

## COMMUNITY AFFAIRS COMMITTEE

DATE: February 5, 2009

CALLED TO ORDER: 6:08 p.m.

ADJOURNED: 6:21 p.m.

### ATTENDANCE

#### ATTENDING MEMBERS

Mike Speedy, Chair  
Ben Hunter  
Maggie Lewis  
Kent Smith

#### ABSENT

Paul Bateman  
Susie Day  
Doris Minton-McNeill

### AGENDA

PROPOSAL NO. 61, 2009 - appropriates \$9,500,000 in the 2009 Budget of the Division of Family and Children (Family and Children Services Fund) to fund contractual services for child welfare services and programs incurred in 2008 but funded in 2009 in accordance with HEA 1001, 2008

"Do Pass"

Vote: 4-0

## **COMMUNITY AFFAIRS COMMITTEE**

The Community Affairs Committee of the City-County Council met on Thursday, February 5, 2009. Chair Mike Speedy called the meeting to order at 6:08 p.m. with the following members present: Ben Hunter, Maggie Lewis and Kent Smith. Absent were Paul Bateman, Susie Day and Doris Minton-McNeill.

PROPOSAL NO. 61, 2009 - appropriates \$9,500,000 in the 2009 Budget of the Division of Family and Children (Family and Children Services Fund) to fund contractual services for child welfare services and programs incurred in 2008 but funded in 2009 in accordance with HEA 1001, 2008

Jason Dudich, Deputy Controller, Office of Finance and Management (OFM), stated that during the budget process in 2008, OFM came before this committee and explained that the Family and Children Fund was being turned over to the State, and the County's responsibility was to pay the "tail payment" of any expenses that were incurred in 2008, but unable to be paid because of the billing cycle or timing of claims. Mr. Dudich stated that in 2008, OFM felt that a \$5.5 million appropriation would be a good estimate of what the "tail payment" would be. Mr. Dudich stated that the \$9.5 million would be issued in short term debt in 2009, and paid for with a property tax levy in 2009.

Mr. Dudich stated that as of February 2, 2009, the Auditor's Office has received \$8.2 million in bills from the Marion County Department of Child Services (DCS) which is \$2.7 million more than the original appropriation. He said that unfortunately, OFM has only been able to pay out \$5.5 million of those claims, and, there are claims waiting to be paid to providers of child welfare services and families in Marion County. Mr. Dudich stated that OFM and the Auditor's Office have been working with DCS to determine the total tail payment. He said that DCS is unable to specifically determine the total impact of the tail payment, so OFM is asking for a \$9.5 million increase in the appropriation, which seems large, but it will cover current bills as well as future bills so that OFM will not have to come back in a month to ask for more. He said that the \$15 million figure, in total, was a good idea.

Chair Speedy asked if there are persons depending on payment. Mr. Dudich answered in the affirmative, stating that there are families, not-for-profit organizations, foster care parents and other vendors that have shelled out funds to purchase furniture, clothing and food for children. Chair Speedy asked if any money left over from the appropriation will be returned to the General Fund. Mr. Dudich answered in the affirmative.

Councillor Lewis asked what exact amount is needed. Mr. Dudich stated that DCS needs an extra \$2.7 million that will bring them up to the \$8.2 million. He said that the problem is that DCS does not know the exact amount needed, so this appropriation gives OFM the ability to have a cushion so that they will not have to come back to the committee.

Chair Speedy asked if the vendors that deal with DCS have up to a year to invoice the State. Shirley Mizen, Deputy County Auditor, stated that Medicaid reimbursements are allowed for a two-year period. She said that DCS could not give any specifics in reference to what they allow. Ms. Mizen stated that OFM is definitely looking at 2008 bills, but DCS has indicated that they also have some 2007 bills that have not been paid. Mr. Dudich stated that most federal programs like Medicaid have a time restriction on when a claim

can be submitted for services. He said that OFM is trying to determine if anything was submitted for 2007 or later, which in case, OFM will let DCS know that it is not OFM's responsibility to pay.

Councillor Hunter moved, seconded by Councillor Smith, to send Proposal No. 61, 2009 to the full Council with a "Do Pass" recommendation. The motion carried by a vote of 4-0.

With no further business pending, and upon motion duly made, the Community Affairs Committee of the City County Council was adjourned at 6:21 p.m.

Respectfully submitted,

Mike Speedy, Chair  
Community Affairs Committee

MS/law