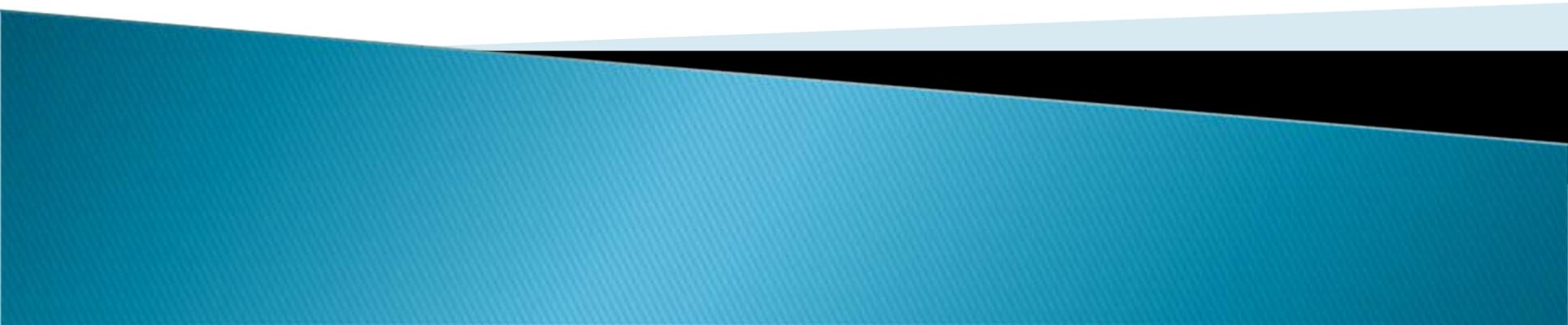


Recommendations on the Fairfax-Falls Church Community Services Board Budget Management Plan

Presentation to the Human Services Committee of the
Fairfax County Board of Supervisors

Human Services Council

July 24, 2012



Presentation Objectives

- ▶ Review of BOS charge to the Human Services Council
- ▶ Process Used by the Council for public input
- ▶ Summary of recommendations on the CSB Budget Management Plan
- ▶ Council acknowledgement of CSB members supporting Council's work
- ▶ Update on the County Executive's management work plan and next steps

Board Charge to the Council

- ▶ The Board of Supervisors requested the Human Services Council to develop recommendations about the Fairfax-Falls Church Community Services Board's
 - structural budget deficit
 - anticipated funding shortfalls; and
 - potential service reductions

- ▶ The Board directed the Council to:
 - Obtain input from the community
 - Collaborate with the CSB to identify areas of community consensus
 - Present recommendations to the Board of Supervisors at the July 24, 2012 Board Human Services Committee.

Background – Projected CSB FY 2013 Budget Shortfall – What happened

Shortfalls	(\$9,476,613)
Comprised of:	
Potential overestimated fee revenues.....	...\$2,641,942
Forecasted payroll shortfall (fringe benefits).....	...\$3,334,671
Services for ID June 2012 graduates\$1,300,000
Recurring contract deficit for ID Employment & Day services\$1,200,000
Service demand for Infant & Toddler Connection\$1,000,000

Community Input Process

- ▶ Established a Human Services Council – CSB Joint Budget Review Work Group
- ▶ Broadly communicated CSB proposed actions to the community and key stakeholders in the human services system
- ▶ Held public meetings to seek input
 - Representatives of human services related Boards, Authorities and Commissions, interested advocacy groups and associations, community providers, strategic partners, recipients of services and families.
- ▶ Opportunities for individual input through online comment
- ▶ Reviewed online comments, written submissions, and public comments.

Community Input Process

Questions to the community included:

- Consensus on proposed resource allocations and reductions
- Alternate program reductions or revenue enhancements
- Areas for advocacy related to increased non-General Fund revenue
- Enhancements for future consideration by the Board of Supervisors (i.e., state reimbursement, payment adjustments)

What the Community Said

- ▶ Diversify revenue sources by seeking corporate and volunteer donations
- ▶ Develop a community-wide strategy to work with businesses to place every school graduate with Intellectual Disabilities into meaningful supported employment
- ▶ Increase user fees/cost sharing
- ▶ Use carryover funds from current fiscal year as a stop-gap funding measure
- ▶ Reprioritize existing county/schools budgets
- ▶ Use county “rainy day” fund and/or increase appropriations/taxes in the future
- ▶ Advocate for increased State funds in support of programs
- ▶ Cost saving ideas- over 60 specific recommendations supported reducing CSB duplication/overhead, outsourcing, use of volunteers and redesign services to improve quality and effectiveness in key areas
- ▶ The roles and responsibilities of the State and other funders for services in the community
- ▶ The need for review of Beeman Commission recommendations in light of fiscal constraints
- ▶ Capacity of the CSB management and board oversight

Key Issues Considered by Council

- ▶ Consequences for the Entire Human Services Population
 - Impact of proposed reductions to the health and safety concerns of all populations served by the entire human services system.
 - Complexity of system - there could be unintended consequences resulting from actions taken.
- ▶ Investment in Preventive Services
 - Lessen the long-term impact and offset higher costs in the future.
- ▶ Interconnected Human Service Finance and Delivery Systems
 - Those directly provided and those contracted through community partners.
 - Already strained service delivery in other programs and interrelated services.

