

BUDGET OVERVIEW

- Personal Services expenditures increase \$9,775,899, from \$65,705,339 to \$75,481,238, based primarily on the increase in fringe benefit costs. Funded positions increase by 12.6 to 889.
- Total expenditures increase \$9,191,654, from \$160,077,602 to \$169,269,256. Total revenues increase \$5,996,119, from \$125,296,694 to \$131,292,813.
- The 2007 Budget converts the Behavioral Health Division from a Proprietary Fund to a General Fund account. A Proprietary Fund typically is established by a governmental entity to report the financial results for specific components of the entity that operate similar to a business. When BHD was established as a Proprietary Fund, it did indeed function like a hospital-based business, as it was exclusively a provider of inpatient and outpatient mental health services that relied primarily on patient service revenue to fund those services. Today, however, BHD is just as much a purchaser of mental health and AODA services as it is a provider, and it relies more heavily on County property tax levy than it does on inpatient revenue. A comparison between BHD operations today and in 1992 illustrates the extent to which those operations have changed:
 - Presently, BHD operates acute inpatient and long-term care programs with an average daily census of 250 patients out of one facility. In 1992, BHD operated four facilities with a bed capacity of 874.
 - In 1992, BHD operated eight outpatient clinics serving approximately 4,500 patients. Today, BHD contracts with private agencies to provide outpatient clinic services.
 - In 2006, \$66 million (41%) of BHD's \$160 million budget will be used to purchase services from private agencies. The 1992 budget of \$92.7 million did not include any funding to purchase services from private providers.
- Patient service revenue for 24/7 programs (Psychiatric Crisis Service, inpatient, nursing homes) has decreased from \$59.0 million in 1992 to \$28.0 million in 2006.
- In 1992, BHD had 1,693 FTE positions and its property tax levy was \$11.2 million. In 2006, BHD has 876 FTE positions and its property tax levy is \$34.8 million.
- The 2007 Budget includes a package of initiatives focused on enhancing permanent housing for persons with mental illness. These initiatives include new funding for enhanced support for current housing services, studies to assess the state of permanent housing for persons with mental illness in Milwaukee County, and make recommendations for improvement, and the consolidation of several housing programs into a single Housing Section in BHD. **These changes represent approximately \$250,000 of new or increased funding.**
- **The 2007 Budget contains a package of initiatives focused on enhancing permanent housing for persons with mental illness. The Mental Health Housing Initiative contains the following:**
 - The 2007 Budget reflects the transfer of the ANET program from the Disabilities Services Division (DSD) and Shelter Plus Care and Safe Haven programs from DAS - Economic & Community Development to merge with existing housing programs in BHD to **form a single Housing Section**. The ANET program, which supports a network of services for homeless women and families, is funded with a federal grant from the Department of Housing & Urban Development (HUD) in the amount of \$566,220, requiring an additional 20% local tax levy match. The Shelter Plus Care program, which links supportive services with rental subsidies for homeless individuals who are seriously mentally ill, is funded through a HUD grant in the amount of \$2,316,636. The Safe Haven program, which provides a home-like environment to seriously mentally ill homeless individuals who might otherwise be institutionalized, is also federally funded through a HUD grant of \$416,034.

- **Several positions are also transferred into BHD** as part of this initiative. One Housing & Community Development Coordinator (Special Needs), one Assistant Housing Program Coordinator Special Needs, three Housing Program Assistants (Spec Needs), and one Secretary are transferred from DAS – Economic & Community Development. In addition, **one Housing Program Director and one additional Housing Program Assistant (Spec Needs) are created**. The cost of the Housing Program Director is partially offset by the abolishment of one ANET Coordinator transferred in from DHHS. These actions have a net tax levy cost of approximately \$50,000.
- An appropriation of **\$75,000 is budgeted to provide additional on-site staff in supported apartments to enable an increase in the number of units** of supportive housing for persons with mental illness.
- A **\$25,000 contribution to the Continuum of Care (COC) is budgeted**. The COC is a consortium of local municipalities and non-profit organizations charges with the responsibility of securing HUD funds to provide housing assistance to the homeless population of Milwaukee County. This contribution, with the stipulation that the **funds be used towards the goal of increasing permanent housing**, will assist in providing administrative capacity to the organization to achieve this objective.
- An appropriation of **\$50,000** is budgeted to engage a national **expert to develop a ten-year master housing plan** for persons with mental health issues and other disabilities. This plan will focus on increased community capacity to support safe, affordable and supportive housing for individuals served by DHHS, with the intent of attracting housing developers to Milwaukee County.
- An appropriation of **\$50,000** is budgeted to implement a **joint effort with the City** of Milwaukee's Department of Neighborhood Services to improve the quality of housing by **issuing certificates of inspection and occupancy** to landlord-owners of two-to-six unit dwellings who provide or would like to provide housing to BHD clients.
- The 2007 Budget establishes that **one-half of the Community Development Block Grant** allocation typically utilized for County projects will be **designated for projects that enhance the availability of permanent housing** for persons with mental illness. BHD staff will submit a report to the County Board for the March 2007 cycle detailing recommended criteria to use when evaluating such projects.
- BHD will continue efforts to identify an alternative facility for inpatient and nursing home operations that is more cost efficient than the current facility, but allows BHD to continue providing high-quality care to patients. Upon securing such a facility, DAS – Economic & Community Development will begin preparing the current Mental Health Complex for sale. County policy is hereby established that one of the primary uses for any funds earned through this sale, less costs associated with the BHD move, will be the establishment of an ongoing funding mechanism to develop permanent housing for persons with mental illness.
- **Fifty percent of proceeds from Park East land sales deposited in the County's Affordable Housing Fund** will be earmarked for permanent affordable housing for persons with mental illness.
- DHHS, the Department of Administrative Services, the Department of Audit, and County Board staff are directed to perform a **study on consolidating all Milwaukee County housing programs into a separate Housing Division under DHHS**. This study will be completed by April 1, 2007.