what is necessary to pay new hires.

During 2016 to date, KCSO has had 38 retirements and other separations of commissioned staff, with 2 to 4 more expected to leave by the end of the year. This is approximately 50 percent lower than 2015. However based on history, the Sheriff's office expects attrition rates for 2017 and 2018 to be at least 40-50 staff per year. KCSO has hired 63 commissioned staff in 2016 and is on track to hire 4 to 5 more before the end of the year. Similar hiring rates are expected for 2017 and 2018.

ISSUES

Staff have not identified any issues for this budget.

APPROPRIATION NAME – SHERIFF, SHERIFF SUCCESSION PLANNING, DRUG FORFEITURE

DRUG FORFEITURE BUDGET TABLE

	2015-2016 Revised*	2017-2018 Proposed	% Change 2015-2016 v. 2017-2018
Budget Appropriation	\$2,049,000	\$1,998,000	(2%)
Max FTE:	3	3	0%
Max TLTs:	0	0	0%
Estimated Revenues	\$2,552,000	\$1,000,000	(61%)
Major Revenue Sources	N/A		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE:

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

SUMMARY OF PROPOSED BUDGET AND CHANGES

The total 2017-2018 Proposed Budget for Sheriff's Office Drug Enforcement Forfeits is \$1.99 million, 2 percent lower than the 2015-2016 revised budget of \$2.05 million. The reduction is due primarily to technical adjustments in the base budget and central rates. The revenue has been adjusted downward from \$2.6 million to \$1.0 million or approximately 61%. This difference is to account for a significant over-budgeting of revenues in the last few years.

The Department has indicated that it will have a fund balance sufficient to cover the \$1.0 million difference between proposed expenditures and revenues. The Department has also indicated that revenues are up in 2016, and that this will help ensure that the revenues do not exceed expenditures in the upcoming biennium.

ISSUES

Staff have not identified any issues for this budget.

Analyst:	Greg Doss
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AUTOMATED FINGERPRINT IDENTIFICATION SYSTEM (AFIS)

BUDGET TABLE

	2015-2016 Revised*	2017-2018 Proposed	% Change 2015-2016 v. 2017-2018
Budget Appropriation	\$35,649,000	\$45,496,000	28%
Max FTE:	90	90	0%
Max TLTs:	2	2	0%
Estimated Revenues	\$40,347,000	\$43,173,000	7%
Major Revenue Sources	AFIS Levy (Expires end of 2018)		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE:

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

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

SUMMARY OF PROPOSED BUDGET AND CHANGES

The 2017-18 proposed budget for the AFIS Program is \$45.5 million, an increase of 28% percent over 2015-2016. The majority of AFIS budget changes are technical in nature, including a reduction that adjusts the Capital Account to match Levy planned expenditures for the 2016-17 budget. Work on the processing lab replacement project and KCSO overhead adjustments are the main administrative and policy changes in the Proposed Budget:

- **AFIS Lab Replacement Project \$8.9 million:** Funding is transferred to the Facilities Management Division (FMD) 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 2018. The AFIS Levy plan identified up to \$11.5 million for a replacement facility, including \$9.3 million for planning, design, and construction,

and \$2.2 million for property acquisition. In 2014, the County Council authorized in the 2015/2016 Biennial Budget (Ordinance 17941) the expenditure of \$730,000 for the preliminary design of the new AFIS Laboratory. Since the County already owns the Black River building, the focus of the \$8.9 million request in additional funding will be on the refurbishment and tenant improvements necessary to allow the AFIS program to occupy the space.

- **King County Sheriff's Office (KCSO) Overhead Charge:** This charge will allow KCSO to add a records specialist that will perform registered sex offender fingerprinting that is currently done by AFIS staff. In addition, this charge updates and increases the central rate service charge KCSO receives from AFIS for performing various administrative functions such as budget and accounting, internal investigations, legal unit, personnel etc

ISSUES

Staff have not identified any issues for this budget.

Analyst:	Nick Wagner
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SUPERIOR COURT

BUDGET TABLE

	2015-2016 Revised*	2017-2018 Proposed	% Change 2015-2016 v. 2017-2018
Budget Appropriation	\$100,095,365	\$101,965,000	1.9%
Max FTEs:	330.8	324.1	(2.0%)
Max TLTs:	0.0	0.0	N/A
Estimated Revenues	\$8,968,440	\$8,356,000	(6.8%)
Major Revenue Sources	General Fund, fees, federal and state funds		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE

King County Superior Court is the County's general jurisdiction trial court and the largest of the 29 superior court districts in Washington State, handling 51,000 new cases in 2015. The cases over which Superior Court has jurisdiction include felony criminal cases, civil matters involving more than \$300, unlawful detainers, injunctions, family law cases, probate and guardianship matters, juvenile offender cases, juvenile dependency cases, and mental illness and involuntary commitment matters.

The court manages or participates in three MIDD-funded therapeutic court programs: Family Treatment Court, King County Adult Drug Diversion Court, and Juvenile Drug Court.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The Executive's proposed budget would increase the Superior Court appropriation by 1.9 percent, from \$100,095,365 in the 2015-2016 biennium to \$101,965,000 in the 2017-2018 biennium. Revenues are expected to decrease by 6.8 percent, from \$8,968,440 in 2015-2016 to \$8,356,000 in 2017-2018. The employee count for Superior Court would decrease by 6.7 FTEs, from 330.8 to 324.1.

The proposed budget includes the following changes:

Direct Service Changes

- **Increased Hourly Rate for Interpreters – Expenditures: \$230,000.** The hourly rate that is paid to contract interpreters would be increased by \$10, to \$55 for certified interpreters and \$50 for non-certified interpreters, effective January 1, 2018. This would bring the compensation paid by Superior Court closer into line with the compensation paid by other courts in this area, such as Seattle Municipal Court

(\$55/\$50), Pierce County Superior Court (\$60/\$60), and Snohomish County Superior Court (\$50/40 plus one-way travel) (King County does not pay for travel or parking). King County Superior Court's current compensation rate has made it difficult for the Court to hire interpreters, which has resulted in trial delays. The Court estimates that 95% of its interpreter costs are for individuals who cannot afford to pay or are involved in a criminal matter.

The Court had requested a funding increase of \$460,000 so that the rate increase could go into effect on January 1, 2017, but the Executive reduced the requested amount by half, making it necessary for the court to delay the rate increase until January 1, 2018.

- Guardians Ad Litem (GALs) – Expenditure: \$180,000. GALs are individuals (sometimes but not always attorneys) who are appointed by the Court to represent the best interests of an alleged incapacitated person. The number of GALs that the Court has had to appoint has increase by 110 percent since 2012. The Court is not seeking an increase in the compensation rate for GALs, only an increase in total funding for GALs to meet the increased need. As requested by the Court, the Executive is proposing an increase of \$180,000 for the biennium.
- Text Messaging Pilot – Expenditure: \$60,000. This proposed funding would allow the Court to implement a pilot program to remind defendants of court dates by text message. Based on experience in other jurisdictions, this is expected to reduce the number of defendants who fail to appear and, consequently, the number of Failure to Appear warrants that are issued and the costs that ensue. The funds would pay for software that causes a text message to be sent automatically without a need for staff intervention. The dollar amount is based on vendor proposals.
- FIRS Staff and Evidence-based Intervention Services – Expenditure: \$1,303,213; Revenue: \$1,303,213; 4.0 FTEs. These proposed funds and FTEs would implement Superior Court's portion of the Crisis Diversion Initiative CD-13, Family Intervention Restorative Services (FIRS), as described in the proposed MIDD 2 Service Improvement Plan transmitted to the Council in August 2016. The FIRS program allows youths involved in juvenile domestic violence to receive restorative services without a prior requirement of criminal adjudication and sentencing. The funding would support: two FTE Juvenile Probation Counselors (\$460,000 biennial total), two FTE Step Up social workers (\$480,000), and evidence-based intervention services (\$460,000). This proposed expenditure would be entirely revenue-backed by MIDD.

Related to this expenditure is \$1.4 million in the MIDD appropriation unit to support a contract with a community services organization to staff and manage a non-detention 24/7 Respite and Reception Center (FIRS Center).

Administrative Service Changes

- Court Reporter Reductions – Expenditure: (\$494,441); (2.0 FTEs). The Court has requested and the Executive is proposing to eliminate two vacant court reporter positions at a savings of \$494,441. This is made possible by increasing the Court's reliance on audio/video recording equipment and by further restricting the use of court reporters to the most serious and complex cases.
- Juvenile Probation Counselor Reductions – Expenditure: (\$432,015); (2.0 FTEs). The Court has requested and the Executive is proposing to eliminate two vacant Juvenile Probation Counselor positions, which is made possible by a reduction in juvenile offender referrals and filings.
- Medicaid Match Coordinator Reduction – Expenditure: (\$237,365); (1.0 FTE). The Court has requested and the Executive is proposing to eliminate the Medicaid Administrative Match coordinator. Part of that position's work is no longer needed, due to a Medicaid Match reimbursement process change, and part will be shifted to other employees, with no impact on customers, according to the Court.
- Criminal Court Commissioner Reduction – Expenditure: (\$414,934); (1.0 FTE). This proposal is to eliminate the commissioner who currently hears the criminal plea calendar at the Maleng Regional Justice Center (MRJC). Judges will cover the calendar on a rotating basis, which may require moving a judge from the King County Courthouse in Seattle to the MRJC.
- Dependency Commissioner and Dependency Coordinator Reductions – Expenditure: (\$1,086,607); (3.5 FTEs). This proposal is to eliminate two dependency commissioners and one fulltime and one half-time dependency coordinator positions. Judges would cover the dependency calendar on a rotating basis, and the judges' bailiffs would assume many of the duties of the dependency coordinators.
- Transfer Step Up Program from the DJA MIDD Appropriation Unit – Expenditure: \$411,197; 2.0 FTEs. Step-Up is a nationally-recognized adolescent family violence intervention program designed to address youth violence toward family members. This proposal is to transfer the Step Up program and staffing from the Department of Judicial Administration (DJA) to the Superior Court, where the FIRS program is located, so that both programs can be managed by one entity in the interest of efficiency. The Step Up program has been funded by MIDD, but would be moved to the General Fund to comply with state law on supplantation.

Superior Court MIDD

- Family Treatment Court – Expenditure: \$228,773; 0.5 FTEs. This MIDD-funded expenditure and half FTE would implement one day of Family Treatment Court (FTC) at the Maleng Regional Justice Center (MRJC) and maintain enhancements to FTC at both the MRJC and the King County Courthouse in Seattle. Please see the staff report on MIDD budget items for related information.

Other Changes

The other proposed changes in the Superior Court budget are the result of:

- Base budget adjustments – Expenditures: \$4,780,432; Revenues: (\$295,000);
- Technical adjustments:
 - Transfer of Juvenile Assessments from Superior Court MIDD to the General Fund: Expenditure: \$488,260; Revenue: \$488,260 (from MIDD);
 - Revenue Adjustments (to match current forecasts): (\$2,109,440)
 - 2015-2016 Target Reductions: (\$1,049,046); (4.7 FTEs);
 - Eliminate Courthouse Screening Rate: (\$4,869,824);
 - Vacancy Rate Adjustment: (\$620,000);
 - Motor Pool Dispatch Rental: \$57,000; and
 - Parking Fees: \$100,226.
- Central Rate Adjustments – Expenditure: \$3,463,098.

ISSUES

ISSUE 1 – INCREASED HOURLY RATE FOR INTERPRETERS – EXPENDITURE: \$230,000

The Council may wish to consider whether to fund the increased hourly rate for court interpreters for 2017 as well as 2018, as requested by the Court, instead of only for 2018, as proposed by the Executive. This would increase the expenditure from \$230,000 to \$460,000 for the biennium.

Analyst:	Nick Wagner
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DEPARTMENT OF JUDICIAL ADMINISTRATION

BUDGET TABLE

	2015-2016 Revised*	2017-2018 Proposed	% Change 2015-2016 v. 2017-2018
Budget Appropriation	\$43,535,940	\$43,653,000	0.3%
Max FTEs:	193.0	185.9	(3.7%)
Max TLTs:	N/A	N/A	N/A
Estimated Revenues	\$25,446,695	\$22,729,000	(10.7%)
Major Revenue Sources	Filing, recording, and copying fees		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE:

The Department of Judicial Administration (DJA) reports to both the County Executive and the Judges of King County Superior Court. The department is responsible for:

- Maintaining the official Superior Court case files, records, and indexes;
- Facilitating the public's right to inspect records;
- Receipting and accounting for all fines, fees, and payments into the Court's registry and appropriately disbursing funds as required by law and court orders; and
- Managing justice system programs such as King County Adult Drug Diversion Court.

DJA operates three publicly-accessible Superior Court Clerk's Office locations: at the King County Courthouse and the Youth Service Center – Juvenile Court in Seattle and at the Maleng Regional Justice Center in Kent.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The Executive's proposed budget would increase the DJA appropriation by 0.3 percent, from \$43,535,940 for 2015-2016 to \$43,653,000 for 2017-2018, an increase of \$117,060 for the biennium. Revenues are expected to decrease by 10.7 percent, from \$25,446,695 in 2015-2016 to \$22,729,000 in 2017-2018. The employee count for DJA would decrease by 7.1 FTEs, from 193.0 to 185.9.

The proposed budget include the following changes:

Direct Service Changes

- Adult Drug Diversion Court Housing Vouchers – Expenditure: \$468,282; Revenue: \$468,282. This revenue-backed (by MIDD) addition to the DJA budget

would provide up to 20 units of recovery-oriented and supportive housing for King County Drug Diversion Court participants.

Administrative Service Changes

- Allocate Existing Therapeutic Court Staff to DJA MIDD – Expenditure: (\$84,420); (0.5 FTE). The proposed budget would allocate a 0.5 FTE on the therapeutic court staff to the MIDD appropriation unit to reflect the actual workload of the position. There is a corresponding administrative service change—an expenditure of \$84,420—in the DJA MIDD budget. Discussion of MIDD expenditures are centralized in the separate staff report on MIDD.
- Judicial Services Supervisor II Reduction – Expenditure: (\$259,775); (1.0 FTE). A reorganization within DJA combined closely related work under a single supervisor, making it possible to eliminate one judicial services supervisor position.
- Lunchtime Customer Service Reductions – Expenditure: (\$210,664); (1.0 FTE). Two vacant half-time customer service positions, which had been assigned to cover the lunch hour at the DJA service offices in the Seattle and Kent courthouses, are proposed for elimination, with the work to be covered by other employees.
- Customer Service Reductions – Expenditure: (\$349,593); (2.0 FTEs). DJA proposes to eliminate two vacant customer service positions, one each in Seattle and Kent, that supported the processing of paper copies of motions and orders submitted electronically to the court clerk for ex parte consideration. Superior Court has agreed to review these documents electronically, making the work of the two positions unnecessary.
- Court Clerk Reductions – Expenditure: (\$320,412); (2.0 FTEs). Two court clerk positions are proposed for elimination in view of Superior Court's proposed reduction in the number of judicial officers, whom the court clerk positions had supported.

DJA MIDD

- Transfer the Step Up Program from the DJA to Superior Court – Expenditure: (\$411,197); (2.0 FTEs). This administrative service change reflects the transfer of the Step Up program and staffing from DJA to Superior Court, where it can be managed jointly with the FIRS program. Please see the separate staff reports on MIDD and Superior Court for related information.

Other Changes

The other proposed changes in the DJA budget are the result of:

- Base budget adjustments – Expenditures: \$1,544,019; Revenues: \$290,607; (0.6 FTEs)

- Technical adjustments:
 - Law Library: Expenditure: \$95,000;
 - Revenue Adjustments (to match current forecasts): (\$3,477,080);
 - Eliminate Courthouse Screening Rate: (\$895,890);
 - Vacancy Rate Adjustment: (\$524,000); and
 - Motor Pool Dispatch Rental: \$4,000.
- Central Rate Adjustments – \$649,701.

ISSUES

Staff has identified no issues with this budget at this time.

Analyst:	Clifton Curry
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ADULT & JUVENILE DETENTION

BUDGET TABLE

	2015-2016 Revised*	2017-2018 Proposed	% Change 2015-2016 v. 2017-2018
Budget Appropriation	\$287,016,711	\$292,678,000	2.0%
Max FTE:	893.3	892.5	(0.00)%
Max TLTs:	0	0	N/A
Estimated Revenues	\$45,704,372	\$50,858,000	11.3%
Major Revenue Sources	GF, city and state contracts		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive’s proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE:

The King County Department of Adult and Juvenile Detention (DAJD) operates one of the largest detention systems in the Pacific Northwest. The adult system is responsible for more than 30,000 bookings a year and the department operates two adult detention facilities the King County Correctional Facility (KCCF) in Seattle and the Maleng Regional Justice Center (MRJC) in Kent housing about 1,867 inmates on an average daily basis (year-to-date as of July 2016). The department's Juvenile Detention Division is responsible for the operation of the county's juvenile secure detention facility in Seattle that houses 57 offender youth on an average daily basis (year-to-date as of July 2016). Medical, dental, and psychiatric services for adults in secure detention are provided by the Department of Public Health and the costs of these services are reflected in the Jail Health Services budget. (The Jail Health Services budget is presented in a separate staff report).

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

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

SUMMARY OF PROPOSED BUDGET AND CHANGES

The department's 2017-2018 proposed budget is \$292.7 million, 2 percent higher than the amount approved in the 2015-2016 adopted budget. For 2017-18, the department projects that its revenues will be \$50.9 million, about 11 percent higher than the current biennium. DAJD's budget increases are, in part, due to adds totaling \$1 million and 4.0 FTEs for adult secure detention population growth and \$701,000 and 3.0 FTEs to offset overtime use. The department is also proposing to eliminate booking at the MRJC (a reduction of \$932,133 and 8.0 FTEs) in January 2018. The department is proposing a scheduling change for staff who do inmate classification. The proposal would eliminate four staff (savings of \$951,831) and one supervisor (savings of \$283,632) for a total reduction of \$1.2 million.

For its Community Corrections Division, the Executive is requesting funding for division reorganization adding \$476,000 and 2.0 FTEs for structural changes and reducing the Helping Hands Program (which helps offenders complete their court-ordered community services hours) by \$186,000 and 1.0 FTE. There is also a request for an add of \$54,940 for the division's Community Work Program to bring expenses in line with actual costs. The department is also proposing to eliminate in 2018 Work/Education Release, Electronic Home Detention (a decrease for both of \$2.1 million and 17.0 FTEs). The division is proposing a realignment of the Helping Hands program for a savings of \$185,864 and 1.0 FTE.

In its Juvenile Division, the DAJD is requesting \$215,000 for a program to train juvenile detention staff in Dialectical Behavior Therapy techniques, which has been used by the state's Juvenile Rehabilitation Administration at its detention facilities and has been shown to reduce recidivism. The Juvenile Division is also requesting authority to reorganize the division with a planned addition of \$173,000 and the net reduction of 1.0 FTE.

