

ORDINANCE NO. 6792

1 AN ORDINANCE making additional appropriations
2 for Alcoholism and Substance Abuse services
3 amending Ordinance No. 6597, Sections 34, 36,
and 49, as amended .

4 BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

5 SECTION 1. Ordinance No. 6597, Section 34, is hereby amended
6 to read as follows:

7 From the Current Expense Fund there is hereby appropriated to:
8 Special Programs ((~~\$5,185,309~~)) \$5,004,267

9 SECTION 2. Ordinance No. 6597, Section 36, is hereby amended
10 to read as follows:

11 From the Current Expense Fund there is hereby appropriated to:

12 Transfer to Other Funds ((~~\$11,678,862~~)) \$11,859,904

13 Human Services \$ 39,303

14 Aging \$ 459,128

15 Involuntary Treatment \$ 325,778

16 Emergency Medical Services \$1,341,660

17 Alcoholism and Substance Abuse ((~~\$180,138~~)) \$ 361,180

18 Building and Land Development \$ 1,065,276

19 Public Health Pooling \$ 7,295,171

20 Inter-County River Improvement \$ 14,950

21 River and Flood Control Construction \$ 22,288

22 Building Modernization Construction \$ 707,364

23 Youth Service Facility Construction \$ 79,953

24 Cedar Hills Construction \$ 49,117

25 Park C.I.P. Projects \$ 98,736

26 SECTION 3. Ordinance No. 6597, Section 49, is hereby amended
27 to read as follows:

28 From the Alcoholism and Substance Abuse Fund there is hereby
29 appropriated to:

30 Alcoholism and Substance Abuse ((~~\$4,924,658~~)) \$8,369,233

31 The maximum number of FTE's to be budgeted for Alcoholism
32 shall be: ((~~161~~)) 163

PROVIDED THAT:

1. \$115,515 of this budget shall be expended for no other purpose than to provide additional staff and food costs for the expansion of North Rehabilitation Facility (NRF) capacity from 179 inmates to 214 inmates. Any portion of this amount shall only be expended if the NRF population remains above 170 inmates for 3 weeks or more in 1984.

2. The executive report to the council on the feasibility of performing laundry services for the Washington Center Building and NRF with Alcoholism Division program participants. This report is due no later than September 15, 1984.

3. The executive provide a full accounting of the inmate labor which NRF provides to other Alcoholism Division programs. This report is due no later than September 15, 1984.

4. The executive report to the council on the reduction in Smith Tower office space now occupied by Alcoholism Division administration. This report should also discuss the availability of office space in the Washington Center Building. If space is shown to be available in this building in 1984, Alcoholism Division administration should be re-located there. This report is due no later than July 31, 1984.

All provisions adopted by the King County council in Ordinance No. 6597, as amended, shall be fulfilled.

INTRODUCED AND READ for the first time this 14th day of May, 1984.

PASSED this 21st day of May, 1984.

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON

Jerry Grant
Chairman

ATTEST:

Dorothy M. Owens
Clerk of the Council

APPROVED this 31st day of May, 1984.

Randy Well
King County Executive

ATTACHMENT: 1984 ALCOHOL AND SUBSTANCE ABUSE
BUDGET SUPPLEMENTAL

March 30, 1984

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ALCOHOL FUND DEFICIT

An historical picture of the actual annual operating and fund balance position of the Alcoholism Fund shows that yearly expenditures have exceeded annual revenues since 1979, resulting in a net fund balance deficit beginning in 1981 and growing to a present level at year-end 1983 of \$601,000.

TABLE 1
Alcohol and Substance Abuse Fund Balance Picture
1979-1983
(Dollars in '000)

	<u>1979</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>
Beginning Fund Balance - Jan. 1	\$ 321	\$ 193*	\$ 118	\$(194)	\$(371)
Operating Surplus (Deficit)	<u>(145)</u>	<u>(75)</u>	<u>(312)</u>	<u>(177)</u>	<u>(230)**</u>
Ending Fund Balance - Dec. 31	\$ 176	\$ 118	\$(194)	\$(371)	\$(601)

* Adjusted per 1980 Comprehensive Annual Financial Report.

** Net operating surplus less uncollectible Accounts Receivable.

See Attachment 1 for detailed year-by-year fund balance budgeted versus actual changes.

Before addressing specific actions and their results to stem the deficit over the past two years, it is useful to summarize the major contributing factors to the Alcohol deficit. The present problems in the Alcoholism and Substance Abuse Fund can be traced to six basic causes:

- o The leasing of the Washington Center Building to accommodate the move of the Division's Detoxification (Detox) Program from Firlands to free space for the North Rehabilitation Facility (NRF) has been a key causal factor in the deficit. Leasing the building, in and of itself, would not have been a problem had the following two deficiencies not occurred: (1) the Division was unable to rent all vacant floors of the building or to establish and collect rent and food charges at levels that would recover actual costs; and (2) several of the tenants in the building failed to pay the rent and food charges owed to the Division.
- o The management of the Division consistently overestimated the level of revenue available while also failing to reduce expenditures to stay within the actual lower level of revenues attained.
- o The revenue and rate structure maintained by DSHS's Bureau of Alcoholism and Substance Abuse (BASA) fails to cover the basic operating costs of Division programs such as Detox, Cedar Hills Short Term Care, and the Extended Care Unit. Other sources of funds have not been adequate to make up the shortfall, and program reductions cannot satisfy the cost versus reimbursement gap and still maintain State program certification.

- o The failure of the Executive and Council to budget and reimburse the Division for the administrative costs associated with operating the North Rehabilitation Facility has meant increases in Division expenditures without offsetting revenues.
- o In 1981 additional cost responsibilities previously nonexistent or borne by Current Expense were added to the Alcoholism budget; these included CX overhead, unemployment compensation and interest expense on loans. These added costs were not adequately recouped through changes in the Division's indirect charges against grant funds or through other revenue sources.
- o Actual receipts vs. billed revenues were not reconciled to accurately assess the fund balance position on an ongoing basis and therefore to take timely and adequate corrective steps to align expenditures with actual revenues. Further, the Division recorded collectible revenues at the gross billing levels, even though our record of reimbursements suggested we would realize less than 100 percent of revenue projections versus budget expenditures.

The summary figures in Table 1 tell the bottomline story of a fund that has deteriorated from a positive \$321,000 position at the beginning of 1979 to a negative balance of \$601,000 by year-end 1983. While the factors cited above combine to produce this effect, the summary figures obscure some important details reflecting our prior efforts to correct the problems.

Once the size of the deficit in the fund was established following the closing of the 1981 books, a series of administrative expenditure reductions were implemented in 1982 to stem the deficit problem. These reductions resulted in the Division expending \$222,124 less than its budgeted level in 1982.

