



Board of Directors Meeting

May 12, 2011

FY 11/12 Budget

Item IV.A.

Discussion Item:	FY 11/12 Budget.
Program:	All JWB Funded Programs.
Budget Impact:	The projected budget would be reduced in total by \$10.5m through a combination of reductions in administration, programs and the non-operating technology budget.
Strategic Plan Goal:	Advancement and alignment of focus areas: School Readiness, School Success and Child Maltreatment Prevention.

Background:

Staff presented recommendations to the Finance Committee for the FY 11/12 budget on April 25, 2011. A 4.5% reduction in the property valuation is projected for FY 11/12, with a 1% variance. Staff is preliminarily applying a 6% reduction and projecting lower ad valorem revenues for FY 12/13 from 0% to -2%. The total impact of these reductions over the next two years is a \$12m decrease in the JWB budget, which includes draining the Program Stability Fund from \$18m to \$3m in a three-year period. This revenue decrease is concomitant with severe economic factors that are impacting at-risk families, resulting in large and growing populations of homeless families and children in the child welfare system, plus a burgeoning wait list for subsidized child care. In addition, Florida is now known as the “epicenter” of prescription drug abuse. Doctors in Florida prescribe 10 times more oxycodone pills than every other state in the country. Staff predicts that this will result in further family destabilization.

JWB is implementing a number of efforts in partnership with community stakeholders to respond to these issues and to seek even greater efficiencies in service delivery. The Common Eligibility project is a collaborative effort among JWB, the Early Learning Coalition, the Health and Human Services Coordinating Council, Pinellas County Human Services, 211, and Coordinated Child Care. The model is designed to establish benefits eligibility for at-risk families and to provide a transfer for service delivery for child care, basic needs, Department of Children and Families related services, and other community programs. The proposed JWB services pool would be a “payer of last resorts” model, in which JWB funds would only be accessed when no other funding source or organized community services were available. The JWB Family System of Care would receive referrals from 211 and provide an assessment and navigation for families needing multiple services. Preliminarily, the JWB Administrative Services Organization (ASO) would be the fiscal engine for provider payment. This would be an expansion of the current services being provided for the Neighborhood Family Centers and 211, and would be modeled on the Hillsborough Children’s Board ASO. This

services pool model is designed to meet the needs of at-risk families through a menu of services available throughout the community, rather than a smaller group of JWB funded providers. A full presentation of the Hillsborough ASO and the Common Eligibility system is included in your Board packet.

We have worked this year to produce data sharing agreements with "indicator systems" in Pinellas County. These entities assist in measuring a child's well-being during and after JWB services. Collaborations with the Sixth Judicial Circuit Court, the School System, Eckerd Community Alternatives (ECA), the Early Learning Coalition, and some JWB providers have made great strides toward an objective measuring system for children served by JWB. A sampling of children is checked in the "indicator systems" to assure program goals are met. Programs that exhibited a low return on investment were typically in line with data on similar services nationwide. For example, half of the children served in these programs are diverted from more severe systems, such as Juvenile Justice or Child Welfare. Research clearly shows that less expensive prevention efforts delivered in the 0-3 age range have a greater return on investment. Staff used this data to make recommendations for the FY 11/12 program portfolio. These reductions are detailed below:

Program	Original	Reduction	Remaining
Truancy Initiative	\$767k	\$667k	\$100k
Post Detention	\$350k	\$350k	\$0
Adolescent Residential Treatment	\$448k	TBD	Program changes are under discussion

Staff identified administrative reductions for Coordinated Child Care contracts and JWB:

Agency	Reduction	Comment
Coordinated Child Care	\$1.3m	Does not reduce child care slots
JWB	\$300k	

Staff recommends reduction of programs that were originally funded as one-time-only or temporary stop-gap measures. In the case of the Emergency Response Team (ERT), this program was funded to reduce the unusually high number of children in the child welfare system, when the Sarasota Family YMCA began as the lead agency. (JWB has a \$14m investment in child maltreatment prevention.) While ERT initially assisted in diverting children, currently, Pinellas County has the highest number of children in the Child Welfare System as compared to similar Florida counties and counties with CSCs. Based on data analysis of ERT and Child Welfare cases, staff is proposing a greater investment in prevention services for drug involved single parents with newborns in order to reduce these numbers. The recommended services pool would be a mechanism for increasing funding support to Healthy Start and other service providers working with this population. In discussions with PEMHS, the idea of merging the ERT contract with the Family System of Care services pool was identified as a more efficient mechanism to deliver services to support Child Protection Investigation. This is being explored with the stakeholders group and would be presented to the Board as an option at the July Board meeting. ECA, which funds 25% of the ERT, has not committed to replacing the proposed \$250k reduction in JWB funds. PEMHS notified JWB in late April that Eckerd funding for other PEMHS programs would also be reduced, which would draw dollars from ERT client services to other line items.

