

Regional Crisis Response (RCR) Agency  
Executive Board Meeting  
April 4, 2024

11:00 AM – 12:00 PM

Virtual Zoom link:

<https://kirklandwa.gov.zoom.us/j/88652463332?pwd=tMWV1gTzBTjGGwt31yO27xtajklZIM.1>

Meeting ID: 886 5246 3332

Passcode: 849977

*--On-site option available--*

Kirkland City Hall

123 5th Ave, Kirkland, WA, 98033

Norkirk Room, Upper Level

- 1) Call to Order
- 2) Roll Call
- 3) Items from the Audience
- 4) Approval of the Minutes
  - a. Minutes from Regular Meeting March 7, 2024
- 5) Resolution R-2024-02 Adopting Reserve Policies
- 6) 2023 Financial Statements Presentation
- 7) Discussion of Readiness to Add New Principals (a multi-meeting conversation)
  - a. 24/7 Data Analysis Proposal
- 8) Executive Director Report
- 9) Executive Session pursuant to RCW 42.30.110(1)(g) for Executive Director Annual Performance Review
- 10) Good of the Order
- 11) Adjournment

Regional Crisis Response (RCR) Agency  
Executive Board Meeting Minutes  
March 7, 2024

11:00 AM – 12:00 PM

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Norkirk Room, Upper Level

- 1) Call to Order  
Board President Kurt Triplett called the meeting to order at 11:01 am.
- 2) Roll Call  
Members Present: Kurt Triplett, Rob Karlinsey, Kyle Stannert, Phillip Hill, Bristol Ellington.
- 3) Items from the Audience  
None presented.
- 4) Approval of the Minutes
  - a. Minutes from Regular Meeting February 1, 2024  
Bristol Ellington moved to approve the February 1, 2024 meeting minutes, seconded by Phillip Hill.  
Vote: Motion approved 5-0  
Yes: Kurt Triplett, Rob Karlinsey, Kyle Stannert, Phillip Hill, Bristol Ellington
- 5) Draft RCR 2025-2026 Budget Timeline  
Brook Buettner, RCR Executive Director presented the draft RCR 2025-2026 Budget Timeline and received feedback from the Board.
- 6) 2023-2024 Estimated Ending Fund Balance and Reserves Policies  
RCR Executive Director presented the estimated RCR ending fund balance for 2023 and draft RCR Reserves Policies. Staff answered questions and received feedback from the Board.
- 7) Discussion of Readiness to Add New Principals (a multi-meeting conversation)
  - a. 24/7 Data Analysis Proposal  
RCR Executive Director presented a Community Need Analysis Proposal and discussed strategies for obtaining suggested datasets from data owners. Staff were directed to explore how the data analysis would fit into

the 2025-2026 budget timeline and present the findings at a future meeting.

The Board discussed the topic of a subscription model or subscriber services, which was raised at a previous Principal Assembly's meeting. Staff answered questions and received feedback from the Board.

- 8) Discussion of Emergency Medical Services and Crisis Transportation  
RCR Executive Director presented a draft letter to the Washington Department of Health on proposed revisions to Emergency Medical Services Guideline Criteria for Transport to Mental Health or Substance Use Service Facilities, modeled after King County's proposed revisions. The Board agreed to send the letter, signed by RCR Executive Board President, Kurt Triplett.
- 9) Executive Director Report  
RCR Executive Director reported on the following topics:
  - a. Governance Bodies  
The Board discussed rescheduling the RCR Executive Board meeting of July 4, 2024, to June 27, 2024, with the opportunity for written Public Comment to be submitted for a Public Hearing. The Board also discussed scheduling for the next Principals Assembly meeting.
  - b. Operations Update  
Washington Association of Sheriffs and Police Chiefs grant-funded temporary positions and trauma consultant final recommendations.
  - c. Crisis Triage Facility  
ConnectionsHealth crisis triage facility anticipated open date of Summer 2024 and the crisis care center model.
  - d. Budget and Grants  
Update on status of RCR grants and budget impacts.
  - e. Legislative Landscape  
Update on House and Senate bills relevant to RCR Agency.
  - f. RCR Mission Moment: shared successful outcomes of interactions with community members who had experienced a crisis and received RCR services.
- 10) Good of the Order  
The Board discussed potentially applying for an International City/County Management Association (ICMA) Program Excellence Award and a Washington City/County Management Association (WCMA) award.  
Board President, Kurt Triplett presented the potential for future formal discussions around siting for RCR Agency headquarters.
- 11) Adjournment  
Board President Kurt Triplett adjourned the meeting at 11:54 pm.

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Kurt Triplett, President

Attest:

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Heather Lantz-Brazil, Secretary

# REGIONAL CRISIS RESPONSE (RCR) AGENCY

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## MEMORANDUM

**To:** RCR Executive Board

**From:** Michael Olson, RCR Board Treasurer/Kirkland Director of Finance & Administration  
Elizabeth Adkisson, Kirkland Administrative Services Manager, Finance & Administration

**Date:** April 1, 2024

**Subject:** Resolution R-2024-02: Adopting RCR Reserve Policies

## RECOMMENDATION:

The RCR Executive Board approve Resolution R-2024-02, adopting Reserve Policies for the RCR Agency, which has been updated based on feedback from the March 7, 2024, Executive Board Meeting.

## BACKGROUND DISCUSSION:

At the March 7, 2024, RCR Executive Board Meeting, the draft Reserve Policies were presented to the Executive Board for review and edits (see [meeting agenda packet](#), page 6). At that time, the following questions were presented:

1. Do reserve minimums need to be set?
  - o **Response:** Minimum reserves are not required; however, the Government Finance Officers Association (GFOA) recommends minimum General Fund reserves at 5 to 15 percent of operating revenues or one to two months of operating expenditures (8 to 17 percent) be maintained.
2. What are the state guidelines for reserve minimums?
  - o **Response:** There are no state guidelines for minimum reserve requirements for government agencies.
3. If funds exceed the reserve maximum, how will this be handled?
  - o **Response:** The recommendation is that funds not placed in reserves remain in the fund balance, which can be incorporated into the following biennial budget at the direction of the Executive Board.

The responses above have been incorporated in the updated Reserve Policies (Attachment 1, Exhibit A).

## BOARD ACTION RECOMMENDED

1. It is recommended that the Board approve Resolution R-2024-02, adopting reserve policies for the RCR Agency.

## List of Attachments

1. Resolution R-2024-02, Adopting Reserve Policies for the RCR Agency  
Exhibit A: RCR Reserve Policies

RESOLUTION R-2024-02

A RESOLUTION OF THE REGIONAL CRISIS RESPONSE AGENCY ADOPTING RESERVE POLICIES

WHEREAS, the Cities of Bothell, Kenmore, Kirkland, Lake Forest Park, and Shoreline have formed the Regional Crisis Response (RCR) Agency by interlocal agreement (ILA) to provide consolidated and expanded mobile crisis response services to the five-city region; and

WHEREAS, as established in the ILA, Section 6, Agency Powers, the RCR Executive Board shall review and approve operating and financial policies for the RCR Agency; and

WHEREAS, the RCR Agency has entered into a Service Level Agreement with the City of Kirkland to act as Fiscal Agent for the provision of standard fiscal services to the Agency; and

WHEREAS, as established in the the Service Level Agreement, Section F. Policies, the Agency has approved the application and adoption of the City of Kirkland's policies and procedures, including those related to information technology, facilities, Fiscal Agent, financial, and personnel; and

WHEREAS, the RCR Executive Board and Fiscal Agent staff has identified a need to define specific reserve policies for the RCR Agency, including an operating expense reserve, an equipment replacement reserve, and a rate stabilization reserve; and

WHEREAS, the RCR Executive Board has determined there is a need for the Reserve Policies to be reviewed along with the preparation of the biennial budget process.

NOW, THEREFORE, be it resolved by the Executive Board of the RCR Agency as follows:

Section 1. The RCR Agency Executive Board adopts the Reserve Policy presented in Exhibit A, establishing an operating expense reserve, an equipment replacement reserve, and a rate stabilization reserve.

Section 2. Effective Date. These policies shall be effective immediately upon adoption.

Passed by majority vote of the RCR Agency Executive Board in open meeting this \_\_\_\_ day of \_\_\_\_\_, 2024.

Signed in authentication thereof this \_\_\_\_ day of \_\_\_\_\_, 2024.

\_\_\_\_\_  
Kurt Triplett, President

Attest:

\_\_\_\_\_  
Heather Lantz-Brazil, Secretary



# REGIONAL CRISIS RESPONSE AGENCY (RCR)

## RESERVE POLICIES

APRIL 4, 2024

**EXHIBIT A**

### I. AUTHORITY

The reserve policies are reviewed and approved as authorized by Section 6 (Agency Powers), subsection (e.) of the Regional Crisis Response Agency Interlocal Agreement (ILA).

### II. PURPOSE

Adequate fund balance and reserve levels are a necessary component of RCR's overall financial management strategy and a key factor in the measurement of the agency's financial strength.

### III. POLICY

- A. An Operating Expense Reserve and an Equipment Replacement Reserve will be maintained.
- B. A Rate Stabilization Reserve shall be established in order to identify, reserve, and accumulate unexpended resources for use in mitigating the impact of future rate increases (to participant contributions) and assisting with the transition to higher rates.
- C. Additional reserve accounts may be created by the Executive Board to account for monies for future known expenditures, special projects, or other specific purposes.
- D. All reserve accounts will be presented in the biennial budget.
- E. Remaining funds at the end of each biennium not placed in reserves will remain in the fund as fund balance.

