



DANE COUNTY

Joe Parisi
County Executive

DATE: February 12, 2015

TO: Members, Dane County Board of Supervisors
Dane County Employees

FROM: Joe Parisi, Dane County Executive

RE: Analysis/Summary of Governor Walker's Budget

Governor Walker's proposed biennial budget includes a number of provisions of concern to the values of Dane County government and the citizens it represents.

At my request, county staff have completed a thorough analysis of the Governor's proposal. Additional analysis is needed to most accurately gauge the full impact of some of these initiatives.

Some of the Governor's budget provisions - while not directly affecting Dane County government - would be incredibly harmful to our continued economic vitality and quality of life should they be enacted.

Up to \$95 million in state budget reductions to the University of Wisconsin Madison campus and Madison Metropolitan School District will no doubt adversely ripple through our entire County.

The Governor's budget stands to stifle many of our region's successes at a time when we are adding new residents, businesses, and jobs far faster than anywhere else.

56.9% of Wisconsin's private sector job growth between 2003 and 2013 happened in Dane County. The nearly 20,000 new jobs added here over that decade is three times greater than the next closest county. Through those ten years, 76% of the state's average monthly employment increase occurred in Dane County.

70% of Wisconsin's net population growth between 2008 and 2012 happened in one Wisconsin County - right here in Dane County. 20,000 of the 28,000 new residents in our state chose to call our County home.

Our unemployment rate remains the lowest of the state's 72 counties.

The State of Wisconsin cannot demonstrate favorable employment or economic development data without a healthy and flourishing Dane County.

Efforts that jeopardize our vitality and success are short-sighted, placing our entire region and state at risk.

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Attached is a summary of items we will be closely tracking as the legislature begins its work on the state budget in the coming weeks.

My administration will keep you apprised as the state budget process unfolds.

Budget Items with a Direct Impact on Dane County Government

1. **ADRC Privatization:** Allows a private entity to administer all or part of ADRC services. Also eliminates the requirement for the ADRC governing board and advisory committee.

Impact: Dane County currently operates the Aging and Disabilities Resource Center. The budget authorizes private for-profit entities to operate an ADRC. The county's contract is renewed annually. It is unclear how the state will employ this new authorization. The county has over 45 ADRC staff at the ADRC.

2. **Income Maintenance (IM):** Fully fund IM Consortia based on updated caseload estimates and program requirements. \$10.8 million in 2016 and \$9 million in 2017.

Impact: The county leads the largest IM consortia in the state. The budget does not increase the funding to the level that the consortia needs given increased caseload and workload due to the Affordable Care Act, FSET requirements, etc. In fact, the increase is less than half what the consortia requested. Caseloads will likely become so high that timelines and performance standards cannot be met. This proposal also projects a decrease in caseload between 2016 and 2017 which is highly questionable.

3. **Family Care Expansion:** Expand Family Care to all counties by 2017 or upon federal approval whichever comes first. Eliminate MCO regions, place MCOs under Office of Insurance and allow choice of provider by Family Care participants. Eliminates IRIS program.

Impact: The budget bill would require the county to move to Family Care. The impact is currently being analyzed by the Department of Human Services.

4. **Medicaid Personal Care Reform:** Require independent assessment for all prescribed personal care services.

Impact: This could reduce authorized hours of service, and consumers would need to get by with less care. Any loss of care would increase pressure on COP/CIP to cover lost hours of service.

5. **Medicaid Transportation:** Delete Medicaid patient transportation and place responsibility for transportation with providers (physicians, clinics.....). -\$692,800 in 2016 and -\$1.5 million in 2017.

Impact: This measure will make it more difficult for consumers to get access to needed services.

6. Children's Community Option Program: Create new long term care program for children within the Community Options Program.

Impact: This is coupled with the elimination of the State GPR funded Family Support Program. This will reduce the ability of Dane County to provide "light touch" supports to families which will be a huge loss in the Children's DD system.

7. Juvenile Corrections: Provide daily rates of \$279 in 2016 and \$287 in 2017. Reduce add-on rate to \$6 per day. Merge juvenile programs within DOC community supervision program.

Impact: The new rates will result in savings of \$76,000-\$82,000 for the second half of CY 2015 and \$117,000-\$135,000 for all of CY 2016.

8. Intergovernmental Revenues: Maintains current funding levels for Community Aids, Youth Aids, General Transportation Aids and Shared Revenue.

Impact: The amounts in the county budget for 2015 will be realized, there are no budgeted increases in these revenue sources for state FY 2016.

9. Circuit Court: Consolidate Circuit Court Support Payment, Guardian ad Litem, and Court Interpreter programs into a block grant program.

Impact: Currently, the state budget includes a sum certain appropriation for circuit court support to all counties. These funds are distributed to the counties based on reported court expenditures. The county is reimbursed most of the cost of its GAL and court interpreter expenses based on expenditures. This reimbursement is separate from the court support grant.

The budget consolidates the current funding for these three items along with the cost of court reporters, which is currently in a sum sufficient appropriation along with the personnel costs of judges. The total included in the budget for interpreter, GAL, court support and court reporters is about \$1 million less than what was in the state budget for FY 2014.

Further, the budget does not provide any instruction as to how the Director of State Courts should distribute this funding to the various county courts, so it is difficult to estimate how Dane County will be impacted.