Other changes include the addition of \$809,728 in General Fund support to make up for the loss of MIDD funding with the end of supplantation. The department's budget request also reflects several other significant technical adjustments including; a reduction of \$1.6 million for vacancy-related salary savings; an increase of \$1.3 million for changes in represented employee's "special pay" and \$398,000 for other labor agreements; a reduction of \$1.6 million and 5.88 FTEs eliminating funding related to a 2015-16 Expenditure Restriction related to secure detention population; a reduction of \$1.2 million for scheduling changes for Corrections Program Supervisors and Corrections Program Specialists; a reduction of \$876,280 for courthouse security screening where these costs are transferred to the Sheriff's Office budget; and, an add of \$287,000 for parking rate adjustments.

The DAJD budget also contains requests for MIDD II related programs. The budget includes a proposed \$900,000 in funding for contracts to provide jail-based substance abuse disorder treatment which expands the services available for inmates that have been identified with a substance abuse disorder. In addition, there is an add of \$712,192 and 3.0 FTEs to implement risk/needs/responsivity assessment tool in the jail as developed through the county's Recidivism Reduction and Reentry efforts.

Finally, the DAJD is requesting \$12.5 million for the acquisition of a new Jail Management System. This IT project would replace the department's 40 year old system. This project would be funded from the KCIT CIP Fund, but supported by the General Fund. Analysis of the project continues and additional information will be provided in Week Two.

ISSUES

ISSUE 1 –JAIL POPULATION ADD \$1,012,719 & 4.0 FTEs

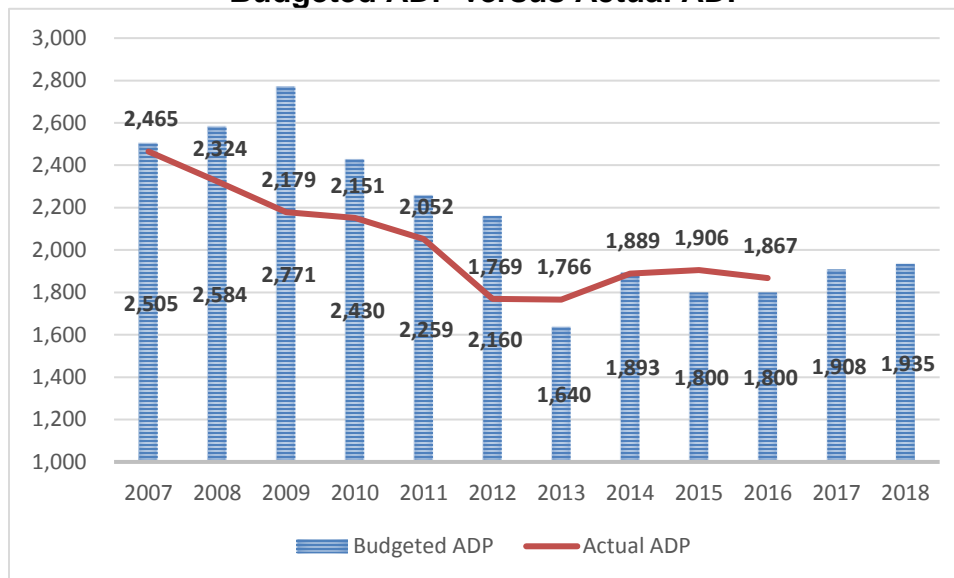
ADP Budget Target in 2015-16: When developing its 2015-16 Proposed Budget, the Executive estimated that secure detention ADP would grow to 1,917 in 2015 and 1,868 for 2016. This level of ADP would have required the County to add more staff to manage an increasing population (see Chart 1). The additional staff would have cost the County \$5.2 million over the biennium (combined DAJD and Jail Health Services costs).

Instead of adding more staff, the Council adopted a budgeted ADP level of 1,800 and committed to undertake an aggressive jail population management initiative. The Executive convened a Jail Population Management Work Group in late 2014 to review options to limit bookings, limit inmate length-of-stay through system or process changes, develop criteria for early release, or a combination of these options to provide a means to maintain ADP at or below the budget target. This effort would have been limited to County unincorporated populations and would not impact the bookings made by contract cities. Ultimately, these population management goals were not met and the number of inmates continued to increase.

Increasing the Budgeted ADP Target in 2017-18: The department projects an increase in adult secure Average Daily Population (ADP) from 2015-16 budgeted levels, increasing the department's budgeted number from 1,800 ADP for the 2015-16 biennium to 1,908 ADP for 2017 and 1,935 for 2018.

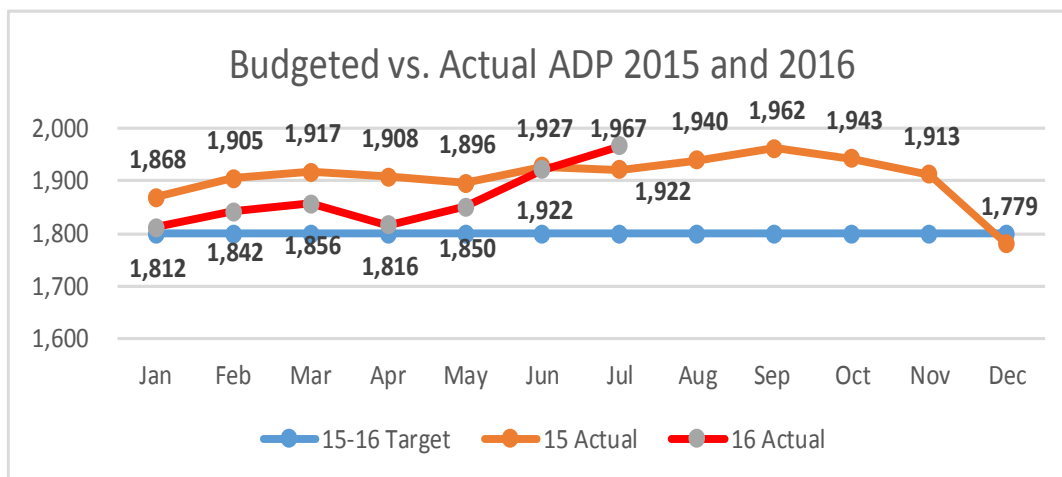
The following chart compares budgeted secure detention populations against actual population since 2007 through Year-to-Date for July 2016 compared to the adopted budgeted ADP levels through 2016 and the proposed ADP for 2017 and 2018.

Budgeted ADP versus Actual ADP



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

The county has recently seen a general increase in its secure detention ADP, growing from a low of 1,702 ADP in January 2012 to a high of 1,967 ADP in July 2016. The following chart shows jail ADP during the biennium.



The bulk of the growth of in ADP in 2016 can be attributed to increased numbers of pre-sentenced felons (for 2016) and contract use of the jail by cities to house misdemeanants and the state to house community supervision violators (throughout 2015-16).

The Executive, in the adopted 2015-2016 Budget, had actually estimated that secure detention ADP would be 1,917 for 2015 and 1,868 for 2016. However, the Executive noted that the staff needed to manage the forecast ADP growth in 2015 and 2016 would require an additional \$5.2 million over the biennium (combined DAJD and Jail Health Services costs) and approving this additional funding would have increased the county's estimated \$54 million deficit to \$59.2 million, which would have necessitated additional cuts in General Fund agencies. In essence, the proposed population cap would have

required that the county develop a means to limit jail population by 150 to 165 ADP during the biennium.

The Executive informed the Council that, as part of the proposed plan for managing jail population, King County would continue to honor its existing contracts with cities and the State Department of Corrections; continuing to book and hold individuals covered by these contracts. Therefore, the jail's population management efforts would only apply to "county-responsible" inmates and not to the state or contract cities. The Council adopted the Executive's Budget proposal for DAJD, but did provide Expenditure Restrictions to provide sufficient funds if ADP targets were not met.

The Executive convened a Jail Population Management Work Group in late 2014 to review options to limit bookings, limit inmate length-of-stay through system or process changes, develop criteria for early release, or a combination of these options to provide the Executive the means to maintain ADP at or below 1,800 inmates. The Jail Population Management Work Group's initial recommendation was to use a system of arrest/release after booking—where an individual arrested for defined misdemeanors or for certain felony investigations (no charges filed) would be presented for booking at the jail, but if they had been arrested for certain offenses or were under investigation for certain offenses the individual could be cited and released rather than waiting for an appearance before a judge. Generally, the identified offenses in the plan were the same as those on the county's "bail schedule" where, if an individual could obtain bail/bond, they could be released without going before a judge. This new policy would only have applied to "county responsible" arrestees.

The Executive had planned to implement the new policy in the first quarter of 2015; however, the Executive notified the Council in January 2015 that the county would not implement the proposed plan pending further consideration. The Executive ultimately decided not to implement the plan. Consequently, jail population was not kept at the 1,800 target level through most of the biennium and both ADP-related Expenditure Restrictions were activated and more funding provided to the department in budget supplementals.

The proposed 2017-18 Executive's Budget contains an add of \$1 million and 4.0 FTEs to address the projected secure detention population in the biennium. The department reports that it has met the demands of higher than budgeted ADP in 2015 and 2016 with the use of overtime and that the addition of the new positions to address current and projected population will reduce the overtime used to manage the differential between budgeted ADP and actual ADP.

ISSUE 2 –OVERTIME ADJUSTMENTS ADD \$701,246 & 3.0 FTEs

This proposed change would increase staffing in the department's Adult Division (KCCF and MRJC) to mitigate the use of mandatory overtime. Similar to the ADP issue above, the overtime in the prior biennium was budgeted below the projected need.

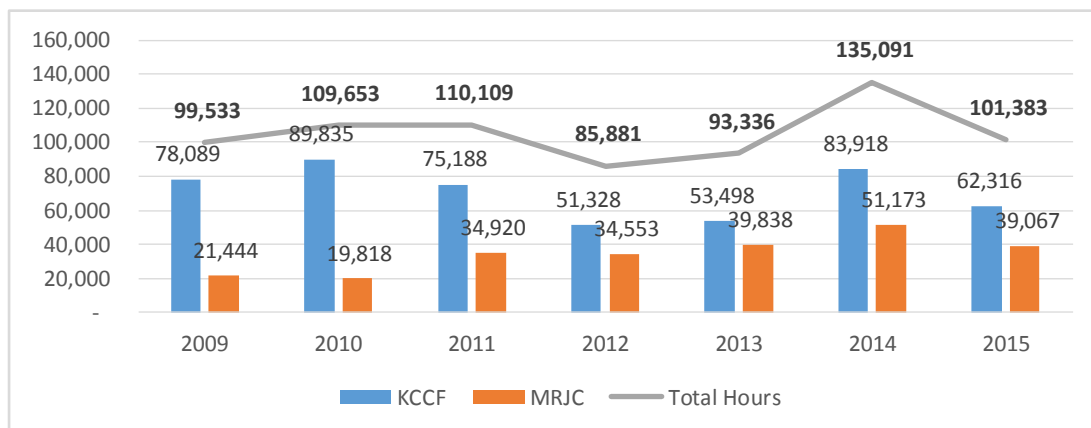
Each year, DAJD plans for some level of overtime hours to address normal variations in staffing levels without creating an excess of staff availability. Generally, DAJD targets a level of approximately eight percent of total hours worked as a desired mix. However,

the Adult Division was in the last biennium budgeted at around four percent. This add of \$701k and 3.0 FTE is meant to address that differential.

Overtime Growth: While the department budget anticipates an eight percent level of overtime, the actual utilization is often higher. DAJD reports that it has had challenges in recent years maintaining a fully staffed operation due to retirements, long term medical issues, and military leave. The department also notes that it can take six months to get new hires scheduled for the mandatory academy training required for corrections officers. Vacancies, combined with increased inmate population, have contributed to the use both regular and mandatory overtime.

The department has provided the Council with two required overtime reports (required in provisos from the 2016 Budget Supplemental). Data from these reports show information for mandatory and non-mandatory overtime used at both jail facilities. The following Table shows the total overtime used in each year at each facility for 2009 through March of 2016.

**Correctional Officer Overtime-KCCF & MRJC
2009-2016**

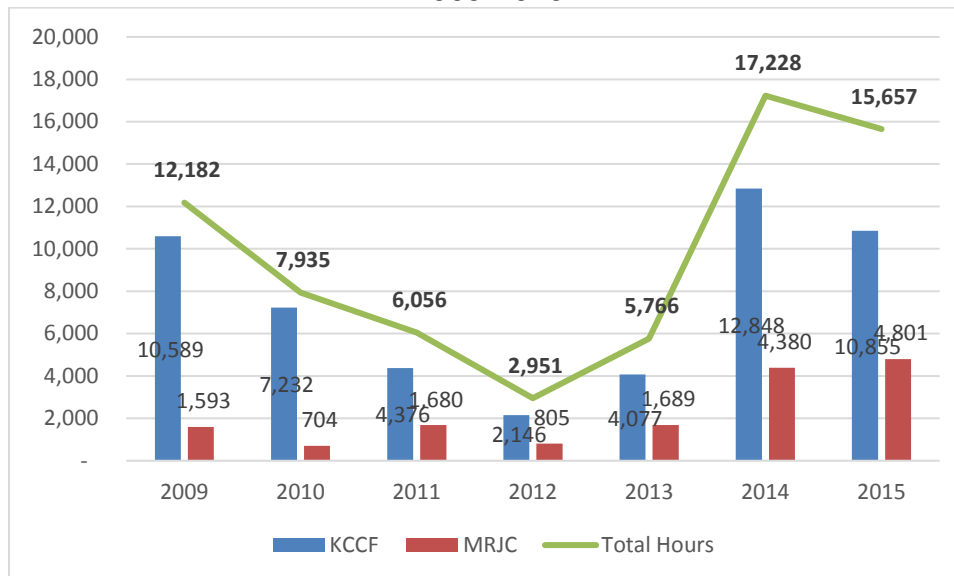


Source: "DAJD Report Detailing the Use of Regular and Mandatory Overtime, Including Primary Causes of Overtime" See Proposed Motion 2016-0229.

As the table shows, in 2014, the department used a total of 135,091 hours of overtime and a total of 101,383 hours in 2015. The use of overtime has fluctuated at each facility throughout the time shown, ranging from a high of over 89,834 hours at the KCCF in 2010 to 21,443 hours at the MRJC in 2009.

The following table shows that number of mandatory overtime hours for Correctional Officers for each year since 2009.

Correctional Officer Mandatory Overtime-KCCF & MRJC 2009-2015



Source: "DAJD Report Detailing the Use of Regular and Mandatory Overtime, Including Primary Causes of Overtime" See Proposed Motion 2016-0229.

The following table from the proviso response shows the percentage of mandatory overtime as compared to the total number of overtime hours for Correctional Officers at both facilities.

	2009	2010	2011	2012	2013	2014	2015	2016
Percentage of OT total	21.0%	11.6%	10.6%	6.5%	11.9%	23.9%	29.7%	25.9%

To address the concerns over the use of mandatory overtime, DAJD established a project team to identify root causes of high mandatory overtime use based on a recommendation of the King County Continuous Improvement Team (CIT). This included an extensive analysis of data extracted from the Roster Management System (RMS), the computer system which is used to track DAJD staff schedules and hours worked. An analysis of the data found the most significant causal factor related to overtime use was the difference between hours worked and staff available. Another causal factor identified was the significant increase in employee's use of unscheduled leave. According to the department, the data, along with the growing overtime deficit, showed that the DAJD has insufficient staffing to meet current levels of operations. In addition, high levels of mandatory overtime due to staffing shortages may be creating additional morale and leave related problems which compounds the original staffing problem.

This proposal to add 3.0 FTEs, along with 4.0 FTEs added for secure detention population growth (see Issue 1) would add a total of 7.0 new correctional officer positions. The total for the proposed overtime request is \$701,246, which, when added to the secure detention population request, makes for a total of \$1,713,965 for new staff requested for the biennium.

ISSUE 3 – ELIMINATION OF BOOKING AT THE MRJC: (\$932,133) & (8.0 FTEs)

The Proposed Budget would close the MRJC to bookings from law enforcement on January 1, 2018 with a reduction of \$932,133 and 8.0 FTEs (any associated layoffs would not occur until 2018). The closure of the MRJC to bookings would require that all law enforcement agencies use the KCCF in downtown Seattle to book individuals. The DAJD notes that the proposed elimination of booking at the MRJC could have significant effect on the law enforcement agencies in south King County, Department of Corrections, King County Courts, as well as the Cooperative Transportation Systems that use the MRJC.

At both the KCCF and the MRJC, the department operates an Intake, Transfer, and Release (ITR) program. Intake includes the “booking” of arrestees from law enforcement officers and the acceptance of inmates being transferred throughout the state. The MRJC also serves as the booking and release center for a number of different inmate transport systems.²

In operating the intake or booking function, the department operates the ITR as a “counter function” and must maintain staffing for all hours of operations, regardless of the volume of arrestees. To meet constitutional requirements and ensure proper safety within the facility, the department must ensure that it has a full complement of staffing available to handle multiple services for each individual when the counter is open, to include DAJD staff, Jail Health Services staff, and AFIS (KCSO) staff. Staffing and associated costs can be reduced in proportion to the number of hours that the “counter” is open, but generally cannot be reduced when arrest volumes decline. The ITR function at the KCCF operates 365 days a year, 24 hours each day.

A 2011 review of the ITR function at MRJC recommended that DAJD continue with the operational model that it implemented on January 16, 2011. This model kept ITR open for limited hours, 10:00AM and 4:00 PM Monday through Friday, excluding holidays (the hours were extended in 2012 to 10:00AM to 5:00PM). While the reduced hours have had an impact on south county law enforcement agencies, many of the cities in the MRJC area either own or contract with local providers of detention services (primarily SCORE) and have operated within the constraints of the county’s booking hours either by booking individuals in Seattle, or locally holding inmates until MRJC booking is available.

The Council included in the 2015-2016 Adopted Budget a proviso requiring that the Executive report on what resources would be necessary for extending booking hours at the MRJC. The report, accepted as Motion 14607, contained detailed information on MRJC booking operations. Based on the department’s analysis, any increase in the hours of operations would have a significant cost to the county’s General Fund, while any benefits in the extension of hours would only appear to accrue to local police agencies.

² The state DOC operates a transportation system to move inmates to and from state prisons. The KCSO operates a section of the Interstate Prisoner Transportation System. The Snohomish County Sheriff operates the Cooperative Prisoner Transport. The other transfer function is the movement of inmates from the KCCF and MRJC either between the two facilities, or to allow inmates to appear in court.

Staff analysis on this issue is ongoing.

ISSUE 4 - WORK/EDUCATION RELEASE AND ELECTRONIC HOME DETENTION REDUCTIONS: (\$1,215,022) & (5.56 FTEs)

The Proposed Budget eliminates in 2018 two alternatives to secure detention programs operated by the Community Corrections Division.

The first program, Work and Education Release (WER) allows offenders to keep jobs while still serving a portion of their sentence in confinement. WER programs generally benefit the offender by improving reentry along with reducing disruption for families and the government by providing a less costly alternative to secure detention. WER participants pay a portion of the programs costs to participate in WER (in 2015 DAJD collected \$617,450 from WER participants and projects \$566,465 for 2016). The program is currently offered to employed offenders and Adult Drug Court participants. Program capacity is 109 beds, including: 87 for men, with 79 beds in the Courthouse and eight operated by the state Department of Corrections (DOC); and 22 beds for women also operated by the state DOC. In 2016 (through October), the average number of WER placements was 65 persons (57 men and 8 women). The 2015-2016 Adopted Budget reduced this program by cutting WER population by approximately half. The reduction was achieved by limiting the court's ability to use the alternative to only employed offenders and Drug Court participants—it had previously been open to any person. The executive noted in 2015, that DAJD would work with the Facilities Management Division to find a new location for the program because the current courthouse space is inadequate. The Executive said at the time, that the intent was to combine a relocation with transitioning the program from a detention-based model to a community-based model to better meet the needs of program participants. This has not occurred.