### IV. PROCEDURE

#### A. Operating Expense Reserve

It is the intent of RCR that the estimate for general operating contingencies shall be based on the assumption that certain expenditures will become necessary which cannot be foreseen and planned in the budget because of the occurrence of some unusual or extraordinary event. The level of funding shall be determined by the Executive Board and shall be set at a minimum of 5 percent and not to exceed 10 percent of the annual (second year of the biennium) budget expenditures.

#### B. Equipment Replacement Reserve

Unless otherwise directed by the Executive Board, RCR will maintain and fully fund the Equipment Replacement Reserve to minimize large increases in User Fees from year to year resulting from the acquisition or replacement of certain assets (vehicles, computers, etc.), and to fund the timely replacement of aging technology, equipment, and systems.



# REGIONAL CRISIS RESPONSE AGENCY (RCR)

## RESERVE POLICIES

APRIL 4, 2024

Budgeted contributions will be based on estimated useful life, replacements costs, and maintained on a per asset basis, or as a group of assets.

### C. Rate Stabilization Reserve

- i. Unless otherwise directed by the Executive Board the Rate Stabilization Reserve shall be established using the Biennial Ending Fund Balance. One-time revenues, new agency initial assessments/fees, Ending Fund Balance and other sources deemed appropriate by the Executive Board may be accumulated for future use.
- ii. The amount of reserves used each year shall be analyzed to determine the long-term effect on rates to avoid large rate increases or decreases in future years.
- iii. Accumulated reserves shall not exceed twenty percent of the biennial budget Operating Fund Revenues. There is no requirement for a minimum balance in this reserve.
- iv. Funds shall accumulate from year to year until a Super Majority Vote of the Executive Board appropriates all or part of the available reserves.
- v. Identified funds shall be applied to overall budget (similar to outside revenues) to offset transition to higher rates, fund one-time expenditures, or other exigent circumstances.

D. All expenditures drawn from reserve accounts shall require prior Board approval unless previously authorized for expenditure in the biennial budget.

### V. RESPONSIBILITY

It is the responsibility of the Treasurer to monitor Fund Balance and reserve accounts in order to assure compliance with this policy.

The Treasurer will review the Reserve Policies with the Executive Board as part of the biennial budget development process.

The Treasurer will present options for the use or distribution of any amounts in excess of reserve requirements to the Executive Board as part of the biennial budget development process.



# REGIONAL CRISIS RESPONSE (RCR) AGENCY

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## MEMORANDUM

**To:** RCR Executive Board

**From:** Michael Olson, RCR Board Treasurer/Kirkland Director of Finance & Administration  
Elizabeth Adkisson, Kirkland Administrative Services Manager, Finance & Administration

**Date:** March 29, 2024

**Subject:** Presentation of the 2023 RCR Financial Statements

## RECOMMENDATION:

The RCR Executive Board receive the 2023 RCR Financial Statements, ask questions, and provide feedback on the materials to be submitted to the State Auditor's Office (SAO).

## BACKGROUND & DISCUSSION:

Pursuant to RCW 43.09.230, the Regional Crisis Response (RCR) Agency must file an annual financial report with the State Auditor's Office (SAO) within 150 days of the close of each fiscal year. The RCR Fiscal Year ended December 31, 2023, therefore the submission deadline is May 29, 2024.

RCR Fiscal Agent Staff has prepared the 2023 RCR Financial Statements for review of the Executive Board prior to submission; these statements include the following items: Management's Discussion and Analysis, Statement of Net Position; Statement of Revenues, Expenses and Changes in Net Position; Statement of Cash Flows; and Notes to the Financials Statements.

### 2023 Financial Statement Highlights:

- The first fiscal year of RCR financial activities ended December 31, 2023. There is no comparison data from previous years. This will be included in future financial statements.
- RCR assets exceeded liabilities at year-end by \$1.1 million.
- RCR operating revenues depend on quarterly contributions from participating cities and grants.

## NEXT STEPS

RCR Fiscal Agent Staff will file these materials with the SAO in April 2024, in advance of the prescribed deadline (May 29, 2024).

## BOARD ACTION RECOMMENDED

1. It is recommended that the Board receive the 2023 RCR Financial Statements, ask questions, and provide feedback on the submission materials.

## ATTACHMENTS:

1. 2023 RCR Financial Statements

## MANAGEMENT'S DISCUSSION AND ANALYSIS

The Management Discussion and Analysis is designed to focus on activities of the fiscal year ended December 31, 2023, resulting changes and currently known facts. Therefore, it should be read in conjunction with the Regional Crisis Response Agency's (RCR) financial statements.

### Financial Highlights

- The financial activities of RCR for the fiscal year ended December 31, 2023 represent RCR's first year of operations. As such, we are unable to compare financial statements to prior years.
- The assets of RCR exceeded its liabilities at the end of the year by \$1.1 million. This amount is fully unrestricted and therefore available to meet ongoing obligations to citizens and creditors.
- RCR operating revenue depends on quarterly contributions from participating cities and grants. Revenue for future years is dependent on contributions from member cities and the ability to obtain grant funding.

### Overview of Financial Statements

RCR's financial statements include a Statement of Net Position; Statement of Revenues, Expenses and Changes in Net Position; Statement of Cash Flows; and Notes to the Financials Statements.

The Statement of Net Position provides a record, or snapshot, of the assets and liabilities of RCR at the close of the year. It provides information about the nature and amounts of investments in resources (assets) and obligations to creditors (liabilities). It provides a basis for evaluating the capital structure of RCR and for assessing its liquidity and financial flexibility.

The Statement of Revenues, Expenses and Changes in Net Position presents the results of the business activities for the 2023 fiscal year. This information can be used to determine whether RCR has successfully recovered all its costs through its revenues, and to evaluate its financial viability.

The Statement of Cash Flows reports cash receipts, cash payments and net changes in cash resulting from operating, financing and investing activities for the year. It presents information on where cash came from and its use.

The Notes to the Financial Statements provides useful information regarding RCR's significant account balances and activities, certain material risks, estimates, obligations, commitments, contingencies, and subsequent events, if any.

Other supplementary information in addition to the basic financial statements is also contained in this report. This section of the management discussion and analysis is intended to introduce and explain the basic financial statements.

### Fund Financial Statements

The Fund Financial Statements are the traditional reporting format for governments. A fund is a fiscal and accounting entity with a self-balancing set of accounts used to account for specific activities or meet certain objectives. RCR only has one proprietary fund.

Proprietary funds are used by governments to account for their business-type activities and use the same basis of accounting utilized in private industry. Business-type activities provide specific goods or services to a group of customers that are paid for by fees charged to those customers. There is a direct relationship between the fees paid and the services rendered.

RCR has one type of proprietary fund, an enterprise fund. Enterprise funds are used to report any activity for which a fee is charged to external users for goods or services.

### **Notes to the Financial Statements**

The notes to the financial statements provide additional information that is essential to a full understanding of the data in fund financial statements. The notes immediately follow the Statement of Cash Flows.

### **Financial Analysis**

#### **Statement of Net Position**

The Statement of Net Position serves as a useful indicator of RCR's financial position. The assets of RCR exceeded its liabilities at the end of fiscal year 2023 by \$1.1 million. The following is a condensed version of the Statement of Net Position. As 2023 is the first year of RCR operations, there is not a comparison to prior fiscal years.

<b>RCR's Net Position</b>	
	<b>2023</b>
Current Assets	1,769,782
<b>Total Assets</b>	<b>1,769,782</b>
Current Liabilities	686,069
<b>Total Liabilities</b>	<b>686,069</b>
Unrestricted	1,083,713
<b>Total Net Position</b>	<b>1,083,713</b>

Current assets consist of cash and receivables. Cash is the largest component of RCR's assets. The liability accounts are comprised of two items: accounts payable and unearned revenue.

Over time, increases or decreases in RCR's net position are an indicator of RCR's overall financial growth. As of the fiscal year ended December 31, 2023, all RCR's \$1.1 million total net position is unrestricted and may be used to meet ongoing obligations to citizens and creditors. At the end of fiscal year 2023, RCR reported a positive balance in net position.

#### **Changes in Net Position**

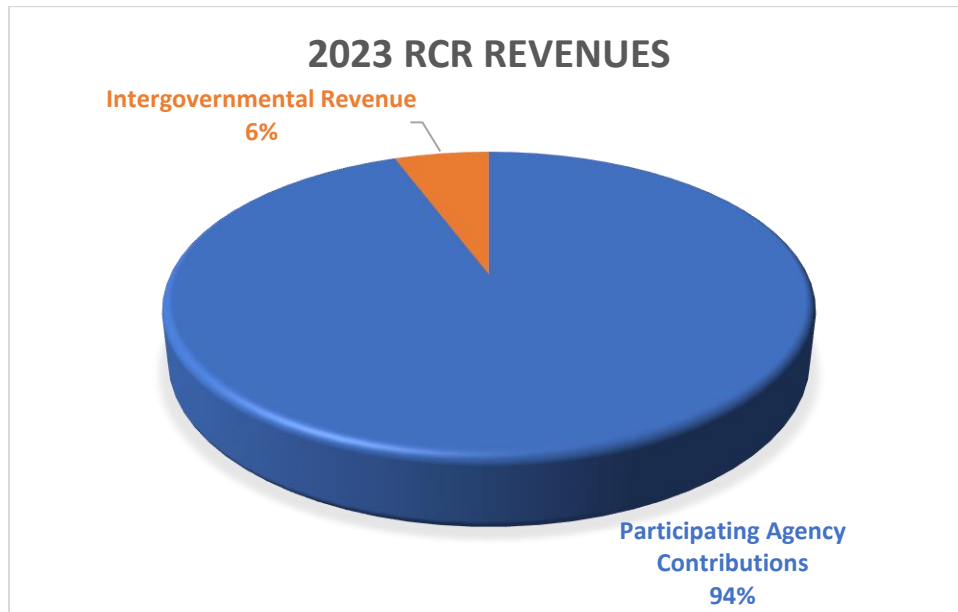
The changes in net position table illustrates the increases or decreases in RCR's net position resulting from operating activities. The following is a condensed summary of activities for fiscal year 2023. As 2023 is the first year of RCR operations, there is not a comparison to prior fiscal years.

