

AGENDA

EXECUTIVE FINANCE COMMITTEE

August 27, 2020 at 2:00 P.M.

Location: [Skype Meeting: 206-263-8114](#), [Conference ID 756261#](#)

Committee Members: Councilmember Jeanne Kohl-Welles, Chair; Dwight Dively, Director PSB; Ken Guy, Director FBOD; Caroline Whalen, County Administrative Officer

Staff: Carol Basile, Treasury Manager; Mike Smith, Chief Investment Officer; Christine Denis, Portfolio Manager; Eben Sutton, FAU Supervisor


AGENDA ITEMS

1. **Action:** Interfund Loan of Surplus King County Cash (Chapter 4.24 of KC Code): Approve the request from the King County Behavioral Health and Recovery Division Fund 1120 to borrow up to \$20 million through December 31, 2021. This loan will be repaid from a mixture of funds. – Pages 2-3
Steve Andryszewski, Chief Financial Officer, Department of Community and Human Services

OTHER BUSINESS

ADJOURNMENT

APPENDIX III – COUNTY FUND APPLICATION FORM

 King County COUNTY FUND APPLICATION FOR INTERFUND LOAN		
COUNTY FUND MANAGER CONTACT INFORMATION		
Fund name and number: Behavioral Health and Recovery Division/1120		
Fund Manager: Barb Donohue	Fund Manager Title: FAS Mgr/Fund Strgst	
Contact name (if different):	Contact title:	
Phone: 206-477-4759	Fax:	bdonoh@kingcounty.gov
BORROWING REQUEST DETAILS		
Fund name: Behavioral Health and Recovery Division	Fund number: 1120	
Term of loan requested (projected start and end date): August 2020 - December 2021		
Is this a new loan request or a request to modify an existing loan? NEW LOAN REQUEST		
Has this loan request been reviewed by Office of Performance, Strategy and Budget? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If "Yes", list the name of the reviewer: Emmy McConnell		
If this a "Funds Transfer Loan" as defined in Section 5.9 of the County's Interfund Loan Policy complete Part A. otherwise complete Part B		
PART A		
Provide both the fund name(s) and fund number(s) of the lending fund(s).		
Who has determined whether the lending fund(s) designated above is legally able to finance this loan?		
PART B		
For "Automated Interest Loans" as defined in Section 5.3 list the maximum negative cash balance forecasted during term of loan : \$ 20,000,000.00		
ADDITIONAL INFORMATION		
Why is this borrowing necessary?		
To cover additional outpatient payments associated with new payment model which increases payments to providers during the first quarter of implementation (July -Sept) .		
What will be the source of the funds to repay the interfund loan? A mixture of funds.		
If the interfund loan involves a project that is or will be related to a bond issue, has this interfund loan proposal been reviewed by the Treasury Operations Compliance Officer? Yes <input type="checkbox"/> No <input type="checkbox"/>		
FUND MANAGER AUTHORIZED SIGNATURE (REQUESTING INTERFUND LOAN)		
Signature: <i>Barb Donohue</i>		
Print Name: Barb Donohue		
Title: Financial & Administrative Mgr/Fund Strategist		
Date: July 24, 2020		
Please include with this application a cash flow forecast showing the fund's cash needs over the expected borrowing period.		
Interfund loan approved? Yes <input type="checkbox"/> No <input type="checkbox"/>	Date Approved/Denied:	Loan interest rate:
Maximum interfund loan amount approved \$	Repayment date:	
Other special loan terms or comments:		