1982	Appropriation	\$ 8,239,214
1982	Actual	8,017,090
	Underexpenditure	\$ 222,124
	% Underexpended	2.7%

Had revenues held at their original projection in 1982, these underexpenditures would have recouped the prior year deficit and returned the fund to a positive position. As the final 1982 financial records showed, however, the position of the fund continued to deteriorate because actual revenues were lower than those budgeted by even more than the underexpenditures relative to the authorized level:

1982	Budgeted Revenue	\$ 8,280,977
1982	Actual Revenue	7,840,333
1982	Revenue Shortfall	\$ (440,644)

It was not clear until we closed the 1982 books that our expenditure reduction plans fell short of the mark based on the even more significant drop from expected revenues.

Given the worsening of the deficit situation and an improved analysis of anticipated 1983 revenue, more severe expenditure reductions were implemented in 1983. These reductions resulted in the Division expending \$374,266 less than its appropriated level.

1983	Appropriation	\$ 8,024,823
1983	Actual Expenditures	<u>7,650,597</u>
	Underexpenditure	\$ 374,226
	% Underexpended	4.7%

As a result of these reductions, the Division reflects an annual operating surplus of revenues over expenditures of \$44,755 for 1983. This should have meant that, rather than worsening in 1983, the Fund deficit would have stabilized and, in fact, have been reduced by \$44,755.

Upon close examination of the ASAF fund balance for 1983 and prior years, however, it became clear that anticipated revenues which had not materialized were being carried forward from year to year as assets in the form of accounts receivable, even though it was highly doubtful we would ever collect these revenues. The Budget Office, the Alcoholism Division, the Internal Auditor, and the Finance Office reviewed the accounts receivable to determine which amounts were, in fact, uncollectible. Having made a realistic determination of prior year uncollectibles, the 1983 ending fund balance has been revised and again shows an increased deficit.

The inclusion of an allowance for accounts receivable that we all agree are not likely to be collected results in a deficit that now stands at \$601,433 and represents the most accurate and realistic picture of the status of the fund at the end of 1983/beginning of 1984. Thus, even though we realized an operating surplus in 1983, our net position, when prior year uncollectibles are factored in, is as follows.

Ending 1982 Deficit	\$ <370,818>
Uncollectible Accounts (prior to 1983)	<275,370>
1983 Operating Surplus	<u>44,755</u>
Ending Fund Balance	\$ <601,433>

In terms of a deficit reduction plan, therefore, we have been addressing alternative means to retire a fund balance deficit of \$601,433. At the same time, however, we have also identified and begun to implement measures to address the causal factors for the deficit to prevent a recurrence of another deficit in the future.

Many important steps have been taken to ensure that the causes of the deficit do not recur. These steps can be placed in two basic categories: (1) improvements in Division management procedures and (2) budgeting and accounting reforms.

Perhaps the most significant changes are not ones that can be quantified directly, but result from a change in Division management and new standards of financial accountability imposed on program directors. The program directors have been provided new sources of information on their revenues and have been required to revise their budget and program plans to live within available resources. Budgets will be explicitly detailed and rationalized; program directors will be expected to operate within approved budgets; and deviations from budget plans will require the authorization of the Division Manager, who will have the information to question, track, and be accountable for the expenditure side changes in relation to expected revenues.

In terms of budgeting and accounting reforms, the key actions we have taken include the following:

- (1) The establishment of reasonable revenue projections with clear documentation of all assumptions: the Division and the Budget Office can use this baseline for the 1984 budget proposal and subsequent changes and as a base for 1985 and 1986 projections.
- (2) The change in revenue accounting practices to enable the Division and the Budget Office to differentiate between actual revenues received and anticipated revenues that have been billed.
- (3) The establishment of program-based cost centers that associate specific costs with specific revenues: this reform should result in a number of pay-offs. First, these cost centers will enable us to budget and monitor expenditures and revenues for each of the Division's programs; the past confusion over which expenditures are associated with which revenue will be eliminated. Second, program directors will know what revenues support their programs, and internally the Division will be able to identify the need for program modifications early on when revenue changes occur. Third, the problem of Division programs subsidizing the cost for other services (e.g., Detox subsidizing Washington Center Building tenants) will be eliminated, because cost and revenue responsibilities have been aligned.

Finally, these cost centers will allow us to demonstrate more conclusively to the State that the reimbursement rates presently in effect for Detox, Cedar Hills, and the Extended Care Unit are inadequate to cover the basic operating costs of these programs necessary to comply with State regulations and standards of certification.

- (4) The implementation of improved monitoring and fiscal control: the laxity embodied by the prior approach to matching the Division's expenditures and revenues will be replaced by a strict monthly reconciliation of revenues and expenditures by cost center.

These measures help to ensure that the management problems, both those internal to the Division and those affecting the budgeting and the accounting systems, that have contributed to the deficit are corrected. Our revised budget and changes in budgeting practices (i.e., NRF overhead budgeting, Washington Center Building sub-lease charges) address measures to reverse our Fund deficit position over the three years 1984-86.

1983 vs. 1984 PROPOSED PROGRAM

Revenues: The projected revenues for the Division in 1984 total \$8,551,407. The sources of these revenues are summarized below and 1983 actual revenues are included for comparison.

TABLE 2
1983 vs. 1984 Revenues

<u>Revenue Source</u>	<u>1983 Actual</u>	<u>1984 Projected</u>	<u>% Change</u>
Federal Grants	\$ 131,475	\$ -0-	-100%
State Grants & Contracts	4,933,037	5,359,373	8.6%
Local Revenues:			
DAD	1,258,606	1,543,421	22.6%
Seattle	245,097	245,097	0
Suburban Cities	70,323	70,323	0
C.X.	417,057	361,180	-13.4%
Private Pay Clients	166,239	142,799	-14.1%
Washington Center	389,547	716,200	83.8%
Miscellaneous	83,972	113,014	34.6%
Total	\$7,695,353	\$8,551,407	11.1%

The major changes in revenues between 1983 and 1984 are attributable to the following factors:

- (1) The final termination/phase-out of a federal grant, the NIAAA Staffing Grant, was completed as of June 30, 1983. The NIAAA grant had been used primarily to support outpatient alcoholism treatment staff in affiliate agencies (i.e., non-profit agencies which contract with the County to provide alcoholism and drug treatment services).
- (2) Overall, State funding is expected to increase by 8.6 percent. This increase is due to:
 - (a) Regular annual rate increases for County programs which occur at the beginning of the new State fiscal year: In mid-1983 the rates for congregate care for the Long Term Care program at Cedar Hills increased by 15 percent to bring the daily per client reimbursement rate up to the same level as the rate for the short term care unit; all other rates increased by 2.5 percent; all rates are expected to increase by 3 percent in mid-1984.
 - (b) A 9 percent increase in State block grant funds: 5% for alcoholism programs and over 13% for drug programs. The large increase in drug block grant funds is due to the fact that, in 1984, the State will begin to funnel GAU (General Assistance for Unemployed) funds for outpatient drug treatment programs through the County. In 1983 these funds were paid directly to

non-profit agencies. Thus, although County administered drug funds have increased, much of the additional revenue is offset by the consolidation of GAU and block grant funds in County administered monies.

