



DAUPHIN COUNTY BOARD OF COMMISSIONERS

WORKSHOP MEETING

FEBRUARY 25, 2009

10:00 A.M.

MEMBERS PRESENT

Jeff Haste, Chairman
Dominic D. DiFrancesco, II, Vice Chairman
George P. Hartwick, III, Secretary

STAFF PRESENT

Chad Saylor, Chief Clerk; Marie E. Rebuck, Controller; Janis Creason, Treasurer's Office; J. Scott Burford, Deputy Chief Clerk; Randy Baratucci, Director of Purchasing; Tom Guenther, Director of IT; Guy Beneventano, Esq., Solicitor's Office; Leila Brown, Solicitor's Office; Jason Miller, Commissioners' Office; Diane McNaughton, Commissioners' Office; Faye Fisher, Director of Personnel; Melissa Wion, Personnel; Kay Lengle, Personnel; Amy Richards, Commissioners' Office; Peter Vriens, Director of Human Services; Dan Eisenhower, Director of MH/MR; Chuck Sheaffer, Sheriff's Office; Shannon Danley, Pre-Trial Services; Mike Keefer, Pre-Trial Services; Mike Potteiger, Director of Adult Probation; Gertrude Farling, Controller's Office; Jena Wolgemuth, Commissioners' Office; Brenda Hoffer, Commissioners' Office and Richie-Ann Martz, Assistant Chief Clerk

GUESTS PRESENT

Stephen Hetrick, Emily Opilo and Rev. Alvin Taylor

MINUTES

CALL TO ORDER

Mr. Haste, Chairman of the Board, called the meeting to order at 10:06 a.m.

MOMENT OF SILENCE

Everyone observed a moment of silence.

PLEDGE OF ALLEGIANCE

Everyone stood for the Pledge of Allegiance.

APPROVAL OF MINUTES

Mr. Haste: We have a number of meeting minutes that we will take up at next week's meeting.

PUBLIC PARTICIPATION

Mr. Haste: We are at the point in time in the Workshop Meeting for public participation. Is there anyone in the audience that would like to address the Board at this time? (There was none.)

DEPARTMENT DIRECTORS/GUESTS

A. Steven Hetrick, Retirement Collaborative LLC

1. Scheduling the Rebalancing of the Deferred Compensation Plan's Model Portfolios

Mr. Hetrick: You are probably familiar with rebalancing from what you are doing with the pension plan. What rebalancing does is it moves the investments which are growing at different rates back into their original portfolio allocation. When we came up with the model portfolios that was one thing that was part of the process that we would have built into the model portfolios. So, for participants who are part of the deferred compensation plan they can say I want to be in the conservative model or the aggressive model and there are several different mutual funds within that model that make up based upon that risk return premium that diversified portfolio. What we didn't clarify when we originally built the model portfolios was the schedule in which we were going to rebalance. So, really that is what the Voluntary Employee Benefits Committee and I are seeking approval of a quarterly rebalancing beginning April 1.

Rebalancing is a general portfolio maintenance. The participants, there are 181 participants that are in the models right now are expecting that to happen. It is just that the schedule had not been clarified up to this point. Now is an ideal time to rebalance too, because those investments who have equities in their portfolios, which even in the conservative models, they would have 15% typically in equities are going to have less equities relative to their more conservation investments like the bonds and stable value, which have been growing in value where the stocks have been declining in value. So, things are out of balance. In my example, I had an example of stocks going down by

37%, which is roughly what the S&P 500 Index did last year, cash growing by 2%. If you invested 50% in cash and 50% in stocks, and assuming cash went up by 2% and stocks went down by 37%, the portfolio will hold roughly 62% in cash and 38% in stocks. So, you would be out of balance. Rebalancing would bring that back-up to equal. Let's assume with that example that you did not rebalance and stocks go up the following year by 26%, cash goes up by 3%. Your portfolio would be worth \$92,220. If you had rebalanced your portfolio would be worth \$94,462. So, you would actually have \$2,200 more by just doing the portfolio maintenance of rebalancing. It is a good strategy because you are buying low and selling high, which is what you want to do.