The second alternatives program slated for elimination is the Electronic Home Detention program. Electronic Home Detention (EHD) allows offenders to serve all or some portion of their pre-trial and/or sentenced time at home. Offenders are monitored electronically and are confined to their homes, except when following a set schedule that may include attendance at work, school, medical appointments, or treatment. To insure compliance, the offender is equipped with an electronic bracelet or a cellular device in order to allow remote monitoring by a contractor. The department is immediately alerted if the equipment has been tampered with or the offender is not within the required distance of the monitoring device. Similar to the WER program, EHD participants pay a portion of the programs costs to stay on EHD (in 2015 DAJD collected \$114,844 from EHD participants and projects \$130,932 for 2016). In 2016, there were an average of 34 EHD participants daily.

Elimination of these programs would lead to a net reduction of \$2.1 million and 17.0 FTEs, along with the projected loss of \$511,000 in revenue from program participants. According to the department, the elimination of WER and EHD reduces the number alternatives to jail which are available to the courts. DAJD notes that approximately 400 persons would not be served and would need to be placed elsewhere “either in jail or another program.” According to the Executive, based on the population served, and the

fact that most of them are sentenced, they would not simply be released from secure detention. In answer to staff questions, DAJD reported that the elimination of these programs could add approximately 75 ADP to secure detention population in 2018 (this increase appears to be included in the DAJD's secure detention population estimates for 2018). In addition, DAJD noted that the reduction of FTEs might result in lay-offs in 2018.

Staff analysis of this issue is ongoing.

ISSUE 5 – COMMUNITY CORRECTIONS DIVISION REORGANIZATION ADD \$476,233 & 2.0 FTEs

The new Community Corrections Division director has worked with several county agencies and the staff of the county's Recidivism Reduction and Reentry program to reevaluate division programs and look for more effective ways to provide programs that contribute to program participant success and recidivism reduction. The reorganization will make several staffing changes (eliminating two program administrators which offsets the addition of four case workers positions) and would result in net increase of \$476,233 and 2.0 FTEs for the division's budget for 2017-18. DAJD reports that the changes will allow for more caseworkers and better oversight of the various division programs.

ISSUE 6 – DIALECTICAL BEHAVIOR TRAINING FOR JUVENILE DIVISION ADD \$215,000

The DAJD Juvenile Division is requesting \$215,000 to train detention staff on the use of Dialectical Behavior Therapy (DBT). DBT is a type of cognitive behavioral therapy that identifies and changes negative thinking patterns and pushes for positive behavioral changes. DBT therapy focuses on high-risk, tough-to-treat patients, and patients who often have multiple mental illness diagnoses. Repeated studies over a twenty-year period have established DBT's effectiveness in treating women and men with emotional instability, cognitive disturbances, self-harming behavior, chronic feelings of emptiness, interpersonal problems, poor impulse control, and anger management. The Washington State Juvenile Rehabilitation Administration had a pilot project that showed the use of DBT for juvenile offenders reduced re-offending.³ DAJD plans to use the requested funding to train all staff on the use of DBT techniques. The division reports that it has a two year plan to first assess detention programs, gather baseline data (for use in evaluation), train staff, conduct a "pilot" in detention, and ultimately adopt DBT for all of detention. The division anticipates conducting an evaluation of the program after full implementation (in future biennia).

ISSUE 7 – JUVENILE DIVISION REORGANIZATION ADD \$173,224 AND REDUCE (1.0 FTE)

The proposed budget includes a proposal to change several of the existing positions in the Juvenile Detention Division which will allow the organization to fully implement new initiatives geared to improving the provision of services to juvenile offenders. Positions that would be affected by this proposed restructure/reorganization include:

³ "Dialectical Behavior Therapy: Evidence for Implementation in Juvenile Corrections Settings," Office of Research, California Department of Corrections and Rehabilitation, March 2011.

- Reversing a contra to restore the Assistant Division Director position who would oversee various areas of the Juvenile Division, including the Medical and Mental Health Services provided by the Health Clinic;
- Adding a Project/Program manager IV who would implement, manage and sustain several initiatives at Juvenile Detention such as “Building Capacity for Change”, a new Behavioral Management System, along with other initiatives;
- Adding a Project/Program manager who would perform detailed data analysis to assist with evaluation of initiatives and programs, identify, communicate and implement technology and system requirements, as well as monitor overall division performance; and,
- Adding a Restorative Justice Coordinator who would play a lead role in several restorative justice, due process, and compliance functions within the division; and.

The reorganization also would eliminate four positions:

- Health Services Administrator (1.0 FTE);
- Orientation and Assessment Specialist (1.0 FTE) ;
- Project/Program Manager III/Expediter (1.0 FTE); and,
- Community Surveillance Officer (1.0 FTE)

These proposed changes would result in a net add of \$173,224 and the overall reduction of 1.0 FTE.

Analyst:	Clifton Curry
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INMATE WELFARE FUND-ADULT

BUDGET TABLE

	2015-2016 Revised*	2017-2018 Proposed	% Change 2015-2016 v. 2017-2018
Budget Appropriation	\$3,984,897	\$2,602,000	(34.7%)
Max FTEs:	1	1	0.0%
Max TLTs:	0	0	N/A
Estimated Revenues	\$2,043,500	\$1,906,000	(6.7%)
Major Revenue Sources	Inmate phone calls and commissary		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE:

The Department of Adult and Juvenile Detention is responsible for the operation of two adult detention facilities (jails) housing about 1,897 inmates on an average daily basis. The Inmate Welfare Fund (IWF) is used to pay for a variety of inmate services, including contracts with local service agencies and to provide support to volunteer programs (including faith ministry, mentoring, literacy, etc.). The fund is primarily funded through contract revenues from inmate phone calls and commissary purchases by inmates.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The IWF-Adult 2017-2018 proposed budget is \$2.6 million, 35 percent less than the amount approved in the 2015-2016 Adopted Budget. The proposed budget is significantly less because of reduction in the amount of funds held for the department's video visitation program. The project was completed at a lower than expected cost, allowing a reduction of almost \$1.0 million for the biennium. In 2014, the adopted budget included expenditures for Recidivism Reduction and Reentry Coordinator, a position residing in the PSB budget. The 2015-2016 Budget included one year of IWF funding for the position and transitioned funding for this position to grant funds in 2016, reducing the IWF contribution for this position.

ISSUES

Staff have identified no issues with this budget.

Analyst:	Clifton Curry
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INMATE WELFARE FUND-JUVENILE

BUDGET TABLE

	2015-2016 Revised*	2017-2018 Proposed	% Change 2015-2016 v. 2017-2018
Budget Appropriation	\$8,000	\$8,000	N/A
Max FTE:	0.0	0.0	N/A
Max TLTs:	0.0	0.0	N/A
Estimated Revenues	\$1,440	\$2,000	N/A
Major Revenue Sources	IWF-Adult Fund		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE:

The Department of Adult and Juvenile Detention is responsible for the operation of the county's juvenile detention facility housing about 57 youth on an average daily basis. The Inmate Welfare Fund-Juvenile uses funds transferred from the Adult Inmate Welfare Fund to pay for a variety of services for juvenile detainees, including contracts with various community service providers, supporting volunteers, and other programs. The fund is primarily funded through contract revenues from adult inmate phone calls and commissary, the Department of Adult and Juvenile Detention transfers some of these revenues to support programs and services for juvenile detainees.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The Inmate Welfare Fund-Juvenile 2017-2018 proposed budget is \$8,000, the same amount approved in the 2015-2016 Adopted Budget. As noted in the DAJD budget review, the department's projection for juvenile secure detention during the biennium is 60 ADP, the same as its projection for 2015-2016. It should be noted that the juvenile secure ADP has been below projections in 2016, with an average of 57 ADP through August. Juvenile secure detention population has been as low as 42 ADP in 2016, and ranges from 50 to 80 youth during the year.

ISSUES

Staff have identified no issues.

Analyst:	Clifton Curry
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JAIL HEALTH SERVICES

BUDGET TABLE

	2015-2016 Revised*	2017-2018 Proposed	% Change 2015-2016 v 2017-2018
Budget Appropriation	\$59,953,100	\$67,440,000	12.5%
Max FTE:	145.3	160.9	10.7%
Max TLTs:	0.0	2.0	200.0%
Estimated Revenues	\$1,150,527	\$788,000	(31.5%)
Major Revenue Sources	GF, Medicaid, Payments from DCHS, MIDD, and Inmate Welfare Fund		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE:

Jail Health Services (JHS), a program of the Department of Public Health, provides medical, mental health, and dental services to inmates incarcerated in the Department of Adult and Juvenile Detention's secure detention facilities for adults (juvenile health services are provided by the University of Washington), evaluating all inmates booked into the facilities and providing direct services to those who require them. The JHS workload is driven by both the number of adult inmates in the jails and by the acuity of their health needs. The recent stability in secure detention population in the county's adult jails have set JHS's workload; however, the nature of the population that remains in the jails is more challenging than in the past where inmates now have more serious and chronic medical issues when compared to prior years and the number of mentally ill inmates has also risen. In addition, JHS operates under multiple legal and regulatory mandates, including National Commission for Correctional Health Care, the U.S. Department of Justice settlement agreement, the Washington State Board of Pharmacy regulations, and the "Hammer" Settlement Agreement.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The JHS 2017-2018 proposed budget is \$67.4 million, about 12.5 percent higher than the amount approved in the 2015-16 Adopted Budget. The bulk of the increase, \$4.2 million, is due to the reduction in the MIDD Fund transfer to JHS as the authority for MIDD supplantation ends and must be replaced with the General Fund. The end of MIDD supplantation is also the prime driver of the reduction in JHS's revenue projection. In addition, the JHS budget is proposed to change due to efforts to obtain re-accreditation for JHS operations (see below). The JHS budget request has several Administrative Changes, besides the MIDD Funding reduction, that affect the JHS budget-including: a reduction of \$557,028 because of revised KCIT allocation methodology; a reduction of \$374,093 to the medical supplies and pharmaceutical budget; and, the add of \$371,948 and 2.0 TLTs to scan documents into the Health

Information Technology electronic health records system. The Executive's Budget also has an add of a new Jail Release Planner (\$241,851 & 1.0 FTE) from MIDD Funds in the JHS budget to support the new MIDD II recidivism reduction and reentry program in the jail.

ISSUES

ISSUE 1 – ACCREDITATION-ADD PSYCHIATRIC EVALUATION SPECIALIST \$343,412 & 1.0 FTE AND DISCONTINUE HEALTH ASSESSMENTS AT MRJC (\$289,700) & (1.0 FTE)

In late 2014, the National Commission for Correctional Health Care (NCCHC) withdrew its accreditation of the county's jail facilities. The King County Correctional Facility (KCCF) in Seattle had been accredited since 1992 and the Maleng Regional Justice Center (MRJC) had been accredited since 1998. KCCF is required to be accredited by the NCCHC, pursuant to a 1998 King County lawsuit settlement (the "Hammer" Settlement Agreement). Compliance with the settlement is monitored by the ACLU. The accreditation process affirms compliance with a set of 67 jail standards and 324 compliance indicators covering a wide range of service areas. During the 2014 NCCHC re-accreditation review, examiners found a variety non-compliance issues at both the KCCF and MRJC that resulted in "withdrawal" of NCCHC accreditation. According to the Executive, a re-accreditation application for KCCF has been submitted to NCCHC.

In preparing for re-accreditation, JHS determined that it would need to add another Psychiatric Evaluation Specialist (PES) (add of \$343,412 and 1.0 FTE) in order to meet the NCCHC standards related to expanded mental health screening of newly booked inmates. JHS screens all inmates that are booked into the KCCF or MRJC in the booking areas of the facilities. In the past, these screenings took place after booking in the infirmary or living unit. This change allowed JHS to rely on health care worker screenings rather than information provided to a booking officer. When a health screening indicates a mental health problem, inmates are referred to an psychiatric evaluation specialist for further evaluation. Because more inmates are now being screened, more mental health evaluations are now required. The authorized PES staff were not able to absorb this additional workload, requiring the addition of 1.0 FTE. JHS hired a TLT employee to begin performing this additional work in early June of 2016. According to the Executive, this add of a permanent FTE and its funding is needed in order to meet accreditation standards.

In contrast to addition of staffing at the KCCF for accreditation purposes, the Executive is requesting the reduction of one nurse position at the MRJC (-\$289,700 and -1.0 FTE). According to materials provided by the Executive, the Department of Adult and Juvenile Detention and JHS have agreed not to pursue accreditation at this time for the MRJC, since the Hammer settlement only requires it for KCCF. This decision eliminates the need to perform certain types of post-booking health assessments at the MRJC, reducing overall workload by the equivalent of one nurse. The Executive noted that JHS is likely to seek accreditation in the future for MRJC, and at that time JHS will need to restore this position and this function. The net 2017-2018 impact of re-accreditation budget requests is an add of \$53,712.

Staff analysis of this issue is ongoing.

Analyst:	Clifton Curry
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DISTRICT COURT

BUDGET TABLE

	2015-2016 Revised*	2017-2018 Proposed	% Change 2015-2016 v. 2017-2018
Budget Appropriation	\$64,337,404	\$67,081,000	4.3%
Max FTEs:	248.5	247.3	(0.4%)
Max TLTs:	0.0	0.0	N/A
Estimated Revenues	\$29,440,733	\$31,375,000	6.6%
Major Revenue Sources	Fines, Fees, & City Contracts		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE

The District Court is the county's court of "limited jurisdiction" and has responsibility for traffic infractions, certain civil matters, and misdemeanor criminal offenses in the county's unincorporated areas, cities that contract with the court, and for the adjudication of "state" offenses (violations of state statute in the county or when the arresting agency is the Washington State Patrol or other state law enforcement agency). The King County District Court is the largest court of limited jurisdiction in the State. The county has as adopted policy that the county, under state law, is a unified, countywide District Court. Nevertheless, the county has adopted electoral divisions to allow for a more "local" election of judges. The court currently has 25 judges that operate out of five divisions at multiple locations throughout the county. Under state law, incorporated cities can operate courts of limited jurisdiction (Municipal Courts) to enforce city ordinances. However, state statute also allows cities to contract with District Court for local city court services. Presently, 12 cities contract with King County for District Court services and plan on continuing to contract with the county. The court processes more than a quarter million new filings per year.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The District Court's 2017-18 proposed budget is \$67 million, 4.3 percent more than approved in the 2015-16 Adopted Budget. In addition, the court expects a 6.6 percent increase in revenues for the biennium; while the court expects that fine and fee revenues will be fairly stable in the biennium, but, will be augmented by transfers from the Transit Fund (see below). The court has adds to its budgets (described below) that are offset by reductions due to efficiencies (reduction of 4.0 Office Aides in 2018). The court's budget also identifies several "technical" adjustments in its budget that reduce it total budget by \$3.6 million, the largest reduction being the decision to remove the costs of courthouse security from the court's budget to the Sheriff's Office (a reduction of \$3.2 million). The District Court is requesting \$121,989 in funding to pay for staff in the Office of Civil Rights and Open Government to manage the court's public records requests. At the state level, the Administrative of Office of the Courts (Supreme Court)

changed General Rule 31.1 requiring that courts, starting January 1, 2016, respond to certain public records requests for administrative records. This funding would defray the estimated costs for answering public requests for the biennium. The District Court will continue the implementation of its new Court records Management System, approved in 2015, in the next biennium.

The District Court is also requesting, as part of MIDD II, \$100,000 MIDD funding to support a study for the development of a Community Court. The District Court plans to use the proposed funding to hire a consultant to assist the court in a report and an implementation plan, and anticipates the consultant's report will identify necessary resources for successful implementation of community court with an estimated completion in 2017. This is also discussed in the staff report on the MIDD budget.

ISSUES

ISSUE 1 –INCREASE IN HOURLY RATE FOR INTERPRETERS ADD \$159,220

The District Court's budget request includes funding of \$159,220 to increase the Hourly Rate paid to court interpreters. U.S. Department of Justice standards for Limited English Proficiency (LEP) access require that courts provide interpreters for all court hearings, including civil hearings and administrative proceedings, at no cost to the court user. Between 1980 and 2010, the population of non-majority King County residents grew from 13 to 35 percent. Currently, there are over 129 different languages spoken in King County, and it is estimated that 11 percent of the population has limited-English proficiency. The court reports that it has seen continuing increases in its need for interpreters.

The proposed increase would take effect January 1, 2018, and the funds requested would be for just one year of the biennium. The request would increase fees by \$10 to \$50 per hour for non-certified interpreters and \$55 per hour for certified interpreters. According to materials provided by the court, the City of Seattle and many other courts in the region already pay interpreters at the proposed level or at a higher rate. As a result, the court must compete with these other jurisdictions for the limited number of interpreters in the region.

The PSB reports that the rate increase for District Court interpreters, and a parallel increase for Superior Court, is justified. However, the office reports that the increase in fees is being held until 2018 because of General Fund resource issues.

This proposed request would cover the increased need for Pro Tem judges in the biennium. The increase would bring the total for Pro Tem judge usage to \$967,217 for the biennium (\$734,700 for leave coverage, \$175,671 for sick coverage, \$18,972 for inquest coverage, and \$37,873 to cover training needs for the court's new records management system).

Analyst:	Clifton Curry
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BYRNE JAG GRANTS

BUDGET TABLE

	2015-2016 Revised*	2017-2018 Proposed	% Change 2015-2016 v. 2017-2018
Budget Appropriation	\$203,000	\$203,000	N/A
Max FTE:	0.0	0.0	N/A
Max TLTs:	0.0	0.0	N/A
Estimated Revenues	\$203,000	\$203,000	N/A
Major Revenue Sources	Federal Grant Program		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE:

This appropriation is revenue-backed by the Edward Byrne Memorial Justice Assistance Grant (JAG), a federal formula grant.

SUMMARY OF PROPOSED BUDGET AND CHANGES

King County and the City of Seattle receive joint funding from the JAG program and allocate the funding between them. As negotiated with the City of Seattle, the County would receive \$203,000 (45 percent), and the City would receive \$248,200 (55 percent) for 2017-2018. This is about the same distribution ratio as in previous years.

Consistent with federally permissible uses of JAG funding, the County's \$203,000 is proposed to support the Recidivism Reduction and Reentry Senior Project Manager in the Office of Performance Strategy and Budget's Criminal Justice Section. The position was created to coordinate recidivism reduction and reentry projects across the county, develop a countywide reentry/recidivism strategy, and evaluate existing departmental projects and programs to ensure effectiveness. This position was originally approved for the 2015-2016 Biennium in November 2014.

ISSUES

Staff has identified no issues in this budget.