- (c) The addition of two one-time grants in 1984: Jobs Bill funds for alcoholism services to the unemployed (\$85,000 in 1985) and Prevention Grant funds for public education programs (\$288,000 in 1984).
- (3) Funding for NRF (North Rehabilitation Facility), which is supported by payments from the DAD has increased to support a 35-bed expansion; the NRF-adopted budget has also been revised to provide, within the 1984 appropriation level for NRF, funds for a portion of Division administrative costs that were not previously budgeted by the County.
- (4) No change in payments from Seattle and suburban cities from their 2 percent share of liquor tax revenues has occurred between 1983 and 1984. Seattle's payments support the Central Area Community Alcohol Center, the Emergency Services Patrol, and the Employee Assistance Program; suburban cities' payments support programs in local affiliate agencies.
- (5) A reduction of about \$55,000 in Current Expense support was adopted in 1984. The 1984 C.X. contribution has been maintained at the adopted level.
- (6) Decreased private payments from clients due to elimination of a residential vocational training program at the Washington Center building.
- (7) Increased rental rates and food charges for tenants in the Washington Center Building to fully cover costs. Sub-lease charges have been set to recover all costs, inclusive of a risk factor for vacancies.
- (8) Miscellaneous revenues show a net increase resulting from several changes: a decrease because in 1983 the Alcoholism Fund received about \$50,000 in one-time revenue from a payback for Social Security that had been paid on extra help in prior years and increases from new revenue in 1984 from interest earnings on a Revenue Anticipation Note borrowing at about \$50,000 and new interfund charges for woodshop work (\$33,000).

Overall, revenues show a 11.1 percent increase, but revenues supporting County alcohol and drug abuse programs (i.e., excluding Washington Center Building (WLB) sub-lessee charges) are projected to increase by only 7.2 percent in 1984.

The projections of 1984 revenue have been closely scrutinized to improve accuracy and to avoid errors that, in the past, had resulted in over-estimation of revenues for the Division.

Estimates of State revenues are based on documented figures from State contracts (for the current fiscal year) or letters from the State indicating anticipated contract levels for the new fiscal year (starting in mid-1984). Further, for revenue where actual experience has shown that the Division does not get 100 percent of the contract amounts, since the State does not reimburse for any portion of a client's charges that have been recovered through private payment, historical data on the percentage of contract revenues actually received was used to estimate the amount of contract revenues that would be realized for 1984.

Revenues from WCB sub-lessees are based on negotiated sub-lease charges under a new lease beginning in July 1, 1984. New sub-lessee charges were set to fully recover costs assuming one floor is vacant (the risk factor). The conservative assumption was made that one floor of the building would remain vacant after July 1, 1984 when the sub-lessee charges go up.

For our revenue and financial forecast projections, we have assumed that revenues from a new sub-lessee, Century House, would not begin to come in until July 1, 1984, although Century House has indicated it plans to move in by April 15, 1984. The State has indicated it would increase Highline's payments on March 15, thus allowing Highline to pay the higher sub-lessee charges by that date. Further, since Milam Recovery has neither signed nor indicated a willingness to sign a sub-lease at the higher charge, we have assumed no revenue from them after July.

The combination of conservative estimating assumptions and reliance wherever possible on written documentation and commitments for support levels (e.g., State contracts, sub-lease agreements) provides a high level of confidence that the Division will achieve at least the forecasted revenues in support of the 1984 program budget and deficit reduction plan.

1984 EXPENDITURES BY PROGRAM AREA

For purposes of budgeting and financial management and for revenue assignment, a new cost center structure has been developed for the Alcoholism Division programs. The proposed 1984 revised budgets for each cost center are summarized below. Actual 1983 costs have been adjusted to conform to the new cost centers to provide comparable 1983 and 1984 expenditure levels.

TABLE 3
1983 vs. 1984 Expenditures

	1983 Adjusted	1984 Proposed	1983-1984 Change
Administration	\$ 649,876	\$ 609,491	(6.2)%
Detoxification	1,884,532	1,998,039	6.0%
Extended Care Unit	577,188	593,854	2.9%
Cedar Hills Short Term	925,043	963,927	4.2%
Emergency Services Patrol	161,670	161,790	0.1%
Treatment and Community Services	114,100	145,901	27.8%
North Rehabilitation Facility (NRF)	1,211,886	1,543,421	27.4%
Washington Center Building (WCB)	622,615	667,268	7.2%
Alcohol Contracts (Outpatient)	550,101	351,683	(36.1)%
Drug Contracts (Outpatient)	820,733	1,333,859	62.5%
Subtotal	\$7,517,744	\$8,369,233	11.3%
Residential Drug Contracts	132,853	-0-	(100.0)%
TOTAL	\$7,650,597	\$8,369,233	9.4%
Total, excluding NRF and WCB	\$5,816,096	\$6,158,544	5.9%

1984 ALCOHOL AND SUBSTANCE ABUSE BUDGET SUPPLEMENTAL

The following discussion addresses the highlights of major changes resulting in each program from 1983 to 1984, given the proposed 1984 revised Budget level. (Attachment 2 shows 1983 and 1984 comparative program/performance indicators.)

Administration: The Division Administration unit provides for the program's overall direction and supervision by (1) facilitating the operation and maintenance of programs; (2) monitoring the fund's financial status and budget; (3) auditing subcontractors; and, (4) preparing plans, grants, and policy statements. The major changes in the administrative section include deletion of one Program Analyst position and creation of a Contract Officer for the second half of the year to correct audit and contract compliance problems. An Operations Audit Review by DSHS will cite the County for failure to monitor contracts. A portion of the CX overhead allocation costs previously budgeted in Administration are charged to NRF.

Detox: The Detox program operates under State DSHS regulatory guidelines and provides acute drug and alcohol detoxification under the supervision of physicians, nurses, and health professionals. The Detox program provided 13,453 bed nights of service in 1983 and the 1984 service level is projected to be 14,000 bed nights. The average length of other stay per client is three days.

The Detox program underwent staffing reductions early in 1984. One RN, one LPN, and one Nursing Assistant were eliminated from the budget. These staffing reductions have left the program with skeletal medical staffing on two out of three shifts. As a result of the staffing changes, revised operating procedures have been implemented to consolidate patients requiring more intensive medical care on one floor; clients with less critical medical needs are housed on a separate floor. In addition, a full time Drug Treatment position is created to meet eligibility requirements for the use of Detox drug grant funds.