Mr. Haste: Do you want to do this in deferred comp?

Mr. Hetrick: As part of the models. So, we have the five diversified investment models going from conservative to aggressive. When we brought that before you for approval rebalancing was part of the features that we talked about, having as part of that, but what we didn't clarify is exactly when it was going to happen. The timing wasn't clarified and because of the market volatility and everything the Voluntary Employee Benefits Committee felt more comfortable bringing it before you for your approval.

Mr. Haste: Would you automatically rebalance everybody's portfolio or would you ask them to do that?

Mr. Hetrick: We would do that automatically. That is what they are expecting to have happen because that is what we have been communicating to them that with these models rebalancing is one of the features of that.

Mr. Haste: What if an employee were to object for some reason?

Mr. Hetrick: What we would do is we would have that start on April 1st and it would be on a quarterly basis. We will send out a letter to everybody as part of a payroll stuffer that this is going to happen. We have a flash movie that is available on our website that they can look at to see what is rebalancing. It goes through a similar example of how you could actually make more money with rebalancing. If they decided that they did not want to have their portfolio rebalanced they can just move the money elsewhere.

Mr. Haste: So, the employee still would have a choice?

Mr. Hetrick: Absolutely. I think most of them are expecting them to be rebalanced.

Mr. Haste: I would think most folks would want to do that, but if people choose not to follow logic that is their choice to make.

Mr. Hetrick: Exactly. I think it is always good to communicate to the extreme, provide all the information out there that people might necessarily want.

Mr. DiFrancesco: Just for clarity, when you say they have options they would have options within our plan.

Mr. Hetrick: Absolutely.

Mr. DiFrancesco: They are opting out of a model, but they could opt to other investment options.

Mr. Hetrick: Yes.

Mr. DiFrancesco: The second question is as the rebalancing takes place what I'm more concerned about is the performance of the companies that we are using. Does the Benefits Committee look at how the companies that we are using how they fared in the current market and whether or not they have done as well as they should based on everybody else's performance?

Mr. Hetrick: There are actually numerous criteria in the investment policy. We meet on a quarterly basis to review that report. If a company fails to meet the criteria they are placed on a watch list. If they don't improve just like recently we replaced the Hodgkiss and Wiley Large Cap Value with the Eaton Vance Large Cap Value fund because it was not meeting the investment criteria. One of the red flags that come up even if the performance is stellar is if there is a manager change. You don't know if that manager is going to have the same investment process. That would be a red flag where a fund would be on the watch list for a two year period until that manager proves that they are able to deliver those same consistent results as the previous manager. It is not just return.

Mr. Hartwick: I was taking an overall look at our portfolio and it may be a good time to at least examine, as Nick suggested, the different funds that make up those various portfolio options. Would there ever be a time that rebalancing situation that someone would have a negative impact on their total overall asset value?

Mr. Hetrick: Rebalancing from the studies that I have seen frequency of rebalancing can really have an effect on your portfolio. When you are dealing with a defined contribution plan where you have numerous participants and it is easier to do that on a scheduled basis, whether that be annual, semi-annual, quarterly or monthly. We can set it up on those. The problems that I have seen are that in a falling market like we have had it is more profitable, you would lose less in a diversified portfolio with numerous different equities. If the market was rising it would be more profitable to rebalance less frequently.

Mr. Hartwick: What does our investment policy call for as it relates to the timeframe of rebalancing?

Mr. Hetrick: It doesn't clarify for the models.

Mr. Hartwick: We don't want to restrict ourselves.

Mr. Hetrick: Another way to do it would be to say we will rebalance annually or if the investments become out of balance by say 5%. That would be another way to do it so in extreme cases, like we've had recently, we could be rebalancing within a one year period, but if the stock market is really taking off, it provides a little bit more room to run. Then you get into that problem with communicating to the participants. If you were dealing with like the pension fund when it is just the pension committee and you are making decisions it would be easier to go from a more frequently rebalanced portfolio to if the market looks like it is expanding going to a less frequent. I think in a defined contribution plan it would be simpler to do it on a quarterly or bi-annual basis.

Mr. Hartwick: So, you are saying set the policy statement up to do it bi-annual?