Analyst:	Aldebot-Green
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DEPARTMENT OF COMMUNITY AND HUMAN SERVICES ADMINISTRATION

BUDGET TABLE

	2015-2016 Revised	2017-2018 Proposed	% Change 2015-2016 v. 2017-2018
Budget Appropriation	\$11,545,000	\$11,679,000	1.2%
Max FTE:	22.3	25	12.1%
Max TLTs:	3.9	0	N/A
Estimated Revenues	\$11,937,000	\$11,393,000	(0.6%)
Major Revenue Sources	Departmental Overhead, Housing Funds		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE

Department of Community and Human Services Administration (DCHS Admin) houses the department's director and, as of the 2015/2016 biennium, All Home (formerly the Committee to End Homelessness). The office provides oversight for all of the programs and services within the Department of Community and Human Services (DCHS). It also provides leadership for planning and implementation of county priorities such as the Health and Human Services Transformation Plan (HHSTP), the Youth Action Plan, participation in King County's Accountable Community of Health, and the state required Physical/Behavioral Health Integration.

The work of DCHS is fundamentally integrated with the County's equity and social justice goals, as its programs and services are provided primarily to the most vulnerable county residents.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The proposed DCHS Admin 2017-2018 budget is \$11.7 million, including funding for 25 FTEs, and an \$11.4 million in estimated revenues. The biennial proposal reflects a 1.2% change from the 2015-2016 revised budget and an increase in 2.00 FTEs. These FTEs are an ESJ Equity and Inclusion Manager, who would support increased DCHS equity and social justice efforts, and a Policy Advisor proposed to be transferred from the Housing and Community Development (HCD) Fund to the Director's Office, better reflecting the department-wide scope of policy work conducted by the position. Both of these positions would be revenue-backed by charge backs to other DCHS funds. A third position, for which expenditure authority is sought but no FTE authority, would be a Loan in Labor Supported Employment Administrative position, which would provide administrative assistance due to additional administrative workload created by departmental growth; this position would also be revenue-backed by charge backs to other DCHS funds.

In addition to new staffing, the Executive's budget includes a General Fund target reduction in former funding for the "go-first" Health and Human Services Transformation Plan initiatives Communities of Opportunity and Familiar Faces of (\$501,000) as follows:

- Within DCHS, Communities of Opportunity will be funded in 2017-2018 through the Best Starts for Kids levy. The Director's Office would continue to support Communities of Opportunity through the partial staff time of the Strategic Policy Advisor position.
- Familiar Faces, which received 2015-2016 estimated funding from DCHS (\$70,000) and DPH (\$5,000), revenue-backed by the General Fund, is proposed to receive MIDD funding for an FTE in the Prosecuting Attorney's Office. There is no other MIDD funding allocated for the Familiar Faces program. It is anticipated that individuals who are familiar faces will receive outpatient services, hospitalization and specialty services that will be funded by MIDD and Behavioral Health.

The Executive's proposed DCHS Admin budget also includes changes related to All Home, formerly the Committee to End Homelessness in King County, which was moved to the Director's Office in the 2015-2016 biennium.¹ An All Home budget adjustment comprised of a reduction to All Home's expenditure authority by \$166,276 and an increase in its projected revenue of \$383,027 are proposed. This adjustment is the result of several changes including efficiencies, consulting and contracting decreases, grant funding reductions, removal of Loan in Labor costs, and an increase in the planning document recording fees transfer from the HCD Fund. The Executive's proposed budget also includes a technical adjustment resulting in a transfer of Continuum of Care (CoC) Planning revenues (\$310,315) and expenditures (\$312,002) from the HCD Fund to DCHS-A to support All Home activities, thus eliminating double-budgeting of CoC planning dollars. These adjustments are not expected to result in any service reductions.

DCHS Admin proposed budget also includes a Budget Adjustment for the Director's Office of a \$129,449 increase in appropriation authority and additional estimated revenue of \$276,519 as well as a vacancy rate adjustment reducing expenditure authority by \$212,000. There is no net General Fund revenue proposed and undesignated fund balance is reduced to \$19,890, down from an estimated \$178,077 in 2015-2016.

¹ All Home is the Federally designated "Seattle/King County Continuum of Care" for the purpose of identifying needs, planning for resources to end homelessness, and advocating solutions to homelessness. All Home is responsible for the Homeless Management Information System, the federally-required coordinated entry and assessment system that is to provide a single point of entry into housing programs. All Home is also responsible for coordinating regional efforts and reporting to federal and state governments.

ISSUES

ISSUE 1 – INCREASE IN CHARGE BACK RATE TOTAL TO OTHER DCHS FUNDS: \$919,186

The addition of the ESJ Equity and Inclusion Manager, the Supported Employment Loan in Labor position and the transfer of the Strategic Policy Advisor from Housing and Community Development to the Director's Office, combined with central rate increases, have a total effect of increasing the charge back rate to other DCHS funds by \$459,593 per calendar year. Executive staff indicate that the addition of Best Starts for Kids and additional appropriation for the Behavioral Health fund will mitigate larger increases to all DCHS funds. Consequently, specific funds may have had either increases or decreases to their charge back rates in the Executive's proposed budget based on the weighed formulas used to calculate these rates.

Staff analysis on this issue is ongoing.

Analyst:	Scarlett Aldebot-Green
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COMMUNITY SERVICES OPERATING FUND

BUDGET TABLE

	2015-2016 Revised*	2017-2018 Proposed	% Change 2015-2016 v. 2017-2018
Budget Appropriation	\$11,014,000	\$11,459,000	4.0%
Max FTE:	11.5	11.6	.8%
Max TLTs:	0	0	N/A
Estimated Revenues	\$10,204,000	\$10,657,000	4.4%
Major Revenue Sources	General Fund, Fees to Other Community Service Division Funds, Document Recording Fees		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE

This fund is operated by the Department of Community and Human Services (DCHS) and is used to gather and distribute revenue to other divisions, funds, or appropriation units in support of a wide variety of human service activities and contracts. Prior to the 2015-2016 budget, this fund was known as the Children and Family Service Fund.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The proposed 2017-2018 budget for the Community Services Operating (CSO) fund is \$11.5 million, including funding for 11.6 FTEs, and \$10.7 million in estimated revenues. This fund includes no reserves as it is primarily funded by inter-fund transfers from the General Fund and other funds that carry their own reserves. The estimated ending undesignated fund balance for the 2017-2018 biennium is \$42,600, compared to \$844,336 for 2015-2016, use of fund balance closes the gap between proposed expenditure authority and estimated revenue, which is \$801,736. This fund assumes VHSL revenue for 2018, which may need to be adjusted pending renewal and programming contingencies.

The Executive's proposed budget includes several changes. First, this fund is impacted by the end of allowable MIDD supplantation. Consequently, \$525,352 in appropriation authority would be revenue-backed by the General Fund instead of MIDD. The MIDD Supplantation funds have allowed the DCHS Sexual Assault program to contract for increased services and a broader range of services through two of the Sexual Assault provider agencies in King County. Second, the Executive's proposed budget includes a transfer of \$400,000 to the Employment and Education Resources (EER) Fund for moving and tenant improvement costs associated with anticipated changes in the WorkSource Renton Lease; this move is discussed in the EER Fund budget. Other key

changes, including proposed Emerging Needs Funding, Expansion of Homeless Shelter Services and two changes to Human Services Contracting; these are described in the issues section.

ISSUES

ISSUE 1 – EMERGING NEEDS FUNDING: \$100,000

The Executive has proposed \$100,000 in appropriation authority that is revenue-backed by the General Fund for “emerging human services needs in the 2017-2018 biennium.” Council Staff asked for clarity about the purpose of these funds. The Executive has responded that “the Executive heard requests from County Council members for various needs, and decided to include this small amount of flexible funding in the proposed budget.”

ISSUE 2 – EXPANSION OF HOMELESS SHELTER SERVICE: \$1,469,651

The Executive’s proposed budget includes an increase of \$1,469,651 in appropriation authority, backed by County Document Recording Fees for expansion of homeless shelter services above the 2015-2016 base budget.¹ This represents a policy decision with respect to the nature of shelter services provided by the County. With regard to this shift in the approach, the Executive notes:

King County is working to shift a portion of its shelter system to an enhanced shelter model. Rather than simply being a safe place for a homeless household to spend the night, the enhanced model envisions a shelter that provides longer hours and housing navigation services designed to rapidly move the homeless into stable housing. Services could range from employment assistance to mental health counseling and will be focused on whatever is needed to move shelter stayers into housing as quickly as possible. Beyond the service component, the County will also leverage Coordinated Entry, Rapid Rehousing, and the Landlord Liaison Project, to actively connect shelter stayers to housing resources. Enhanced shelters will also have housing exit outcome performance standards based on national and local models.

The Executive’s proposal would:

- Extend hours in the existing, 50-bed downtown winter shelter in the King County Administration Building beyond the base budget to a year-round shelter with additional hours, from 9.5 hours per night to 11 hours per night, to allow for service linkages.

¹ Proposed Ordinance 2016-0460, which was transmitted in advance of the budget legislation, would provide emergency appropriation authority for 2016 for the year-round operation of the 50-bed Administration Building shelter during 2016, the operation of 50 beds in the Administration Building lobby through August 31, 2016, the operation of 50 beds in the County-owned 420 Fourth Avenue building through (anticipated) October 31, and the proposed opening of the County-owned White Center Public Health clinic building as a 70-bed shelter on November 1. Proposed Ordinance 2016-0460 covers only 2016 spending. The proposed budget would cover proposed spending above the base 2015-2016 budget for winter shelter operations for 2017 and 2018.

- Operate a 70-bed shelter, for men and couples, in White Center, at a County-owned Public Health clinic site. This new shelter would be year-round and would operate under the enhanced shelter model, for 11 hours a day. The Executive's proposal includes continued operation of the shelter at the County-owned 420 Fourth Avenue building, with no additional hours or services, until the White Center location is operational. With regards to the new White Center Shelter and impacts on the community, the Executive notes:

Following up on a suggestion from the White Center Community Development Association (CDA), the County will assist in creating a committee to help inform planning for the White Center shelter. This group will be comprised of perspectives on both sides of the issue and will be facilitated by the CDA. The group will be charged with considering both alternate White Center locations and modifications to the shelter program, including size and operating hours. This advice will then be used to determine the final shelter operating standards. With the committee in the formation stage, the timing regarding the final course of action is uncertain. The goal is to open the White Center shelter as soon as possible.

Executive staff note that the intent is to remain within the budgeted amount for all three options or combination of options, including a delayed opening of the White Center Shelter, thereby keeping the 420 Fourth Avenue site open for longer, a reduction in the number of beds at the White Center location with or without an increase in hours or service linkages, or a change of location in White Center. At the request of Council Staff, Executive Staff have provided the following estimates, which include projected costs for two of the scenarios, on-time opening of White Center location and later than Nov. 1 opening in White Center (which includes the possibility of keeping 420 open longer until White Center site(s) are secured). Executive staff indicate that the third scenario, alternate sites to the present contemplated White Center site, is too open-ended to provide reasonable cost estimates. The table below summarizes estimated costs:

Table 1.

		A	B	C	D (C-D)	
		COST ESTIMATES			DECISION PACKAGES	
Facility	2017 Cost per Night	2017	2018	2017-2018 Biennial Total Cost	Existing Appropriation Authority ¹	Resultant Decision Package
<u>Administration Building</u> - 50 Beds (men) - 11 hrs/night	DCHS:	\$ 903	\$329,595	\$338,230	\$667,825	
	FMD:	\$ 725	\$264,610	\$264,610	\$529,220	
	TOTAL:	\$ 1,628	\$594,205	\$602,841	\$1,197,046	
<u>White Center PHC</u> - 70 beds (men/couples) - 15 hrs/night	DCHS:	\$ 1,492	\$544,580	\$558,848	\$1,103,428	
	FMD:	\$ 254	\$92,621	\$92,621	\$185,242	
	TOTAL:	\$ 1,746	\$637,201	\$651,469	\$1,288,670	
TOTAL	DCHS:		\$874,175	\$897,078	\$1,771,253	\$301,602
	FMD:		\$357,231	\$357,231	\$714,462	\$140,462
	TOTAL:		\$1,231,406	\$1,254,310	\$2,485,716	\$442,064
						\$2,043,651

The total estimated cost of operating these shelters, given the above assumptions is \$2,485,716 (Column C in Table 1) for the biennium. Of this, \$1,771,253 would be DCHS-related costs and \$714,462 would be FMD-related costs. The decision package in the CSO budget is revenue-backed by Document Recording Fees and totals a \$1,469,651 inter-fund transfer from the HCD Fund. Additionally, \$225,590 would be backed by the General Fund and an estimated \$75,000 would be paid for using other CSO funds.²

Executive staff indicate that the base budget for DCHS included an assumption of 50 beds at the Administration Building for 11 hours per night for 5.5 months at a total cost of \$301,602, thus DCHS had adequate appropriation authority for this expenditure level in its base 2017-2018 budget. The FMD budget includes a proposed expenditure of \$450,000 for shelter expansion. Executive staff indicate that FMD has existing expenditure authority in its base budget for a portion of the estimated cost.

Staff analysis on this issue, particularly the FMD-related costs and the revenue-backing for the additional expenditure authority sought by FMD, is ongoing.

ISSUE 3 – HUMAN SERVICES CONTRACTS CHANGES

The proposed budget for 2017-2018 includes over \$7.2 million in support for human services contracts, which is an estimated \$24.8% increase, of which all but an estimated 0.4% is attributable to the Shelter Expansion proposal discussed in Issue 2. The proposed budget for 2017-2018 proposes to reduce General Fund-related expenditures by 10% from each of three categories of human services contracts, Domestic Violence Abuse Survivor Services, Legal Services and Sexual Assault Services in order to create Pool for Emerging Needs funding in those same categories. Older Adult Services will experience no such changes in 2017-2018. These funds would be used to fund new providers or emerging needs in line with Council-adopted policy in the 2015-2016 biennium.³ The budget does provide for an inflation adjustment to providers in these categories. However, providers who received funding in the 2015-2016 biennial budget will experience a net funding reduction proportional to their amount of 2015-2016 funding revenue-backed by the General Fund. For providers whose total proposed funding amount includes CSO Fund revenue, the impact will be to the portion of their funding that is General Fund-backed. The following table summarizes:

Table 2.

Service Area	Inflation Adjustments	Pool for Emerging Needs Total Created through Weighed Reduction Adjustment	Providers with CSO Funding Supplementing General Fund
Domestic Violence Survivor Services	Yes	\$250,600	Domestic Abuse Women's

² According to the Performance, Strategy and Budget Office, an adjusted base budget is being used in calculating the decision package amount. This adjustment accounts for winter shelter-related supplemental appropriations in Ordinances 17966 and 18189 plus an inflation adjustment.

³ See Motions 14588 and 14727.

			Network
Sexual Assault Services	Yes	\$134,400	no providers
Legal Services	Yes	\$48,200	Team Child
Older Adult Services	Yes	To be addressed in 2019-2020 biennium	no providers
Women's Homeless Winter Shelter	Yes	N/A	N/A

Analyst:	Aldebot-Green
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BEST STARTS FOR KIDS FUND

BUDGET TABLE

	2015-2016 Revised*	2017-2018 Proposed	% Change 2015-2016 v. 2017-2018
Budget Appropriation	\$8,619,000	\$132,040,000	1,432%
Max FTE:	8.0	26.0	225%
Max TLTs:	N/A	N/A	N/A
Estimated Revenues	\$59,567,000	\$127,259,000	113.6%
Major Revenue Sources	Best Starts for Kids Levy		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE:

The Best Starts for Kids Fund funds programs and services as allowable under the Best Starts for Kids Levy including providing funds to plan, provide and administer a youth and family homelessness prevention initiative, and funds to plan, provide and administer a wide range of strategies to improve health and well-being outcomes of children and youth, as well as their families and the communities in which they live. These include, but are not limited to programs and services that would seek to: ensure adequate services and supports for pregnant women and newborns; ensure access to safe and healthy food; provide support for hospitals and other mental health providers in King County to provide children and youth with access to mental health services and developmental screening; prevent and intervene early on negative outcomes (e.g. chronic disease, mental illness, substance abuse, homelessness, domestic violence and incarceration); reduce inequities in outcomes for children and youth in the county; and strengthen, improve, better coordinate, integrate and encourage innovation in health and human services systems and agencies, organizations and groups addressing the needs of children and youth, their families and their communities.

Out of the first year's levy proceeds, \$19 million of levy collections were set aside for administration of the Youth and Family Homelessness Prevention Initiative, the Implementation Plan. Council approved by ordinance the Youth and Family Homelessness Prevention (YFHP) Initiative Implementation Plan in May 2016. The BSK levy ordinance allocates the use of the remaining levy proceeds¹ as follows: 50 percent the Invest Early Allocation (serving prenatal to 5 year-olds); 35 percent for Sustain the Gain Allocation (serving 5 to 24 year-olds); 10 percent for the Communities of Opportunity Allocation; and five percent for the Data and Evaluation Allocation, which includes potential amounts for metropolitan park districts and fire districts for lost revenue resulting from pro-rationing as mandated by state law. Council approved the

¹ Amounts necessary to pay for elections costs related to the levy were also set aside from the first year of collections per the levy ordinance.

Best Starts for Kids Implementation Plan by ordinance in September 2016. A related supplemental appropriation for the remainder of 2016 was adopted by Council on October 3, 2016.²

SUMMARY OF PROPOSED BUDGET AND CHANGES

The proposed BSK Fund budget is \$132,039,000, which represents a 1,432% increase from 2016, includes 26 FTEs, a 225% increase, and is revenue-backed by Best Starts for Kids levy collections, estimated at \$127,258,296. At the end of the biennium, the proposed budget estimates a \$41,938,296 designated fund balance. Because of the recent approval of the Best Starts for Kids Implementation Plan and the recent adoption of the 2016 supplemental appropriation, Executive Staff are still working to reconcile the proposed budget with adopted legislation.

Among information requested by Council Staff on the Executive's proposed budget for this fund is: crosswalk information on all BSK levy proposed expenditures reflected in other funds County-wide; County-wide information on all FTEs funded by BSK levy revenue whether they appear in the Best Starts for Kids Fund or not; County-wide TLTs funded by BSK levy revenue whether they appear in the Best Starts for Kids Fund or not; proposed amounts for contracting; proposed amounts for County-based programming; and alignment of this information with BSK levy strategies as approved by Council in the YFHP Initiative Implementation Plan or the Best Starts for Kids Implementation Plan. The Best Starts for Kids Fund transmittal did not include a supplantation analysis. Council Staff has requested this information as well.

ISSUES

Staff analysis on this budget is ongoing.

² Ordinance 18378.

Analyst:	Aldebot-Green
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EMPLOYMENT EDUCATION RESOURCE

BUDGET TABLE

	2015-2016 Revised	2017-2018 Proposed	% Change 2015-2016 v. 2017-2018
Budget Appropriation	\$23,573,000	\$21,927,000	(6.98%)
Max FTE:	37.5	40.5	8%
Max TLTs:	0	0	N/A
Estimated Revenues	\$23,337,000	\$21,633,000	(7.3%)
Major Revenue Sources	General Fund, VHSL, Workforce Development Council funding, Grants		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE

The Employment and Education Resources (EER) program of the Department of Community and Human Services (DCHS) provides education, job placement, training and other services to youth and adults through a combination of contracted services and services provided directly by King County employees. Populations served by EER programs include youth who have dropped out of high school, youth in danger of dropping out of high school, criminal justice- and gang-involved youth, low-income adult job seekers, homeless families, young parents with children, individuals with limited English proficiency, adults with prior criminal justice involvement, veterans and their families, and displaced workers.