In 1984 King County will be responsible for the purchase of medical and personal supplies for Detox clients which were previously covered by medical coupons. Another proposed change is the purchase of a van to replace an existing vehicle which is more expensive to repair than replace.

Extended Care Unit: This program serves clients who have been through the detoxification phase of treatment. The ECU clients are primarily late stage alcoholics for whom long term care and counseling are provided. The average length of stay is four months. In 1983, ECU provided 28,105 bed days of care and in 1984, the service is expected to remain at this level.

Cedar Hills Short Term Program: The Cedar Hills Short Term Program serves early and middle stage alcoholics who have been through the acute detoxification program. The services provided include assessment, intensive counseling, training in daily living skills, and vocational training. The average length of stay is forty-five days. The 1983 service level was 40,871 bed days; in 1984 CHAT is expected to provide 43,070 bed days.

Although the dollar level of budget change from 1983 to 1984 is relatively small, a number of revisions have been initiated in order to avoid license suspension from DSHS. An Alcohol Maintenance Leader position is eliminated and replaced by a clerical position in order to comply with State reporting requirements. Furthermore, two administrative positions in the section are reclassified to enhance management of the program and ensure compliance with State certification requirements.

1984 ALCOHOL AND SUBSTANCE ABUSE BUDGET SUPPLEMENTAL

Operationally, the program has been changed from a 60 day semi-intensive focus to a 21 day intensive treatment program and a 39 day post treatment phase. This revision will facilitate service delivery and improve the utilization of the County's resources. In addition, the woodworking shop which was previously subsidized by discretionary revenues in the fund will be supported in 1984 by service charges.

Emergency Service Patrol: This program transports inebriates from downtown streets to the Detox program. The van operates seven days per week, 2 shifts per day. No

Treatment and Community Services: This program includes prevention services for youth provided under a special State grant (new at the end of 1983), Involuntary Commitment Services, and the Employee Assistance Program. The addition of \$27,000 from the prevention program is the only major change in this program. The focus of the new prevention grant is to coordinate a Countywide drug abuse/prevention program targeted toward youth in cooperation with YSB's and school districts.

North Rehabilitation Facility: The NRF budget increases substantially over the 1983 level to accommodate the 35-bed expansion. The adopted 1984 budget for NRF has been reduced to enable the Division to begin to distribute the Current Expense Overhead Allocation within the authorized appropriation. The revised 1984 budget captures salary savings for positions associated with the expansion of the facility (scheduled for May).

The Division's allocation of overhead costs for administration to NRF is consistent with the treatment of all other Division programs. This change in practice will address one of the past causes of the current deficit. While this change has been accommodated within the adopted NRF budget this year, it represents a future increased obligation for CX-DAD costs of NRF.

Washington Center Building: The costs associated with operating the Washington Center Building are included in this program budget. Food, operating costs, and lease payments to Villa Care are the major cost categories included in the WCB budget.

The 1984 proposed budget plans to improve the level of facility maintenance in comparison to prior years. As a result, two permanent custodial positions are added, increased repairs to the parking lot and elevator are proposed, and janitorial equipment will be purchased to adequately maintain the building. In compliance with contracts to be signed with tenants, a new receptionist is recommended. The budget within this cost center is more than offset by revenues to be received from tenants for use of the facility.

Community Alcohol Contracts: The proposed funding level for community alcohol programs has been reduced substantially due in large part to the loss of a federal grant which provided basic staffing funds for many of the community alcohol centers. In addition to the loss of this grant, the 1984 proposed funding reflects an increase in the level of State discretionary alcohol treatment dollars used by County-operated residential programs. The use of these funds for our programs has further reduced the level of support to community agencies.

Table 4 on the following page depicts the changes in the distribution of discretionary alcoholism dollars between 1983 and 1984.

TABLE 4
Discretionary Alcoholism Funds: 1983 vs. 1984

	<u>1983</u>	<u>1984</u>	<u>% Change</u>
Community Agencies (Outpatient Only)	\$ 550,099	\$ 351,683	-36.0%
Emergency Service Patrol	161,670	161,790	-0-
Employee Assistance Program	20,291	20,291	-0-
Other County Programs	<u>1,287,874</u>	<u>1,408,498</u>	9.4%
Total Discretionary Funds	\$2,019,934	\$1,942,262	-3.8%

The impact on community agencies of the proposed distribution of alcohol treatment funds is a decrease of 36% in the funds proposed to be allocated to community agencies for alcohol treatment. This decrease in funds for community agencies is the result of the net decrease in the monies available and the increased need for funds to support Division programs and indirect costs.

The Division has been forced to allocate an additional 9.4% of the discretionary alcoholism monies to cover its indirect costs and to make up the difference between program costs and State reimbursement rates for its residential programs.

Community Drug Contracts: While the figures on page 7 show an increase in drug monies from about \$800,000 in 1983 to \$1.3 million in 1984, this depiction is misleading since State GAU money is to be passed through the County in 1984, replacing direct DSHS allocations occurring in 1983. In addition, the 1984 funds include a new prevention grant not budgeted in 1983 in the amount of \$261,000.

Table 5 displays the adjustments required to make direct comparisons between 1983 and 1984 drug treatment funding levels: State-funded residential drug programs are excluded; GAU monies previously paid to agencies directly by the State are included; and earmarked funds for County allocations to methadone maintenance programs are identified.

TABLE 5
Comparison of Drug Treatment Funding 1983-1984
(See Attachment 3 for footnotes)

	<u>1983</u>	<u>1984</u>	<u>% Change</u>
Earmarked by State for Methadone <u>1/</u>	\$ 406,524	\$ 489,899	+20.5%
K.C. Distribution to Community Agencies <u>2/</u>	612,977	883,632	} +24.7%
GAU Funding & Community Agencies <u>3/</u>	112,776	21,362	
Remaining for K.C. Programs <u>4/</u>	<u>270,720</u>	<u>268,525</u>	0.0%
Total Outpatient Drug Treatment Funds <u>5/</u>	\$1,402,997	\$1,663,418	+18.6%

As indicated on Table 5, there has been a 18.6% increase in the amount of drug funds available. Much of this increase is targeted monies for methadone maintenance. In addition, the funds available to be allocated to community agencies for drug treatment have increased by 24.7%. No increase is proposed for funds used by the Division itself in 1984 to support the indirect costs, the residential programs at Detox and Cedar Hills, and the Employee Assistance Program.

