



Fiscal Affairs Advisory Commission
Report to the County Board

FY2019 Proposed Budget

Budget Area:	Department of Human Services (DHS)
FAAC Reviewers:	Anthony Perez, Connie Phlipot, Patrick Bogenberger (performance measures)
Date of FAAC Action:	February 26, 2018
Presenter:	Tenley Peterson, Chair

FAAC Opinion

The County Manager’s proposed FY2019 budget for the Department of Human Services (DHS) is based on sound fiscal principles, strategic spending, and prioritizing program efficiencies to minimize the impact of cuts.

The DHS FY19 proposed budget is \$138,794,705, a one percent increase over the FY18 adopted budget. However, there are several major budget reductions at DHS that total over \$2.2 million from the baseline FY18 budget. That includes the elimination of 16 full-time employees (FTEs), 11 that are filled and 5 that are vacant.

DHS is confident they will still be able to achieve department goals with the proposed budget. The budget reductions should have minimal impact on the services provided by DHS due to the efficiencies created by contracting out. In fact, regarding laboratory services, the County Manager relayed that the county may experience *increased* service performance at a lower cost. FAAC applauds DHS for their meticulous process in finding increased efficiencies within the department without cutting services to the community.

The FAAC also applauds DHS for finding increased efficiencies with Schools in the administration of the Arlington Education and Employment Program (REEP) program.

FAAC Recommendation #1			
The FAAC recommends that the County Board adopt the County Manager’s proposed budget for FY2019 for the Department of Human Services.			
Vote	Yes: 8	No: 0	Abstain: 0
Comments	<ul style="list-style-type: none"> Where appropriate, FAAC encourages the county to transfer the 11 county employees whose positions are being eliminated to the county’s 200+ vacancies. For those who cannot be reassigned to other county positions, FAAC encourages the 		

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Internal Report

	<p>county to assist the staff in finding relevant, non-county positions.</p> <ul style="list-style-type: none">• Regarding the reduction of the DHS grant provided to APS for REEP, FAAC notes that no slots will be cut for the program nor will there be an increase in fees for residents.• The proposed budget highlights that the elimination of an Administrative Technician I may result in increased errors in records retention and destruction. FAAC encourages the County Board to direct DHS management to periodically audit for errors and consider mechanisms to avoid such errors.
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Future Considerations

- The impact of a possible Medicaid expansion to able bodied adults on the DHS budget. 7,000 adults eligible in the county. Increased staffing would be needed to determine eligibility. The state reimburses for the increased staffing but only to a certain percentage.
- Future budgetary impact of the continuing rise in opioid addiction treatment. While this year DHS was able to leverage state funds and to re-program a vacant FTE from elsewhere in the department to address the program, tighter outyear budgets might make it difficult to meet increased needs.