




2005 BUDGET USERS' GUIDE

A. INTRODUCTION

This is the 2005 budget request of the Dane County Human Services Department. The County Department of Administration (DOA) and County Executive's staff will review this budget request. The County Executive's budget recommendations, which may modify this request, will then be presented to the County Board, which will adopt a budget later this year for final Executive approval.

The 2005 Human Services Department document is prepared in the form required by the County Department of Administration for all departments to use. The budget of the Department includes three separate "funds" for which revenues and expenditures are accounted separately:

-  The Badger Prairie Health Care Center Fund
-  The Public Health Fund
-  Fund 260, which funds the balance of the Department.

This document presents Fund 260 first, followed by Public Health, and finally Badger Prairie.

Within each fund, the County has established separate "programs". These programs are contained within one of the six divisions of the Human Services Department. Human Services Administration (Admin), Children Youth and Families (CYF), Adult Community Services (ACS), along with Economic Assistance and Work Services (EAWS) divisions are contained in Fund 260. Fund 431 is the Badger Prairie Health Care Center (BPHCC) Fund containing only one division, Badger Prairie, and its related programs. Fund 436 is the Public Health (PH) Fund containing only one division as well, Public Health, and its related programs. The location of data for each division, fund and program can be determined from the table of contents.

For 2005, the County Department of Administration established a "General Purpose Revenue (GPR) Reduction" target to apply to each program within each department. The GPR target amount was deducted from the 2005 base budget. Departments were instructed to make expenditure and/or revenue adjustments in the amount of the targeted reduction as part of the base budget adjustments. A GPR Reduction Plan document describing the line item adjustments included in the newly developed GPR worksheet, and the programmatic impacts follow this users' guide. The GPR target reduction for the Human Services Department (including Badger Prairie & Public Health) was \$1,896,729. Due to enhanced revenues, reduced spending and other efficiencies the net GPR reduction from the 2004 adopted budget in this 2005 proposal is \$396,516.

The DOA established "base budget" for each program is usually the starting point for budget decisions. The "base budget" for 2005 planning includes:

- ◆ General Purpose Revenue targeted reduction amounts.
- ◆ Full funding of estimated costs of all existing county staff positions. This includes increases for estimated collective bargaining agreements and other compensation adjustments.
- ◆ The adopted 2004 budget level for operating expenses and all purchased services less General Purpose Revenue (GPR) related reductions and other base adjustments. This includes the assumption of no inflationary or other adjustments to non-profit social service agencies funded by the Department through purchased service agreements.
- ◆ A zero-base budget for capital. This means all capital must be justified as "new requests" and no continuing level of funding can be assumed.
- ◆ Other minor adjustments in operating and purchased services construed by DOA to be technical changes, such as deleting one-time costs.

The Department's request consists largely of documentation of requests for changes to the "base budget". Within each program, up to seven separate "decision items" can be presented along with the "GPR Reduction" decision item. A decision item is a proposed increase or decrease in the 2005 established base.

The County 2005 budget format places information for each program in the following order:

- ❑ General Purpose Revenue (GPR) reduction line item detail
- ❑ A fiscal summary
- ❑ A summary of the decision item requests
- ❑ Line item detail for the requests
- ❑ The form providing justification for each decision item
- ❑ Other miscellaneous supporting information, as required

B. MAJOR DECISION ITEM CATEGORIES

We have structured our budget request in a series of standard decision items that add and subtract resources from the base budget. In addition, the 2005 budget guidelines required the department to include a “GPR Reduction” allocation decision item. These standard areas are explained below. Details of the contents of each decision item for each area will be found in the following document. The "GPR Reduction" decision item is detailed in the GPR Reduction Plan.

1. COLA

There is no requested cost of living adjustment (COLA) increase for 2005 for Purchase of Service (POS) agencies.

2. Department-wide Reductions

The Department has identified GPR savings of (\$250,000) throughout all divisions to fund living wage compliance for POS agencies. These savings are realized throughout the Department and are comprised of (\$20,497) in expenditure reductions and \$229,503 in increased revenue. (See Decision Item #6)

3. Caseload and Annualizations

Caseload and annualization increases are all funded here through a combination of revenue increases and expense reductions.

4. Program Specific Changes

The program specific changes are those changes that are germane to individual programs within the separate divisions.

5. Capital Outlay Costs

No capital has been requested in recent years. However, this year continuing and growing critical capital outlay needs are addressed in this request in the amount of \$255,200.

6. Living Wage

The Living Wage Ordinance requires all employees of Purchase of Service (POS) agencies who contract with the Dane County Department of Human Services be paid at least 100 percent of the federal poverty guideline for a family of four. For 2005, this equates to a county-defined living wage of \$9.07/hour. This proposed budget contains \$250,000 of reallocated GPR funding (See Decision Item #2) to ensure compliance with the living wage ordinance and bring the hourly wage to \$9.07. While this additional funding is not mandated, the proposed budget does provide funds to the providers to comply with the ordinance.

7. Base Transfers & Reallocations

The Human Services budget has thousands of line item expense categories and hundreds of line item revenue categories. Every year, technical adjustments and updating must be done to these lines. We "catch up" to these technical changes in the base adjustments category. The 2005 base expenditure reductions reflect re-estimates of projected expenses in 2004, reduction of some underutilized lines, and reallocation of other lines.