Within King County's funds available to distribute to Community Agencies, the amount allocated to Youth Service Bureaus (YSB's) has received special attention. The funding level reflected in the revised Plan submitted to BASA proposed to decrease YSB funding as recommended by the Alcoholism and Substance Abuse Board (the Board). The recommendations made by the Board were a good faith effort to comply with the guidelines for community agency funding laid down by the State.

Of particular concern to BASA was the apparent subsidization of alcohol services with drug funds by the YSB's. During the intervening time period since the Board made its recommendations, however, BASA has voiced its intent to grant the County a waiver with regard to supporting both alcohol and drug services at the YSB's with drug funds. As a result of this intended waiver, an increase is proposed in the funds allocated to the YSB's over the amount previously recommended by the board. The effect of this increase will be to hold the funding for YSB's harmless between 1983 and 1984.

In summary, our goal in developing this supplemental 1984 program budget has been, wherever possible, to maintain service levels and to minimize the impact on the Division's client groups. Achievement of this goal has involved holding increases in operating costs to a minimum, reorganizing the staff to make better use of their time in several programs, charging NRF for overhead, and reducing the staff at Detox and the Extended Care Unit.

Across the spectrum of services to drug and alcohol abusers, the area of greatest funding inadequacy to maintain an adequate continuum of services is in outpatient care. The combination of local, state, and federal funding reductions affecting these services and the need of the community agencies to support programs through increasing the number of paying clients directly and adversely affects services to our key target population -- those unable to pay for treatment.

THE BIENNIAL PLAN

The 1983-85 biennial King County Alcoholism and Substance Abuse Plan (the Plan) was submitted to the State on July 7, 1983. After review by the BASA, the Plan was found unacceptable and the County was notified by letter dated August 3, 1983. The major problems cited by the State in rejecting the Plan included:

- o the apparent subsidization of alcohol services with monies targeted toward drug programs;
- o internally inconsistent presentation of budget information;
- o failure to address prior problems with agency accountability and monitoring;
- o failure to adequately determine client needs and allocate resources accordingly;
- o lack of clear policy direction for services to be provided through use of State funds.
- o the total budget for the State Plan was not based on the State's allocation to the Division.

The County, through the Board, responded to the State's concerns about the Plan in September 1983, but this defense was not accepted by the State. As a result, the Division submitted revisions to the Plan adopted by the Board on March 9, 1984 and the Division has continued since then to negotiate corrective actions with DSHS to achieve an acceptable Plan. Key responses to the DSHS concerns include:

- o Policy issues have been satisfactorily resolved.
 - (1) The Board has adopted a policy recommending funds be allocated recognizing and responding to the needs of indigents. A new goal was added to the Plan outlining this policy.
 - (2) County contracts with agencies have been changed so that agencies may not refuse service because of an inability to pay.
 - (3) Funding allocations separate drug and alcohol funding.
 - (4) Target groups are identified and funding recommendations are consistent with the analysis.
- o A new means of contracting with the agencies has been developed based on staff hours rather than client hours. The State has agreed to accept a Statement of Work based on staff hours at \$35 per unduplicated hour of direct service.
- o The Division will contract for hours of direct service using staff hours of direct service as the unit of performance. This is a significant change.

- Previously, the County provided a basic grant to agencies and required that the agency perform a total number of client hours of service. Performance was not monitored. The new policy will require that the agencies provide a certain level of service based on staff hours of direct service to clients. Agency performance will be closely monitored.
- o Changes in revenue allocations from the State to the County have been settled. The Division has removed the request for residential drug programs. The Plan also includes a separate drug line item for Methadone Maintenance. The State and Division agree on the funded amounts and there is now consistency in the Plan's technical documents.
 - o The rationale and accompanying recommended allocations for both drug and alcohol have been approved.
 - o Issues with the Plan that remained outstanding as of March 16, 1984 were resolved by BASA and the Division at a the meeting on March 19, 1984.

1984-1986 FINANCIAL PLAN: DEFICIT REDUCTION STRATEGY

Based on the size of the deficit, our recommendation is to achieve a positive fund balance over a three-year period. The proposed multi-year approach reduces the impact on service levels that results from a shorter time span and provides for a more consistent program funding level. Alternatively, if the deficit recution plan extended beyond a three-year period, the number of additional revenue and expenditure assumptions required would significantly reduce our confidence in the plan.

In order to develop a deficit reduction strategy over a three-year period, we focused first on the detailed development of revised 1984 revenues and program budgets discussed in the previous sections and then projected revenues, expenditures, and the fund balance level for 1985 and 1986. Thus, we end up with a specific proposed plan for partial retirement of the deficit in 1984 and target levels for achieving full elimination of the deficit over 1985 and 1986.

Our baseline or status quo forecast, discussed in detail below, while entailing numerous assumptions is premised on two major factors that deserve special attention. First, we have assumed no change in future service levels, but have simply projected inflationary cost increases based on the revised proposed 1984 program budget. Therefore, to the extent the current service level is inadequate, that inadequacy would continue and we assume no cost increases related to changes in demands for service in the future.

Second, we have maintained the current program in 1985 and 1986 by balancing the projected shortfall in outside revenues to meet costs with Current Expense. Independent of deficit retirement, this assumption leads to an increasing requirement for C.X. support to Alcoholism, given our assumptions on State and other revenues, to maintain the 1984 program budget in future years. This assumption should be taken as just that -- a forecasting assumption -- and not as a commitment;

however, it does provide an ominous future service picture if other resources, particularly State grants and reimbursements, do not increase at least commensurate with expected cost increases.

The "Status Quo Forecast" of revenues and expenditures over the period from 1984-1986 is presented in Table 6 on page 16. The detailed assumptions used in this forecast include:

Expenditure Forecast

- (1) Expenditures for all County programs excluding NRF and Washington Center sub-lessees are increased by a composite inflation factor of 5.87 percent in 1985 and 6.03 percent in 1986. Expenditures for Community Agency contracts are maintained at the 1984 level in 1985 and 1986. Base 1984 expenditures are assumed to equal 99 percent of the revised proposed budget except for Community Agency contracts which are 100 percent.
- (2) NRF expenditures in 1984 exclude about \$78,000 that covers half of the 10.2 percent Division administrative costs; the remaining direct NRF costs (\$1.4 million) were increased by the composite inflation factor for 1985 and 1986. Base 1984 NRF expenditures are assumed to equal 100 percent of budgeted costs.
- (3) Washington Center Building sub-lessee costs were increased by the composite inflation factor to develop 1985 and 1986 estimates. Base 1984 expenditures are assumed to equal 100 percent of budgeted costs.

Revenue Forecast (Attachment 4 shows the detailed revenue forecasts for 1984-1986.)

