

## BUDGET DISCUSSION – July 17, 2019

For the twelve months ending June 30, the contribution from general fund for administrative expenses is 95.6%, which is 4.4% under budget. The contribution from the general fund for the program expenses is at 111.7%, which is 11.7% over budget. The funding remaining in the general fund for administrative costs is \$126,255.37 and the program costs has an overage of \$166,945.24, which leaves a deficit of \$40,689.87 from the General Fund. This amount will decrease when the sales tax is claimed and collected from the State and this revenue is posted.

The administrative costs are over budget mainly due to the pay and class study that was effective in December 2018, the 1% COLA for all employees that was effective in January 2019, and replacement of the roof for Buildings A and B. These items were not included in the budget for FY 2018-2019 and resulted in overages in these lines.

The program costs are over budget due primarily to the increase in Foster Care costs and drug screenings.

See below for the administrative and program expense lines that are over budget and an explanation as to why each line is over budget for the fiscal year.

### **Administrative Expense Lines:**

**Salaries Regular** – This line is over budget by \$188,833.52 due to the pay and class study and the 1% increase that was not included in the FY 2018-2019 budget. The pay and class study increased salaries by approximately \$20,000.00 per month and the 1% COLA increased salaries by approximately \$4,120.00 per month. This would be a total of approximately \$145,000.00. The remainder of the overage is due to vacation and comp pay outs of several workers that have retired or resigned.

**Salaries Temporary** – This line is over budget by \$27,040.27. A contract employee was hired and paid from salary and benefits that remained from a full time position not being filled for part of the fiscal year. This overage will be covered by funds remaining in the Part Time Salaries and benefits lines.

**Retirement** – This line is over budget by \$7,011.66 due to increased salaries from the pay and class study and 1% pay increase which was not included in the budget for FY 2018-2019.

**401 K** – This line is over budget by \$5,905.32 due to increased salaries from the pay and class study and 1% pay increase which was not included in the budget for FY 2018-2019.

**Professional Services Other** – This line is over budget by \$12,731.64 due to the charges from the single auditors for the Medicaid Audit. The total amount billed by Gould Killian and charged to this line for the fiscal year was \$13,750.00. These charges were not budgeted in FY 2018-2019.

**Professional Svcs IT** – This line is over by \$10,349.18 which is the increase in salaries and benefits from the pay and class study and 1% COLA. This was not included in the FY 2018-2019

budget. (This is the salary for the dedicated IT position contracted from the County IT Department.)

**Professional Svcs Imaging** – This line is over by \$159.35 due to increase of shredding fees for Child Support documents that were imaged for this fiscal year.

**Adult Services Fees – Clerk of Court** – This line is over by \$50.00. This is over due to increased caseloads and court activity in Adult Services.

**Professional Svcs Deputy** – This is over by \$5,911.91 due to the increase in salary by the pay and class study and the 1% COLA which was not included in the FY 2018-2019 budget.

**Professional Svcs – Child Care Admin** – This line is over by \$21,513.00. This cost was not budgeted at the beginning of the fiscal year because we did not contract these services until October. Also, the monthly activity is higher due to two invoices being posted and paid in June to finalize the contract for the fiscal year. We will receive reimbursement for these costs at the end of July.

**Fuel** – This line is over by \$6,771.35 due to an increase in fuel costs and an increase in out of town travel for visits and training. We have 60+ children that are placed out of the County that have to be visited on a monthly basis.

**Tires** – This line is over by \$884.09 due to increased vehicle use.

**Copy costs – Clerk of Court** - This line is over by \$1,000.00 due to extra copies in the courthouse as a result of increased children entering care and increased court activity in Adult Services.

**Telephone** – This line is over by \$13,331.63 due to eight additional iPads with cellular service being purchased for Child Support workers. The cost of the iPads and the service was added to this line. These iPads were necessary because the laptops being used were becoming obsolete and are necessary for use in court.

**Utilities** – This line is over by \$2,370.62 due to higher power bills paid in January and February of this year. The power paid in January was \$838.02 higher than the average bill and the February bill was \$1,292.58 higher than the average bill. The remaining overage is due to an increase in water usage during the summer months.

**Maintenance to Building & Grounds** – This line is over by \$79,168.33 due to the cost of the new roof for Buildings A & B. The amount of \$84,868.20 was paid in this fiscal year and the final balance due will be paid in fiscal year 2019-20 which is \$9,429.80. These costs were not budgeted in FY 2018-2019.

**Maintenance to Vehicles** – This line is over by \$12,795.98 due to several vehicles requiring maintenance due to accidents and one motor replacement.

**Highway Use Tax** – This line is over by \$37.47 due to the cost of use tax on vehicles.

**Professional Liability Insurance** – This line is over by \$1,410.00 due to an invoice for attorney's fees in the amount of \$3,677.10 for a law suit that was filed regarding an Adult Service's case.

#### **Program Expense Lines:**

**Special Assistance** – This line is over by \$19,553.98 due to increase of elderly population being placed in nursing homes.

**IVE Foster Care** – This line is over by \$406,484.67 due to the increase of children that have been taken into custody during this fiscal year and out of County placements. Note that \$263,714.52

additional revenue was received for IVE Foster Care funding than was budgeted; therefore, not all of this was County funding.

**Drug Screenings** – This line is over by \$75,043.76 due to the need of drug testing of children and parents.

**Medicaid Transportation and Medicaid Transportation Reimbursement** – The Medicaid Transportation line shows an overage of \$22,086.82, and we have received \$16,907.24 more than we budgeted, which leaves \$5,179.58 over budget that are the no shows which is all County cost.

**IVE Adoption Assistance** - This line is over by \$589.78 due to additional children being adopted and eligible for Adoption Assistance.

**IVB Adoption Assistance** – This line is over by \$3,052.09 due to additional children being adopted and eligible for this funding.

**Unclaimed Bodies/DDS/Discretionary Funds** – This line is over by \$300.71 after we received the DDS funding reimbursement. This is over due to additional Wards for Adult Services that were added to the Hope for the Future contract and invoice.