Key Issues Considered by Council

- ▶ Neglected Obligations of the Commonwealth
 - The Commonwealth must be accountable for fully financing services it is obligated to provide.
 - Long standing and wholly inadequate, systematic underfunding of services – across spectrum of services

- ▶ CSB must be better prepared to maintain services within authorized budget resources
 - Without strong service utilization management strategies, the CSB could find themselves at risk of future budget overruns.
 - Strategies to improve financial position include:
 - Leveraging other funding sources;
 - Identifying new, but more certain, revenues;
 - Outsourcing services to increase efficiencies, provide opportunities for more effective service utilization management, and leverage existing provider services; and
 - Reducing services without putting individuals at risk.

Actions already taken to address the projected FY 2013 budget shortfall

- ▶ The Council received information regarding initial steps taken to address the projected shortfall:
 - The Board concurred with the actions to:
 - Reduce Administrative Coverage - \$156,390 (4 SYE)
 - Reduce CSB Management based on revised span of control - \$307,892
 - Cancel the Psychology Intern Program upon completion of this year's term in August - \$115,568
 - The County Executive determined that funding totaling \$3.5 million to address payroll shortfalls (fringe benefits) would be recommended as part of the FY 2012 carryover review.
 - These actions leave a projected remaining funding gap of \$5.4 million.

Human Services Council Recommendations

- ▶ Council is concerned that residents will not receive needed services
- ▶ CSB fiscal situation further stresses the entire human services system
- ▶ Local resources cannot be stretched further
- ▶ Actions recommended with great reluctance
- ▶ In order of priority – greatest impact first

Actions Not Recommended By Council

- ▶ **Close New Horizons \$507,732**
- ▶ **Close Sojourn House \$283,768**
- ▶ **Eliminate Gartlan Center Emergency Services \$111,922 (2.3 SYE)**
- ▶ **Eliminate Daytime Shift of Mobile Crisis Services \$194,658 (3.5 SYE)**

Actions Recommended

- ▶ **Delay the start of Early Intervention Services for the Infant and Toddler Connection (ITC)**
 - Recommend the Board address the Commonwealth's responsibility to fully finance the services
- ▶ **Increase baseline budget for employment and day services – totaling \$1.8 million**
 - County General Fund increase is needed to fund currently served individuals with intellectual disabilities (\$1.2 million) and 19 recent graduates at risk (\$580,000).
 - Manage services within the revised budget level. Limit any new funds for the contracted services.

Actions Recommended

- ▶ **Eliminate 1/1.0 SYE vacant merit position associated with Northwest Mental Health Center** (Full-year savings: \$97,090)
- ▶ **Maintain rates for CSB contract services at FY 2012 funding levels** (Full-year savings: \$1,100,000)
- ▶ **Eliminate 7/7.0 SYE merit positions and associated funding for prevention and wellness programs** (Partial-year savings: \$376,395)

Actions Recommended

- ▶ **Consolidate directly provided services in behavioral health for youth day treatment** (Partial-year savings: \$185,226)
- ▶ **Increase managed position vacancies within the CSB** for an extended period, if not permanently. (Full-year savings: \$1,100,000)
- ▶ **Eliminate the expansion of one unit (Intensive Community Treatment Team)** supporting mental health and substance abuse treatment for homeless adults (Full-year savings: \$619,797)
- ▶ **Reduce funding for CrisisLink** (Partial-year savings: \$60,000)

Potential Use of County Reserve Funds

The Council recommends the Board consider use of a portion of the \$4.2 million county reserve to address the following (in priority order):

- ▶ Fund the projected shortfall for contracted employment and day services to adults with intellectual disabilities. (\$1.8 million)
- ▶ Establish a reserve to support the Infant Toddler Connection (\$0.5 million)
- ▶ Fund FY 2013 contract rate increases for 6 months, effective January 2013 (\$0.6 million)

Short-term Future Considerations

- ▶ **County Executive's Work Plan**
 - The Council reviewed the County Executive's Work Plan submitted to the Board on July 3rd and wholly supports it.

- ▶ **Pursue adequate funding from Commonwealth**
 - Council recommends the Board establish an "accounts receivable" fund.
 - The Council recommends the Board include this issue in its county legislative priorities and drafted a legislative position on this issue for your consideration.

Short-term Future Considerations

- ▶ Revise Budget Approach for CSB contract rate adjustments
 - A business plan to address service contracts, market for the services, the business case and cost drivers.
- ▶ Assign recommendations from the community to the appropriate county department for review and follow up as part of the County Executive's Work Plan
 - Over 60 specific suggestions were made by the public on areas to improve work strategies in the CSB.

Longer-term Future Considerations

- ▶ Josiah H. Beeman Commission
Recommendations need review and revision
- ▶ Relationship between the CSB and the County

Acknowledgements

I wish to acknowledge:

- The Honorable Jane Woods, and Ms. Lynne Crammer, who so ably represented the Fairfax-Falls Church Community Services Board in our work together on the Joint HSC-CSB Budget Management Work Group.
- ▶ **Members of the Human Services Council**
 - Mr. Henry Wulf, who served with me on the Joint Budget Management Work Group
 - All the Council members – who spent every Monday evening in June and July and countless additional hours seeking information, reviewing public input, and discussing various options and recommendations.

Summary

- ▶ Many Council members are here today and are available to answer your questions and concerns
- ▶ On behalf of the entire Council, thank you for the trust you placed with us in gathering the community's priorities for your consideration.
- ▶ We offer our assistance in next steps in the ongoing county Work Plan implementation.