- (1) State revenues were projected to increase by 3 percent each fiscal year, based on the actual level of increase indicated for FY 1984. One-time grant funds (Jobs Bill and Prevention Grant) are not projected beyond 1984.
- (2) Various other revenues, such as private payments, Seattle payments, and suburban cities' payments were projected to increase by 3 percent in calendar year 1985 and 1986, comparable to State increases.
- (3) DAD payments to support NRF in 1985 and 1986 are equal to the projected expenditure level for NRF plus 10.2 percent surcharge to cover administrative costs.
- (4) Revenues from Washington Center sub-lessees were annualized at the new charge levels and increased in relation to expenditures, i.e., by the composite inflation factor.
- (5) The CX contribution in 1985 and 1986 was set at an amount that covers the difference between projected expenditures to maintain the 1984 program budget in the future and revenues for County programs (excluding Washington Center Building sub-lessees). The CX contribution in 1984 is unchanged from the adopted level of \$361,180.

The "Status Quo" Forecast (see Table 6) that results from the foregoing assumptions shows a 1984 operating surplus of \$226,775, which would be used to reduce the Alcoholism Fund deficit from (\$601,433) to (\$374,658) by year-end 1984.

As displayed in Table 6, the surplus results from savings in the level of CX support required for County programs in 1984 equal to \$177,843 and from a revenue surplus from WCB sub-lessee payments. The program savings derive from: (1) application of the Divisions approved indirect cost rate to all eligible fund sources in order to recover administrative costs equitably and reduce CX funds required for Administration; (2) reductions in Detox staffing (discussed in an earlier section) thereby reducing the CX subsidy to support Detox costs in excess of State reimbursements; and (3) program expenditures at 99 percent of the budgeted level with no commensurate reduction anticipated in revenue support.

An additional \$48,932 of the 1984 surplus is anticipated from Washington Center sub-lessee payments. With sub-lease charges set to recover all direct and indirect costs and including a risk factor for one vacant floor, the charges to the sub-lessees exceed the direct costs of the building. In future years, when the new lease charge schedules are in effect for the whole year, the surplus generated from the Washington Center provides additional funds to reduce the deficit.

In anticipation of a continuing cash flow deficit in the Alcoholism Fund, the Finance Office has proposed the issuance of a revenue anticipation note to reduce borrowing costs. The note's indirect rate is expected to be lower than rates on interest-bearing warrants or interfund loans. In addition, any proceeds not immediately required to meet cash deficits may be invested on behalf of the fund, thereby reducing net borrowing costs.

Based on the Status Quo Forecast, our firm deficit reduction plans can be summarized as follows:

1984	Beginning Deficit	\$<601,433>
1984	Total Surplus (Table A)	226,775
1984	Ending Deficit	<374,658>
1985	WCB Surplus	65,186
1985	Ending Deficit	<309,471>
1986	WCB Surplus	69,117
1986	Ending Deficit	\$<240,354>

Thus, given our 1984 revised proposed budget, we would have a remaining deficit to retire over 1985 and 1986 of \$374,658 or approximately \$187,000 each year. Presuming our WCB revised lease charges and occupancy assumptions were to hold as projected for 1985 and 1986, we can contribute \$134,303 over 1985 and 1986 from the WCB surplus toward the \$374,658 deficit without affecting projected program levels. This would leave a residual deficit of \$240,354 to be eliminated over the 1985-86 period. There are a number of alternatives we propose be pursued as options for ensuring we will retire the full deficit by year-end 1986.

TABLE 6
Alcoholism Fund
1984-1986 Status Quo Forecast

	<u>1984</u>	<u>1985</u>	<u>1986</u>
Beginning Fund Balance	\$<601,433>	\$<374,658>	\$<309,471>
<u>County Programs</u>			
<u>Revenues</u>			
CX	361,180	386,798	608,893
All Other Expenditures	7,474,027	7,655,382	7,816,593
<u>Expenditures</u>			
NRF Direct Costs	<1,543,421>	<1,668,290>	<1,768,889>
Agency Contracts	<1,685,542'	<1,685,542>	<1,685,542>
Other	<4,428,401>	<4,688,348>	<4,971,055>
County Programs Surplus/ Deficit	<177,843>	-0-	-0-
<u>Washington Center Bldg.</u>			
Revenues	716,200	771,623	818,152
Expenditures	<667,268>	<706,437>	<749,035>
WCB Surplus Deficit	48,932	65,186	69,117
Total Surplus	<u>226,775</u>	<u>65,186</u>	<u>69,117</u>
Ending Fund Balance	\$<374,658>	\$<309,471>	\$<240,354>

FUTURE DEFICIT REDUCTION OPTIONS

A two-phased strategy is proposed to reduce the deficit. Our 1984 plan will be specific and deliverable; it will call for the dedication of WCB lease revenues in excess of costs to be dedicated to deficit reduction and savings in Alcoholism programs that will free up Current Expense support that would otherwise be required to balance operating costs. We have estimated the contribution to the \$601,000 deficit in 1984 to be about \$227,000, leaving a balance of \$374,000 to be eliminated in 1985 and 1986.

Our 1985 and 1986 deficit reduction plans will focus on a target dollar level of deficit reduction, rather than on specific plans to achieve the savings. However,

based on proposed actions in 1984, \$65,186 and \$69,117 have been identified for 1985 and 1986 respectively as being available to offset the deficit. Thus, additional expenditure reductions or increased revenues of about \$120,000 annually will be required. The advantage of this approach is that it provides time to develop other alternatives and avoids further program cuts that may not be necessary in the future, if less adverse alternatives succeed. Options available to achieve target deficit reductions in 1985 and 1986 include:

- o Additional WCB Rental: The Status Quo Forecast would change if all three floors available for lease in the WCB were sublet for all of 1985 and 1986. Because the new schedule of charges includes a vacancy risk factor, full building occupancy would produce an additional revenue surplus over that shown in the Status Quo Forecast.

While no specific prospective tenants have yet been contacted, if Milam Recovery does move out in July 1984 we would immediately begin to market the vacant space at the revised schedule of charges. If in the long term, we were unsuccessful in leasing the space, we would in fact probably want to consider moving from WCB in order to locate lower-cost space for Detox; this option would not be practically viable or feasible under our Villa Care lease terms until 1986.

Aside from full WCB occupancy, rental income could improve relative to the Status Quo Forecast for 1984 and/or future years if Milam Recovery's move is delayed or they decide to remain over part of the period.

- o Detox Expenditure Reductions: The Washington Administrative Code (WAC) does not specify a staffing pattern for acute detox programs. In general, the WAC requires "sufficient qualified alcoholism counselors, clerical, and other support... to ensure attainment of program service objectives and properly maintain the alcohol treatment facility." Since the WAC is vague concerning staffing patterns for detox services, the Division has the flexibility to economically design a program to meet client needs. However, DSHS must concur with the staffing pattern prior to awarding certification.