Program	Original	Reduction	Remaining	Comment
Emergency Response Team	\$1.2m	\$250k	\$982k	
NFC Services Pool	\$500k	\$500k	\$0	One-time-only
ECA Fund	\$800k	\$800k	\$0	One-time-only

Initiatives not fully implemented were identified for reduction:

Program	Original	Reduction	Remaining	Comment
Teen Pregnancy Prevention	\$532k	\$532k	\$0	Continuation application for 2nd year in process
Quality Initiative Scholarship Program	\$500k	\$300k	\$200k	Funding for child care worker college scholarships continued
Model Preschool	\$600k	\$300k	\$300k	The Pinellas County School System and St. Petersburg College are collaborating on a model preschool at the All State Campus. Funding support may be needed

Staff is recommending acceleration to evidence-based programming, with an emphasis on high returns on investment and primary prevention in the three focus areas. There is also considerable consensus behind the Common Eligibility model being proposed by community stakeholders which employs system navigators to assess the full needs of at-risk families and matches those needs with community services. To this end, staff is proposing the following changes in the program portfolio:

Program	Original	Reduction	Transfer	Comment
Adults Mentoring Children	\$333k	TBD	TBD	Discussion of transferring a portion of these dollars to the evidence based Big Brothers Big Sisters mentoring program. Remaining funds to be used for children aging out of the foster care system.
Healthy Families	\$6M	TBD	TBD	Discussions are being held with the Pinellas County School System and the Health Department about redirecting a portion of these funds to School Health Clinics. Healthy Families is not currently at maximum utilization.
ERT	\$1.2m	\$1.2m	\$982k	TBD: Transfer funds to Services Pool.

Millage Discussion

On September 4, 1990, the voters of Pinellas County approved by a 2 to 1 margin to increase the maximum JWB millage rate from .5000 to 1.000 mils per \$1,000 in order to provide additional services to Pinellas County children. The taxing authority for the full 1.000 mil at its height would have funded \$80m in children services. This year, staff is projecting the JWB's full taxing authority to be \$37m less and then dropping further next year. Beginning in FY 10/11 to 13/14, the budget will have been reduced by \$11.4m and the \$18m in the program stability fund will have been exhausted. The Board has prepared for these sharp declines by reducing the administration budget, maximizing

matching funds and American Recovery and Reinvestment Act funds, collaborating with the county on human resources and information technology needs, creating a program stability fund, implementing data sharing agreements to improve program return on investment, successfully increasing our grant activities and actively seeking other revenues streams. The Board reduced the millage rate as the taxable value grew and increased it when it began to decline. The period we are entering appears to be a protracted trend toward high numbers of foreclosures, children in the child welfare system, children waiting for subsidized care, increased homelessness, and an acceleration of prescription drug abuse throughout Florida. In the table below, staff provides options for increasing the millage rate to respond to these critical community needs:

Millage	Revenue	Increase/Decrease	Comment
0.7915	\$41.9m	-\$2.7m	Current millage rate
0.8117	\$42.9m	-\$1.6m	Majority action only
0.9000	\$47.6m	\$3.1m	Majority action only
0.9500	\$50.3m	\$5.8m	Majority action only
1.0000	\$52.9m	\$8.4m	Majority action only

Staff has attached a memo on child care eligibility and the Child Care Executive Pool match (CCEP) for Board ratification and action. The Finance Committee approved the eligibility requirements for CCEP but did not approve the eligibility requirements for child care providers as these actions had larger implications than fiscal matters.

In addition, the proposal to begin implementation of collaboration between the County Business Technology Systems and JWB was approved by the Finance Committee and is attached for ratification by the full Board.