### RCR's Change in Net Position

	<u>2023</u>
Operating Revenues	2,335,635
Operating Expenses	<u>1,251,922</u>
<b>Change from Operations</b>	<b><u>1,083,713</u></b>
Non-Operating Activity	-
Capital Contributions	-
<b>Change in Net Position</b>	<b><u>1,083,713</u></b>
Beginning Net Position	-
<b>Ending Net Position</b>	<b><u>1,083,713</u></b>

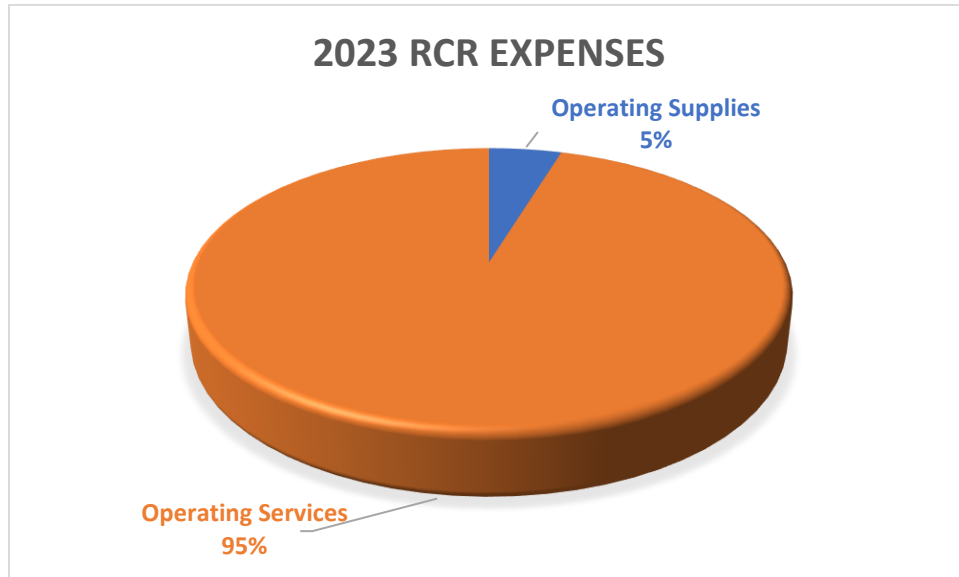
### Revenues

The majority of RCR's revenues are generated through quarterly contributions from participating agencies (charges for services). RCR's other revenue source is intergovernmental revenue from various granting agencies.



## Expenses

The City of Kirkland is the Fiscal Agent of RCR and supports RCR with financial, information technology, records management, legal, office space, fleet vehicles and vehicle maintenance, uniforms, radios, other services, facilities and materials. The majority of RCR's expenses are for operating services expenses paid to the Fiscal Agent.



## **Requests for Information**

This financial report is designed to provide a general overview of RCR's finances for readers with an interest in the government's finances. Questions concerning any of the information in this report, or requests for additional information, may be addressed to Michael Olson, RCR Board Treasurer/Kirkland Director of Finance & Administration, Regional Crisis Response Agency, 123 Fifth Avenue, Kirkland, WA 98033-6189 or [molson@kirklandwa.gov](mailto:molson@kirklandwa.gov)

**Regional Crisis Response Agency**  
**Statement of Net Position**  
**December 31, 2023**

**Assets**

**Cash Received From Participating Cities**

Cash	1,197,103
Receivables, net	511,564
Due from Other Governments	61,115
<b>Total Current Assets</b>	<b>1,769,782</b>

**Total Assets** **1,769,782**

**Total Assets and Deferred Outflows of Resources** **1,769,782**

**Liabilities**

**Current Liabilities**

Accounts Payable	174,506
Unearned Revenue	511,564
<b>Total Liabilities</b>	<b>686,069</b>

**Total Liabilities and Deferred Inflows of Resources** **686,069**

**Net Position**

Unrestricted	1,083,713
<b>Total Net Position</b>	<b>1,083,713</b>

The notes to the financial statements are an integral part of this statement.

**Regional Crisis Response Agency**  
**Statement of Revenues, Expenses and Changes in Net Position**  
**December 31, 2023**

<b>Operating Revenues</b>	
Cash Received From Participating Cities	2,202,762
Other Intergovernmental	132,872
<b>Total Operating Revenues</b>	<b>2,335,635</b>
Operating Expenses	
Operating Supplies	58,615
Operating Services	1,193,307
Depreciation Expense	-
<b>Total Operating Expenses</b>	<b>1,251,922</b>
Nonoperating Revenues/Expenses	
Interest and Investment Revenue	-
<b>Total Nonoperating Revenues/Expenses</b>	<b>-</b>
<b>Income Before Contributions</b>	<b>1,083,713</b>
<b>Capital Contributions</b>	<b>-</b>
<b>Change in Net Position</b>	<b>1,083,713</b>
<b>Net Position Beginning</b>	<b>-</b>
<b>Net Position Ending</b>	<b>1,083,713</b>

The notes to the financial statements are an integral part of this statement.

**Regional Crisis Response Agency**  
**Statement of Cash Flows**  
**December 31, 2023**

**Cash Flows From Operating Activities**

Cash Received From Participating Cities	2,274,519.22
Cash Paid to Suppliers for Goods and Services	(1,077,416.44)
<b>Net Cash Provided by Operating Activities</b>	<b>1,197,103</b>

**Cash Flows From Capital and Related Financing Activities**

Contributions From (To) Other Funds and Governments	-
Proceeds From Sale of Assets and Insurance Recoveries	-
Acquisition and Construction of Capital Assets	-
<b>Net Cash Provided by (Used for) Capital and Related Financing Activities</b>	<b>-</b>

**Cash Flows From Investing Activities**

Net (Increase) Decrease in Investments	-
Interest Revenue	-
<b>Net Cash Provided by Investing Activities</b>	<b>-</b>

Net Increase (Decrease) in Cash and Cash Equivalents	1,197,102.78
Cash and Cash Equivalents, January 1	-
<b>Cash and Cash Equivalents, December 31</b>	<b>1,197,103</b>

**Reconciliation of Operating Income (Loss) to Net  
Cash Provided by Operating Activities**

Operating Income (Loss)	1,083,712.62
<u>Adjustments to Reconcile Operating Income (Loss) to  Net Cash Provided by Operating Activities</u>	
Depreciation	-
<u>Changes in Assets and Liabilities</u>	
(Increase) Decrease in Accounts Receivable	(511,563.50)
(Increase) Decrease in Due From Other Governments	(61,115.41)
Increase (Decrease) in Unearned Revenue	511,563.50
Increase (Decrease) in Accounts Payable	174,505.57
<b>Net Cash Provided by Operating Activities</b>	<b>1,197,103</b>

The notes to the financial statements are an integral part of this statement.



## **Regional Crisis Response Agency**

### **Notes to the Financial Statements For Year Ended December 31, 2023**

#### **Note 1: Summary of Significant Accounting Policies**

The financial statements of the Regional Crisis Response Agency (RCR) have been prepared in conformity with Generally Accepted Accounting Principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The significant accounting policies of RCR are described below.

#### **Organization**

RCR was formed in 2023 as a separate, independent governmental administrative agency created by an interlocal agreement between the cities of Bothell, Kenmore, Kirkland, Lake Forest Park, and Shoreline as authorized by the Interlocal Cooperation Act under Chapter 39.34 and 24.06 of the Revised Code of Washington. It is governed by an executive board comprised of city managers or administrators from each member city and funded through a combination of contributions from member agencies and grants.

RCR was formed by merging the North Sound RADAR Navigator Program and Kirkland's Community Responder Program in order to provide consolidated and standardized regional mobile crisis response services for the five-city region. RCR provides services emphasizing a person-centered approach focusing on compassionate and immediate crisis response, de-escalation, resource referral, and follow-up tailored to the specific needs of those experiencing behavioral health challenges.

#### **Fund Accounting**

The accounts of RCR are organized on a fund basis, with a set of self-balancing accounts that comprise of its assets, liabilities, fund equity, revenues and expenses. RCR's resources are allocated to and accounted for in funds as summarized in the financial statements. Following is a description of the proprietary fund type used by RCR.

#### **Proprietary Fund Types**

Proprietary funds are reported using the economic resources measurement focus and full-accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when liability is incurred regardless of the timing of the cash flows.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of RCR are from contributions from member agencies and grants. Operating expenses for proprietary funds include the cost of supplies and services. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

## Participating Agency Contributions

The majority of RCR's operating revenue comes from quarterly contributions from participating agencies and grants. The method for allocating revenue from participating agencies is defined in RCR's Interlocal Agreement Section 11 and Exhibit B.

Section 11 of the Interlocal Agreement states RCR's budget for the budget period 2023-2024 should be allocated as shown in Exhibit B. Thereafter, RCR costs, net of revenues from grants or other sources, shall be allocated between participating agencies in each budget period (as determined by the Executive Board) on a per capita basis, based on the April 1 Population of Cities, Towns and Counties Used for Allocation of Selected State Revenues State of Washington published by the Washington State Office of Financial Management Population Estimate (or equivalent population database) in the year prior to the commencement of the budget period.

