

COUNTY BOARD STAFF/FINANCE COMMITTEES
Minutes - July 26, 2013

Call to Order. County Board Staff Committee Chair Podzilni called the joint meeting of the County Board Staff Committee and the Finance Committee to order at 8:00 A.M. in Conference Room N-1/N-2 on the fifth floor of the Rock County Courthouse-East.

Committee Members Present County Board Staff Committee – Supervisors Podzilni, Kraft, Arnold, Brill, Bussie, Mawhinney, Jensen, Peer, Yankee. Finance Committee – Supervisors Mawhinney, Kraft, Beaver, Fox, Podzilni.

Committee Members Absent: None.

Staff Members Present: Craig Knutson, County Administrator; Randy Terronez and Nick Osborne, Assistants to the County Administrator; Sherry Oja, Finance Director; Charmian Klyve, Human Services Director; Phil Boutwell, Human Services Deputy Director; Elizabeth Pohlman McQuillen, Criminal Justice Planner/Analyst; Sara Mooren, Fiscal Division Manager, Human Services; Jodi Parson, Secretary, Human Services.

Others Present: Supervisors Howland, Richard and Wopat.

Approval of Agenda. Supervisor Arnold moved approval of the agenda as presented, second by Supervisor Peer. ADOPTED.

Citizen Participation, Communications and Announcements. None.

Review and Discussion of Preliminary 2014 Budget Projections and Program Information - Human Services Department. Ms. Klyve went over the HSD Mission Statement, “Building upon the strengths of clients to encourage independence by providing quality services with respect for the dignity of all persons served.”

Ms. Klyve said most of the services they provide are mandated such as Child Protective Services, Juvenile Justice Services, Economic Support Services, Long Term Support Services and Mental Health/AODA Services.

Ms. Klyve said the direction given to Department Heads for the 2014 pre-budget projections are: Assume a general 2% inflationary increase for personnel, health insurance and other operating costs; Identify the known revenue increases/decreases; Explain the actions necessary to reduce the Cost to Continue (CTC) County tax levy to a level no greater than received in 2013, in priority order. The assumptions made to achieve a CTC budget are: the CTC includes time-in-services step increases; new program initiatives with CCS (Comprehensive Community Services) and FFT (Family Functional Therapy) reorganization resulting in an increase of 5.0 FTE positions. Revenue adjustments for the Department include: State and Federal losses in grant funding of about \$60,000; a projected 1% reduction to the basic County allocation of about \$25,000; and a positive re-estimate of youth aids funding of about \$80,000.

Ms. Klyve said the cost increases they have assumed are: an increase of \$900,000 in Department personnel costs (which include 2% increase, step increases and 5 new positions); net increase in the Mental Health Division for high cost clients for about \$170,000; projected 2% increase for State institutes and hospitals for about \$80,000; projected 2.5% increase in Foster Home rates and 2% increase for Group Home and Residential Care placements in Juvenile Justice and Child Protective Services for about \$110,000; and other cost increases totaling \$65,000.

Ms. Klyve said the CTC budget for 2014 at this time is:

2013 County Tax Levy	\$19,386,610
Revenue Adjustments	\$ 5,000
Cost Increases	<u>\$ 1,325,000</u>
CTC Levy for 2014	<u>\$20,716,610</u>
Reduction needed for 0% levy increase	\$ 1,330,000

Ms. Klyve said the potential expenditure reductions are: to reduce CPS Substitute Care, (foster care/group homes) by \$180,000; reduce CPS Substitute Care/Residential Care Center cost by \$230,000; reduce budget for Juvenile Corrections by \$260,000, which State law now allows for 365 day stay in the Youth Services Center, and recommendation of 2.5 ADC for the 2014 budget; reduce budget for State Centers by \$45,000, which the average daily census has been declining the past few years; reduce budget for State institutes by \$260,000; reduce budget for hospitals by \$150,000; reduce overtime/seasonal budget by \$50,000; reduce staff by \$55,000 by not filling vacant billing position, which can be done due to implementation of new billing system; and implementation of CCS in the Mental Health Division for \$100,000 savings.

Ms. Klyve recapped these potential expenditure reductions as follows:

CPS Sub. Care, Foster & Group Homes	\$ 180,000
CPS Sub. Care, RCCs	\$ 230,000
JJS Juvenile Correctional Institutes	\$ 260,000
State Centers	\$ 45,000
State Institutes	\$ 260,000
MH Hospital Placements	\$ 150,000
Reduce Overtime in 24/7 Operations	\$ 50,000
Delete Vacant Billing Position	<u>\$ 55,000</u>
Sub-total	\$1,230,000
Sub-total Revenue Enhancement	<u>\$ 100,000</u>
Total Estimated Levy Reduction	\$1,330,000
Shortfall	\$ 0

Ms. Klyve said the challenges or areas of uncertainty are: the Affordable Care Act (ACA), which include the State change in MA eligibility from 200% to 100% of the Federal Poverty Level (FPL), Marketplace assistance is required, recalculation of MA cases based on MAGI, and additional Food Share cases projected; Medical Assistance (MA) revenue uncertainty; possible return of 17 year

olds, which would cause the estimated caseload to increase by one third, no additional youth aid funds, and possibly more corections placements; additional unfunded mandates, such as confirming safe environment personal visits within 24 hours, credit checks on foster home youth, and new CPS assessment and ongoing standards requirements; client demand/case complexity, with greater demand for services, increased crisis calls, increased CPS reports; and an increase in high need/risk cases for children with increased mental health and ongoing care needs, high cost/need adult placements cases, and increased number on long term Alzheimer, dementia cases.

Ms. Klyve said, in summary, the Human Services Department is a “safety net” for the County’s most vulnerable citizens. The Department has a strong history of maximizing resources while continuing to provide high quality services in a challenging fiscal environment. We continue to examine ways to meet the needs of our citizens in the most cost effective and efficient manner.

Mr. Knutson said these are projections and not the budget the County Board will see. These are the department's best guess at this time. We will be getting more information from the State that may change things too. He suggested the Committees look through the Annual Report and to look at last year’s budget to get a better understanding. By adopting the best practices over the past two to three years this has helped tremendously, even if it means adding more staff to reduce the number in State institutes. Many of Human Services clients have multiple problems, Crisis calls have gone up considerably over the past four to five years. He added that Mr. Dumas, Corporation Counsel, did 360 Mental Health commitments last year. Human Services is a major part of the County’s budget and there are lots of changes and lots of challenges.

Ms. Klyve said Economic Support workers have 700-800 cases per worker and for the past three years running they received the gold award from the State. Their work is outstanding and they deserve a lot of praise and recognition.

Set Future Meeting Dates. Mr. Knutson reminded the Committees that the Joint Committees will be at the Sheriff’s Office on August 23rd, 8 A.M. The Committee decided to meet to review the Public Works Department pre-budget on August 15th at 8:30 A.M., after Finance Committee, in N-1/N-2.

Adjournment: Supervisor Arnold moved adjournment at 9:05 A.M., second by Supervisor Peer. ADOPTED.

Respectfully submitted,

Marilyn Bondehagen
Confidential Administrative Assistant

NOT OFFICIAL UNTIL APPROVED BY COMMITTEES.