Mr. Hetrick: I would say quarterly basis or bi-annual. Either one of those would be sufficient.

Mr. Haste: What employees are on the Committee?

Mr. Hetrick: Scott and Melissa.

Ms. Wion: There are 13 employees that make up the committee from all different departments throughout the County.

Mr. Haste: We were wondering what level of expertise they may have on the stock market since they are sort of guiding others and I know that's when your expertise comes in. I'm comfortable with the Committee. This is really their thought. We are the avenue helping them out. Maybe a better way to go with this is that you are recommending now we do it quarterly, correct?

Mr. Hetrick: I think that would be good.

Mr. Haste: And the Committee is less that?

Mr. Hetrick: Right.

Mr. Haste: Maybe what we should do is we would say quarterly, but reviewed annually so that it is on your Benefits Committee's agenda annually to say okay now the market is of such, we don't want to restructure. Maybe at that point in time you only do it annually. Following just what you said about there are times that you want to do it more frequently and then times when you want to do it less frequently.

Mr. Hetrick: We could also write it as such where it will be balanced at least annually, but as frequently as quarterly at the discretion of the Voluntary Employees Benefit Committee. That would be another way. So we can write it looser and just know that we are going to be doing it on a quarterly basis with the volatility as it is.

Mr. Hartwick: I don't want to make it so rigid that we reduce the flexibility to take the maximum advantage of the market. Once it is in stone it is... That is what you are attempting to do is to allow flexibility to the Benefits Committee.

Mr. Haste: It is their extra money that they get to do. I just want to make sure that we are guiding them as best as we can.

Mr. Hetrick: Right.

Mr. Haste: It is still their choice.

Mr. DiFrancesco: On top of that I like it that it is their choice, but I also want to make sure that they are being given an adequate amount of information that it hits the radar screen. What I mean by that is you may send a mailer out or you may send a stuffer out that they might be like oh yeah whatever and then put it aside. Rebalancing right now, personally I would not be convinced that right now is the right time to put a lot more money in, because I don't think we hit the bottom yet. I hope we are. I just think that each individual employee needs to be aware that there is a decision to be made in terms of where the fund is going and if it is the right time for them with their risk acceptance level.

Mr. Hetrick: I think another thing that is important to understand is communication that Melissa has with the participants and that I have. We really have a high level of communication and availability with the participants. We have been working with some for years.

Mr. Haste: I get nothing but good feedback.

Mr. Hetrick: I appreciate that. I work really hard. My goal is to have the employees make money, because that is the bottom line. They are putting their hard earned money into this to make money so they have money for retirement. We really try to educate as much as a participant is willing to accept. There is never a time when a participant is not going to have a phone call returned or an appointment made and as much time is spent with them to design something that specifically meets their needs. These models are really good diversified portfolios, but they may not be right for everybody. I think that is another important avenue that having that education and communication. It is hard to know where we are at in the market cycle. I think there is not a high probability, but a possibility that we could go significantly lower maybe even down to 600 on the S&P 500 Index, which seems like a really low number, but from where we are at we are not that far away. What will participants do, how do you react in that situation? There are different avenues. There is a tactical type of approach that I'll talk to participants about. There are different avenues that participants have. This is just one of the ways that they can invest within the plan.

Mr. Hartwick: As a participant it would be nice to see what the rebalancing would do to my asset value. As a participant can I... Obviously you have been very cooperative with all of our participants. I'll echo the comments that the Chairman made. It has been nothing but good things. Hearing this if I was concerned about what rebalancing would do to my asset value I could call you up and say could you run what it is going to take in a rebalance situation versus where it is at currently and allow me to make a choice?

Mr. Hetrick: They would have to make a choice whether they want to stay in the model or move out of the model.

Mr. Hartwick: What value do I want to move out?

Mr. Hetrick: Whatever question they have I'll work with them to get it answered. We did design a movie that showed in a very simplistic form with just three investments kind of what I just went over with you right here, the scenario that could play out, which I think is more than likely that a year or two from now the stock market is going to be significantly higher from where it is at right now. So, it would be better to rebalance. I would first direct them to the movie and then if they had questions I would clarify them. When people see that in the simplistic terms they can say okay this makes sense and it is something that I should be doing.