### Interlocal Agreement Exhibit B, 2023-2024 Budget and Principal Budget Shares:

2023-2024 Regional Crisis Response Agency Budget					
Budget	START-UP COST	ONGOING OPERATIONS			GRANDTOTAL (START-UP & ONGOING)
		2023	2024	TOTAL '23- '24	
<b>EXPENSES</b>					
Personnel	\$8,580	\$2,020,933	\$2,104,847	\$4,125,780	\$4,134,360
Professional Services & Training	\$18,000	\$49,400	\$50,882	\$100,282	\$118,282
Clothing and Equipment	\$41,400	\$10,450	\$10,764	\$21,214	\$62,614
IT, Supplies, and Furniture	\$52,830	\$155,745	\$160,763	\$316,508	\$369,338
Vehicles	\$100,000	\$24,740	\$25,482	\$50,222	\$150,222
Miscellaneous	\$184,246	\$195,340	\$201,917	\$397,257	\$581,502
<b>TOTAL EXPENSES</b>	<b>\$405,056</b>	<b>\$2,456,607</b>	<b>\$2,554,655</b>	<b>\$5,011,262</b>	<b>\$5,416,318</b>
<b>REVENUES</b>					
Grants/Other External Revenue*		\$588,400	\$508,400	\$1,096,800	\$1,096,800
<b>TOTAL REVENUES</b>		<b>\$588,400</b>	<b>\$508,400</b>	<b>\$1,096,800</b>	<b>\$1,096,800</b>
<b>PROGRAM BALANCE (covered by Principals)</b>	<b>\$405,056</b>	<b>\$1,868,207</b>	<b>\$2,046,255</b>	<b>\$3,914,462</b>	<b>\$4,319,518</b>

\*The budget assumes MIDD grant funding will be awarded in 2023-2024 at roughly \$436,000 per year. The balance is grants from WASPC and DOJ.

<b>2023-2024 Principal Budget Shares</b>						
	<b>Bothell</b>	<b>Kenmore</b>	<b>Kirkland</b>	<b>LFP</b>	<b>Shoreline</b>	<b>Total</b>
Population (April 2022 Revised OFM)	48,940	24,090	93,570	13,620	60,320	240,540
% of Total	20.35%	10.01%	38.90%	5.66%	25.08%	100.00%
<b>PRINCIPAL SHARES</b>						
2023 Start-Up (1-Time Costs)	\$82,412	\$40,566	\$157,567	\$22,935	\$101,575	\$405,056
2023 On-going Costs	\$265,509	\$130,693	\$1,070,865	\$73,891	\$327,248	\$1,868,207
2024 On-going Costs	\$312,532	\$153,839	\$1,107,700	\$86,978	\$385,205	\$2,046,255
<b>TOTAL 2023-2024</b>	<b>\$660,454</b>	<b>\$325,099</b>	<b>\$2,336,132</b>	<b>\$183,804</b>	<b>\$814,029</b>	<b>\$4,319,518</b>

### **Procedures for Adopting the Original Budget**

The budget process and the time limits under which a budget must be developed are established by State law. The RCR Executive Board has adopted the biennial budget process, and the budget period corresponds to the fiscal years determined by the Board. RCR's initial budget period is from the date RCR was legally established through the end of calendar year 2024. RCR follows the procedures outlined below in the year preceding the first year of the two-year budget to establish its biennial budget:

1. The Executive Director develops the proposed operating budget for the next budget period in consultation with the Operations Board.
2. The Executive Director presents a proposed budget to the Executive Board by no later than June 30 prior to the commencement of the budget period, together with any Operations Board's recommendations with respect to the proposed budget.
3. No later than August 31, the Executive Board reviews and revises the budget as it deems appropriate; conducts a public hearing on the draft budget; and approves a draft budget and forwards same to Principals.
4. The budget is adopted by Supermajority Vote of the Executive Board effective no later than December 15 prior to commencement of the budget period, following confirmation of the approval by the legislative authorities of Principals of each respective shares of the budget, as evidenced by resolution or other appropriate method received by RCR no later than December 1 preceding the commencement of the budget period. Failure of a Principal to approve its share of the budget before the commencement of the budget period shall result in RCR no longer responding to Community Members in Crisis within the jurisdictional boundaries of the Principal, effective as of the first day of the budget period for which the budget was not approved.

### **Amending the Budget**

Modifications to the budget must be approved by a Supermajority Vote of the Executive Board as necessary from time to time after each Principal has approved its own budget in order to conform the RCR budget to the budgets adopted by the Principals and account for other operating changes.

## **Assets, Liabilities, and Net Position**

**Cash** – It is RCR’s policy to invest all temporary cash surpluses. Amounts are reported on the Balance Sheet as either Cash and Cash Equivalents or Investments. Cash and Cash Equivalents include currency on hand, Washington State Public Deposit Protection Commission (PDPC) member bank deposits, and investments in the Washington State Local Government Investment Pool (LGIP). As of December 31, 2023, all cash surpluses were held in Washington State PDPC member bank deposits. In the future, cash surpluses will also be held in the Local Government Investment Pool (LGIP).

**Receivables** – Customer accounts receivable consist of amounts owed from participating cities for services received, including amounts owed for which billings have not been prepared.

**Unearned Revenues** – RCR’s services are billed quarterly, with the Executive Board approving the next biennium’s fees during the Governing Board Meeting held in December of every even year. To follow the payment deadline schedule established in the creating Interlocal Agreement, RCR issued the first quarter’s billing for the following year in December. The balance is reported as unearned revenue, as it’s not recognizable revenue until the following year.

**Net Position** – In order to calculate the amounts to report as restricted-net position and unrestricted-net position, a flow assumption must be made about the order in which the resources are considered to be applied. It’s RCR’s policy to consider restricted-net position to have been depleted before unrestricted-net position is applied. All of RCR’s net position is unrestricted as of December 31, 2023.

**Federal Income Tax** – RCR is exempt from federal income tax under Internal Revenue Code Section 501(c)(3); accordingly, no provision has been made for federal income tax in the accompanying financial statements.

**Use of estimates** – The preparation of financial statements in conformity with GAAP in the United States, requires management to make estimates and assumptions. These affect the reported amounts of assets, liabilities, revenues, and expenses, as well as the disclosure of contingent assets and liabilities. Actual results can differ from estimates.

### **Note 2 – Accounting and Reporting Changes**

Not Applicable in current year.

### **Note 3 – Contingencies and Litigation**

RCR’s financial statements include all material liabilities. There are no material contingent liabilities to record.

### **Note 4 - Deposits and Investments**

RCR’s bank deposits are covered by Federal Deposit Insurance Corporation (FDIC) or by collateral held in a multiple institution collateral pool administered by the Washington Public Deposit Protection Commission (PDPC). All deposits not covered by the FDIC are covered by the PDPC. The deposits are not subject to additional legal or contractual provisions. The book value of the deposits does not differ materially from the bank balance of deposits. RCR’s deposits at fair market value at the end of fiscal year 2023 were \$1,197,103.

## **Note 5 – Risk Management**

RCR is a member of the Washington Cities Insurance Authority (WCIA).

Utilizing Chapter 48.62 RCW (self-insurance regulation) and Chapter 39.34 RCW (Interlocal Cooperation Act), nine cities originally formed WCIA on January 1, 1981. WCIA was created for the purpose of providing a pooling mechanism for jointly purchasing insurance, jointly self-insuring, and / or jointly contracting for risk management services. WCIA has a total of 169 members.

New members initially contract for a three-year term, and thereafter automatically renew on an annual basis. A one-year withdrawal notice is required before membership can be terminated. Termination does not relieve a former member from its unresolved loss history incurred during membership.

Liability coverage is written on an occurrence basis, without deductibles. Coverage includes general, automobile, police, errors or omissions, stop gap, employment practices, prior wrongful acts, and employee benefits liability. Limits are \$4 million per occurrence in the self-insured layer, and \$16 million in limits above the self-insured layer is provided by reinsurance. Total limits are \$20 million per occurrence subject to aggregates and sublimits. The Board of Directors determines the limits and terms of coverage annually.

All Members are provided a separate cyber risk policy and premises pollution liability coverage group purchased by WCIA. The cyber risk policy provides coverage and separate limits for security & privacy, event management, and cyber extortion, with limits up to \$1 million and subject to member deductibles, sublimits, and a \$5 million pool aggregate. Premises pollution liability provides Members with a \$2 million incident limit and \$10 million pool aggregate subject to a \$100,000 per incident Member deductible.

Insurance for property, automobile physical damage, fidelity, inland marine, and equipment breakdown coverage are purchased on a group basis. Various deductibles apply by type of coverage. Property coverage is self-funded from the members' deductible to \$1,000,000, for all perils other than flood and earthquake, and insured above that to \$400 million per occurrence subject to aggregates and sublimits. Automobile physical damage coverage is self-funded from the members' deductible to \$250,000 and insured above that to \$100 million per occurrence subject to aggregates and sublimits.

RCR had no claims for fiscal year 2023.

In-house services include risk management consultation, loss control field services, and claims and litigation administration. WCIA contracts for certain claims investigations, consultants for personnel and land use issues, insurance brokerage, actuarial, and lobbyist services.

WCIA is fully funded by its members, who make annual assessments on a prospectively rated basis, as determined by an outside, independent actuary. The assessment covers loss, loss adjustment, reinsurance and other administrative expenses. As outlined in the interlocal, WCIA retains the right to additionally assess the membership for any funding shortfall.

An investment committee, using investment brokers, produces additional revenue by investment of WCIA's assets in financial instruments which comply with all State guidelines.

A Board of Directors governs WCIA, which is comprised of one designated representative from each member. The Board elects an Executive Committee and appoints a Treasurer to provide general policy

direction for the organization. The WCIA Executive Director reports to the Executive Committee and is responsible for conducting the day to day operations of WCIA.