SUMMARY OF PROPOSED BUDGET AND CHANGES

Compared to EER appropriations for the 2015/2016 biennium, the Executive's 2017/2018 budget for EER proposes a reduction in appropriations of approximately \$1,646,000, or (6.98%). This reduction is not accompanied by a proposed reduction in staff. Rather, the proposed budget includes an increase in staff for the program over the previous biennium of 3.00 FTEs, an 8% growth. Of these, 2.00 FTEs would be revenue-backed by Basic Food Employment and Training (BFET) revenue and 1.00 FTE would be revenue-backed by a private grant and school districts' funding. The Executive's proposed budget also includes an additional position for which no FTE authority is sought; this position would be a Loan in Labor transfer from the Best Starts for Kids Fund. Revenues are expected to decline over the biennium by approximately \$1.7 million, or (7.3%).

As with the 2015/2016 biennium, DCHS continues to address the lack of sustainability of EER's historic model and some of the proposed reductions are tied to this effort. Other reductions exemplify the challenging funding environment driving the imperative to right-size the program; these primarily constitute revenue and expenditure reductions

corresponding with sun-setting grants and the commensurate program conclusion. Despite these reductions, the Executive's proposed budget includes an increase in General Fund revenue in the amount of \$320,000 due to inflationary increases for General Fund-supported programs in EER.

Additionally, EER, like other DCHS funds, is impacted by the end of allowable MIDD supplantation. Consequently, a decision package also includes General Fund revenue in the amount of \$235,000 to cover formerly MIDD-funded programming. Lastly, the Executive's 2017/2018 proposed budget for EER assumes a \$2.3 million combined interfund transfer from the Veterans Levy Fund and the Human Services Levy Fund; this transfer assumes that the Veterans and Human Services Levy will be renewed and that funding levels for these strategies will be maintained. The sub-sections below provide greater detail on each of the preceding.

Reductions related to right-sizing EER:

- A reduction of \$398,243 related to WorkSource Renton lease cost adjustment is contemplated. The Executive's proposed budget contemplates a shift in the County's current certified WorkSource designation from a full One Stop center to an Affiliate, which would reduce revenue and expenditures through a reduction in the footprint and partnerships needed to retain certification. The contemplated change would result in the County no longer subsidizing space and staff for Workforce Development Council partners. The lease expires in August 2017. A related decision package provides for \$400,000 for one-time moving and tenant improvement costs, revenue-backed by the Community Services Operating Fund. In the prior biennium DCHS subsidized the WorkSource by approximately \$300,000 annually. The precise amount of the subsidy going forward has not yet been determined based on the options, final lease amount, updated central rates, and final tally of which WorkSource partners will remain on site.

Reductions related to sun-setting grants, end of Loan in Labor and central rates reductions:

- The Executive's proposed budget includes a revenue reduction of \$3.3 million and an expenditure reduction of \$4.6 million. These are associated with: 1) the sun-setting of three grants—Department of Labor- Face Forward, WDC Dislocated Worker and the National Emergency Grant—and the conclusion of related programming; 2) adjustment to Loan in Labor reflecting the fact that there is no longer a need to "borrow" FTE from other funds; and 3) a miscellaneous expense adjustment primarily reflecting a reduction of central rates.

General Fund Revenue Changes:

- With the conclusion of allowable MIDD supplantation, two contracts for Substance Abuse Treatment for youth, totaling \$235,358 formerly funded by the MIDD under the Youth and Family Services Association (YFSA) contracts, are proposed to be funded by the General Fund.
- The Executive's proposed budget includes an inflationary increase revenue adjustment of \$320,680 backed by the General Fund, of which \$135,365 is

attributable to increases to contracted service providers under the Youth and Family Services Association (YFSA) and Juvenile Justice Initiative (JJI) contracts.

Veterans and Human Services Levy changes:

- The table below describes the 2017-2018 proposed transfer from the two Veterans and Human Services Funds to EER, totaling \$2,291,432.

Program	2015-16 Vets	2015-16 HSL	2015-16 Total	2017-18 Assumed Revenue
Career Connections	420,000	420,000	840,000	840,000
Homeless Employment	240,000	1,100,000	1,340,000	1,340,000
Nurse Family	-	118,400	118,400	111,432
Total				2,291,432

Other proposed changes in the Employment and Education Resources Budget include:

- 2.00 FTEs and \$367,095 appropriation for Basic Food Education and Training (BFET)-program related staff, both revenue-backed by BFET revenue. The BFET Social Services Specialist would coordinate the King County Jobs Initiative BFET program, which provides training and education to Basic Food clients to attain living wage jobs. The second position would be Fiscal Specialist who would manage the fiscal side of the expanding program.
- \$279,105 appropriation for a Communities of Opportunity Employment and Education Program Manager and as Loan in Labor, thus requesting no FTE, revenue-backed by the Best Starts for Kids Fund. This position would implement the Employment and Education Resources Division's portion of the Communities of Opportunity Strategy, as described in the BSK Implementation Plan; integrating WorkSource system resources and services within COO communities.
- 1.00 FTE and \$247,781 appropriation for an Open Doors Program Youth Outreach and Engagement Program Manager who would provide outreach and recruitment to Opportunity Youth and underserved communities to link them with education and employment programs. A TLT has been performing this body of work. The position would be revenue-backed by a foundation grant and funding from school districts.
- A vacancy rate adjustment of (\$310,000) aimed at rights-sizing the labor budget by taking into account the natural vacancy rate and associated salary savings without reducing FTE authority, and a central rate adjustment of \$851,218 in appropriation.

ISSUES

ISSUE 1 – VHSL-FUNDED SERVICE REDUCTION:

The Executive's proposed budget does not contemplate VHSL funding for the Heroes Employment Reintegration Opportunity (HERO) and Clear Path programs; funding for these programs from the VHSL in 2015/2016 totaled \$450,000. Clear Path was first funded in 2014 through a one-time appropriation from the General Fund; this program assists homeless youth and young adults aged 16-25 throughout King County with job readiness, work experience and employment services aimed at attaining entry-level employment. The HERO program provides employment opportunities for service members who meet the King County Veteran's Program qualifications and who are returning to civilian life.

Analyst:	Leah Krekel-Zoppi Scarlett Aldebot-Green
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DEVELOPMENTAL DISABILITIES

BUDGET TABLE

	2015-2016 Revised*	2017-2018 Proposed	% Change 2015-2016 v. 2017-2018
Budget Appropriation	\$60,904,428	\$65,296,231	7.2%
Max FTEs:	16.0	19.0	18.8%
Max TLTs:	0	0	N/A
Estimated Revenues	\$59,230,266	\$63,877,941	7.8%
Major Revenue Sources	State Medicaid funds, as well as federal funds, a dedicated county property tax, and contracts with other government agencies		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE:

The Developmental Disabilities Division (DDD) is a division of the Department of Community and Human Services that provides services for King County residents with developmental disabilities and their families. Services fall into three major areas: early intervention for infants and toddlers with developmental delays, employment services for youth and adults, and informational outreach. These services include resource coordination for families of children with developmental disabilities, school to work training, independent living and community integration, in-home interventions for families, safe housing for individuals in crisis, and strategic planning for services.

The provision of direct DDD services is mostly carried out through contracts with community non-profits, with DDD staff performing strategic planning, coordination, contract management, compliance, and billing functions.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The proposed 2017-2018 budget for DDD is \$65.3 million, including funding for 19.0 FTEs. This represents a 7.2 percent increase over the 2015-2016 revised budget, and an addition of 3.0 FTEs.

The budget increase is largely attributed to additional state and federal funds that provide funding for the following programs:

- \$4,754,873 for Adult Employment due to additional state funding as well as additional revenue for School to Work.

- \$256,234 for Adult Day Services due to additional state funding.
- \$354,991 for Community Information, Outreach, and Referral services due to increased state funding.
- \$604,376 for early intervention programs due to increased federal funds distributed through the Washington State Department of Early Learning.

The budget also includes a request for a total of \$782,985 for three additional positions. These positions are revenue-backed and include:

- A Contract and Quality Assurance Team Manager, to supervise the Contracting and Quality Assurance Team, which is responsible for contract monitoring and data management. This position would support increased efforts on compliance with contractual requirements as King County received a finding of non-compliance on contract monitoring from the Washington State Department of Social and Health Services in 2014.
- A School-to-Work Program Outreach Manager, to conduct community outreach related to programs for helping transition youth with developmental disabilities into employment. This position would support a program which has grown 35 percent in the past five years and where increased efforts are needed to reach underserved equity and social justice (ESJ) impacted communities.
- A Community Information, Outreach, and Referral Manager, to coordinate and manage efforts in this program area. This position would consolidate and improve coordination of management of projects and functions that were previously spread between all program managers.

The body of work to be carried out by these proposed positions is currently performed by three TLTs, but as the work is ongoing, the division is requesting FTE authority.

Best Starts for Kids

The Best Starts for Kids (BSK) Implementation Plan recently adopted by the Council includes strategies to increase developmental screenings for children from birth to age three. At the time the 2017-2018 Proposed Budget was developed, the Best Starts for Kids Implementation plan had not yet passed, so BSK-related revenues and expenditures are not included in the proposed DDD budget. DDD intends to seek a supplemental budget request for BSK-related budget items in 2017. DDD has indicated that the increase in screening may result in an increase in individuals who qualify for services, some of whom may not be Medicaid eligible. The Division is required to serve all eligible children regardless of Medicaid eligibility who reside in the County. The Division does not recommend using the undesignated one-time fund balance discussed below to subsidize ongoing service expenditures.

Fund Balance

The DDD financial plan projects a healthy undesignated fund balance of \$1,912,351 at the end of the 2017-2018 biennium. According to DDD, these funds are comprised entirely of local County funds, the use of which is restricted by state law. When DDD

has had discretionary funding available in the past, they have engaged in a community process and used DDD and County strategic planning policies as guidance to determine areas of need before allocating funding and issuing Requests for Proposals.

ISSUES

Staff have not identified any issues for this budget.

Analyst:	Andrew Kim
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HUMAN SERVICES LEVY & VETERANS AND FAMILY LEVY

BUDGET TABLE

Human Services Levy	2015-2016 Revised*	2017-2018 Proposed	% Change 2015-2016 v. 2017-2018
Budget Appropriation	\$18,285,679	\$9,340,000	(48.9%)
Max FTEs:	5.00	5.00	0.0%
Max TLTs:	1.00	1.00	0.0%
Estimated Revenues	\$17,691,228	\$9,277,000	(47.6%)
Major Revenue Sources	Veterans and Human Services Levy		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

Veterans and Family Levy	2015-2016 Revised*	2017-2018 Proposed	% Change 2015-2016 v. 2017-2018
Budget Appropriation	\$17,897,205	\$9,340,000	(47.8%)
Max FTEs:	11.00	11.00	0.0%
Max TLTs:	2.00	1.00	(50.0%)
Estimated Revenues	\$17,792,956	\$9,283,000	(47.8%)
Major Revenue Sources	Veterans and Human Services Levy		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE

The Veterans and Human Services Levy (VHSL) supports services to veterans and their families and other individuals and their families in need. The initial VHSL was passed by voters in November 2005 and renewed for an additional six-year term in August 2011. The current VHSL period began in 2012 and runs through 2017. The proceeds from the VHSL are divided 50/50 between the Veterans Levy, which is dedicated to helping veterans, military personnel and their families, and the Human Services Levy, which is dedicated to helping other individuals and their families.

The identified goals of the 2012-2017 VHSL are to prevent and reduce homelessness, reduce unnecessary criminal justice and emergency medical system involvement, and increase self-sufficiency of veterans and vulnerable populations. The VHSL's Service Improvement Plan (SIP) established details on how levy proceeds may be expended to accomplish the levy's goals¹. Two boards—the Veterans Citizen Oversight Board and the Regional Human Services Citizen Oversight Board—provide oversight of the

¹ Ordinance 17236 (12/16/2011) adopted the Veterans and Human Services Levy Service Improvement Plan (SIP) for 2012-2017.

Veterans Levy and the Human Services Levy, respectively, by reviewing the expenditure of levy proceeds and reporting annually to the Executive and the Council.

VHSL services are provided directly by staff of the Community Service Division (CSD) of the Department of Community and Human Services (DCHS), through contracts with CSD, or distributed to other county departments via memoranda of understanding.

SUMMARY OF PROPOSED BUDGET AND CHANGES

Overall, compared to the 2015-2016 revised budget, the Executive's 2017-2018 budget for the combined Veterans Levy and Human Services Levy appropriations proposes an approximately \$17.5 million, or 48.4% decrease in budgeted expenditures, and an approximately \$16.9 million, or 47.7% decrease in estimated revenues. This includes no changes to Max FTEs and Max TLTs.

The nearly 50% reduction in revenues and appropriations is attributable to the expiration of the Veterans and Human Services Levy on December 31, 2017 and therefore no revenues and appropriations were proposed for 2018. In preparation for a possible levy renewal, the new biennium budget proposes funding 2 TLTs (a Levy Renewal Program Manager and a Levy Renewal Program Associate) and additional operating expenses totaling \$361,486 which will be split between the two appropriation units. The scope of work for the two TLTs include Levy renewal program development, internal and external coordination with stakeholders, and community engagement. Most of the additional operating expenses will be used to conduct community meetings. The 2 TLTs² have already been hired by DCHS to work on the activities for Council adopted Motion 14743 (9/26/2016), which requests the executive's response on the possible renewal of the veterans and human services levy.

Additional changes for the new biennium include technical adjustments for "accounting clean-up" to align expenditures to the appropriate accounts for the new biennium to properly match the VHSL 2017 allocation outlined in the SIP, and an \$18,000 increase for the Motor Pool Dispatch Rental³ for county fleet usage.

ISSUES

ISSUE 1 – EXPIRATION OF THE VETERANS AND HUMAN SERVICES LEVY

Some appropriation units (i.e. Employment and Education Resources, Housing and Community Development, etc.) have proposed budgets that assume a VHSL renewal with funds being available for 2018. This is inconsistent with the budget assumptions for

² The Decision Package Adjustment Detail in the 2017-2018 Executive Proposed budget document for both appropriation units does not account for the 2 TLTs since they are existing TLTs for the 2015-2016 biennium. However, the 2015-2016 Revised Budget Operating Budget Summary needs to be revised to reflect the current TLT count. Staff is working with the Executive Staff to address this correction.

³ The 2017-2018 budget represents a change in process to include dispatch rental costs in the Fleet rate model. The new Motor Pool Dispatch Rental decision package is based on 2015 actual dispatch rentals charges, for cost centers with more than \$1,000 of charges.

the VHSL appropriation units. PSB staff has stated that this assumption has remained for these other appropriation units to alleviate potential administrative burdens to adjust the budget should the VHSL be renewed.

The Comprehensive Financial Management Policies for King County recommends special levy funds to set aside funds totaling 90 days of expenditures for Rainy Day reserves at the end of the levy period⁴. Considering the total proposed expenditures for the new biennium, approximately \$4.67 million should be set aside for Rainy Day Reserves for the Human Services Levy and Veterans and Family Levy appropriation units. However, the proposed financial plans indicates a total reserve shortfall of \$1.92 million. (It should also be noted that the County Assessor has identified approximately \$1 billion in new construction after the Executive budget was proposed. The Office of Economic and Financial Analysis has estimated that this will increase the VHSL revenues by approximately \$120,000 for the new biennium.) Here is the PSB's response, regarding this shortfall:

"In the spring of 2014, the PSB Director approved exceptions to this reserve policy, establishing a 60-day rainy day reserve for both the Veterans and Family Levy Fund and Human Services Levy Fund. These exceptions are based on the fact that (1) the funds are governed strictly by the Council-approved Service Improvement Plan, and (2) the majority of expenditures in these funds are contracted services instead of County staff, which reduces the County's transition cost liability in the event the levy were ever not renewed. Regardless of how services are provided (contract or County staff), the County will meet its obligation for providing continuity of services to vulnerable populations and ensure they are responsibly transitioned to other services and/or providers."

Note that ensuring service continuity would be more challenging in the event the levy is not renewed and given the lower level of reserves.

⁴ Council adopted Motion 14110 (4/14/2014), the Comprehensive Financial Management Policies for King County, which states that "Special levy funds (funds whose major revenues are based on voter approved levies) should plan for a rainy day reserve at the end of the levy period equal to 90 days of expenditures." An update to The Comprehensive Financial Management Policies for King County has been transmitted and is currently referred to BFM under Proposed Motion 2016-0335; however, the updated policy does not change the above stated policy regarding rainy day fund requirements.

Analyst:	Andrew Kim
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VETERANS SERVICES

BUDGET TABLE

	2015-2016 Revised*	2017-2018 Proposed	% Change 2015-2016 v. 2017-2018
Budget Appropriation	\$6,341,641	\$6,173,000	(2.7%)
Max FTEs:	9.0	10.0	11.1%
Max TLTs:	0.0	0.0	0.0%
Estimated Revenues	\$6,092,298	\$6,149,000	0.9%
Major Revenue Sources	Veteran's Aid Property Tax Levy		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE

The Veterans Program provides services to low-income, homeless, disabled, and at-risk veterans and their families, as required by RCW 73.08.010. Veterans, current service members, National Guard members, Reserve members, and dependents of these military personnel may be eligible for Veterans Program services, provided that the individuals meet the applicable residency requirements, length of service standards, and income guidelines.

Veterans Program services are provided directly by the Community Services Division (CSD) of the Department of Community and Human Services (DCHS) at two main offices and eight satellite offices in King County. Services provided include emergency financial assistance, housing assistance, employment guidance and assistance, case management, life stability, veterans' benefits counseling, and mental health referrals.

Veterans Services is funded by a dedicated portion of the County's Regular Property Tax Levy at a rate of 0.668 cents per \$1,000 of assessed value. Other services provided by the Veterans Program are also funded by a dedicated portion of the Veterans and Human Services Levy and accounted for in the Veterans and Family Levy fund appropriation unit.

SUMMARY OF PROPOSED BUDGET AND CHANGES

Overall, compared to the 2015-2016 budget, the Executive's 2017-2018 budget proposes an approximately \$168,646, or 2.7% decrease in budgeted expenditures, and an approximately \$56,312, or 0.9% increase in estimated revenues. This includes an increase of 1 FTE, or 11.1%, and no changes to the number of TLTs.

One of the key changes for the new biennium is an increase of \$279,106 for the creation of a Veterans Homeless Housing Program Project Manager to oversee the

\$1.5 million in contracts and other local agreements in the planning, coordination, and housing activities for homeless veterans. In addition, changes to central rates methodology and technical adjustments for “accounting clean-up” have contributed to the proposed change in expenditure from 2015-2016 to the new biennium. However, an approximately \$600,000 decrease in the Insurance Service Central Rate was the primary reason for the overall decrease in expenditures¹.

There is also a proposed \$255,964 increase in revenues for the new biennium from two sources: (1) Grant from the U.S. Department of Agriculture to provide job training for Supplemental Nutrition Assistance Program (SNAP) recipients, and (2) Lease payments from Washington Department of Veteran’s Affairs for sublease of downtown space.

