



**JOINT COUNTY BOARD STAFF/FINANCE COMMITTEES**  
**Minutes – July 10, 2017**

**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, Peer, Sweeney and Thomas. Finance Committee – Supervisors Mawhinney, Kraft Beaver and Podzilni.

**Committee Members Absent:** Finance Committee - Supervisor Fox.

**Staff Members Present:** Josh Smith, County Administrator; Randy Terronez and Nick Osborne, Assistants to the County Administrator; Annette Mikula, Human Resources Director; Kate Luster, Human Services Director; Phil Boutwell, Human Services Deputy Director; Sara Mooren, Administrative Services Division Manager, Human Services; Jodi Parson, Secretary, Human Services.

**Others Present:** Supervisors Garrett and Schulz.

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

**Citizen Participation, Communications and Announcements:** Supervisor Sweeney gave a brief update on the ad hoc committee regarding Railroad Bridge 428-B. He said a three way split between Wisconsin and Southern Railroad, Wisconsin River Rail Transit Commission and Wisconsin Department of Transportation at a total of \$990,000 was agreed upon. Mr. Sweeney said the Wisconsin Department of Natural Resources may approve some of the bridge demolition to remain on the river bottom. Supervisor Thomas thanked Supervisor Sweeney and the others on the ad hoc committee for their hard work and efforts.

**Adoption of Minutes of June 26, 2017.** Supervisor Mawhinney moved approval of the minutes of June 26, 2017 as presented, second by Supervisor Beaver. ADOPTED.

**Review and Discussion of Preliminary 2018 Budget Projection and Program Information – Human Services Department:** Ms. Luster welcomed everyone, thanked them for coming and introduced her staff.

Ms. Luster reviewed the Human Services Department (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. Luster stated that most of the services provided by HSD are mandated services governed by statutes and administrative codes; Child Protective Services – Chapter 48, Juvenile Justice Services – Chapter 938, Economic Support Services – Chapter 49, Adult Protective Services – Chapter 55, and Behavioral Health – Chapter 51. Ms. Luster gave examples of each of these five areas and explained there is more often a crossover of services for most cases.

Ms. Luster went over the HSD Organizational Chart.

Ms. Luster went over the 2017 Overview of the HSD Source of Funds: 49% is State/Federal; 39% is from County Share; 9% is Inter-Governmental; 3% is from Fees/Insurance/Other; and less than 1% is from the Fund Balance. The 2017 Overview of the HSD Use of Funds: 40% goes to Behavioral Health; 35% to Children, Youth and Families; 14% to Economic Support; 6% to Family Care Payment; 4% to ADRC and Adult Protective Services; and 1% to the Job Center. The 2017 Overview of HSD Employees by Division: 35% to Children, Youth and Families (135 employees); 35% to Behavioral Health (133.2 employees); 14% to Economic Support (55 employees); 9% to Administrative Support (35 employees); 6% to the ADRC and Adult Protective Services (22 employees); and 1% to the Job Center (2 employees).

Ms. Luster said the 2018 HSD budget is a Cost to Continue Budget, directions were to: Assume 1.5% general inflationary increase for personnel and other operating costs; identify known revenue increase/decreases; actions necessary to reduce the county tax levy to a level no greater than received in 2017; and to list the actions in priority order. Ms. Luster added that they are still waiting for the state budget, but they are taking into consideration changes they feel pretty sure of.

Ms. Luster said the 2018 anticipated cost increases are: an increase in Departmental personnel costs of \$895,000 (includes 1.5% salary and insurance increase, step increases, 2017 cost of living increase); projected 1.5% cost increase for State Institutes and Hospitals of about \$50,000; Behavioral Health client program expenses of about \$105,000; children’s substitute care of about \$80,000, General operational expenses of about \$100,000; and Youth corrections (Lincoln Hills) has an anticipated 34% rate increase of about \$55,000.

Ms. Luster said other cost impacts are: an increase in corrections placements, at \$391 per day in 2018, for about \$143,000; Adult Protective Services of about \$50,000; and Shelter Care contract decrease of about \$200,000.