Mr. Saylor: Will you have something for the Commissioners to approve at some point? Is that the next step?

Mr. Haste: I think we can make a motion. We understand it. I would suggest that the motion be that we restructure annually or more frequently if directed by the Voluntary Employees Benefits Committee.

Mr. Hartwick: It would be rebalance not restructure.

Mr. Hetrick: That's correct.

It was moved by Mr. DiFrancesco and seconded by Mr. Hartwick that the Voluntary Employee Benefits Committee rebalance the portfolio at least annually unless otherwise directed by the Committee; motion carried.

B. DAN EISENHAUER, DIRECTOR OF MH/MR

1. Jail Diversion Grant

Mr. Eisenhauer: I'm here with Shannon Danley of Pre-Trial. We're here primarily to request permission to submit a Bureau of Justice Grant Application. Before we get to that part, I thought we should at least catch you all up to where we are with our current SAMHSA Grant, because it kind of sets the stage for the grant that we would like to submit.

I prepared a Power Point that kind of gets us from where we've been with the SAMHSA Grant to where we would like to go with the Bureau of Justice Grant. We have a Mental Health Jail Diversion Grant that started in April 2006. It was for \$1.2 million over three years. We are actually coming up on the end of that three year period, April 29, 2009. However, the first full year of the grant was spent on planning and so we had very little expenditures so we actually have enough funds left in that grant to request a no cost extension that will carry our current grant through 12/31/09. So, we can get through this entire calendar year with the existing SAMHSA Grant and continue the grant activities. Just to give you a highlight update on how we have been doing, we targeted that we would eventually divert from Prison a grand total of 104 people throughout the entire grant period. We already got to 102 individuals as of 12/31/08. With one full year left to go, we basically reached our Federal target for diverting people from Prison. Of those 102 people that were enrolled, 51 people are still active in the program, 41 people have successful or neutral dispositions and 10 people with what we call negative disposition. A negative disposition is essentially a re-arrest and a sentence to Prison that is too extensive for us to be able to divert the person from Prison. All things considered, we believe the program has been successful. We estimate that we saved from the beginning of the grant period to the end of December 10,000 jail days from the 102 individuals. That is based on the time that we got the person out of Prison compared to what had been past practice that would have stayed at least their preliminary hearing. It is an estimate of jail days saved. What I would like to emphasize is that we have been able to create, we think, very effective partnerships among all the agencies that support this effort. The Court System, the magisterial district judges, Dauphin County Prison, the DA's Office, Public Defender's Office, Adult Probation, Pre-Trial, law enforcement, Drug and Alcohol and MH service providers. The biggest benefit for our current grant is we have been able to get all the partners together and work very effectively to accomplish our goals. We have also been working heavily on training. We have now trained over 75 professionals on court processes and we have trained about 60 police officers from five different police departments on recognizing the symptoms of mental illness and assisting us in identifying people that can be enrolled in our jail diversion program. We actually have a three-part police officer training part 2 and 3 are more extensive training and we believe we will have some officers that will complete all three series of training. We are excited about that.

Mr. DiFrancesco: Generally speaking do they assign one or two officers from a department to do that training or do they try to cycle as many officers through as they can?

Mr. Eisenhower: I would have to defer to Mike. He is running the training.

Mr. Keefer: In general they send, for part 1, as many officers as they can. Susquehanna Township, for example, has sent 25 officers for the first time, as well as some of the other ones have sent an awful lot. For parts 2 and 3, the Chiefs and training officers have actually identified specific individuals that were interested in attending them. We actually held part 2 in February and 18 officers attended those.

Mr. Hartwick: Are there any police departments that have failed to participate?

Mr. Keefer: We are currently working with five. When we first started we identified eight or nine police departments that we contacted for these trainings. The five that responded to us were Susquehanna Township, Harrisburg, Lower Swatara, Swatara and Lower Paxton. I initially met with Steelton and they had gotten back to me and Middletown I sent a couple officers to part 1 as well.