#### **Note 6 – Joint Ventures**

In 2023, the cities of Bothell, Kenmore, Kirkland, Lake Forest Park, and Shoreline merged the North Sound RADAR Navigator Program and Kirkland's Community Responder Program into RCR. The Agency is a separate legal entity, formed by interlocal agreement, and governed by an Executive Board comprised of City Managers or Administrators from each member city. The agency is funded through a combination of contributions from member agencies and grants. RCR deploys Crisis Responder Mental Health Professionals (MHPs) to serve community members in the five-city region who are experiencing behavioral health crises on a 24/7 basis. City of Kirkland is the initial Fiscal Agent of RCR and supports the Agency with financial, information technology, records management, legal, office space, fleet vehicles and vehicle maintenance, uniforms, radios, and other services, facilities and materials. The Agency is incorporated as a nonprofit corporation under RCW 24.06, the Articles of Incorporation, and additional information about the Agency, are available at: <https://www.kirklandwa.gov/Government/City-Managers-Office/The-Regional-Crisis-Response-Agency>.

# REGIONAL CRISIS RESPONSE (RCR) AGENCY

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## MEMORANDUM

**To:** RCR Executive Board

**From:** Brook Buettner, Executive Director  
Heather Lantz-Brazil, Administrative Assistant

**Date:** March 29, 2024

**Subject:** DISCUSSION OF CRITERIA FOR READINESS TO ADD NEW PRINCIPALS

### RECOMMENDATION:

That the RCR Executive Board receive information and provide any feedback about the draft Criteria for Readiness to Add New Principals, 24/7 Data Analysis Proposal and draft Assessment Tool for entities interested in Principalship; and continue to support RCR staff in gathering relevant data for analysis.

### BACKGROUND DISCUSSION:

During the [October 18, 2023 meeting](#)<sup>1</sup> of the RCR Principals Assembly, a Principal representative raised a question about the potential of adding new Principal Members of the RCR Agency. Discussion included a desire to have a common approach to by RCR Principal elected officials or staff when receiving questions from other jurisdictions.

During the [November 2, 2023 meeting](#)<sup>2</sup> of the RCR Executive Board, the Board discussed readiness for the addition of new Principals and directed the Executive Director to create draft Readiness Criteria for discussion.

At the [November 6, 2023 Special meeting](#)<sup>3</sup> of the Redmond City Council, a motion to approve AM No. 23-165: Approval of the Community Health Through THRIVE Staffing Authorization was approved as amended with “*a condition that the city send a letter of interest to join Regional Crisis Response (RCR) program and explore joining any other relevant nearby crisis response programs.*”<sup>4</sup>

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<sup>1</sup> “RCR Principals Assembly Meeting Packet 2023-10-18,” *Regional Crisis Response Agency*, November 11, 2023, <https://www.kirklandwa.gov/files/sharedassets/public/v/1/city-managers-office/pdfs/agendas/rcr-principals-assembly-meeting-packet-2023-10-18.pdf>

<sup>2</sup> “RCR Executive Board Meeting Packet 2023-11-02,” *Regional Crisis Response Agency*, October 31, 2023, <https://www.kirklandwa.gov/files/sharedassets/public/v/1/city-managers-office/pdfs/agendas/rcr-executive-board-meeting-packet-2023-11-02.pdf>

<sup>3</sup> “Special Meeting Notice and Agenda,” *City of Redmond*, November 3, 2023, <https://redmond.legistar.com/View.ashx?M=PA&ID=1121290&GUID=BA9976FC-C87E-4E00-8714-BDD53F5E5B42>

<sup>4</sup> “SPC 23-083 - Meeting Minutes for November 6, 2023,” *City of Redmond*, November 21, 2023, <https://redmond.legistar.com/View.ashx?M=F&ID=12458796&GUID=F1FFF23E-492F-4900-830C-06AA7724D38C>

During the [December 7, 2023 meeting](#)<sup>5</sup> of the RCR Executive Board, the Executive Director presented draft Criteria for Readiness to Add New Principals for feedback and guidance. Executive Board members provided feedback on the internal criteria for readiness and directed the Executive Director to draft a tool to assess the readiness of entities which seek to become Principals.

During the [January 4, 2024 meeting](#)<sup>6</sup> of the RCR Executive Board, the Executive Board reviewed and provided feedback on the draft internal criteria for readiness; the draft tool to assess the readiness of entities which seek to become principals; and a draft letter of response to the City of Redmond Letter of Intent to explore joining RCR as a Principal.

During the [January 24, 2024 meeting](#)<sup>7</sup> of the RCR Principals Assembly, the Principals Assembly was provided with an overview of the Executive Board process and received a presentation on the draft internal readiness criteria. Members of the Principals Assembly asked questions and provided feedback.

During the [February 1, 2024 meeting](#)<sup>8</sup> of the RCR Executive Board, the Executive Board reviewed and provided feedback on an updated letter of response to the City of Redmond Letter of Intent to explore joining RCR as a Principal and approved finalized language. The RCR Executive Board also received information and provided feedback on a drafted list of data points for analysis of community need for 24/7 services, as well as a draft list of potential operational models for 24/7 service provision.

During the [March 7, 2024 meeting](#)<sup>9</sup> of the RCR Executive Board, the Executive Board reviewed and provided feedback on the proposed Community Need Analysis.

### **Readiness Criteria to Consider New Principals**

The draft included as Attachment 1 lists suggested criteria for readiness to consider the candidacy of additional RCR Principals. Criteria are divided into two categories: Operational Readiness, which describes RCR Agency operational capacity to absorb additional workload; and Administrative and Fiscal Readiness, which describes the ability of the City of Kirkland, as the RCR Fiscal and Administrative Agent, to meet the fiscal and administrative needs of an additional Principal member. RCR staff is working to create a dashboard with the criteria to show progress on these key organizational indicators.

### **Operational Readiness**

#### ***Assessing Need for 24/7 Service Coverage***

In the draft Readiness Criteria, 24/7 coverage remains a question- namely whether the RCR Executive Board would like some form of 24/7 coverage to be in place prior to considering the

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<sup>5</sup> "RCR Executive Board Meeting Packet 2023-12-07", *Regional Crisis Response Agency*, December 4, 2023, <https://www.kirklandwa.gov/files/sharedassets/public/v/1/city-managers-office/pdfs/agendas/rcr-executive-board-meeting-packet-2023-12-07.pdf>

<sup>6</sup> "RCR Executive Board Meeting Packet 2024-01-04", *Regional Crisis Response Agency*, January 2, 2024, <https://www.kirklandwa.gov/files/sharedassets/public/v/1/city-managers-office/pdfs/agendas/rcr-executive-board-meeting-packet-2024-01-04.pdf>

<sup>7</sup> "RCR Principals Assembly Meeting Packet 2024-01-24", *Regional Crisis Response Agency*, January 22, 2024, <https://www.kirklandwa.gov/files/sharedassets/public/v/1/city-managers-office/pdfs/agendas/rcr-principals-assembly-meeting-packet-2024-01-24.pdf>

<sup>8</sup> "RCR Executive Board Meeting Packet 2024-02-01", *Regional Crisis Response Agency*, January 30, 2024, <https://www.kirklandwa.gov/files/sharedassets/public/v/1/city-managers-office/pdfs/agendas/rcr-executive-board-meeting-packet-2024-02-01.pdf>

<sup>9</sup> "RCR Executive Board Meeting Packet 2024-03-07", *Regional Crisis Response Agency*, March 6, 2024, <https://www.kirklandwa.gov/files/sharedassets/public/v/5/city-managers-office/pdfs/agendas/rcr-executive-board-meeting-packet-2024-03-07.pdf>



addition of new Principals. Based on feedback from the Executive Board, the Executive Director proposes analysis of the following:

- Call for service data from the five RCR police and fire agencies, broken down by time
- Clearing code data from each of the five RCR police and fire agencies, broken down by time
- Call type data from the two 911 Dispatch Centers serving RCR cities, broken down by time
- Number of referrals received by the RCR Team from overnight shifts
- Cost modeling of different staffing models to achieve 24/7

### ***Community Need Analysis Proposal***

The five RCR principals and associated public safety agencies have received the Community Need Analysis Proposal and are in various stages of returning data to RCR staff. Initial results indicate that fire department call type data will not be granular enough to make any assumptions about the potential need for RCR resource deployment to fire scenes. Initial police data is much more promising for effective analysis. Full analysis will be presented at a future meeting for discussion.

### ***Fiscal Readiness***

Staff continues to explore cost modeling methodologies for understanding the potential costs of adding a RCR Principal, to include analysis of how marginal costs would scale; one-time and ongoing operational costs; potential changes to the contribution model from a strict per capita rate to a utilization-based rate or hybrid model; and how a new Principal might fit into a potential Rate Stabilization structure. This work is ongoing and will be presented to the Executive Board for discussion at a future meeting.

### **Assessment of Entities Interested in Principalship**

The draft assessment tool included as Attachment 3 lists suggested domains for assessment of entities interested in becoming RCR Principals. They broadly include:

1. Baseline ILA criteria for Principalship;
2. Demonstrated commitment to RCR Agency goals;
3. Demonstrated understanding of Agency services, and demonstrated willingness of stakeholders and public safety partners to engage in the work of the Agency; and
4. Fiscal readiness and ability to contribute on an ongoing basis

### **Letter of Intent from the City of Redmond**

On January 2, 2024, the RCR Executive Director received a letter from City of Redmond Chief Operating Officer Malisa Files expressing “interest in joining the collaboration of North and East King County Cities Regional Crisis Response Agency.” A letter of response from RCR Executive Board President Kurt Triplett was drafted and sent on behalf of the Executive Board on February 22, 2024.

### **Board Action Recommended**

It is recommended that the Board receive information and provide any feedback about the draft Criteria for Readiness to Add New Principals, 24/7 Data Analysis Proposal and draft Assessment Tool for entities interested in Principalship; and continue to support RCR staff in gathering relevant data for analysis.