One option to reducing Detox expenditures would require laying-off one Licensed Practical Nurse and five Admit Clerks; reclassifying six Nursing Assistants; remodeling and installing new lockers; eliminating involuntary patients brought in by police; stopping admissions between 2:00 am and 6:30 am; and, limiting the number of people brought in by the Emergency Street Patrol van to 3 voluntary patients at a time. Essentially, patients property and valuables would no longer be handled by Admit Clerks; however, because of the additional responsibility placed on Nursing Assistants, limits would be placed on the number, type, and time of referrals. If implemented, savings of \$100,000 annually would be anticipated as a result of these changes. By year-end 1986, this measure alone would eliminate all but \$40,354 of the deficit. Assuming that alternative changes in Detox (discussed below) could not be achieved, this plan would provide a means of reducing costs with the least impact on services; however, this move could have adverse effects on the jail population and may present problems accounting for patients' property and valuables.

- o Harborview Contract Modifications: Additional budget reductions beyond those described above in Detox would significantly impact the level of medical treatment provided by the program. Although medical program reductions may be legally possible, the need for such services will not disappear. Both the

Division management and State Auditors agree that a significant number of the County's Detox clients are "sick people" that belong in Harborview. In fact, State DSHS program and contract guidelines specify client conditions that require hospital attention, and many current clients of Detox exhibit these conditions.

During the next year, it may be possible to negotiate an agreement with Harborview where they provide nursing staff for medical coverage and King County provides the facility and related operating requirements. An arrangement of this sort would assign the treatment responsibilities to HMC that are more properly performed by them, but reduce their costs for these services by providing treatment at the WCB instead of at the hospital.

- o Block Grant Detox: Another option available to achieve the target level for deficit reduction in 1985 and 1986 is to negotiate authorization from the State permitting King County to apply for Block Grant funding of the Detox program. In other words, State payments would move from a per bed day reimbursement based on coupons submitted for clients to a total revenue allocation based upon approved program plans.

Deficiencies in the current process include: (1) the State finding certain clients not eligible for the program; (2) certain costs are not allowed due to funding constraints; and (3) the cost of clerical staff devoted to the billing process and other administrative functions. The Block Granting option would enable the program to maintain service levels while reducing administrative costs and achieving greater revenue certainty.

- o Full State Reimbursement: As previously indicated, the establishment of program-based cost centers will enable the County to demonstrate to the State situations where reimbursement rates fall short of covering program costs. Based on the revised 1984 Budget and projected client populations, State reimbursements vs. King County's cost is as follows:

TABLE 7
1984 County Cost vs. State Reimbursement

	<u>Revised 1984 Bed-Day Cost</u>	<u>State Bed-Day Reimbursement</u>	<u>Annual Bed-days</u>	<u>Total Shortfall</u>
<u>Detox</u>				
Direct/Indirect	\$67.03	\$40.15	32,850	\$ 883,088
<u>Extended Care Unit</u>				
Direct/Indirect	\$23.06	\$19.13	28,105	\$110,453
Facility Cost	5.69	-0-		159,917
Total	<u>\$28.75</u>	<u>\$19.13</u>		<u>\$270,370</u>
<u>Cedar Hills Short Term</u>				
<u>Care Unit</u>				
Direct/Indirect	\$24.66	\$19.13	43,070	\$238,177
Facility Cost	5.94	-0-		255,836
Total	<u>\$30.60</u>	<u>\$19.13</u>		<u>\$494,013</u>

In total, the direct financial impact of the revenue shortfall in the above programs exceeds \$1,276,638 annually; when capital depreciation costs are included, the shortfall grows to \$1,647,391.

A concerted effort to seek adequate State reimbursements should be a key priority independent of the deficit. The program forecast for future years clearly indicates that without increased State funding we face the choice of either dramatically increasing the Current Expense contribution or further reducing current service levels.

ATTACHMENT 1

YEAR BY YEAR BUDGETED VS. ACTUAL FINANCIAL STATUS
1979 - 1983*

	<u>Budgeted</u>	<u>Actual</u>	<u>Difference</u>
1979			
Beginning Fund Balance	\$ 320,775	\$ 320,775	
Revenue	4,527,238	4,278,050	<249,188>
Expenditures**	<4,486,090>	<4,429,849>	56,241
Other Transactions		7,451	7,451
Annual Surplus/Deficit	41,148	<144,348>	
Ending Fund Balance	\$ 361,923	\$ 176,427	
1980			
Beginning Fund Balance***	\$ 193,762	\$ 193,762	
Revenue	4,743,504	4,760,425	16,921
Expenditures**	<4,787,698>	<4,835,838>	<48,140>
Other Transactions		<269>	<269>
Annual Surplus/Deficit	<44,194>	<75,413>	
Ending Fund Balance	\$ 149,568	\$ 118,080	
1981			
Beginning Fund Balance	\$ 118,080	\$ 118,080	
Revenue	7,954,731	7,194,455	<760,276>
Expenditures**	<7,954,891>	<7,506,601>	448,290
Other Transactions	-0-	-0-	-0-
Annual Surplus/Deficit	<160>	<312,146>	
Ending Fund Balance	\$ 117,920	\$ <194,066>	

* The figures in the chart are based on the Comprehensive Annual Financial Report for all years except 1983.

** For budgeted financial plans, actual expenditures are projected at 99% of budgeted expenditures.

*** The 1980 Comprehensive Annual Financial Report shows an adjustment which revises the ending 1979 fund balance upwards by \$17,335.

Attachment 1 - Continued

	<u>Budgeted</u>	<u>Actual</u>	<u>Difference</u>
1982			
Beginning Fund Balance	\$ <194,066>	\$ <194,066>	
Revenue	8,280,977	7,840,333	<440,644>
Expenditures**	<8,156,823>	<8,017,086>	139,737
Other Transactions	-0-	-0-	-0-
Annual Surplus/Deficit	124,154	<176,753>	
Ending Fund Balance	\$ <69,912>	\$ <370,819>	

1983			
Beginning Fund Balance	\$ <370,819>	\$ <370,819>	
Revenue	8,221,788	7,695,352	<526,436>
Expenditures**	<7,944,575>	<7,650,597>	293,978
Other Transactions	-0-	<275,370>	<275,370>
Annual Surplus/Deficit	277,213	<230,615>	
Ending Fund Balance	\$ <93,606>	\$ <601,433>	

* The figures in the chart are based on the Comprehensive Annual Financial Report for all years except 1983.