It should be noted that the Veterans Services Financial Plan proposes a positive fund balance for the 2017-2018 biennium through the 2019-2020 biennium, with 30 days of total expenditures set aside for Rainy Day Reserves. However, a reserve shortfall of \$266,620 is forecasted for 2021-2022 with current revenue and expenditure forecasts.

ISSUES

Staff have not identified any issues for this budget.

¹ Final lawsuit payments were made in 2015-2016 which has resulted in a significant decrease in Insurance Service Central Rate charges for 2017-2018.

Analyst:	Katherine Cortes
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PUBLIC HEALTH

	2015-2016 Revised*	2016-2017 Proposed	% Change 2015-2016 v. 2017-2018
Budget Appropriation	\$338,163,430	\$376,696,000	11.4%
Max FTE:	841.0	800.1	(4.9%)
Max TLTs:	11.2	6.5	(42.0%)
Estimated Revenues	\$345,318,259	\$378,255,000	9.5%
Major Revenue Sources	Grants, Patient Generated Revenues, County General Fund, State Flexible Public Health Funds, City of Seattle Contract Funds, Best Starts for Kids and other levy funds, Medicaid Administrative Claiming		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE

Public Health – Seattle & King County (Public Health) seeks to protect and improve the health and well-being of people in King County, and employs strategies, policies and interventions to reduce health disparities. Public Health is organized into five operating divisions and two additional sections.

The divisions are Community Health Services, Emergency Medical Services, Environmental Health Services, Jail Health Services, and Prevention Services. (Prevention is further divided into Communicable Disease and Healthy Communities-Chronic Disease and Injury Prevention sections). The Cross-Cutting Foundational Services and Administrative Services sections include public health analytic, policy and communications functions, and the department's core business infrastructure.

Jail Health Services, Emergency Medical Services, Local Hazardous Waste, and the Medical Examiner's Office all have separate appropriations and budgets; the 2017-18 Executive Proposed budget would also break out Administrative Services into a separate appropriation and budget.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The Public Health fund budget is proposed to increase by 11.4 percent (approximately \$38.5 million) over the 2015-2016 budget, primarily driven by the reflection of \$42 million in new expenditures backed by Best Starts for Kids (BSK) levy funding. Other contributing additions include dental and STD clinic service expansion (totaling \$1.7 million), \$815,000 for MIDD 2 implementation, a \$2 million increase in the allocation of KCIT overhead costs to this unit, reflections in the budget of distribution of costs across the department, and assorted small position changes and true-ups of grant and other expenditures.

These additions are offset by the following reductions:

- \$5 million in federal grants which are ending;
- \$5 million (net) to true up other grant and contract expenditures;
- \$6.4 million to reflect salary savings projected by the countywide model;
- \$5 million (net) in central rate adjustments;
- Small reductions enabled by technology changes in the tuberculosis program and Vital Statistics and Medical Examiner's Office;
- Reduced need for support for the legacy health record system replaced by the Health Information Technology system (\$422,000); and
- Assorted clean-up and re-allocation of costs to better reflect current activities.

The large reduction in position authority (41 FTEs, or nearly 5%) is primarily driven by the creation of a new fund and appropriation unit for Public Health Administration, and with it the migration of 75.3 FTEs out of the Public Health appropriation. That move is intended to promote transparency in the allocation of administrative services across the department. This reduction is offset by the proposed addition of 25.0 FTE to implement BSK activities. Smaller staffing adjustments are associated with some of the changes in expenditures itemized above, including (6.9 FTE) associated with the end of two federal grants.

The \$32 million (9.5%) increase in revenues in the proposed budget reflects addition of \$10 million from Harborview under the Hospital Services Agreement approved by the Council on February 8, 2016 (Ordinance 18232) as well as Best Starts for Kids levy revenues, offset by base budget reductions of more than \$10 million and miscellaneous revenue adjustments and clean-up resulting in reductions of more than \$11 million.

Revenue to the Public Health fund in the 2017-2018 proposed budget includes \$50 million (13.3% of expenditures) from the King County General Fund, and \$24.6 million (6.5% of expenditures) in State Flexible Public Health funds.

The proposed Public Health budget includes no change in revenue or expenditure assumptions to reflect anticipated changes in state support for and structure of public health services or health care services integration. As the Council has been previously briefed,¹ King County has been working with the state and other county partners on a realignment of state funding to support a model of "Foundational Public Health Services," including enhancements to support the specific activities of large metropolitan health departments, and expects this to be a major component of the state legislative agenda. Additionally, while Public Health anticipates that King County may need to assume new roles with respect to the delivery of integrated physical and behavioral health care, anticipated to occur within the 2017-18 biennium, no changes have been incorporated into the proposed budget while the County awaits state direction on implementation of this Healthier Washington strategy.

¹ 2016-B0044, Public Health Deep Dive briefing to Committee of the Whole, March 2, 2016.

ISSUES

ISSUE 1 – BEST STARTS FOR KIDS EXPENDITURES: \$41,984,070 AND 25.0 FTE

According to Executive staff, these expenditures will conform to the BSK Implementation Plan approved by Council on September 19, 2016, as an attachment to Ordinance 18373. Staff analysis of the emerging plans for use of these funds in the 2017-2018 biennium is still ongoing, and will be addressed in future staff reports for Public Health as well as in the Best Starts for Kids appropriation staff report.

ISSUE 2 – TERMINATION OF ASTHMA PROGRAM AND CHRONIC DISEASE PREVENTION ACTIVITIES: (\$4,931,971) AND (6.9 FTE)

Two large federal grants will end in 2017, and the proposed budget reflects the termination of activities currently supported by them. The first is Partnership to Improve Community Health (PICH), a 3-year, \$8 million grant which focuses on healthy eating, physical activity and tobacco prevention and has or will invest in 21 different community-based organizations across King County before it ends in September 2017. Investments in these program areas (collectively chronic disease prevention) were begun under the 2009 American Recovery and Reinvestment Act, and partially preserved through PICH.

The second federal grant slated to end in 2017 is the Patient Centered Outcomes Research grant which funds the King County Asthma Program. The proposed budget reflects the loss of these grant funds by eliminating the asthma program, including both health care system and clinician support and the Community Health Worker (CHW) unit, which works with entire households affected by asthma (about 70 homes per CHW per year) to improve health outcomes.

Staff analysis is underway on how Best Starts for Kids activities may mirror or align with the goals currently targeted through these grant-backed services.

ISSUE 3 – IMPLEMENTATION OF HARBORVIEW MEDICAL CENTER AGREEMENT: \$10,000,000 REVENUE

The proposed budget anticipates \$10 million in revenue from Harborview Medical Center / University of Washington with no change in expenditures. The Hospital Services Agreement allows for the possibility that Harborview might provide public health services equivalent to \$5 million per year. Negotiations between Harborview/UW and King County on potential options for such a fulfillment of the contract are ongoing, but no decisions that would result in an in-kind rather than cash transfer of funds have been made.

Analyst:	Katherine Cortes
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PUBLIC HEALTH ADMINISTRATION

	2015-2016 Revised*	2016-2017 Proposed	% Change 2015-2016 v. 2017-2018
Budget Appropriation	N/A	\$64,437,000	N/A
Max FTE:	N/A	75.3	N/A
Max TLTs:	N/A	0.0	N/A
Estimated Revenues	N/A	\$64,437,000	N/A
Major Revenue Sources	Intradepartmental payments – allocations from Emergency Medical Services, Environmental Health, Public Health, and King County General Fund		
* Note: This is a new appropriation unit; budget for these activities was previously reflected in the Public Health appropriation.			

PROGRAM DESCRIPTION AND PURPOSE

Public Health Administration includes activities and expenditures supporting the operations of the entire department, including Contracts, Procurement and Real Estate; Finance; the Public Health Director's Office; and King County central rates and Information Technology.

SUMMARY OF PROPOSED BUDGET AND CHANGES

This is a new appropriation unit created at the recommendation of a joint committee of the Office of Performance, Strategy and Budget (PSB), the County's Finance and Business Operations Division (FBOD), and Public Health-Seattle and King County, as a strategy to improve transparency in the cost of these services and their allocation across the Public Health department. Budget for these activities was previously reflected in the Public Health appropriation.¹

The cost of the analogous Public Health administrative functions in the Public Health budget in 2015-16 was \$61,197,610; the proposed budget for 2017-18 represents a 5.3 percent increase. This is attributable to standard increases in personnel budgets, and small changes in position authority (such as the transfer of a Release of Information position from the Jail Health Services budget) which were implemented in the Public Health budget prior to the creation of the Public Health Administration appropriation unit.

ISSUES

Staff have not identified any issues for this budget.

¹The share in the cost of these services allocated to each appropriation unit in the department is reflected in those budgets (double-budgeting), resulting in an overall inflation of the departmental budget between the 2015-16 and 2017-18 budgets equivalent to the cost of Public Health administrative services allocated to programs in the Public Health appropriation unit.

Analyst:	Katherine Cortes
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LOCAL HAZARDOUS WASTE

	2015-2016 Revised*	2016-2017 Proposed	% Change 2015-2016 v. 2017-2018
Budget Appropriation	\$36,398,706	\$38,728,000	6.4%
Max FTE:	0.0	0.0	N/A
Max TLTs:	0.0	0.0	N/A
Estimated Revenues	\$33,178,229	\$32,609,000	(1.7%)
Major Revenue Sources	Fees on solid waste and wastewater disposal		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE

The Local Hazardous Waste Program is a partnership of regional agencies established to address the proper management and disposal of hazardous wastes generated by households and, in small quantities, by businesses. Participants include King County's Solid Waste Division, Water and Land Resources Division (both in the Department of Natural Resources and Parks), Public Health's Environmental Health Services Division, the City of Seattle, and the Suburban Cities Association. Services are funded by fees assessed in residential solid waste collection, commercial solid waste collection, waste disposal at solid waste transfer stations by cars, waste disposal at transfer stations by trucks and wastewater rate assessment. Fees are set by the King County Board of Health.

Services provided include the Wastemobile, household hazardous waste collection events sponsored by suburban cities, collection sites for household hazardous waste, the Envirostars program which recognizes environmentally-progressive business practices, a households hazards toll-free line providing information on hazardous waste disposal, an industrial materials exchange program matching surplus industrial materials with businesses that need them, and other hazardous waste management, outreach and education services.

The program is managed through a multi-agency Management Coordinating Committee (MCC), with representation from participating agencies and cities. The MCC approves the requested project expenditures from each of the agencies; the budget transmitted to Council represents the MCC recommendation for program expenditures.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The 2017-18 proposed budget represents a 6.4 percent (\$2.3 million) increase in expenditures over the 2015-16 revised budget, and a slight (1.7 percent) reduction in revenues driven by a \$500,000 decrease in state grant funding. The changes in expenditure reflect increases in program costs incurred by partner agencies, as well as the addition of \$180,000 to purchase secure medicine drop boxes that was included as a

one-time budget addition to the 2015-16 budget but not spent due to a legal delay in implementation of the program.

The Board of Health sets fee levels to support the LHWMP with the direction to the program to report on rates every three to five years and to attempt to stretch the rate beyond a three-year period by building up fund balance in early years which can be drawn down in later years. Prior rate adjustments occurred in 2006 and 2012 (both approximately 34 percent increases across several different fee components). The LHWMP Financial Plan anticipates deferring additional rate increases until 2019, when it assumes a 29.5 percent increase.

ISSUES

No issues have been identified at this time.

Analyst:	Katherine Cortes
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ENVIRONMENTAL HEALTH

	2015-2016 Revised*	2016-2017 Proposed	% Change 2015-2016 v. 2017-2018
Budget Appropriation	\$46,593,887	\$51,733,000	11.0%
Max FTE:	143.5	148.5	3.5%
Max TLTs:	1.0	4.5	350.0%
Estimated Revenues	\$48,237,040	\$51,789,000	7.4%
Major Revenue Sources	Fees, grants, charges for services, King County General Fund		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE

Environmental Health Services (EHS) is one of five divisions within Public Health – Seattle & King County. The EHS Division provides fee-based, grant-based and regional services focused on prevention of disease through sanitation, safe food and water, proper disposal of wastes and toxics, and promotion of safe and healthy environmental conditions. Sections include Community Environmental Health (community toxics, solid waste management, rodent and zoonotic disease control, local hazardous waste management, wastewater systems, and plumbing and gas piping); Food and Facilities Protection; and Planning and the Built Environment, Code Enforcement, and Emergency Preparedness.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The Environmental Health Services budget was moved out of the Public Health fund into a separate stand-alone Environmental Health fund in 2015-16 to improve transparency. The 2017-18 proposed budget would increase expenditures in this fund by 11 percent (approximately \$5.1 million). Most of the increase reflects adjustments to the personnel budgets (salary and benefit rates, position classifications, and step/merit increases). Other changes include:

- increasing capacity in permit processing, food inspections, and reporting to meet need;
- implementing approximately \$640,000 in programs and services backed by Best Starts for Kids (BSK) levy funding, consistent with the BSK Implementation Plan;
- central rate increases totaling approximately \$941,000;
- revised allocation reducing KCIT overhead costs to the division by approximately \$609,000; and
- various true-ups and adjustments including a (\$1.25 million) vacancy savings adjustment.

Further, the proposed budget includes three decision packages adjusting the budget of the On-Site Septic (OSS) program to reflect the termination of Marine Recovery Area and Pollution Identification and Control grant funding in 2016. The proposed OSS changes are as follows:

- reduce 1.0 FTE position to align staffing to available resources;
- invest OSS reserves (fund balance) in TLT staffing to pilot an inspection notification program to increase homeowner compliance with the existing \$40 Operation & Maintenance fee, improve customer service and provide technical support for the Quartermaster Harbor program; and
- increase the Title Transfer Fee submitted by real estate agents from \$111 to \$185, pending Board of Health approval, to reinstate the 1.0 FTE position proposed for reduction.

ISSUES

ISSUE 1 – ON-SITE SEPTIC PROGRAM CHANGES: \$112,431

The Executive proposed budget makes changes to maintain the OSS program functions to comply with state requirements for County public health authorities following the loss of \$1.13 million in grant funding. The net impact of the proposals to improve collections and increase an existing Title Transfer fee would be an addition of \$112,431 to the program budget and a reduction of \$397,000 in revenues with no net change in permanent (FTE) staffing.

Analyst:	Katherine Cortes
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MEDICAL EXAMINER

	2015-2016 Revised*	2016-2017 Proposed	% Change 2015-2016 v. 2017-2018
Budget Appropriation	\$11,324,911	\$11,781,000	4.0%
Max FTE:	28.4	27.9	(1.8%)
Max TLTs:	0.0	0.0	N/A
Estimated Revenues	N/A	N/A	N/A
Major Revenue Sources	King County General Fund, Fees		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE:

The Medical Examiner's Office (MEO) conducts medical evaluations of all deaths in King County, including investigations of deaths that are of concern to the public health, safety, and welfare of the community such as sudden, violent, unexpected, or suspicious deaths occurring in King County. In addition to determining the cause and manner of death, the office works to provide accurate identification of decedents under their jurisdiction, and to notify the next of kin.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The proposed 2017-18 budget for the Medical Examiner's Office is moved from the Public Health fund to the General Fund, which provides the large majority of its funding. The budget is increased by four percent over 2015-16, primarily reflecting base budget adjustments for personnel costs and a revised allocation (\$405,000 increase) for KCIT services.

A proposed increase of the Burial and Cremation Review fee would add \$270,000 in revenue to cover current costs. A fee ordinance (Proposed Ordinance 2016-0482) was transmitted with the budget.

ISSUES

No issues have been identified at this time. The fee proposal will be discussed during the Reconciliation portion of the budget process, beginning the week of October 24th.

Analyst:	Greg Doss
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EMERGENCY MEDICAL SERVICES (EMS)

BUDGET TABLE

	2015-2016 Revised*	2017-2018 Proposed	% Change 2015-2016 v. 2017-2018
Budget Appropriation	\$149,615,000	\$162,345,000	9%
Max FTE:	142	142.1	0%
Max TLTs:	0	0	0%
Estimated Revenues	\$147,982,000	\$158,495,000	7%
Major Revenue Sources	EMS Levy		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE:

EMS provides Medic One services and oversees a tiered regional model for emergency medical care and training throughout King County.

The tiered system model is built on partnerships rooted in regional, collaborative and cross jurisdictional coordination. This system of consistent standardized medical care and collaboration includes 29 fire departments, six paramedic providers, five dispatch centers, 20 hospitals, the University of Washington, and private ambulance companies operating in King County. Services are provided in urban, suburban, and outlying areas of King County, including Snoqualmie Pass (I-90 corridor), Steven's Pass (Route 2) areas, and Highway 12 east of Enumclaw.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The 2017-2018 proposed EMS budget is based upon the approved EMS Strategic Plan adopted by the Council in Ordinance 17578 in May 2013. In November 2013, the voters approved a six year levy (2014-2019) to support services. This budget will cover the fourth and fifth years of collection at a rate not to exceed 33.5 cents per \$1,000 of assessed valuation. The EMS levy funds supporting this budget are restricted by State law and can only be spent on EMS-related activities.

The 2017-2018 budget proposal of \$162,345,000 reflects planned programs and initiatives anticipated in the Strategic Plan. The proposal is nine percent higher than the 2015-2016 Adopted Budget. The budget supports the tiered system for three areas: Advanced Life Support (paramedics), Basic Life Support (EMTs) and Regional Services and Strategic Initiatives.

The majority of EMS budget changes are technical in nature. These changes include Levy budget adjustments of \$6.6 million to synch the 2017-18 Budget with the EMS Strategic Plan adopted by Ordinance 17578. These Changes allow continuity in

allocations of funds to support ALS, BLS, Regional Support and EMS strategic initiatives.

Alternative Response to Low Acuity Calls: \$1.0 million

The Proposed Budget spends \$1.0 million as part of an ongoing effort to fund alternative approaches to addressing the needs of individuals using 9-1-1 for low acuity incidents and to provide more funding for Community Medical Technician (CMT) units. Funds for both approaches are included in the EMS Strategic Plan and are within the lifetime budget (6-year Levy) of the programs. The \$1.0 million in funding is allocated as follows:

- **Efficiency & Effectiveness (E&E) Studies: \$250,000:** The agency would implement pilots that would use a MSW (Social Worker), CHW (Community Health Worker), or other appropriate personnel to follow-up with people who are either high utilizers or are identified as potential repeat callers of the 911 system and hospital emergency departments. Current proposals range from looking at individuals who have used 911 and have been hospitalized for chronic diseases and looking for alternative ways of meeting their needs and/or reducing repeat hospitalizations for chronic conditions, identifying ways of proactively meeting with individuals in order to reduce calls where both police and EMS are dispatched related to situations with behavior health issues, and using 911 and hospital data to identify “hot spots” of utilizers and identifying ways of reducing the need for 911 calls. Funds would be used for the personnel as well as evaluation efforts to ensure goals are met. EMS would manage these as contracts with Fire Agencies which would manage staff supporting these pilots.
- **Increase per unit funding for existing Community Medical Technician (CMT) pilot: \$807,000:** The agency would increase from 50% to 66% the percentage of the unit cost coming from the EMS Levy to pilot participants. Given the budget constraints on fire agencies, this will allow partner agencies to continue the pilots through 2017 and will provide needed data to analyze the benefits of these units. The increased allocations in 2017 amount to approximately \$200,000 for each of the three pilot entities. This amount is reduced in 2018 to approximately \$67 per pilot entity.

