

COUNTY BOARD STAFF/FINANCE COMMITTEES
Minutes - July 13, 2012

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 (at 8:11 AM), Bussie, Mawhinney (at 8:11 AM), Jensen, Peer, Yankee. Finance Committee – Supervisors Mawhinney (at 8:11 AM), Kraft, Beaver, Podzilni.

Committee Members Absent: Supervisor Fox (Finance).

Staff Members Present: Craig Knutson, County Administrator; Randy Terronez and Nick Osborne, Assistants to the County Administrator; Alyx Brandenburg, Human Resources; 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; Lori Stottler, County Clerk; Jodi Parson, Secretary, Human Services.

Others Present: Supervisors Terry Thomas, Terry Fell, Steve Howland, Dave Brown and Marv Wopat.

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

Citizen Participation, Communications and Announcements. None.

Approval of Minutes of June 29, 2012. Supervisor Jensen moved approval of the minutes of June 29, 2012 as presented, second by Supervisor Peer. ADOPTED.

Review and Discussion of Preliminary 2013 Budget Projections and Program Information - Human Services Department. Ms. Klyve thanked her management team, Cathy Wells and Jodi Parson. She introduced Ms. Mooren.

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 2013 budget are: Assume a general 2% inflationary increase for personnel, health insurance and other operating costs; Identify the known revenue increases/decreases; to explain the actions necessary to reduce the Cost to

Continue (CTC) County tax levy to a level no greater than received in 2012, in priority order. The assumptions made to achieve a CTC budget are: a net reduction of 5.4 FTE staff, this was done primarily with W-2 staff and support at the Job Center; the CTC includes the time-in-services step increases; and the loss of the W-2 program. Revenue losses for the Department include: the elimination of an \$83,000 State I.V. Drug Grant; State Youth Aids reduction of \$136,000, which has been continually reduced every year; reductions in the Mental Health Block Grant, Juvenile Justice Assistance Block Grant, and Community Intervention funding totaling \$30,000; along with a downward trend in parental reimbursements and MA/Medicare reimbursement totaling \$37,000. The cost increases are: a net increase in personnel costs of \$579,000; new increase to Economic Support Division of \$184,000 due to the loss of the State contract for the W-2 program; a net increase of \$366,000 for the Mental Health Division, due primarily to Clearview admissions; a projected 2% increase for substitute care in Juvenile Justice (JJ)/Child Protective Services (CPS) of \$115,000, which is set by the State; and other cost increases, such as maintenance, postage, etc., totaling \$75,000.

Ms. Klyve said the CTC budget for 2013 at this time is:

2012 County Tax Levy	\$19,260,135
Additional Revenue Losses	\$ 286,000
Additional Cost Increases	<u>\$ 1,319,000</u>
CTC Levy for 2013	<u>\$20,865,135</u>
Reduction needed for 0% levy increase	\$ 1,605,000

Mr. Knutson explained that the County provides a safety net for the State.

Mr. Boutwell said the potential expenditure reductions are: 1) to reduce CPS Substitute Care, (foster care/group homes) by \$400,000. The daily average census has been down by 24 over the past 18 months; they budgeted conservatively in 2012 due to the unknown impact of “CANS” (an assessment tool) and Kinship Care. The In Home Safety Grant and CST Program, which works to keep children in their homes, is expected to result in a reduced census. 2) Reduce Residential Care Center (RCC) costs by \$390,000. This costs about \$9,000 per month/per person, we budgeted for 14 and the trend factor has been 11, the cross-over cases are expected to keep the census down, as it uses the Youth Services Center (YSC) as a stabilization option for kids instead of RCC. 3) Reduce the budget for Juvenile Corrections by \$220,000 due to a lower census. State law now allows for 180 day stay in the YSC and other counties may be using our YSC facility. 4) Reduce RCC by \$110,000 in the JJ Division by using outpatient neuropsychological evaluations rather than RCC stays, and recommend a lower census for 2013. 5) Reduce overtime in the 24/7 operations (Crisis and YSC) cost by \$60,000 by having YSC staff respond to JJ after hours rather than JJ workers responding for \$30,000, and change overtime call in process for \$30,000. 6) Hold vacant the Bachelor Social Worker position in Long Term Support (LTS) Division for \$70,000. The case management work would then be reassigned and the position only filled if the waiver waiting list for services were to open. 7) Cost savings in line items for \$115,000 by: reducing the number of air card subscriptions for the Humans Services laptops and tablets for \$30,000; reduce the number on electronic monitoring units in JJ for \$10,000; reduce travel expense by \$35,000 by having staff use fleet vehicles; install energy saving light replacements at the Job Center to save \$10,000; and reduce the PC inventory to save \$30,000.