** For budgeted financial plans, actual expenditures are projected at 99% of budgeted expenditures.

ATTACHMENT 2
1983 VS. 1984 PROGRAM PERFORMANCE

<u>Program</u>	<u>Service 1983</u>	<u>Levels 1984</u>
DETOXIFICATION		
Number of clients days (duplicated)	13,453	14,000
Number of clients served (unduplicated)	7,426	7,000
Number of client days	31,390	35,000
Total Beds Available	100	100
Average Daily Population	86	90
Occupancy Rate	86%	90%
Average Length of Stay (Days)	2.0	2.5
EXTENDED CARE UNIT		
Number of clients served (unduplicated)	285	280
Number of client days (duplicated)	577	550
Total Beds Available	80	80
Average Daily Population	77	77
Occupancy Rate	96%	96%
Average Length of Stay (Months)	4	4
CEDAR HILLS SHORT TERM		
Number of client days (duplicated)	918	900
Number of clients served (unduplicated)	40,871	43,070
Total Beds Available	128	128
Average Daily Population	111	118
% Occupancy	87%	92%
Average Length of Stay (Days)	45	48
TREATMENT AND COMMUNITY SERVICES		
- Involuntary Treatment		
Number of clients served	1,287	1,300
- Employee Assistance Program		
Number of clients served	166	185
NORTH REHABILITATION FACILITY		
- Long Term Residents		
Number of clients served (unduplicated)	2,469	3,320
Number of client days (duplicated)	2,749	3,600
Number of beds available	154	192
Average Daily Population	140	179
Occupancy Rate	91%	93%
Average Length of Stay (Days)	17	17
- Driving-While-Intoxicated Program		
Number of clients served (unduplicated)	4,315	4,445
Number of beds available	25	25
Average Daily Population	17	20
Occupancy Rate	68%	80%
Average Length of Stay (Days)	1	1
EMERGENCY SERVICES PATROL		
Number of clients served (duplicated)	unknown	13,870
Average number of clients per day		38

Attachment 3

FOOTNOTES TO TABLE 1

- 1/ Methadone maintenance program funding in 1983 included \$207,756 in Block Grant funds and \$198,768 in G.A.U. funds; in 1984 funding is \$450,227 in Block Grant funds and \$39,672 for 2 months of G.A.U. funding.
- 2/ K.C. distribution to community agencies excluding methadone maintenance program and residential programs (funds distributed through K.C. in 1983 but not in 1984) is calculated as follows:

	<u>1983</u>	<u>1984</u>
Total K.C. Distribution	\$ 953,588	\$1,333,859
Residential	<132,855>	
Methadone (in K.C. distribution)	<u><207,756></u>	<u><450,227></u>
Adjusted K.C.	\$ 612,977	\$ 883,632

- 3/ This is G.A.U. funding for community agencies including methadone maintenance programs. Total G.A.U. funding was distributed as follows:

	1983	1984 (Jan, Feb) est.
Center for Human Services	\$ 7,928	\$ 1,502
Central Area M.H.	6,424	1,217
Evergreen Methadone*	92,300	18,422
Consejo	1,304	247
Chemical Dep. Program	30,104	5,702
Center for Addictive Services (Meth.)*	106,468	21,250
Seattle M.H.	47,308	8,961
North M.H.	17,296	3,276
Community Psych.	<u>2,412</u>	<u>457</u>
Total	\$311,544	\$61,034
Methadone*	<u><198,768></u>	<u><39,672></u>
Adjusted Total	\$112,776	\$21,362

4/ The drug treatment funds used for County operated programs in 1984 is allocated as follows:

Indirect charge (10.2%)	\$140,299
Treatment and Comm. Svcs. (Prevention Grant)	27,121
Employee Asst. Program	23,000
Contribution to County Programs (Detox and Cedar Hills)	<u>78,105</u>
Total	\$268,525

5/ Total outpatient drug treatment funds include General Assistance to Unemployed (G.A.U.), Job Bill, Prevention Grant, Youth Diversion funds, a Seattle contribution earmarked for an employee assistance program and County Block Grant funds. The total excludes funding for residential drug treatment programs (these funds were passed through the County in 1983 but are now paid directly to agencies). The total was calculated as shown below.

	<u>1983</u>	<u>1984</u>
K.C. Block Grant	\$1,174,380	\$1,330,682
G.A.U.	311,423	61,034
Youth Diversion	27,100	29,142
Seattle Contribution	20,306	20,306
Residential Funding: Community Agencies	<132,855>	<0>
K.C. Detox	<46,766>	<94,935>
K.C. Cedar Hills	<u><10,250></u>	<u><3,417></u>
Sub-total: Comparable funding sources	1,343,338	1,342,812
Prevention Grant	59,659	288,011
Jobs Bill	<u>0</u>	<u>32,595</u>
Total, including new funding sources	\$1,402,997	\$1,663,418

ATTACHMENT 4

ALCOHOLISM FUND: 1984-1986 REVENUE FORECAST

	1983 Actual	1984	1985	1986
31113 Prop Tax Del	2459	600	0	0
33161 NIAAA	131,475	0	0	0
33354 Jobs Bill	0	84,982	0	0
33366 Prevention	59,659	288,011	114,890	0
33461 St Cong LTC	453,215	474,265	548,865	565,331
33462 Title XX LTC	129,125	0	0	0
33481 St Alc BG	1,176,288	1,232,676	1,256,487	1,294,181
33482 DVR LTC	228,62	19,500	19,793	20,386
33483 Med. Coupons	1,146,800	1,179,947	1,215,280	1,251,739
33484 St Cong CHAT	770,708	749,309	771,714	794,865
33491 St Levy/Drug Abuse	1,174,380	1,330,682	1,437,392	1,480,514
33841 Sub 2%	70,323	70,323	73,645	75,854
33000 Total	5,134,835	5,429,696	5,438,066	5,482,871
34231 Rm/Brd CHAT	8588	10,181	10,486	10,801
34612 Rm/Brd DETOX	92,713	71,320	73,460	75,663
34614 Rm/Brd LIC	64,938	61,298	63,137	65,031
34691 Rm/Brd Wash Ctr	47,319	0	0	0
34696 Fd Reimb/ Wash Ctr	80,603	251,070	238,038	252,392
34000 Total	294,161	393,869	385,121	403,887
36110 Invest. Interest		50,242	86,129	86,129
36211 Prop Rental	261,625	465,130	533,585	565,760
36983 Refund FICA	51,162	0		
36999 Misc	3,251			
36000 Total	316,038	515,372	619,714	651,889
37000 Woodshop Fees		33,030	34,969	37,077
37090 Rehab Svces	1,258,606	1,543,421	1,668,290	1,768,889
37114 Misc Grants	27,100	29,142	28,395	30,108
37201 CX	417,057	361,180	386,798	608,893
37280 PH/Seattle	245,097	224,791	252,450	260,023
37280 Sea/Drug		20,306	0	0
37000 Total	1,947,860	2,211,870	2,370,902	2,704,991
TOTAL	7,695,353	8,551,407	8,813,803	9,243,638