List of Attachments

Att-1 Draft Readiness Criteria to Consider the Addition of New RCR Agency Principal Members

Att-2 Community Need 24/7 Data Analysis Proposal

Att-3 Draft Assessment Tool for Entities Seeking to Become RCR Principals

## REGIONAL CRISIS RESPONSE (RCR) AGENCY

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### DRAFT Readiness Criteria to Consider the Addition of New RCR Agency Principal Members

#### Suggested Operational Criteria

1. The Agency has operated for at least one year after operational go-live date of June 1, 2023. *No Principals in addition to the Formation Principals shall be admitted within the first year of the Agency's operations (ILA 14.d)*
2. RCR has a data collection and quality monitoring strategy in place which allows RCR staff to evaluate potential impact of additional Principals on operations and outcomes to ensure that existing Principals would *not experience any material reduction in services (ILA 14.b)*
3. Executive Director has communicated with all funders and can demonstrate that the addition of the new Principal would not impact RCR grants; lead to loss of revenue; *or cause pre-existing Principals to incur additional cost (ILA 14.b)*
4. Executive Director has undertaken an assessment process of the potential new Principal entity's readiness and compatibility
5. Team is staffed with no more than 10% vacancy rate and 90% of FTE Crisis Responders fully trained and on-boarded at time of decision
6. Supervisor and lead positions filled (potential staffing model changes to be discussed early 2024)
7. All components of the "Crisis Now" system (someone to call, someone to respond, somewhere to go) are in place for The RCR Region

#### Suggested Fiscal and Administrative Criteria

1. Budget and invoicing are sufficiently institutionalized that fiscal staff can reasonably assess the cost of services and potential fiscal impact of the addition of a Principal
2. Principal cost allocation methodology decided (per capita, utilization, hybrid)
3. Invoicing happening regularly and smoothly and all billing is up to date
4. Fiscal policies approved and adopted
5. Rate stabilization policy in place

#### Text from the RCR Inter-Local Agreement

##### SECTION 14. ADDITION OF NEW PRINCIPALS

- a. Additional Principals. A governmental entity meeting the qualifications of a Principal in Section 3.t and this Section may be admitted as an Agency Principal upon Supermajority Vote of the Executive Board as required under Section 7.g. In addition to meeting the conditions of Section 3.t, a city seeking to become a Principal must:

- i. Have a coterminous jurisdictional boundary with at least one then-current Principal;
  - ii. Accept the terms of this Agreement, any Agency Bylaws, and adopted policies and procedures; and
  - iii. Not have held Principal status with the Agency within the five years immediately preceding the date of application to become a Principal.
- b. Other Conditions for Additional Principals. As a condition of becoming a Principal, the Executive Board may require payment or other contributions or actions by the new Principal as the Executive Board may deem appropriate and may set such start date for service as it deems appropriate, it being the intention of this provision that the addition of new Principals shall not cause pre-existing Principals to incur additional cost or to experience any material reduction in services from the Agency.
- c. Addition of Non-City Principals. A non-city governmental entity otherwise meeting the requirements of Section 14.a. may be admitted as an Agency Principal on the terms and conditions acceptable to the parties and their respective legislative authorities.
- d. No Additional Principals in first year of Agency Operations. Notwithstanding the foregoing terms of this Section 14, no Principals in addition to the Formation Principals shall be admitted within the first year of the Agency's operations.

**Regional Crisis Response Agency**  
**Community Need Analysis Proposal**

Prepared by Brook Buettner for the RCR Executive Board, March 7, 2024

*Objectives:*

- To identify data points across data systems which reasonably proxy the volume and type of calls that the RCR Team might expect to respond to on overnight shift
- To define volume and acuity of relevant calls for service during overnight hours as compared with day and swing hours
- To collect and analyze appropriate and available data to inform RCR Executive Board decision-making regarding 24/7 Crisis Responder Coverage and potential operational models

*Period of analysis:* 1/1/2023-12/31/2023

*Breakdown:* by day of the week and by hour of the 24-hour day

<b><i>Suggested datasets and description</i></b>	<b><i>Rationale</i></b>	<b><i>Data owner</i></b>
Police department calls for service	Shows overall call volume	RCR Police Agencies
Specific police department clearing codes representative of call types likely appropriate for RCR Crisis Responders	Shows volume of potential RCR calls	RCR Police Agencies
Fire department calls for service	Shows overall call volume	RCR Fire Departments
Fire Department behavioral health calls	Shows volume of potential RCR calls	RCR Fire Departments
Call type data from the 911 PSAPS	Shows volume of incoming potential RCR calls	NORCOM and KCSO Comms
Number of referrals received by RCR from overnight shifts	Shows volume of current RCR referrals	RCR

*Relevant text from RCR ILA:*

#### **SECTION 4. AGENCY GOALS**

The goals of the Agency shall be to:

...

c. Enable Agency service coverage 24 hours per day, 7 days per week.

## REGIONAL CRISIS RESPONSE (RCR) AGENCY

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### DRAFT Assessment Tool for Entities seeking Principal Membership in the Regional Crisis Response Agency

#### Assessment Domains

1. Entity meets baseline criteria established in the ILA:
  - a. *The entity is a general purpose municipal corporation formed under the laws of the State (3.t)*and
  - b. *Have a coterminous jurisdictional boundary with at least one then-current Principal;*
  - c. *Accept the terms of this Agreement, any Agency Bylaws, and adopted policies and procedures; and*
  - d. *Not have held Principal status with the Agency within the five years immediately preceding the date of application to become a Principal (14.a.i-iii)*
2. Demonstrated commitment to Agency Goals as defined in ILA Section 4
  - a. *Terms and conditions are acceptable to the parties and their respective legislative authorities (ILA 14.d)*
3. Demonstrated understanding of Agency Services as defined in ILA Section 5; demonstrated willingness of stakeholders and public safety partners to engage in the work
  - a. Executive Director has met with leadership from law enforcement, fire, city staff, 911 dispatch and other stakeholders from candidate entity
  - b. RCR Agency is represented in the policy goals, workplans and/ or other direction-setting documents of the entity, its public safety agencies, and other key stakeholders
4. Fiscal readiness and ability to contribute immediately and on an ongoing basis
  - a. City of Kirkland Administrative and Fiscal Agent staff have reviewed relevant budgetary and administrative documentation

#### Process and Decision Authority

1. At the direction of the Executive Board, the Executive Director, RCR staff, and fiscal and administrative agent staff will conduct a thorough assessment of readiness of any entity seeking Principal Membership and make recommendations to the Executive Board.
2. The Executive Board may approve the addition of a Principal by Supermajority Vote. *A governmental entity meeting the qualifications of a Principal in Section 3.t and this*

*Section may be admitted as an Agency Principal upon Supermajority Vote of the Executive Board as required under Section 7.g. (ILA 14.a)*

### **Relevant Text from the RCR Inter-Local Agreement**

#### **SECTION 3. DEFINITIONS.**

- t. Principal. A "Principal" is a general purpose municipal corporation formed under the laws of the State which meets the requirements of Section 14, has accepted the terms of and is a party to this agreement and has paid its share of initial costs as may be required by the Executive Board as a condition to becoming a Principal. Principals shall receive services offered by the Agency according to such terms and conditions as may be established by the Executive Board. The Formation Principals are Principals.

#### **SECTION 14. ADDITION OF NEW PRINCIPALS**

- a. Additional Principals. A governmental entity meeting the qualifications of a Principal in Section 3.t and this Section may be admitted as an Agency Principal upon Supermajority Vote of the Executive Board as required under Section 7.g. In addition to meeting the conditions of Section 3.t, a city seeking to become a Principal must:
  - i. Have a coterminous jurisdictional boundary with at least one then-current Principal;
  - ii. Accept the terms of this Agreement, any Agency Bylaws, and adopted policies and procedures; and
  - iii. Not have held Principal status with the Agency within the five years immediately preceding the date of application to become a Principal.
- b. Other Conditions for Additional Principals. As a condition of becoming a Principal, the Executive Board may require payment or other contributions or actions by the new Principal as the Executive Board may deem appropriate and may set such start date for service as it deems appropriate, it being the intention of this provision that the addition of new Principals shall not cause pre-existing Principals to incur additional cost or to experience any material reduction in services from the Agency.
- c. Addition of Non-City Principals. A non-city governmental entity otherwise meeting the requirements of Section 14.a. may be admitted as an Agency Principal on the terms and conditions acceptable to the parties and their respective legislative authorities.
- d. No Additional Principals in first year of Agency Operations. Notwithstanding the foregoing terms of this Section 14, no Principals in addition to the Formation Principals shall be admitted within the first year of the Agency's operations.



# REGIONAL CRISIS RESPONSE (RCR) AGENCY

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## MEMORANDUM

**To:** RCR Executive Board

**From:** Brook Buettner, Executive Director

**Date:** March 29, 2024

**Subject:** EXECUTIVE DIRECTOR REPORT

### **RECOMMENDATION:**

That the RCR Executive Board receive information from the Executive Director on several identified key areas, ask questions and provide feedback and direction.

### **Governance Bodies**

#### ***Executive Board***

##### *Election of Officers*

Section 7.h of the RCR ILA specifies that the four officers of the RCR Executive Board shall serve a term through May 31, 2024, and that annual thereafter, a newly elected President and Vice President shall be elected for one-year terms commencing each June 1. Staff recommend that the Executive Board hold an election for new officers at the regular May Executive Board meeting annually. Below, you will find the referenced section of the ILA in its entirety.