Mr. Eisenhower: Our strategy was again we looked at the demographics of people that were actually being arrested and coming to Prison. It was kind of like concentric rings around Harrisburg. There are, I forget how many police departments that we could be engaged with, but at least for the beginning we tried to focus our training efforts on the police departments that are actually doing more of our arrests and referrals to our programs.

Mr. Hartwick: There were probably a significant number of referrals from Steelton.

Mr. Eisenhower: Steelton was on the original eight or nine that we identified.

Mr. Hartwick: Would you try to reach out to them and see if they would be willing to participate. I know their arrest rates are very high. I know individuals who they deal with have significant mental health issues. They should be a participating police force. Could you just attempt to reconnect?

Mr. Eisenhower: We are not finished with the training. This is just where we are as of today and like I said we have a whole other year, give or take, of funding left in the SAMHSA grant.

We will shift gears a little bit and we'll talk about where we are headed. We have cue leaders group in our current jail diversion program and one of the directives from the cue leaders was that we develop a sustainability plan and expansion plans to build on the success that we have had. The three of us, Shannon, Mike and I, developed a bunch of proposals that we submitted to the cue stakeholders of our current grant and the proposals are three parts. One is to expand the existing jail diversion program that we have. The second one is to develop a mental health court; and the third one is to develop a forensic re-entry program. It is very different strategies and techniques for how you are bringing people back from Prison who have not been able to be diverted. We are talking about individuals that had reached maximum sentence at either county prison or state prison, people with serious illness that need to come. It takes a special approach and we would like to have a specific program to serve those individuals. Those with the three-part strategic plan that we developed and now as it turns out there is a Bureau of Justice Grant Initiative that we can submit a grant to the Federal Bureau of Justice Department for what amounts to all three components of our strategic plan. The highlight for us is the mental health court that we would like to develop. The Bureau of Justice Administration parameters are that you can't submit existing grant funds with the new grant. So, the work that we are doing right now on the SAMHSA

grant cannot be paid for with the BJA grant. Again, our strategy is to focus on a development of new things which would be a category 2 planning and implementation grant from the Bureau of Justice Administration. The maximum award is \$250,000 over a 30-month period of time. It requires in-kind match from the County in an escalating sort of scale. It is 20% for the first six months, 20% for the first full year and then 40% for the final year of the grant. The grant funds, again, the parameters are that you have to have an existing strategic plan that the category 2 grant can support. We believe that we have had the strategic plan in place for about six months now so we would qualify for a category 2.

I will just run through quickly the components that we want to develop. The mental health court component, as specified in the grant, targets the adult population with mental illnesses who commit or are charged with non-violent misdemeanors. The idea is to improve public safety and treatment outcomes by serving people through mental health court who are low level offenders, misdemeanor, non-violent and for whom mental health treatment would afford the appropriate sentence. What we suspect or what we believe, based on our data in Dauphin County Prison, is about 80% of the individuals there today who are mentally ill are in the class of misdemeanor summary or parole violation. So, we believe we could probably serve 80%, or at least would be categorically eligible for a mental health court.

Mr. Hartwick: How many do we estimate that to be currently at DCP?

Mr. Eisenhauer: I just had Betsy Nichols try to give me some data for the grant application. 12% of the current Prison population is being treated with psychiatric medication of about 986 individuals.

Mr. Haste: 12% are getting meds.

Mr. Eisenhauer: Yes, psychiatric meds. There are some people diagnosed with mental illness, but for reasons I'm not clear on are not necessarily getting psychiatric meds. They might be getting just counseling or group support.

Mr. Haste: That number doesn't jive from what...

Mr. Eisenhauer: That's correct. I asked Betsy about that and the answer was that there are more... It's more like 25% that are getting psychological services and medication. So, the number of people getting prison treatment services is about 25%.

Mr. Haste: Which is down substantially from the first time you went out there.

Mr. Eisenhauer: Correct. That was essentially the question I was asking Betsy is we're like a year and a half into the jail diversion grant has it made a difference. The answer was yes it has. I don't know that it is statistically significant yet, but it has made a difference. There is a reduction in the number of people getting psychiatric medications.

