

ATTACHMENT 7

2016-2017 Financial Plan September 2017 Mental Illness and Drug Dependency (MIDD) Fund / 000001135

Category	2015-2016 BTDA Actuals ¹	2017-2018 Adopted Budget ²	2017-2018 Current Budget ³	2017-2018 Biennial-to-Date Actuals ⁴	2017-2018 Estimated ⁵	2019-2020 Projected ⁶	2021-2022 Projected ⁶
Beginning Fund Balance	16,257,983	11,869,049	11,869,049	15,437,816	15,437,816	20,631,255	23,879,975
Revenues							
Local	119,108,821	133,955,400	133,955,400	46,526,098	132,912,892	147,694,172	159,723,733
Other	403,323	117,953	117,953	537,331	117,953	124,794	132,532
Total Revenues	119,512,144	134,073,353	134,073,353	47,063,429	133,030,845	147,818,966	159,856,265
Expenditures							
Salaries, Wages & Benefits	(23,798,385)	(20,783,042)	(20,783,042)	(6,362,863)	(20,783,042)	(21,967,675)	(23,285,736)
Supplies and Other	(106,454)	(166,213)	(166,213)	(33,761)	(166,213)	(175,853)	(186,756)
Contracted Services	(91,107,502)	(86,845,403)	(91,973,580)	(25,955,325)	(80,774,862)	(94,664,977)	(100,534,205)
Intergovernmental Services	(5,316,192)	(5,355,312)	(5,355,312)	(1,132,716)	(5,355,312)	(5,799,803)	(6,344,984)
Interfund Transfers	(3,778)	(20,757,976)	(20,757,976)	(7,736,501)	(20,757,976)	(21,961,938)	(23,323,579)
Total Expenditures	(120,332,311)	(133,907,946)	(139,036,123)	(41,221,166)	(127,837,405)	(144,570,247)	(153,675,261)
Estimated Under Expenditures							
Other Fund Transactions							
GAAP Adjustment							
Total Other Fund Transactions⁷	-	-	2,500,000		-		
Ending Fund Balance	15,437,816	12,034,456	9,406,279	21,280,079	20,631,255	23,879,975	30,060,979
Reserves							
Revenue Reserves ⁸	(6,253,213)						
Services Stabilization Reserve ⁹	(895,000)				-		
Emerging Issues Reserve ¹⁰		(1,316,900)	(1,316,900)	(1,316,900)	(1,316,900)		
Reappropriation Reserve ¹¹	(2,455,000)	(2,455,000)					
Medicaid Reconciliation Reserve ¹²			(300,000)	(300,000)	(300,000)		
Reserve for 2016 invoices and Intensive Case Management ¹³			(802,915)	(802,915)	(802,915)		
Reserve for System Incentives and Core Services ¹⁴				(8,700,541)	(8,700,541)	(8,700,541)	(8,700,541)
Rainy Day Reserve (60 days) ¹⁵	(4,554,134)	(11,158,996)	(11,586,344)	(11,586,344)	(10,653,117)	(12,047,521)	(12,806,272)
Total Reserves	(14,157,347)	(14,930,896)	(14,006,159)	(22,706,700)	(21,773,473)	(20,748,062)	(21,506,813)
Reserve Shortfall	-	2,896,440	4,599,880	1,426,621	1,142,218	-	-
Ending Undesignated Fund Balance	1,280,469	-	-	-	-	3,131,913	8,554,166

Financial Plan Notes

- ¹ 2015-2016 Biennial-to-Date Actuals reflects actual revenues and expenditures as of 12/31/2016, using EBS report GL_010.
- ² 2017-2018 Adopted Budget reflects the council approved budget per ordinance 18409.
- ³ 2017-2018 Current Budget reflects the council approved budget per ordinance 18409 and 2017 supplemental per ordinance 18544.
- ⁴ 2017-2018 Biennial-to-Date Actuals reflects actual revenues and expenditures as of 9/30/2017, using EBS report GL_010.
- ⁵ 2017/18 Estimated is adjusted for the recently approved supplemental and reflects updated revenue forecast per the August 2017 OEFA.
- ⁶ Out year projections assume revenue growth per August 2017 OEFA forecasts and King County Office of Performance, Strategy and Budget planning assumptions.
- ⁷ The request for budget reappropriation of \$2.5 million in the first 2017 supplemental was inadvertently doubled. This is to reflect the correction coming in the next supplemental.
- ⁸ Revenue Reserve is equal to 5.25% of MIDD tax receipts. In 2017-2018 the fund will switch to a 60 day expenditure reserve (see also footnote 15).
- ⁹ The Services Stabilization Reserve is designated to fund MIDD 1 services during transition to MIDD 2 to avoid service disruptions for vulnerable populations.
- ¹⁰ Funding in the Emerging Issues Reserve will be appropriated by Council on an as-needed basis through the supplemental process.
- ¹¹ The Reappropriation Reserve sets aside unspent dollars from council approved supplemental requests approved in 2016 to be fully expended in 2017. These requests will be part of the first 2017-2018 Omnibus supplemental. The supplemental request has been approved by ordinance 18544 and is now shown as an increase to the current budget.
- ¹² A Medicaid Reconciliation Reserve has been created for initiatives with a lower Medicaid proportion than formally budgeted.
- ¹³ Reserve for 2016 invoices received in 2017 and for Intensive Case Management in 2018.
- ¹⁴ Reserve to create an incentive pool to be used for system wide value based purchasing incentives. In addition, due to the uncertainty around Medicaid rates, these funds may be utilized to maintain core services.
- ¹⁵ The Rainy Day Reserve is to provide a 60 day expenditure reserve in case operations are reduced or closed down.