Ms. Luster said the 2018 anticipated revenue impacts are: Child Support redesign, no automatic child support referrals until in placement for six months, for about a decrease of \$100,000; and an increase in DCF Basic County Allocation of about \$205,000.

Ms. Luster said the Cost to Continue (CTC) budget for 2018 at this time is:

|                       |              |
|-----------------------|--------------|
| 2017 County Tax Levy: | \$22,863,759 |
| Revenue Impact:       | \$ (105,000) |

|                    |                     |
|--------------------|---------------------|
| Cost Increases:    | \$ 1,428,000        |
| CTC Levy for 2018: | <u>\$24,186,759</u> |

Reduction needed for 0% Levy increase: \$1,323,000

Ms. Luster said there are some known cost savings and revenue enhancements:

ACTION: Reduction of Family Care payment to the State.

SAVINGS: About \$383,000.

ACTION: Move donations to County-wide donation.

SAVINGS: About \$82,000.

ACTION: Expansion of the Comprehensive Community Services (CCS) Program. (Move 5.0 FTE Clinical Services for Children and Families staff to CCS.)

IMPACT: Expanded service array for children's clinical services available through CCS and allows for full reimbursement of staff and service costs.

SAVINGS: About \$530,000.

ACTION: Partnership with Beloit Areas Community Health Center Inc. (BACHC) for Outpatient Services. (Provide Beloit Outpatient services through BACHC vs. HSD Eclipse to enhance revenue and provide more access to services.)

IMPACT: Would require a subcontractor relationship with CHS where they purchased the services of our staff, enhances revenue would reduce the cost of service delivery.

SAVINGS: About \$20,000.

Ms. Luster said the possible Expenditure Reductions include:

ACTION: Increase diversions from State institutes through enhanced Crisis service delivery.

IMPACT: Better outcomes for clients and a reduction in number of placements in State institutes.

SAVINGS: About \$308,000.

Ms. Luster summarized the Cost to Continue as follows:

|  |                   |
|--|-------------------|
| Reduction needed for 0% levy increase: | \$1,323,000       |
| Sub-total Revenue Enhancements:        | \$ 550,000        |
| Sub-total Expenditure Reductions:      | <u>\$ 773,000</u> |
| Shortfall                              | \$ 0              |

Ms. Luster said the ongoing challenges include: Ongoing case complexity and intensity across programs; Need to respond to increasing compliance requirements; Adequate responses to employee engagement needs; and Increasing expenditures associates with high cost placements.

Ms. Luster said the Potential New Requests and Initiatives for 2018 are:

CCS and Children's Long Term Support (CLRS) Expansions

4.0 additional FTE in CCS program

11.0 FTE CLTS and joint CLTS/CCS positions likely requested in 2017

Reorganize to account for program expansions

Enhance quality assurance infrastructure

Crisis Re-Design to enhance quality of services to improve outcomes

Through attrition reclassify Bachelor's level crisis positions to Master's level positions

Replace security contract with psych techs

Add 3.2 FTE to reduce reliance on pool staff through creation of float positions

Enhance training and professional development resources including cultural competency

Support improved organizational culture in CPS

Contract for support services for family interactions/drivers

Additional clinical oversight resources for CYF division through reorganization

In summary, Ms. Luster said, the Human Services Department continues to provide essential services for the County's most vulnerable citizens and works to maximize efficiencies and improve outcomes. Ongoing challenges relate to rising costs, increasing client and program complexity and compliance requirements.

Ms. Luster thanked the Committees and answered their questions.

Mr. Smith said Ms. Luster did a good job and made the process look much easier than it is. He said we always have to keep looking for ways to save money. Mr. Smith said the elimination of the CLTS waiting list will create issues on where to put the additional clients.

**Next Meeting:** Chair Podzilni reminded everyone that the final meeting will be on Monday, July 24th in N-1/N-2 for the Public Works Department.

**Adjournment:** Supervisor Arnold moved adjournment at 9:25 A.M., second by Supervisor Brill.  
ADOPTED.

Respectfully submitted,

Marilyn Bondehagen  
Confidential Administrative Assistant

**NOT OFFICIAL UNTIL APPROVED BY THE COMMITTEES**