#### **SECTION 7. EXECUTIVE BOARD: COMPOSITION AND OPERATION.**

*h. Officers. The Executive Board shall have four officers: a President, Vice, President, Secretary and Treasurer. It will be the function of the President to preside at the meetings of the Executive Board. The Vice-President shall assume this role in absence of the President. At the first meeting of the Executive Board following the Effective Date of this Agreement, the Executive Board officers shall be elected, and shall serve in this capacity through May 31, 2024, whereupon new officers shall be elected by the Executive Board. Annually thereafter, the Executive Board shall elect a new President and Vice President for one-year terms commencing each June 1. In the event of a vacancy in the President position, the Vice-President shall assume the role of President for the balance of the term of the departed President. In the event of a vacancy in the Vice-President position, the Executive Board shall elect a new Vice-President to serve to the balance of the term of the departed Vice-President. An officer elected to fill the unexpired term of their predecessor shall not be precluded from serving one or more full annual terms of office following the end of such unexpired term. Any officer appointed by the Board may be removed by vote of the Board upon 30 days' written notice, with or without cause, in which event the Board shall promptly elect a new officer who shall serve until the next regular officers' board term begins (June 1). The Board shall appoint persons to serve as Secretary and Treasurer of the Agency, with such duties as may be described in the Agency Bylaws, provided that such persons shall not be Members of the Executive Board.*

### ***Principals Assembly***

The RCR Executive Director suggests a Principals Assembly meeting be scheduled on the evening of Wednesday, June 26, 2024, 6:30-8:00pm, following an anniversary celebration on that same date from 4:00-6:00pm at Kenmore City Hall.

All members of the Principals Assembly have been invited to participate in ride-alongs with Crisis Responders. Scheduling is ongoing.

### ***Operations Board***

Strategy-specific subgroups of the Operations Board have been meeting on an ongoing basis since the initial Operations Board meeting on August 9, 2023. The full Operations Board reconvened on December 21, 2023, to revisit the five Strategic Work Lines identified in the Operations Board Workplan and heard from partners on each of the five strategic worklines. RCR staff continues to work with community partners on each of these strategic worklines:

1. 911-988 Connection
2. RCR Resource Deployment
3. First Responder drop off to the Crisis Facility
4. Crisis Facility-Evergreen ED transfer workflow
5. Transportation across the continuum

At the Board's direction, on March 23, 2024 Executive Board President Kurt Triplett sent a letter to the Washington State Department of Health supporting the recommendations for changes to DOH guidelines for Transport to Mental Health or Substance Use Service Facilities, made by RCR Agency partners at King County EMS and DCHS; and signaling the RCR Principals' willingness to engage in or pilot alternative reimbursement models for Crisis Services in our region. The letter is included as Attachment 1.

### ***Community Advisory Group***

The Community Advisory Group met on March 26, 2024, with guest Crisis Responder Melissa Hartley. She shared her history, experiences and approach to crisis response, and answered questions. The Community Advisory Group also received a brief update on the 988 rollout from a CAG member who also sits on the statewide Crisis Response Improvement Strategy (CRIS) Committee.

## **Operations**

### ***Staffing***

All ten career service Crisis Responder positions are filled and in the field, and two temporary Crisis Responders will start April 1, including one former RADAR Navigator who is well-known to our team, and one former King County Designated Crisis Responder. Two more temporary staffers are expected to start in the next month.

### ***Crisis Facility Update***

ConnectionsHealth staff continue to report an anticipated opening date of Summer 2024 for the Kirkland Crisis Triage Facility. They have announced a Community Outreach Specialist who plans to work with RCR on how the facility is publicized and launched, and are hiring for other senior roles. ConnectionsHealth staff have also committed to extensive briefings of RCR police and fire agencies during opening week.

## **Budget and Grants**

### ***Budget***

The RCR ILA states that a proposed budget should be presented no later than June 30, and a public hearing shall be conducted on the proposed budget no later than August 31. Given this timeline, the proposed budget should likely be presented to the board at its June 6, 2024 meeting. Note that the Executive Board will likely meet again in June on June 27, 2024, in lieu of the July Executive Board meeting which would have fallen on July 4. The RCR Executive Director seeks feedback on board willingness to participate in a mini-retreat for the purposes of developing the 2025-2026 RCR Biennial Budget during the month of May.

A summary timeline of RCR Agency Milestones and a Budget Timeline are included as Attachment 2 and 3.

### ***MIDD***

King County MIDD staff report that the MOU and proposed budget are approved and will route for signature soon. There was a delay in King County routing the MOU to RCR, but King County staff have assured RCR Staff that the final MOU is forthcoming for signature. Once the MOU is fully executed, RCR Staff will submit invoices for reimbursement for eligible costs effective June 1, 2023. RCR Executive Director is also exploring the MIDD budget process for the 2025-2026 Biennium.

### ***WASPC***

The WASPC Contract and Kirkland Police Department subcontract with RCR finalized. 1.5 of the 3.0 Temporary FTE positions supported by the WASPC grant are hired and will start April 1, 2024. There are high-quality candidates in the pipeline for the other 1.5 Temporary FTE positions.

### ***Association of Washington Cities***

AWC is invoiced regularly for the cost of 2.0 FTE Crisis Responders. RCR Staff are providing monthly narrative reports. The application for the coming year of funding (2024-2025) is open, and RCR staff is preparing an application packet.

During a recent AWC site visit, RCR staff was informed that RCR will likely not be eligible for renewal of funding in the subsequent grant cycle (2025-2026) because the state funds are earmarked for “startup.” RCR staff will work with AWC to advocate with the state for additional and/or ongoing funding through this pipeline.

### ***Department of Justice Bureau of Justice Assistance***

The Department of Justice Bureau of Justice Assistance Connect and Protect Grant funding, previously awarded to the City of Shoreline/ RADAR Navigator Program, has been re-awarded to the RCR Agency. This re-award application has been completed and awaits final release by DOJ staff.

## **Landscape Analysis**

### ***Relevant Bills at the State Legislature***

[House Bill 2245](#)<sup>1</sup> co-sponsored by Representatives Dan Bronoske and Carolyn Eslick to define behavioral health as a crucial part of the first response and public safety system, and direct training and certification in collaboration with University of Washington passed the house unanimously but did not make it to the floor of the Senate. The funding for University of Washington was largely allocated in a proviso with the support of Senator Mankha Dhingra, and will support workforce development and the creation of a peer support network for co-responders.

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<sup>1</sup> “HB 2245 – 2023-24: Establishing co-response services...”, *Washington State Legislature*, January 29, 2024, <https://app.leg.wa.gov/billsummary?billnumber=2245&year=2023&initiative=False>

[House Bill 2088](#)<sup>2</sup> introduced by Representative Tina Orwall to improve liability protections for crisis outreach teams deployed through 988 and 911 was signed by the Governor on March 29, 2024.

[Senate Bill 6251](#)<sup>3</sup> introduced by Senator Manka Dhingra to improve coordination of crisis care across the continuum and create an explicit role for the BH-ASOs in coordinating the full crisis continuum was signed by the Governor on March 29, 2024.

### **Seattle Fire Overdose Response Program**

Last year the Seattle Fire Department's Mobile Integrated Health program launched a [Post-Overdose Response Unit](#)<sup>4</sup>. Early learnings from that unit indicate a paucity of immediate treatment resources, and Seattle Fire is in the early stages of initiating buprenorphine treatment in the field. Currently, EMS units are initiating the treatment. Seattle Fire is in conversation with the Department of Health to advocate that EMTs be authorized to initiate buprenorphine treatment in the field.

### **Federal funding to KCSO for co-response in Sammamish, Maple Valley and Covington**

King County Sheriff's Office was [awarded](#)<sup>5</sup> \$963,000 by US Representative Kim Schrier's office via a Community Project Grant funded by the DOJ to support a co-response team to serve East King County, specifically Maple Valley, Covington, and Sammamish. RCR staff is in discussion with the team at US Representative Suzan Del Bene's office to explore the potential of an award from the same fund to support RCR operations.

### **Mobile Rapid Response Crisis Team RFP**

King County DCHS has [released an RFP](#)<sup>6</sup> to provide Mobile Rapid Response Crisis Teams in King County. The RFP defines three "Primary Service Areas," Central/ West, South, and North/East; and specifies that each service area should have a minimum of 9 outreach teams operating on a 24/7 basis. These teams will differ from the RCR Crisis Responders in several key operational areas:

1. *Longer Response Times*: required to respond within 2 hours for "emergent" calls and 24 hours for "urgent" calls
2. *Lower acuity*: behavioral control, client consent
3. *Serve only adults*: 18 and older
4. *More follow up*: billable case management services

RCR staff will collaborate closely with the behavioral health agency selected to implement mobile Rapid Response in the North/East Primary Service Area. RCR staff is in ongoing conversation with colleagues at King County to improve coordination across the spectrum of crisis response acuity.

### **Board Action Recommended**

No formal action is recommended at this time.