1) Implementation of Comprehensive Community Services (CCS) in the Mental Health Division for a revenue enhancement of \$90,000. CCS can be used to pay for client services such as residential support services, and can also be used as an alternative funding source rather than Crisis Flex Funds, which is all tax levy funds. 2) Use a collection service for late bills for a savings of \$100,000. This is expected to increase collections 5-10%, and will free up staff time to do timelier billings and notices. 3) Maximize grant resources to offset tax levy funds for \$50,000.

Mr. Boutwell recapped these potential expenditure reductions as follows:

CPC Sub. Care, Foster & Group Homes	\$ 400,000
CPS Sub. Care, RCCs	\$ 390,000
JJ Juvenile Correctional Institutes	\$ 220,000
JJ Sub. Care, RCCs	\$ 110,000
Reduce Overtime in 24/7 Operations	\$ 60,000
Not Fund Vacant Position in LTS	\$ 70,000
Operational Line Item Savings	<u>\$ 115,000</u>
Sub-total	\$1,365,000
Potential Revenue/Collection Enhancements	
Implement CCS	\$ 90,000
Use Collection Services	\$ 100,000
Maximize Grants to Offset Levy	<u>\$ 50,000</u>
Sub-total	<u>\$ 240,000</u>
Total Estimated Levy Reduction	\$1,605,000

Ms. Klyve said they are seeing significant increases in the specialized population with multiple problems. She informed the Committees that Rock County is the lead for the IM Consortium.

Ms. Klyve said the challenges or areas of significant uncertainty are: the new State Biennium start July 1, 2013, which could have an impact on consolidations, privatizations or regionalization; create cost shifts and revenue reductions (such as MA); the possibility of new mandates; new rules and administrative burdens (such as CANS, which takes quite a bit of time); and the possible implementation of Family Care. Children/Youth Substitute Care and how much risk do we take in the budget. Medicaid revenue, will there be significant cuts at the State level, and what modifications will the State make in the eligibility criteria.

Mr. Knutson said he had a call last week and the message now is the State has not committed to go with ADRC statewide. It is now a county choice to go with Family Care if the Joint Finance Committee approves it.

Supervisor Thomas said the YSC has gone from being a difficult atmosphere to a helping one in a short time.

Mr. Boutwell said some of the trends that have challenged us are: a greater demand for ESS benefits, an increase in CPS reports (sometimes as many as 100 per week), and an increase in Crisis

calls/service needs. There is an increase in high need/risk cases such as children with increased mental health and ongoing care needs, and high cost/need adult placement cases.

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

Ms. Klyve thanked the Committees and encouraged the members to contact them with any questions they may have.

Set Future Meeting Dates. Mr. Knutson reminded the Committees that the next meetings of the Joint Committees will be Wednesday, July 25th, 8:00 A.M. in N-1/N-2 for Developmental Disabilities and Rock Haven, and for the Sheriff’s Office on August 17th, 8 A.M. at the Sheriff’s Office. Mr. Knutson said they will need to set the date for the meeting for the Public Works Department at the July 25th meeting.

Adjournment: Supervisor Arnold moved adjournment at 9:50 A.M., second by Supervisor Brill. ADOPTED.

Respectfully submitted,

Marilyn Bondehagen
Confidential Administrative Assistant

NOT OFFICIAL UNTIL APPROVED BY COMMITTEES.