FUND 1120
CASH BALANCE PROJECTION (17 MONTHS)
As of 08.19.2020

									PROJECTION																
	Beginning BALANCE	JAN-2020	FEB-2020	MAR-2020	APR-2020	MAY-2020	JUN-2020	JUL-2020	AUG-2020	SEP-2020	OCT-2020	NOV-2020	DEC-2020	JAN-2021	FEB-2021	MAR-2021	APR-2021	MAY-2021	JUN-2021	JUL-2021	AUG-2021	SEP-2021	OCT-2021	NOV-2021	DEC-2021
BEGINNING TOTALS	9,477,750	9,477,750	6,309,628	10,127,201	8,578,369	10,679,852	8,124,557	8,093,603	5,445,869	23,463,020	17,932,441	19,636,044	19,102,214	20,358,635	26,991,389	24,274,518	21,701,646	21,947,686	19,230,814	16,657,943	14,947,821	11,849,949	9,558,077	8,961,241	5,863,369
ACTUAL CASH DEBITS		32,995,759	23,098,883	22,894,322	28,913,275	24,690,070	24,918,568	23,491,247	48,972,485	20,469,421	23,703,603	21,466,170	25,956,421	30,299,422	20,949,795	21,093,795	23,912,707	20,949,795	21,093,795	21,956,545	20,568,795	21,374,795	23,069,830	20,568,795	21,043,795
EXPECTED REVENUES																									
MCO MEDICAID									3,672,247	16,700,000	16,700,000	16,700,000	16,700,000	16,700,000	16,700,000	16,700,000	16,700,000	16,700,000	16,700,000	16,700,000	16,700,000	16,700,000	16,700,000	16,700,000	16,700,000
State HCA N-MED ASO										2,589,892	2,589,892	2,589,892	2,589,892	2,589,892	2,589,892	2,589,892	2,589,892	2,589,892	2,589,892	2,589,892	2,589,892	2,589,892	2,589,892	2,589,892	2,589,892
General Fund											715,750			715,750			715,750		715,750				715,750		
MIDD Funds										94,000	94,000	425,000	94,000	94,000	425,000	94,000	94,000	425,000	94,000	94,000	94,000	425,000	94,000	94,000	94,000
Intergovernmental (City, Other BHO)													5,000,000	7,500,000											
Other Local (Seattle Foundation)											792,877		792,877				792,877								
Federal										582,342	582,342	1,248,091	582,342	683,605	683,605	683,605	683,605	683,605	683,605	633,605	633,605	633,605	633,605	633,605	633,605
State Grants - Other										166,472	291,742	166,472	166,472	214,583	214,583	214,583	214,583	214,583	214,583	214,583	214,583	214,583	214,583	214,583	214,583
Interfund Transfers										250,000	737,000	250,000	737,000	922,000	250,000	725,000	922,000	250,000	725,000	922,000	250,000	725,000	922,000	250,000	725,000
Taxes (County Millage)										86,715	1,200,000	86,715	86,715	86,715	86,715	86,715	1,200,000	86,715	86,715	86,715	86,715	86,715	1,200,000	86,715	86,715
Executive Loan									20,000,000																
ACTUAL CASH CREDITS		(36,163,881)	(19,281,310)	(24,443,155)	(26,811,792)	(27,245,365)	(24,949,522)	(26,138,981)	(30,955,334)	(26,000,000)	(22,000,000)	(22,000,000)	(24,700,000)	(23,666,667)	(23,666,667)	(23,666,667)	(23,666,667)	(23,666,667)	(23,666,667)	(23,666,667)	(23,666,667)	(23,666,667)	(23,666,667)	(23,666,667)	(23,666,667)
EXPECTED EXPENSES																									
Outpatient										(15,000,000)	(10,000,000)	(10,000,000)	(10,000,000)	(10,000,000)	(10,000,000)	(10,000,000)	(10,000,000)	(10,000,000)	(10,000,000)	(10,000,000)	(10,000,000)	(10,000,000)	(10,000,000)	(10,000,000)	(10,000,000)
MIDD Loan													(5,000,000)												
BH IT work paid by MIDD													(2,700,000)												
ITA Court Costs									(1,860,547)			(2,150,000)			(2,150,000)			(2,150,000)							
Inpatient Claims -ASO										(3,338,850)	(810,000)	(810,000)	(810,000)	(810,000)	(810,000)	(810,000)	(810,000)	(810,000)	(810,000)	(810,000)	(810,000)	(810,000)	(810,000)	(810,000)	(810,000)
Payroll									(942,359)	(1,490,521)	(1,490,521)	(1,490,521)	(1,490,521)	(1,507,662)	(1,507,662)	(1,507,662)	(1,507,662)	(1,507,662)	(1,507,662)	(1,507,859)	(1,507,859)	(1,507,859)	(1,507,859)	(1,507,859)	(1,507,859)
COVID expenses										(250,000)	(250,000)	(250,000)	(250,000)	(250,000)	(250,000)	(250,000)	(250,000)	(250,000)	(250,000)	(250,000)	(250,000)	(250,000)	(250,000)	(250,000)	(250,000)
Executive Loan payment														(1,666,667)	(1,666,667)	(1,666,667)	(1,666,667)	(1,666,667)	(1,666,667)	(1,666,667)	(1,666,667)	(1,666,667)	(1,666,667)	(1,666,667)	(1,666,667)
Remaining expected expenses (based on mo average expenses)										(5,920,629)	(9,449,479)	(7,299,479)	(4,449,479)	(9,432,338)	(7,282,338)	(9,432,338)	(9,432,338)	(7,282,338)	(9,432,338)	(9,432,141)	(9,432,141)	(9,432,141)	(9,432,141)	(9,432,141)	(9,432,141)
Estimated ENDING TOTALS	9,477,750	6,309,628	10,127,201	8,578,369	10,679,852	8,124,557	8,093,603	5,445,869	23,463,020	17,932,441	19,636,044	19,102,214	20,358,635	26,991,389	24,274,518	21,701,646	21,947,686	19,230,814	16,657,943	14,947,821	11,849,949	9,558,077	8,961,241	5,863,369	3,240,497