



## **Dane County**

### **Department of Human Services**

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Director – Lynn Green  
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August 16, 2004

Kathleen Falk  
Dane County Executive  
210 Martin Luther King Jr. Blvd.  
Madison, WI 53709

Dear County Executive Falk:

This letter formally submits to you the Dane County Department of Human Services' 2005 budget proposal. This budget request is for \$208,745,180, of which \$149,868,865 is revenue and \$58,876,315 is levy. I am pleased to note that this represents a substantial increase of over \$4 million in the Human Services budget over 2004. This increase is accomplished through over \$4.5 million in increased revenues while reducing the GPR by about \$400,000. In addition, this request complies with the guidelines as set forth in the Department of Administration's 2005 Budget Manual and General Purpose Revenue (GPR) reduction target.

The Department developed this proposal with the following goals:

- To preserve our core and mandated services at a level that ensures protection and a high quality of life for our community's most vulnerable and needy populations
- To maintain our commitment to current consumers of Department services who continue to be in need of services before adding new consumers
- To reduce costs through efficiencies or service system changes while minimizing impacts on consumers in our core service areas
- To maximize revenues to the greatest extent possible and wherever possible and to promote efficiencies as alternatives to budget cuts

- To preserve the current continuum of services where feasible
- To be responsive to input from providers, consumers and policy makers regarding cost control measures in their various systems
- To fund providers so that they can comply with the county's Living Wage Ordinance
- To assist the county in providing safe and adequate working conditions for Department staff

Working in partnership with our providers and the community we have built a premier human services system in Dane County. Many of our programs are models for others throughout the country and the world. Despite the extremely challenging fiscal conditions over the last few years, Dane County's commitment to human services has steadily grown, and the 2005 proposed budget continues this tradition. The challenging federal and state fiscal environment in which this proposal was created includes:

- Essentially no increases in all major forms of revenue – Community Aids, Youth Aids, Intergovernmental Transfer funds, Medicare rates, Medicaid rates, COP
- Increased rates that the county must pay for residential treatment (4.9%), group homes (4.6%), foster care (2.7%) and state juvenile corrections (10% mid-year)
- Significant decreases in outside grants such as the Law Enforcement Block Grant

A goal of this budget was to sustain services to consumers currently served and still in need and to fully support core and mandated programs while attempting to maintain the critical continuum of care in each system. Core and mandated service programs did not receive a decrease from their 2004 level of funding.

There are no cuts in core services to children, youth and families, although there are some modest cuts to prevention and early intervention services. Funding for non-mandated programs such as services to homeless persons and the senior meal and transportation programs remain intact. Emergency dental services continue to be funded. As a result of enhanced federal revenues, the Adult mental health system is proposed to have increased spending of \$892,163, much of which will go to expanded services for consumers.

One of the greatest challenges in this budget was to preserve the outstanding \$71.3 million system we have for serving children and adults with developmental disabilities (DD) in Dane County. Our DD system is widely recognized as the leader in Wisconsin. Our investments, far and above mandated levels, have earned Dane County an overall Level One rating (the highest) from the Wisconsin Council on Developmental Disabilities. I am pleased to say that in this proposed 2005 budget we were able to sustain the same high level commitment of Dane County GPR support (\$15.1 million) for the DD system and increase revenue by almost \$2.1 million. This was not easy to accomplish in these fiscally tight times. While DD providers are proposed to receive a cut of less than 1% (.95%), for most agencies the addition of living wage and other funding will allow for no reduction. Under this budget proposal Dane County will continue to have the premier DD system in Wisconsin.

Unfortunately, some systems did receive reductions primarily because there were limited sources of new revenue in some areas. AODA services were cut \$345,590. The majority of the reduction is in Hope Haven-Rebos United community residential treatment services and Family Services PICADA information/referral services.

Caseload issues were another challenge in the formulation of this proposal. In the 2004 Department budget the average daily populations (ADP) in all forms of alternate care for children and youth were reduced based on the usage in 2003. The experience in foster care, group homes and juvenile corrections in 2004 has been favorable. However, despite the incredible efforts of staff and providers, it has not been possible to stay within the budgeted number for residential treatment. As a result, this document recommends lowering the caseloads in all forms of CYF alternate care except residential treatment where the caseload is increased from 45 to 55 ADP. A priority in this proposal is to sustain adequate services to consumers that the Department is currently serving and whose needs continue. In order to do that, in the area of developmental disabilities annualizations were funded to accommodate those whose service needs increased during the year or who were budgeted in 2004 for only a partial year. However, no caseload increases are funded in this proposal for emergencies and high school graduates. Any addition of new consumers in the developmental disabilities system in 2005 will need to occur through caseload attrition.

The Interim Assistance program serves indigent single adults and is a non-mandated county program. This program was budgeted at a caseload level of 46 for several years. It has routinely been running under the budgeted number despite efforts to screen cases more efficiently. This document reduces the caseload to 40. For those served, the Department will continue to supply cash grants and pay for pharmaceuticals for financially dependent individuals who are determined to be unable to work due to a disabling physical, medical or mental health condition.

While the proposal does not contain a cost of living increase for providers, it does have \$250,000 of increased funding to ensure compliance with the living wage ordinance and brings the hourly wage to \$9.07 per hour (a \$.22 per hour increase over 2004). While this additional funding is not mandated in the ordinance, the proposed budget does fund compliance with the ordinance for providers. Staff felt it was a priority to fund this expenditure.

This budget proposal has minimized the impact of decreasing federal and state revenues by enhancing revenue. Some new consumer fees are proposed - a modest \$10,000 of revenue from AAA case management services and \$15,000 from Drug Court. Major increased revenues are projected from Medical Assistance due to improved systems of claiming and new options. Revenues for crisis services and Community Based Medical Administration Claiming (CBMAC) are increased by over \$1 million. Comprehensive Community Services (CCS) and Children's Long Term Support Waiver funds for children with mental health issues were budgeted as new revenue sources.

Department staff occupy many facilities that are either owned by Dane County or need to be maintained by us. In the last few years there have been very limited funds for repairs, and some of these facilities are deteriorating to the point of beginning to present difficulties for staff to work in. This proposal contains \$255,200 mostly allocated from non-GPR sources to fund capital

improvements. In order to insure the safety and well-being of Department staff and those who utilize our facilities, it is imperative that funds be made available for these repairs and improvements.

This budget funds negotiated salary increases for Department staff. The elimination of 7.975 GPR funded positions is proposed. This generates over \$475,000 in funds that were utilized to sustain provider services. The creation of 1.583 revenue funded additions is requested. Other staff reallocations and transfers result mainly from a fiscal restructuring in the EAWS Division.

Given the decreasing federal and state support for human services and the growing need for our programs, the preparation of this budget was difficult. However, I believe that the Department is proposing a budget for 2005 that maintains the high quality human services system that Dane County residents have come to expect and can be proud of. It preserves all core services and most early intervention and prevention programs. It represents decisions made following thorough staff analysis and consultation with consumers, providers, other funders and the community. It continues Dane County's strong commitment to human services.

My thanks to everyone whose thoughtful input made the creation of this budget proposal possible. My special appreciation to my fiscal and management staff for their time and dedication in preparing this document. I look forward to working with you as you consider this proposal and develop the County Executive 2005 budget.

Sincerely,

Lynn Green  
Director

Cc: Health and Human Needs Committee  
Human Services Board  
Long Term Support Committee  
Youth Commission  
Area Agency on Aging  
DCDHS Management Team