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<sup>2</sup> "HB 2088 – 2023-24: Extending liability protections for responders...", *Washington State Legislature*, January 29, 2024, <https://app.leg.wa.gov/billssummary?BillNumber=2088&Initiative=false&Year=2023>

<sup>3</sup> "SB 6251 – 2023-24: Coordinating regional behavioral crisis...", *Washington State Legislature*, January 29, 2024, <https://app.leg.wa.gov/billssummary?BillNumber=6251&Initiative=false&Year=2023>

<sup>4</sup> "Post Overdose Response Team (PORT)", *Seattle Fire Department*, April 1, 2024, <https://www.seattle.gov/fire/safety-and-community/mobile-integrated-health/overdose-response-team>

<sup>5</sup> "Rep. Schrier Secures Funding for 14 Community Projects...", *Congresswoman Kim Schrier*, March 7, 2024, <https://schrier.house.gov/media/press-releases/rep-schrier-secures-funding-14-community-projects-house-funding-bills>

<sup>6</sup> "RFP Opportunity: Expanding Adult Mobile Crisis Service in King County", *King County*, March 14, 2024, <https://dchsblog.com/2024/03/14/rfp-opportunity-expanding-adult-mobile-crisis-service-in-king-county/>

List of Attachments

Att-1 Letter to Washington Department of Health (DOH) from RCR Executive Board President

Att-2 RCR Executive Board Annual Timeline

Att-3 Draft RCR 2025-2026 Budget Timeline

# REGIONAL CRISIS RESPONSE AGENCY

March 21, 2024

Cathryn Holstein  
 EMS Director  
 Washington Department of Health  
 111 Israel Road Southeast  
 Tumwater, WA 98501



City of Bothell

Dear Ms. Holstein:

In 2023, the North King County cities of Bothell, Kenmore, Kirkland, Lake Forest Park and Shoreline signed an Interlocal Agreement creating the Regional Crisis Response (RCR) Agency in order to provide consolidated, standardized behavioral health crisis response services through our region's public safety system. RCR Crisis Responders deploy to people in behavioral health crisis via the 911 system, alongside police officers and firefighters.



As a region, we are leading the way in building the full continuum of crisis care. When the ConnectionsHealth Crisis Triage Facility opens in Kirkland in Summer 2024, our community will have the full SAMHSA Crisis Now model: 1. Someone to call (988 or 911); 2. Someone to Respond (RCR Crisis Responders); and 3. Somewhere to go (ConnectionsHealth Crisis Triage Facility).



As our community's response to behavioral health crisis evolves, ambulance transport criteria and reimbursement models have consistently been identified as one of the primary systemic challenges to diversion from costly interventions such as jail and emergency department for people in behavioral health crisis.

The RCR Agency would like to support the recommendations for changes to DOH guidelines for Transport to Mental Health or Substance Use Service Facilities, made by our partners at King County EMS and DCHS, which are:



- Revisions to inclusion and exclusion criteria, including fully aligning the criteria for transport to mental health and substance use facilities, that would establish a foundation of practical guidelines that can be adapted to local circumstances and resources;
- Revisions to the procedures so that contacting the receiving facility is an optional consideration rather than a requirement;
- Rename the guidelines to reflect modern terminology as "Transport to Mental Health or Substance Use Service Facilities;"
- Plan for an evaluation of people with "new onset delusions, hallucinations, or bizarre behavior in absence of substance use or known mental health condition with similar prior symptoms" to inform future updates of these guidelines; and
- Discontinue the Health Care Authority (HCA) requirement for ambulances to complete the Authorization for Transportation to an Evaluation & Treatment Facility form (HCA 13-680) when providing transportation to alternative destinations.



These changes to existing guidelines would be an important step toward incentivizing transportation to the right care at the right time for people in crisis.



# REGIONAL CRISIS RESPONSE AGENCY

Finally, as we quickly move toward becoming one of the first fully realized Crisis Now Communities in the region, North King County excited to partner with DOH, EMS and our local Fire Districts to pilot and refine system improvements. We are especially willing to pilot new or innovative reimbursement models for transportation to alternative destinations for people in behavioral health crisis.

Thank you for your time. RCR and North King County look forward to ongoing partnership to improve emergency care for people experiencing behavioral health crisis.



Sincerely,



Kurt Triplett  
President, RCR Executive Board





## Executive Board Annual Timeline

DATE	ITEM
<b>January Regular Meeting</b>	Executive Director annual performance review process begins
<b>January 15</b>	Budget Share payment due by Principals
<b>March Regular Meeting</b>	Executive Director presents draft Budget Timeline to Executive Board ( <i>new fiscal cycles only</i> )
<b>March 20</b>	Executive Director hire date anniversary
<b>April Regular Meeting</b>	Budget Priorities and Assumptions ( <i>new fiscal cycles only</i> )
<b>April 15</b>	Budget Share payment due by Principals
<b>May Regular Meeting</b>	Election of new President and Vice President Budget Priorities and Assumptions ( <i>new fiscal cycles only</i> )
<b>May 31</b>	One-year terms end for current President and Vice President
<b>June 1</b>	One-year terms start for newly elected President and Vice President
<b>June 1</b>	Operational anniversary of RCR
<b>June Regular Meeting</b>	Budget Amendment Presentation of the draft preliminary Budget ( <i>new fiscal cycles only</i> )
<b>June 30</b>	Deadline for Executive Director to present a proposed budget to the Executive Board to the commencement of the budget period ( <i>new fiscal cycles only</i> )
<b>July Regular Meeting</b>	Public Hearing on draft preliminary Budget ( <i>new fiscal cycles only</i> )
<b>July 15</b>	Budget Share payment due by Principals
<b>August Regular Meeting</b>	Preliminary Budget approval ( <i>new fiscal cycles only</i> )
<b>August 31</b>	Deadline for Executive Board to review and revise the budget; conduct a public hearing on the draft budget; approve a draft budget and forward to Principals ( <i>new fiscal cycles only</i> )
<b>September Regular Meeting</b>	Preliminary Budget process and questions ( <i>new fiscal cycles only</i> ) Budget presentation at Principals Assembly meeting
<b>October Regular Meeting</b>	Preliminary Budget process and questions ( <i>new fiscal cycles only</i> )
<b>October 15</b>	Budget Share payment due by Principals
<b>November Regular Meeting</b>	Preliminary Budget process and questions ( <i>new fiscal cycles only</i> )
<b>December 1</b>	Deadline for legislative authorities of Principals of each respective shares to adopt the budget, as evidenced by resolution ( <i>new fiscal cycles only</i> )
<b>December Regular Meeting</b>	Adopt Final Budget ( <i>new fiscal cycles only</i> )
<b>December 15</b>	Deadline for Executive Board to adopt the budget by Supermajority Vote, following confirmation of the approval by the legislative authorities of Principals ( <i>new fiscal cycles only</i> )
<b>December 31, 2026</b>	“Initial Term” of ILA ends ( <i>during Initial Term no Principal may withdraw from the ILA without just cause</i> )





# DRAFT RCR 2025-2026 BUDGET TIMELINE

MONTH	MEETING DATE	EXECUTIVE BOARD ITEMS
MARCH	March 7	DRAFT 2025-2026 Budget Timeline
APRIL	April 4	Discussion: 2025-2026 Budget - Priorities/Assumptions
MAY	May 2	Discussion: 2025-2026 Budget - Priorities/Assumptions
JUNE	June 6	2023-24 Budget Amendment Presentation: DRAFT Preliminary 2025-2026 Budget <i>(Per ILA: present proposed budget no later than June 30<sup>th</sup>)</i>
JULY	July 4 (to be rescheduled)	Public Hearing: DRAFT Preliminary 2025-2026 Budget <i>(Per ILA: conduct a public hearing on the proposed budget no later than August 31<sup>st</sup>)</i>
AUGUST	August 1	Preliminary 2025-2026 Budget – Approval <i>(Per ILA: approve proposed budget and forward to Principal Agencies no later than August 31<sup>st</sup>)</i>
SEPTEMBER	September 5	HOLD – Discussion: Preliminary 2025-2026 Budget (and Principal Agency Budget Process/Questions) <i>(Per the ILA: budget presentation at Principals Assembly meeting: to be scheduled)</i>
OCTOBER	October 3	HOLD – Discussion: Preliminary 2025-2026 Budget (and Principal Agency Budget Process/Questions)
NOVEMBER	November 7	HOLD – Discussion: Preliminary 2025-2026 Budget (and Principal Agency Budget Process/Questions) <i>(Per ILA: confirm budget approval by the legislative authorities of the Principals Agencies, as evidenced by resolution or other appropriate method, no later than December 1<sup>st</sup>)</i>
DECEMBER	December 5	Adopt Final 2025-2026 Budget <i>(Per ILA: adopt budget by Supermajority Vote of Executive Board no later than December 15<sup>th</sup>)</i>

# REGIONAL CRISIS RESPONSE (RCR) AGENCY

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## MEMORANDUM

**To:** RCR Executive Board

**From:** Brook Buettner, Executive Director  
Heather Lantz-Brazil, Administrative Assistant

**Date:** March 28, 2024

**Subject:** EXECUTIVE SESSION PURSUANT TO RCR 42.30.110(1)(g) FOR  
EXECUTIVE DIRECTOR ANNUAL PERFORMANCE REVIEW

### **RECOMMENDATION:**

That the RCR Executive Board begin discussions on developing a process for the annual performance review of the Executive Director.

### **BACKGROUND DISCUSSION:**

Brook Buettner was appointed to the position of Executive Director, and the Board President was authorized and directed to enter into an Employment Agreement through Resolution R-2023-08 passed by majority vote in open meeting on March 16, 2023, and signed into authentication on March 29, 2023.

The Executive Director Employment Agreement with RCR Agency Section 1.B. states the employment of Brook Buettner as Executive Director shall be effective March 20, 2023. Section 2.B states that the Executive Board will evaluate the performance of the Executive Director at the time the Employment Agreement has been in effect for its initial period of six months to consider a potential step increase to Step 6.

The Executive Director compensation increase to Step 6, effective September 16, 2023, was authorized by majority vote in Executive Session at the October 5, 2023 meeting.

Section 2.C. of the Executive Director Employment Agreement states that the Executive Board will evaluate the Executive Director's performance annually and make recommendations to Kirkland regarding merit and any other increases to the Executive Director's salary that are not automatic under Kirkland's policies, provided that any such merit or other increases shall be awarded consistent with Kirkland policies.

The one-year evaluation date for the Executive Director is March 20, 2024.

### **Board Action Recommended**

It is recommended the Board adjourn to Executive Session pursuant to RCW 42.30.110(1)(g) to discuss developing a process for the annual performance review of the Executive Director.