Mr. Haste: I just wrote myself a note. I'm going to ask Betsy if she is not tracking it on a regular basis to start. We meet quarterly with medical staff out there. That is something that I want to track so we know.

Mr. DiFrancesco: Can you do me a favor if you are not tracking it already? I would like to get some sort of statistics on what percentage of that would be a veteran's population.

Mr. Eisenhauer: We have to rely on the Prison for giving the data to us, but I can make that request.

Mr. DiFrancesco: I would like to know especially now with a lot of active duty members coming back.

Mr. Eisenhauer: Right, we are seeing an increase in the number of people with post traumatic stress disorder.

Mr. DiFrancesco: I would really like to see veteran's statistics be kept on a regular basis.

Mr. Eisenhauer: The basic design of the mental health court would be it operates sort of like an ARD program. The person would be a voluntary participant. The sentence would be a treatment sentence. We believe that most people can be effectively served by Pre-Trial Service for their supervision unless they are already active with Adult Probation in which case we would keep the legal supervision with the Adult Probation Department. Those are the highlights. The model is graduated sanctions so a person who is not complying with treatment can bring them back to the mental health court for a reinforcement hearing. You are basically upping the ante on the treatment compliance and the supervision compliance with Pre-Trial or Adult Probation with the goal being that the person complies with treatment and if they are successful then their charges would either be dismissed or deferred. If they are an unsuccessful participant in a mental health court we would just refer them to traditional Commonwealth Court for traditional sentencing, but we would work with individuals to try to afford them the opportunity through the mental health court to have their charges dismissed.

Mr. Hartwick: An important component of this is the forensic facility.

Mr. Eisenhauer: That is a part of it, the whole mental health service continuum. I will get to that in a little bit.

One of the structural changes that we are making in our system right now is we are creating a forensic intensive case management unit division at our case management unit so that we'll actually have a specialized team of individuals that work with all the forensic population for the mental health court and the re-entry program and the diversion. We have already been working on developing two specialized treatment

components. One is the Gaudenzia Program and the other one is the Community Treatment Team from Northwestern Human Services that specializes in treating people with forensic histories and mental illness. Those are already going on in the current grant so we can't use the new grant funds for those things. Those are costs that the MH program would just have to absorb within our existing budget. We are confident that we can. It is a target population that we are focusing on.

Mr. Hartwick: It should be and for taxpayer purposes and for other purposes the savings there are far greater to our community and the outcomes are much better.

Mr. Haste: The long term savings if done correctly.

Mr. Eisenhower: Correct. Again, the forensic re-entry program is literally money for housing. That is the biggest barrier for people leaving Dauphin County Prison. It is the biggest barrier that people with forensic histories face literally obtaining housing. What we've learned and Mike has done some research most areas that are successful in re-entry simply are able to give people a stipend to get first month's rent and security deposit in an apartment so that we can build supports around individuals in addition to residential program that we have with Gaudenzia. That is only 14 beds and again we are talking about serving hundreds of people. A majority of people live on their own in an apartment and they just need a start, funding at the front door to get out of prison to get a place to live. That is a key component of this grant.

Mr. Hartwick: We are doing a comprehensive look at housing needs as well in the overall county, as well as infrastructure needs. That should be an important component to take a look at those additional housing needs as it relates to the transition of this population. You hear a lot from the legislature about mental health courts, but no funding and our position has been not taking funding away from any existing programs to be able to support it. Now we are going to the feds for support without any state support. What is the position of the state?

Mr. Eisenhower: The position of the state is about what I articulated. There are no new funding initiatives, but they want us to prioritize the population within our existing funds. What that means is that we literally design priority for services to accommodate people with forensic histories in exchange for some people who get less priority. Unfortunately that is the constraints that we are living in within the mental health program. As you know from previous presentations that I've made our funding has been essentially flat or diminishing over the last five years. We prioritize who gets services and we are just making a commitment to prioritize people with forensic histories with mental illness and do our best with the funds that we have. There are no new initiatives coming out.