The county has budgeted \$1.466 million in court support grant, \$289,900 in GAL support, and \$120,000 in interpreter reimbursement revenues for 2015.

10. District Attorneys: No increase in ADA staffing levels.

Impact: No additional staffing for the Dane County DA's office.

11. Local Government Property Insurance Fund: No new policies may be written and the Fund discontinues for current policy holders on December 31, 2016.

Impact: Dane County will need to purchase property insurance from another source effective at its renewal 10/1/16. This will likely include higher premiums and/or deductibles. The impact will not be known until the county pursues quotes for a private policy during 2016.

12. Property Assessment: Require counties to conduct assessments instead of cities, villages and towns. As a 2nd class city, the City of Madison would be allowed to opt out of countywide assessment. The county would need to create an Assessor's Office to supervise this operation. The requirement is effective for assessment year 2017, so all assessments would need to be consolidated at the county level during 2016.

Impact: The county would need to set up an assessor's office, hire staff, acquire software, and consolidate assessment records from all affected municipalities. The budget bill allows the county to charge the municipalities for a proportional share of the cost of assessments, but the charge is limited to 95% of the amount the municipality spent in 2015. Data on the level of expenditures is sparse, and many municipalities underspend on this activity, which results in lower than the newly required 100% market value assessments.

13. Transportation Alternatives Program: This program funds alternative transportation infrastructure such as bike paths. The county received a \$1 million TAP grant for the Lower Yahara River Trail for CY 2015. The budget reduces this program by \$1 million per year, but retains the federal funding within the program.

Impact: Reduced opportunities for future grants.

14. Crime Prevention Fund: Create the fund and Crime Prevention Board through a \$20 surcharge on felony/misdemeanor convictions. The Board distributes grants to non-profit private crime prevention organizations. Up to half the funding can go to law enforcement agencies.

Impact: This would add an additional fee of \$20 that offenders would be required to pay.

15. Stewardship Fund: Prohibit use of stewardship funds land purchases through to 2028. Retains stewardship funding for park improvements, applies \$14 million of stewardship bonding for fish hatchery rehabilitation around the state.

Impact: The county has received over \$15 million in stewardship land purchase grants over the years. Future grants would not be available.

16. Deer Kill: Repeal DNR deer road kill collection program.

Impact: Would cost Dane County \$15-20,000 for carcass pick up and disposal.

Indirect Impacts to Dane County Government but Impacting the Community

17. University of Wisconsin System: Reduces state support for the system by \$300 million over the biennium and changes the organizational structure from a state agency to a semi-autonomous public authority structure.

Impact: A great deal of attention has been given to this topic. The impacts might include reduced employment in the system, higher tuition, reduced enrollment or course offerings, etc. Lay-offs would impact our local economy.

18. Mental Health: Mingle Community Mental Health Program funds with Community Aids. Require counties to provide community-based crisis assessment for emergency detentions by a mental health professional. Provides \$1.5 million in 2016 to cover costs. Moves the Office of Children's Mental Health to DHS.

Impact: Dane County already funds Journey Mental Health Center to provide community based crisis assessments for Emergency Detentions.

19. New Time Limits: Reduce the lifetime limits for W-2 participation and Medicaid coverage for childless adults from 60 months to 48 months.

Impact: Fewer Dane County residents will be eligible for health services and W-2 which provides income, child care and job training support.

20. Juvenile Care: Transfer juvenile aftercare programs from DOC to Dept. of Children & Families.

Impact: Impact unknown at this point. If the aftercare programs continue at DCF, there will be no impact on Dane County. If the aftercare programs are eliminated, Dane County will need to take responsibility for aftercare of our Juveniles. Dane County currently purchases aftercare from the State DOC.

21. Fostering Futures Connections Count Program: Fund Community Connectors to interact with vulnerable families with children up to age 5 and direct them to community support services.

Impact: No details yet. If this funding becomes available to counties, it might be a new source of revenue to support Dane County early childhood initiatives.

22. Drug Testing & Treatment: Require drug testing for unemployment insurance, food share, and Medicaid for childless adults.

Impact: For Food Share and Medicaid, over 10,000 Dane County adults could be affected in Dane County with a cost to the state of \$750,000 to conduct the tests. The impact on those filing for unemployment would drive this cost higher and impact a larger population.

23. Out of Home Care: Transfer funding to DCF & continue support program for young adults 18 to 21 who are enrolled in school and have an IEP. Provide \$1 million in 2016 and \$1.2 million in 2017.

Impact: No fiscal impact. This could be a program improvement.

24. Bike & Pedestrian Facilities: Eliminates requirement for new highway projects. Loss of \$7.4 million.
25. DNR Board: Removes the Natural Resources Board's rulemaking authority and makes it advisory only.
26. Senior Care: Reduces funding for Senior Care prescription drug benefit. Requires all participants to enroll in Medicare part D as the primary insurance payer.
27. Domestic Violence Grants: Increases grants to domestic abuse service providers by \$5 million in the second year of the budget.
28. Community Reintegration Services: Changes statutes to allow the Dept. of Corrections to contract for community reintegration services for inmates discharged from prison. These services are currently provided by Madison Urban Ministries and Project Return in Madison. Each currently receives \$50,000 per year.