Pilot Locations Include:

- Kent Fire Department Regional Fire Authority, in partnership with the FDCARES unit.
- Shoreline Fire Department, operating a unit staffed by and serving Shoreline FD, Bothell Fire & EMS, and Woodinville Fire and Rescue.
- Valley Regional Fire Authority and South King Fire and Rescue, jointly operating a CMT unit.

ISSUES

Staff have not identified any issues for this budget.

Analyst:	Mary Bourguignon
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HOUSING & COMMUNITY DEVELOPMENT

BUDGET TABLE

	2015-2016 Revised*	2016-2017 Proposed	% Change 2015-2016 v. 2017-2018
Budget Appropriation	\$35,152,972	\$170,572,000	385%
Max FTEs:	31.8	32.8	3.1%
Max TLTs:	3.0	0.0	(100%)
Estimated Revenues	\$35,152,974	\$167,448,000	376%
Major Revenue Sources	Federal, state and local housing and community development funds		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE

The Housing & Community Development budget proposes to combine two formerly stand-alone housing funds:

- **The Federal Housing and Community Development Fund** was established to administer federal funding programs that support homeless prevention, housing repair, low-income and special needs housing development, and community development. The federal funds include Community Development Block Grant (CDBG), HOME Investment Partnership (HOME), Emergency Solutions Grant (ESG), and others.
- **The Housing Opportunity Fund** was created in 1990¹ to acquire, purchase, renovate, and construct housing for low-income families, seniors at risk of displacement and homelessness, homeless individuals and persons with special housing needs. The HOF was funded with state and local dedicated funds, including the King County Veterans & Human Services Levy (VHSL), dedicated document recording fees, homeless housing funds, the Mental Illness and Drug Dependency (MIDD) Levy, and other funding sources.

This budget cannot be adopted unless and until the Council takes action on Proposed Ordinance 2016-0480, which would effectuate the consolidation of the two funds into the new Housing and Community Development Fund.

¹ Ordinance 9368

SUMMARY OF PROPOSED BUDGET AND CHANGES

The 2017-2018 proposed budget for Housing and Community Development is \$170.6 million, 385 percent higher than for the last biennium.

Much of this increase is due to the proposed consolidation of two funds into one. The budget as transmitted uses the 2015-2016 \$35 million budget for the Federal Housing and Community Development as its baseline, but does not include the \$64 million Housing Opportunity Fund in its 2015-2016 base.

Comparing the 2015-2016 consolidated budgets (\$99 million) with the 2017-2018 Housing and Community Development proposal (\$170.6 million) results in a 72 percent increase. This 72 percent increase is the result of a number of new or potential fund sources, which include:

- **Federal Continuum of Care grant.** The US Department of Housing and Urban Development (HUD) awarded the region a \$12.7 million Continuum of Care grant for the next biennium.² This grant will be used to fund long-term rental assistance and supportive services for people with chronic disabilities who have been experiencing homelessness.
- **Best Starts for Kids.** The voter-approved Best Starts for Kids (BSK) Levy³ has now begun implementation, following the Council's adoption of implementation plans for the Youth and Family Homelessness Prevention Program⁴ and the remainder of levy programming.⁵ The proposed budget includes \$6.3 million in this fund for the 2017-2018 biennium.⁶
- **State Emergency Solutions Grant.** The State has increased its Emergency Solutions Grant (ESG) to King County by \$1.4 million. Grant funds are proposed to be used, per the grant terms, for emergency shelters for homeless families, rapid rehousing, and homelessness prevention.
- **Transit-Oriented Development (TOD) Bonds.** In 2015, the Council approved legislation⁷ providing for up to \$87 million in bonds⁸ to be issued for affordable housing located near transit. The proposed budget assumes \$30 million in bond proceeds as work to develop this TOD housing begins.

² All Home is the federally-designated Continuum of Care for the region and will manage this grant fund. It is budgeted in the Housing and Community Development Fund and will be passed through to eligible programs as the grant terms require.

³ Ordinance 18088

⁴ Ordinance 18285

⁵ Ordinance 18373

⁶ Please note that BSK funds included in this budget are only for housing- and homelessness-related programs. BSK funding for other services is located in other budgets.

⁷ Motion 14687

⁸ Bonds to be backed with future (post-2021) hotel/motel (lodging) taxes

- **Mental Illness and Drug Dependency (MIDD) Levy Renewal.** The Council is considering renewal of the MIDD. In anticipation, the budget proposes \$8.6 million for MIDD 2 implementation.

The fund is also proposed to be adjusted to dedicate an additional \$581,564 to Department of Community and Human Services (DCHS) departmental overhead. This DCHS rate increase will be discussed in the DCHS Administration budget.

Most of the revenue sources that make up the Housing and Community Development Fund are limited to specific uses by federal law, state law, or County legislation. Thus, while the fund as a whole is used to prevent and address homelessness and to provide affordable housing and community development opportunities, specific initiatives are implemented within the context of which revenue sources that allow that particular use.

In response to those funding limitations and to continue existing programs, the proposed budget recommends allocating \$155.6 million to programs to be contracted out to providers via Request for Proposals processes during Fall 2016:

Table 1: Proposed Contracted Services for Housing & Community Development

Program	Total
Youth & Family Homelessness Prevention (BSK)	\$5,499,140
Homelessness Prevention	\$1,787,022
Rapid Rehousing	\$5,471,206
Landlord Liaison Program	\$600,000
Permanent Housing	\$2,000,000
Permanent Supportive Housing	\$54,323,766
Housing Acquisition (includes TOD Bond Funds)	\$21,854,844
Housing New Construction (includes TOD Bond Funds)	\$30,991,510
Housing and Essential Needs (HEN)	\$20,486,779
Coordinated Entry into housing	\$2,127,461
Emergency Shelter	\$1,507,339
Transitional Housing	\$2,054,728
Public Parks (Community Development)	\$961,242
Community Facilities	\$112,774
Economic Development	\$742,028
Public Infrastructure	\$1,141,683
Public Services	\$374,286
Housing Repair	\$1,424,260
Emergency Grants Program	\$393,257
Downpayment Assistance	\$420,000
Consultant and other Professional Services	\$1,392,338
Grand Total	\$155,665,663

One issue of particular interest to the Council is the Homeless Youth and Young Adult Initiative. The proposed budget would maintain the existing level of funding for this initiative, proposing the following spending during 2017-2018:

Table 2: Proposed Spending for Homeless Youth and Young Adult Initiative

Service	Agencies	Amount
Housing Stability	YMCA of Greater Seattle	\$260,000
Young Adult Shelter	Youth Care	\$240,000
	Friends of Youth	\$80,000
	Auburn Youth Resources	\$120,000
	Roots	\$80,000
Prevention and Early Intervention	Catholic Community Services	\$300,000
	YouthCare	\$300,000
TOTAL		\$1,380,000

In light of the ongoing crisis of homelessness, the budget proposes to add \$1.47 million⁹ above the 2015-2016 base in this budget for emergency shelter, specifically to keep the 50-bed Administration Building winter shelter open all year, with longer hours, and with an “expanded services” model; and to operate a new, 70-bed shelter at the White Center Public Health clinic site. (See discussion in Issues section below.)

ISSUES

ISSUE 1 – FUND CONSOLIDATION

The proposed budget would consolidate the Federal Housing and Community Development Fund and the Housing Opportunity Fund into the new Housing and Community Development Fund. Proposed Ordinance 2016-0480, which was transmitted with the budget legislation, would effectuate this change.

Executive staff note that the consolidation has been proposed to simplify reporting and accounting and to make housing and homelessness spending more transparent.

Consolidating the funds would not change the requirements or limitations of the federal, state and local revenue sources, and would not change the types of projects and services that are funded.

This budget cannot be finalized until and unless the Council takes action on Proposed Ordinance 2016-0480, the fund consolidation ordinance.

⁹ The total cost for the expanded shelter is estimated at \$2.5 million, of which \$2 million would be above the base budget. The expanded shelter would be funded through this budget, as well as the Facilities Management Division and Community Services Operating budget.

ISSUE 2 – EXPANDED SHELTER

In light of the continuing homelessness crisis, the proposed budget would expand emergency shelter options, with a proposed expenditure of \$1.47 million in the Housing and Community Development budget above the 2015-2016 baseline.¹⁰ The proposed expenditure in this budget would be funded from document recording fees.

The proposed allocation from the Housing and Community Development budget would be supplemented by approximately \$300,000 from the Community Services Operating budget (\$225,590 from the General Fund and an estimated \$75,000 from other CSO funds), as well as a proposed \$714,462 (of which Executive staff note there is existing expenditure authority for \$140,462) from the Facilities Management Division (FMD) for security and building operations. Table 3, which was provided by Executive staff, summarizes these cost estimates.

Table 3: Shelter Expansion Cost Estimates

		A	B	C	D	(C-D)
		COST ESTIMATES			DECISION PACKAGES	
Facility	2017 Cost per Night	2017	2018	2017-2018 Biennial Total Cost	Existing Appropriation Authority ¹	Resultant Decision Package
Administration Building	DCHS: \$ 903	\$329,595	\$338,230	\$667,825		
- 50 Beds (men)	FMD: \$ 725	\$264,610	\$264,610	\$529,220		
- 11 hrs/night	TOTAL: \$ 1,628	\$594,205	\$602,841	\$1,197,046		
White Center PHC	DCHS: \$ 1,492	\$544,580	\$558,848	\$1,103,428		
- 70 beds (men/couples)	FMD: \$ 254	\$92,621	\$92,621	\$185,242		
- 15 hrs/night	TOTAL: \$ 1,746	\$637,201	\$651,469	\$1,288,670		
TOTAL	DCHS:	\$874,175	\$897,078	\$1,771,253	\$301,602	\$1,469,651
	FMD:	\$357,231	\$357,231	\$714,462	\$140,462	\$574,000
	TOTAL:	\$1,231,406	\$1,254,310	\$2,485,716	\$442,064	\$2,043,651

Source: PSB

Note 1: The base budget for DCHS included an assumption of 50 beds at the Administration Building for 11 hours per night for 5.5 months at a total cost of \$301,602. The plan for this included \$225,590 of General Fund support and \$75,602 of CSO fund support. DCHS had adequate appropriation authority for this expenditure level in its base 2017-2018 budget. The base budget for FMD included a 0.5 FTE for the biennium.

¹⁰ Proposed Ordinance 2016-0460, which was transmitted in advance of the budget legislation, would provide emergency appropriation authority for 2016 for the year-round operation of the 50-bed Administration Building shelter during 2016, the operation of 50 beds in the Administration Building lobby from January 1 through August 31, 2016, the operation of 50 beds in the County-owned 420 Fourth Avenue building through (anticipated) October 31, and the proposed opening of a new shelter (potentially at the County-owned White Center Public Health clinic building) for approximately 70 beds on November 1. Proposed Ordinance 2016-0460 covers only 2016 spending. The proposed budget would cover spending above the base 2015-2016 budget for winter (now year-round) shelter operations for 2017 and 2018.

The proposed shelter expansion would:

- Expand the existing 50-bed downtown winter shelter in the King County Administration Building beyond what is provided in the base budget to a year-round shelter, expand hours in this shelter from 9.5 hours to 11 hours per night, and change to an “enhanced” model to link clients with housing navigation services, mental health counseling, and employment assistance.
- Operate a proposed 70-bed shelter (primarily for men, but with some space for couples) at the County-owned White Center Public Health clinic site. (Executive staff note that the existing shelter at the County-owned 420 Fourth Avenue building would remain open until this new shelter is operational.) Like the proposal for the Administration Building shelter, this new shelter is proposed to be year-round, to operate for 15 hours each night, and to use an enhanced model to link clients with services.

This would be a policy change for Council consideration, as the proposal would extend operations of the winter shelter to year-round, extend the hours open each night, add services, and add a new, non-downtown location. Staff analysis of the proposed budget and shelter model is ongoing.

Analyst:	Mary Bourguignon
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HUD SECTION 108 LOAN REPAYMENT

BUDGET TABLE

	2015-2016 Revised*	2017-2018 Proposed	% Change 2015-2016 v. 2017-2018
Budget Appropriation	\$886,576	\$577,000	(34.9%)
Max FTEs:	0.0	0.0	N/A
Max TLTs:	0.0	0.0	N/A
Estimated Revenues	\$1,417,128	\$590,000	(58.4%)
Major Revenue Sources	Payments from Roads, Surface Water Management, Parks/REET, General Fund/Housing, Community Development Block Grant		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE

Please note that this is the first time this item has been a separate appropriation unit. In previous budgets, the HUD Section 108 Loan Payment was incorporated into the Limited Tax General Obligation (LTGO) appropriation unit. For this budget, the Executive has chosen to separate this item into its own appropriation unit, with the stated goal of providing greater transparency.

In July 2005, the Council authorized¹ the Executive to accept a \$6.85 million loan from the Federal Housing and Urban Development (HUD) Department's Section 108 Loan Guarantee Program, a program that gives local governments the ability to borrow against their federal Community Development Block Grant allocation to fund physical and economic revitalization projects.² The loan was sought to allow the County to contribute to the development of the Greenbridge³ project in White Center, through which the King County Housing Authority was replacing the federally-subsidized Park Lake Homes complex with a new, mixed-income community that was planned to house 3,000 people and incorporate a range of services and amenities.

The County planned to use the loan to fund infrastructure improvements at Greenbridge, as well as construction of a new White Center Food Bank.

¹ Ordinance 15222

² HUD Section 108 Loan Guarantee Program: <https://www.hudexchange.info/programs/section-108/>

³ Greenbridge: <http://www.kcha.org/development/greenbridge/>

The loan was to be funded from a combination of County agencies and funds, based on the types of infrastructure improvements the loan would cover.

Agency or Fund	Total
Roads	\$2,135,586
Surface Water Management	\$563,199
Parks/Real Estate Excise Tax	\$765,453
Housing Opportunity Fund/ General Fund ⁴	\$1,358,904
Community Development Block Grant	\$2,026,858
TOTAL	\$6,850,000

The loan was finalized in 2006. Debt service payments will be completed in 2024, though are gradually declining as the various agencies or funds complete their required payments. Roads and Surface Water Management made their last payments during the 2015-2016 biennium, and the Real Estate Excise Tax made its last payment in 2014.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The HUD Section 108 Loan Repayment Fund shows a 34.9 percent decrease from the past biennium, due to the fact, as noted above, that loan payments are declining over time as each of the various agencies or funds completes its required payments. For the 2017-2018 biennium, only the General Fund and Community Development Block Grant will be making payments, as the other funds have completed their payments.

ISSUES

Staff have not identified any issues for this budget.

⁴ The Housing Opportunity Fund was replaced with General Fund beginning in 2010

Analyst:	Aldebot-Green
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BEHAVIORAL HEALTH FUND

BUDGET TABLE

	2015-2016 Revised*	2017-2018 Proposed	% Change 2015-2016 v. 2017-2018
Budget Appropriation	\$487,885,000	857,917,000	75.8%
Max FTE:	125.1	137.8	10.2%
Max TLTs:	1	0	-100%
Estimated Revenues	\$505,253,000	\$861,390,000	70.5%
Major Revenue Sources	Medicaid, State Non-Medicaid, State-Other (proviso funding in state non-Medicaid contract, funding from other state agencies), MIDD, General Fund		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE

The Behavioral Health and Recovery Division (BHRD), formerly the Mental Health, Chemical Abuse and Dependency Services Division or MHCADSD, in the Department of Community and Human Services provides oversight and management of the publicly funded behavioral health services for eligible King County residents. In Washington State, as of April 1, 2016, Behavioral Health Organizations are the administrators of the public behavioral health, which includes mental health and substance use disorder, system. The Behavioral Health and Recovery Division is the Behavioral Health Organization for the King County region. The Behavioral Health and Recovery Division is also responsible for enacting behavioral health policies, establishing local procedures, financial management, and ensuring the quality of behavioral health services.

BHRD also coordinates the managed care Behavioral Health Plan, authorizes behavioral health care for people who meet criteria for services, and manages the behavioral health provider network. The publicly funded behavioral health system provides crisis services, outpatient treatment, inpatient services, residential services, and involuntary hospitalization services. The majority of BHO services are provided through contracts with community-based agencies offering a range of services based on individual need, including case management, family counseling, individual or group counseling, medication management, residential care, emergency/crisis assistance, and vocational or school-based services. Specialized services available at some agencies include deaf/hearing impaired services, children's services, ethnically- and/or culturally-informed services, homeless outreach, and services for individuals who experience co-occurring behavioral health diagnoses. BHRD also provides some direct behavioral health-related services, which are not Medicaid-eligible, including 24/7 crisis intervention and involuntary treatment outreach as well as investigation provided by the

Designated Mental Health Professionals (DMHPs) to people in behavioral health-related crises.

In recent years, BHRD has experienced rapid evolution, with additional changes likely taking place in the next four years. Three key components of the County's comprehensive approach to improve the behavioral health of residents have impacted and will continue to impact the division's future. Behavioral Health Integration, ushered in by Washington State Senate Bill 6312, has provided an opportunity for the division to leverage change initiated by the Affordable Care Act, including working toward transforming how care is delivered in King County; this work has created opportunities for the division to innovate in this space. The extension of the Mental Illness and Drug Dependency (MIDD) sales tax provides opportunities for collaboration between the criminal justice system and the human services system. Lastly, Senate Bill 6312 also called for full integration of mental health, substance use, and physical health care by January 1, 2020. This includes aspects of both clinical integration and financial integration for the state Medicaid program. As King County assesses the optimal path to full integration for the region, there is potential for improved client outcomes and overall cost reductions to the system. There is also potential for significant risk assumption by the BHO. The Behavioral Health Fund 2017-2018 proposed budget reflects this period of rapid change and transition.

The work of BHRD is fundamentally integrated with the County's equity and social justice goals, as its programs and services are provided primarily to the most vulnerable county residents.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The proposed Behavioral Health Fund 2017-2018 budget is \$858 million, including funding for 137.8 FTEs, and about \$861 million in estimated revenues. The biennial proposal reflects a 75.8 percent increase over the 2015-2016 revised budget.

The budget increase can be largely attributed to the following significant expenditure and revenue changes:

1. Expanded Mental Health Medicaid Services and Funding increase revenue assumptions, \$203.7 million, and expenditure authority, \$181.5 million, to reflect new levels of service under the Affordable Care Act and Behavioral Health Integration.
2. Expanded Substance Use Disorder Medicaid Services and Funding Increase revenue assumptions, \$156.7 million, and expenditure authority, \$162.7 million, for substance use disorder Medicaid services to reflect new levels of service under the Affordable Care Act and Behavioral Health Integration.
3. An increase in \$4.1 million in expenditure authority for the Department of Public Defense Crisis and Commitment Legal Services to reflect updated estimates of the Department of Public Defense's legal costs to provide legal services to crisis and commitment defendants involved in the Involuntary Treatment Act system. This is revenue-backed by State non-Medicaid Funding since ITA is not a Medicaid-eligible service.
4. An increase in \$960,613 in expenditure authority for 5.00 FTEs to increase administrative and fiscal management capacity within BHRD to provide adequate

support for the new and expanding responsibilities of the division. These positions would be revenue-backed by State Medicaid funding, which allows up to 10% for costs that are not direct services. For the 2017-2018 biennium, Executive staff project a rate of approximately 3 percent for these expenditures.

