

**Human services contracts must be adequately adjusted for inflation annually to sustain current level of services to King County residents**

**Everyone knows inflation has hit hard this year.** Skyrocketing inflation hit human service providers just as it has every other part of our economy. This makes it critical that annual inflation adjustments on human services contracts allow providers to **simply sustain essential services to our communities.**

Throughout the COVID-19 pandemic and recovery, human service organizations are being asked to do much more, with **public funds that do not cover the full cost of services.** Furthermore, as the labor market tightens, it is becoming harder to recruit and retain human services workers to jobs that have long been underpaid and overburdened.

Some examples of cost increases that providers across King County have reported:

- *We had funds to purchase a new support vehicle, but because of supply chain issues, that van went from \$40k new to \$52k used!*
- *The bales of bags we buy as a food bank were \$52 when we started buying them in 2020...now they are \$76 – a 46% increase.*
- *Our staffing costs are up 15% year over year, which includes an average salary increase of 8% that we paid for market adjustments and merit increases.*
- *Our property insurance continues to rise, with a 25% increase in some buildings, largely driven by costs in critical services like permanent supportive housing.*
- *We regularly provide client assistance funds – a lot of it is for groceries and food. Because of food inflation outpacing other goods, the assistance we give cannot go as far for our participants.*
- *Fuel costs went up 20%; Microsoft products went up 10%*

King County's ability to thrive now and in the future is dependent upon our ability to foster economic, emotional, physical, developmental, and social well-being for all of our community members. From youth development to senior centers, community clinics, domestic violence and sexual assault prevention and response, food banks and meal programs, homeless shelters, housing, and prevention, **human services build wellbeing.** We provide the support for King County residents to reach their full potential. As the ongoing pandemic has once again revealed the importance of human services and the people that perform the work, it is time for King County to make a commitment to the ongoing sustainability of the sector.

Currently, the King County Department of Human Services (DCHS) only provides inflation adjustments on contracts funded through local sources and when those adjustments are deemed possible by DCHS administrators. King County can replicate legislation passed recently by the City of Seattle that guarantees an annual inflation adjustment, based on the Consumer Price Index – Urban Wage Earners and Clerical Workers, across all human services contracts.

**We urge King County Councilmembers to adjust all human services contracts annually for inflation, so your providers can sustain services to King County residents in this difficult time.**