5. A total of about \$1.1 million in expenditure authority associated with 4 FTEs as follows:
 - a. \$279,105 and 1.00 FTE for a Wraparound with Intensive Services Program Manager to oversee implementation and expansion of the State-required and State-funded WISe program for Medicaid eligible children and youth whose behavioral health needs require intensive home and community-based mental health services. This position, previously a TLT funded by regular Medicaid and non-Medicaid funds, would be funded from WISe Medicaid in the 2017-2018 biennium. This is required by proviso to be spent on WISe from 2017 onward.
 - b. \$279,105 and 1.00 FTE for a Behavioral Health Supported Employment Program Manager to continue to expand the Substance Use Disorder Pilot and manage and expand the Supported Employment Program for people with mental health diagnoses. This position would be funded through the 1115 Medicaid waiver funds when the waiver is approved and, in the meantime or if it isn't funded, with regular Medicaid and non-Medicaid funds.
 - c. \$279,105 and 1.00 FTE for Peer Bridger Program Manager to continue the Peer Bridger pilot program supported by a TLT in the prior biennium. The program provides peer support for psychiatric inpatient clients. This position would be revenue-backed by a combination of Medicaid and non-Medicaid funds.
 - d. \$274,781 for a Diversion Program Manager to oversee Diversion and Reentry Services work, including managing provider contracts, providing clinical practice oversight and making sure staff are appropriately trained. This position would be revenue-backed by a combination of Medicaid and non-Medicaid funds.

The Executive's Behavioral Health Fund 2017-2018 proposal also includes two technology projects. Expenditure authority in the amount of \$5,257,634 is sought for the IT System for Physical and Behavioral Health Integration project which would expand the King County Behavioral Health Organization data system into a system that will support both physical and behavioral healthcare claims and services. Expenditure authority in the amount of \$2 million is sought for the IT System for Integrated Data project which would invest in a new IT system to integrate client-level health and human services data across the King County Department of Community and Human Services and Public Health Seattle-King County to support care coordination and decisions as well as population-level assessment and evaluation. Costs borne by BHRD for both projects would be revenue-backed by Medicaid and non-Medicaid funds. Staff analysis of both of these projects is ongoing.

The Behavioral Health Fund is impacted by the end of allowable MIDD supplantation. Appropriation authority of \$7.2 million due to the end of supplantation is proposed to largely be supported by the General Fund. Some of the costs (\$1.1 million) can be supported by Medicaid as a result of changes in Medicaid requirements under

Behavioral Health Integration. This means that the General Fund is proposed to increase funding by only \$6.1 million but maintain the current level of service (previously costing MIDD \$7.2 million). Pending approval of the MIDD Service Improvement Plan and no related changes, the proposed amount would fund prior existing services as follows:

Program removed from MIDD	2017-2018 Amount	Description/Notes
Programs moved to Behavioral Health Fund (A92400)		
Emergency Service Patrol	\$984,000	The Emergency Service Patrol is a 24/7 transportation and engagement unit. The main objective of the team is to relieve fire, police, and medics in caring for chronic users of alcohol and other drugs. The team also patrols the downtown Seattle core seeking out people in need of assistance and transporting people from the sobering center and local hospitals to other community locations.
CCAP (DCHS portion)	\$992,000	The Community Center for Alternative Programs assists offenders in modifying behaviors that have contributed to their being charged with a crime. CCAP provides on-site services as well as referrals to community-based services. Random drug tests are conducted to monitor for illegal drug use and consumption of alcohol. Offenders participating in CCAP receive individual needs assessments, training, and education. This program includes both DAJD and DCHS components
Criminal Justice Initiatives Program	\$2,230,000	The Criminal Justice Initiatives Program is a series of tailored programs whose goal is to divert offenders from jail and/ or to assist in their successful transition from jail (co-occurring disorder integrated treatment, housing vouchers, mental health treatment vouchers, methadone vouchers, outpatient treatment at CCAP, liaisons, re-entry case management, release planning, service enrollment workers, etc.)
Mental Health Recovery Program	\$387,000	The MH Recovery Program supports a series of initiatives that promote full recovery for its clients. These programs include supported employment and peer services.
Mental Health Juvenile Justice Liaison	\$180,000	The Juvenile Justice Liaison works with the KC Superior Court and The KC Juvenile Detention center to ensure that eligible children receive necessary services from the child-serving system.
Mental Health CTU	\$527,000	Crisis Respite Program. The program provides respite beds and case management services for eligible adults
Mental Health Functional Family	\$572,000	The Functional Family Therapy program provides an intensive family and community-based treatment for eligible juvenile

Therapy		offenders
Substance Abuse Administration Costs	\$775,000 \$0	While this was part of the supplantation moves, DCHS proposed to remove General Fund support for this work as part of the 2017-2018 budget development process and meeting DCHS's General Fund balancing target, because this activity no longer requires County funding to match Medicaid funding, and is therefore 100% Medicaid funded.
Substance Abuse Contracts	\$570,000 \$270,000	NOTE: While this was part of the supplantation moves, DCHS proposed to remove \$300,000 of General Fund support for this work as part of the 2017-2018 budget development process and meeting DCHS's General Fund balancing target. No service reduction is contemplated as a result of this change.

The proposed 2017-2018 Behavioral Health Fund budget includes several technical adjustments as follows: \$1.4 million in expenditure authority to increase the contribution to DCHS overhead in the DCHS Administration Fund; an estimated \$261,013 revenue adjustment; and a vacancy rate-related reduction in appropriation authority of approximately \$1 million.

ISSUES

Staff analysis on this budget is ongoing, particularly the proposed technology projects. Further analysis on these projects will be provided in Week 2. No other issues have been identified at this time.

Analyst:**Wendy K. Soo Hoo**

MENTAL ILLNESS AND DRUG DEPENDENCY (MIDD), DISTRICT COURT MIDD, DEPARTMENT OF JUDICIAL ADMINISTRATION MIDD, PROSECUTING ATTORNEY'S OFFICE MIDD, DEPARTMENT OF PUBLIC DEFENSE MIDD, SUPERIOR COURT MIDD

BUDGET TABLE

	2015-2016 Revised*	2017-2018 Proposed	% Change 2015-2016 v. 2017-2018
MIDD Budget Appropriation	\$94,930,852	\$116,305,000	22.5%
Max FTEs:	13.0	17.0	30.8%
Max TLTs:	0.0	0.0	N/A
District Court MIDD Budget Appropriation	\$2,114,917	\$2,778,000	31.3%
Max FTEs:	8.5	9.8	15.3%
Max TLTs:	0.0	0.0	N/A
Dept. of Judicial Administration MIDD Budget Appropriation	\$3,763,059	\$3,342,000	-11.2%
Max FTEs:	12.5	11.6	-7.2%
Max TLTs:	0.0	0.0	N/A
Prosecuting Attorney's Office MIDD Budget Appropriation	\$3,329,723	\$3,013,000	-9.5%
Max FTEs:	7.9	10.9	38.0%
Max TLTs:	0.0	0.0	N/A
Dept. of Public Defense MIDD Budget Appropriation	\$3,646,065	\$5,406,000	48.3%
Max FTEs:	12.4	15.9	28.2%
Max TLTs:	0.0	0.0	N/A
Superior Court MIDD Budget Appropriation	\$3,687,827	\$3,810,000	3.3%
Max FTEs:	15.6	14.7	-5.8%
Max TLTs:	0.0	0.0	N/A
Estimated Revenues	\$120,745,437	\$134,074,000	20.8%
Major Revenue Sources	MIDD Sales tax		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE

The Mental Illness and Drug Dependency (MIDD) fund is comprised of sales tax revenue dedicated by state law to supporting new or expanded chemical dependency or mental health treatment programs and services and for the operation of therapeutic court programs and services.

The MIDD sales tax was renewed this year by the King County Council.¹ Legislation that would approve a Service Improvement Plan (Proposed Ordinance 2016-0427) and revise the policy goals (Proposed Ordinance 2016-0428) for the renewed MIDD (MIDD 2) have also been transmitted and will be described in the discussion of the MIDD 2017-2018 proposed budget. Note that the Council passed Motion 14592 in March 2016 stating its intent to complete its deliberations on the MIDD Service Improvement Plan (SIP) in November 2016, concurrent with its review of the 2017-2018 Proposed Budget.

SUMMARY OF PROPOSED BUDGET AND CHANGES

For the entire MIDD fund, MIDD expenditures are anticipated to increase from \$125.1 million in 2015-2016 to \$134.7 million in 2017-2018.² This is largely driven by increasing sales tax revenues. The 2017-2018 Proposed Budget also shifts \$13.5 million from various MIDD appropriation units to other funding sources to comply with the state statute³ on MIDD supplantation. Of this amount, \$12.4 million is proposed to move to General Fund support and the remaining \$1.1 million is proposed to be fully supported by Medicaid due to behavioral health integration.

Appropriation Unit	Program Previously Supported by MIDD	2017-2018 Amount	2017-2018 Fund Source
Jail Health Services	Psychiatric Services	\$4,230,000	GF
Dept. of Adult and Juvenile Detention	Juvenile Mental Health Treatment	\$752,500	GF
	Community Center for Alternative Programs (CCAP)	\$57,250	GF
Superior Court	Step-Up Full-Time Equivalents	\$411,000	GF
Behavioral Health and Recovery Division	Emergency Service Patrol	\$984,000	GF
	CCAP	\$992,000	GF
	Criminal Justice Initiatives Program	\$2,230,000	GF
	Mental Health Recovery Program	\$387,000	GF
	Mental Health Juvenile Justice Liaison	\$180,000	GF
	Mental Health Crisis Respite Program	\$527,000	GF
	Mental Health Functional Family Therapy	\$572,000	GF
	Substance Use Disorder Administration Costs	\$775,000	Medicaid
	Substance Use Disorder Contracts	\$270,000	GF
		\$300,000	Medicaid
Community Services Operating	Sexual Assault and Substance Use Disorder Services	\$525,000	GF
Employment & Education Resources	Sexual Assault and Substance Use Disorder Services	\$235,000	GF
		\$12,377,000	GF
		\$1,075,000	Medicaid
Total Supplantation Impact		\$13,452,000	

¹ Ordinance 18333

² 2017-2018 Proposed Financial Plan MIDD / 000001135. Expenditures are made via multiple appropriation units, some of which are not reflected in the Budget Table as some appropriation units are no longer being used as expenditures are being shifted to the General Fund to comply with Revised Code of Washington 82.14.460(4) on MIDD supplantation.

³ Revised Code of Washington 82.14.460(4)

The proposed budget would also shift approximately \$1.1 million in costs previously absorbed by the District Court, Department of Judicial Administration, Prosecuting Attorney's Office and Department of Public Defense from the General Fund to MIDD via the individual agency MIDD appropriation units.

In addition, the Executive's proposed budget includes new initiatives in several criminal justice agencies backed by MIDD revenue, which are described further below.

ISSUES

ISSUE 1 – 21 NEW INITIATIVES PROPOSED FOR MIDD FUNDING: \$23,822,000 AND 14.9 FTE

2017/2018 MIDD Proposed Budget for New Initiatives	
MIDD Initiative Title	Proposed 2017-2018 Budget
Zero Suicide Initiative Pilot	\$1,013,000
Mental Health First Aid	\$405,200
Law Enforcement Assisted Diversion	\$3,589,500
Youth and Young Adult Homelessness Services	\$607,800
South County Crisis Diversion Services/Center	\$2,039,000
Multipronged Opioid Strategies	\$2,289,000
Behavioral Health Urgent Care-Walk In Clinic Pilot	\$506,500
Family Intervention Restorative Services – FIRS	\$2,203,655
Involuntary Treatment Triage Pilot	\$303,900
Youth Behavioral Health Alternatives to Secure Detention	\$1,276,000
Young Adult Crisis Facility	\$1,430,000
Rapid Rehousing-Oxford House Model	\$1,013,000
Behavioral Health Risk Assessment Tool for Adult Detention	\$954,043
Recovery Café	\$706,500
Peer Support and Peer Bridgers Pilot	\$1,557,488
Jail-based SUD Treatment	\$900,000
Deputy Prosecuting Attorney for Familiar Faces	\$192,602
Community Driven Behavioral Health Grants	\$709,100
Behavioral Health Services In Rural King County	\$709,100
Emerging Needs Initiative	\$1,316,900
Community Court Planning	\$100,000

The new initiatives, as well as existing MIDD programs, are described in detail in SIP Appendix H.

Note that several of the new initiatives were added to the SIP by the Executive and were not recommended by the stakeholder/community process to review the new concept proposals:

- Jail-based Substance Use Disorder Treatment;
- Young Adult Crisis Facility;
- Planning for a New Therapeutic Community Court; and
- Deputy Prosecuting Attorney for Familiar Faces.

These additional initiatives were proposed largely based on increased MIDD sales tax projections and scaling back the costs for some new initiatives that will need ramp-up time to implement. Note that Jail-based Substance Use Disorder Treatment and Community Court were initially proposed as new concepts, but were not advanced through the stakeholder/community process.

Also, of note, a number of the new MIDD initiatives would support programs in the county's criminal justice agencies:

- Jail-based Substance Use Disorder Treatment – this strategy would allocate \$900,000 in MIDD funding budget to expand substance use disorder (SUD) treatment at the Maleng Regional Justice Center. This initiative is expected to serve 200 to 300 individuals annually. **Note:** The Executive's proposed budget inadvertently added \$900,000 in appropriation authority to the DAJD budget; PSB indicates that this was an error.
- Law Enforcement Assisted Diversion (LEAD) – This strategy would allocate \$2.7 million in MIDD (and a new 1.0 FTE Lead Program Manager) for contracting for case management with Public Defender Association, and \$840,000 to the Prosecuting Attorney's Office to support two attorneys and one paralegal. The LEAD program diverts individuals who are engaged in low-level crimes related to drug involvement, bypassing prosecution and jail time. The program provides street-based outreach by case managers and coordination of prosecution and contacts with the criminal justice system for cases that are not eligible for diversion. This program was initiated with funding from grants and the City of Seattle and one-time 2016 MIDD funding. The intent is to expand the program to other cities. According to the SIP, the proposed level of funding would support delivery of the program to approximately 500 participants. Staff is analyzing the proposed staffing for the program and Executive's assumptions regarding ramp-up time.
- Family Intervention Restorative Services (FIRS) – This strategy would allocate \$900,000 to Housing and Community Development and \$1.3 million to Superior Court to divert youth 16 years of age or older involved in a domestic violence situation. The funding would support a non-detention 24/7 respite and reception center staffed by a contract community services organization and improved access to Step-Up with two new Juvenile Probation Counselors and two Step-

Up social workers in Superior Court. This program is currently expected to serve about 300 individuals annually.⁴

- Familiar Faces Deputy Prosecuting Attorney – This strategy would allocate \$193,000 in the Prosecuting Attorney’s Office to support a Deputy Prosecuting Attorney (DPA) to divert individuals who have been booked in the county jail four or more times within a one-year period. According to the MIDD SIP, 94 percent have one or more behavioral health conditions and 93 percent have at least one acute medical condition. The DPA would consult and collaborate with defense attorneys, law enforcement, and the community on cases and provide prosecutorial authority to help divert individuals from further criminal justice contact. Note that the total amount in the Prosecuting Attorney’s Office for the Familiar Faces DPA is proposed at \$288,000, which includes \$193,000 from MIDD and \$95,000 in unspent 2015-2016 Health and Human Services Transformation Plan General Fund support.
- Behavioral Health Risk Assessment Tool for Adult Detention – This strategy would allocate \$954,000 to implement an assessment tool to help guide case management and services placement for incarcerated individuals. This amount would support a Release Planner FTE (\$242,000) in Jail Health Services and three intake FTE (\$712,000) in the Department of Adult and Juvenile Detention. The program is anticipated to assess 2,460 individuals per year.
- Planning for Community Court – This strategy would allocate \$100,000 to District Court to develop an implementation plan for a new Community Court. District Court plans to use the funding to retain a consultant to assist the court in developing the plan. The plan would identify necessary resources for successful implementation. Community court is identified as a therapeutic court under Revised Code of Washington 2.30.010.

Analysis of the new initiatives is ongoing.

ISSUE 2 – EMERGING ISSUES INITIATIVE PROPOSED TO BE APPROPRIATED: \$1.3 MILLION

The proposed 2017-2018 MIDD budget includes \$1.3 million (\$650,000 for 2017 and \$667,000 for 2018) for the Emerging Issues initiative. According to the SIP, this initiative is intended to provide flexible, short-term funding for initiatives for up to two years. The SIP does not specify criteria for the use of Emerging Issues funds, but recommends that the MIDD Oversight Committee and Department of Community and Human Services develop criteria, including examples, such as being allowable under RCW 82.14.460, furthering MIDD’s continuum of care, being based on best or promising practices; reflecting a recovery-oriented system of care, and demonstrating financial sustainability outside of MIDD.

⁴ The SIP indicates that under current state law, when law enforcement has probable cause of domestic violence in a home involving a youth they must make an arrest if the suspected perpetrator is 16 years or older. The SIP further indicates that this state law is slated to change on July 1, 2016 so that parents can determine if the youth should be detained.

Because the funds are proposed to be included in the MIDD appropriation, these funds could be expended without Council approval.

ISSUE 3 – HEROIN AND PRESCRIPTION OPIOID ADDICTION TASK FORCE RECOMMENDATIONS: \$1.96 MILLION AND 1 FTE

The Heroin and Prescription Opioid Addiction Task Force issued a report on September 15, 2016.⁵ The proposed 2017-2018 MIDD budget includes \$1.96 million (\$667,000 for 2017 and \$1.46 million for 2018) and 1.0 Opioid Program Manager FTE to implement task force recommendations.

Council staff has requested information on how the Executive would propose to prioritize recommendations to be supported by these MIDD funds.

ISSUE 4 – NEW ADMINISTRATIVE POSITIONS PROPOSED: 2.0 FTE

The proposed 2017-2018 budget includes two new positions for MIDD administration and evaluation activities to support stakeholder engagement, data improvements and new strategies proposed in the SIP 2017-2018 budget:

- Administrative PPM II: According to Executive staff, this position would support and facilitate ongoing community involvement, communication, and access for MIDD services and programs; provide dedicated staff for MIDD Oversight Committee and its subcommittees and perform other community engagement activities.
- Administrative PPM III: According to Executive staff, this position would conduct high level community and stakeholder engagement for MIDD services and programs. The position would help develop and implement a data dashboard for MIDD and revise the MIDD 2 evaluation approach. It would develop and implement processes needed for implementation of certain MIDD 2 programs, such as the Community Driven Behavioral Health Grants, Behavioral Health Services in Rural King County, and the Emerging Issues initiatives.

Staff is continuing to analyze this request.

⁵ http://kingcounty.gov/~media/depts/community-human-services/behavioral-health/documents/herointf/Final-Heroin-Opiate-Addiction-Task-_Force-Report.ashx?la=en