The last component I have is to expand the current jail diversion program. We are limited in the current grant to people with serious mental illness. We found, through our grant, that we have enrolled 102 individuals that meet the criteria for the SAMHSA grant, but we probably have served an equal number of people that we have been able to divert from prison that don't count in our statistics, because they don't meet the

criteria of serious mental illness, which is a technical term within the field of mental health. We have people with mild mental illness that we have been able to divert, but we really don't have the tools to do the supervision and follow-up because they are not part of the grant. The third component of our proposal is to officially recognize those efforts to expand our jail diversion program and what that means is again a little more support for Pre-Trial to do the supervision and expand the network of services that people are eligible for to help divert those individuals.

The last page is a budget summary. I want to be upfront that there will be a County cost to do this in addition to the in-kind. I presented a budget summary that shows how we would allocate the \$250,000 over the six months. There would be a grand total of \$80,000 of County commitment in order to do all the things in our plan. I've structured that so that it is a \$20,000 County expense in year two of the grant and a \$60,000 County expense in year three of the grant. Essentially that is the budget that we proposed and what we are asking for today is permission to submit the grant. The grant is in three-fourths draft form as we speak, but this is the summary of what we would like to submit. The grant is due March 12th. We have to submit it through EGOV through an electronic submission. We have been told that we need to get it in 72 hours in advance. Our plan is to have the actual written completed first draft by this Friday and then be asking for your permission to submit the grant through EGOV on March 9th.

Mr. Hartwick: Can the \$80,000 come from OMHSAS dollars that are coming from the State or do they need to come from County general fund dollars?

Mr. Eisenhower: It would be a County general fund request. Again the way we structured the grant and sort of stacked the implementation is that we would have time to reassess the components of the grant for year three, which is where most of the County cost is. If we determine that we didn't need a certain component or we could save money that is what I would be proposing is that we use the first 18 months to assess what we really need for the third year, which would drive the County general fund request. I just have to be upfront it is grant funds. If we are going to sustain this beyond the grant there is a County contribution along the way and then most of the cost would become a County cost.

Mr. DiFrancesco: Have we been tracking the net cost or benefit of this program? When you mention about the 10,000 jail days saved, have you been able to come up with a figure that basically says we saved this much on the jail diversion, but this is what it has cost to provide the services in alternative ways. Have we figured out whether or not it has been cost neutral, a benefit, and savings to the County or if it is more expensive? Have you done that at all?

Mr. Haste: That is a great misnomer.

Mr. Eisenhower: Right.

Mr. Haste: You can cost out jail days saved, but in reality...

Mr. DiFrancesco: Because the staff...

Mr. Haste: Until we can close a wing of the jail. Really it is an insurance policy to make sure we don't build another wing. I hear all the do-gooders sit around and they talk about the number of jail days they saved and how many thousands of dollars they saved. It is not another nickel in your pocket.

Mr. Eisenhower: We have never presented it as a cost savings.

Mr. Haste: I think you only do that for those who are looking for that. It is a shell game. The real savings is we are not building more jail space. The other savings is you hope you are getting people to change their lives so they don't come back. My answer to that is I think it is working. Statistically we knew what the numbers were when we sat down at Prison Board six years ago and we know what they are now. We know what the crime rate has been. The crime rate has gone up. Incarceration, the number of folks in jail on a given day has gone down. We still have a slight increase in the number going through the revolving door, but we are finding other places to place them than sitting them in a cell out at DCP. I think the most under utilized portion of our criminal justice system is Pre-Trial. The more that I look at other programs, the more I look at it, I think this county has been asleep in the use of Pre-Trial until the last year.

Mr. Eisenhower: To be honest most of the infrastructure development in this grant is in Pre-Trial. That is why I have Shannon sitting with me.

Mr. Hartwick: As one of the do-gooders, we are not even talking about the additional prevention that you may be diverting with individuals who are coming in contact with law enforcement that are having a different remedy than what would have occurred under lack of training, with lack of understanding of how to deal with individuals with mental health, what support systems exist and how that has diverted folks that we are not even keeping track of or statistics; with additional training, with more participation from law enforcement and with a mental health court that is dealing with it in a more direct way. One of the things you said in the beginning of this is the most important is the players that are assigned from the Public Defender's Office to the DA's Office to local law enforcement, to Pre-Trial to the Prison and the treatment staff all not communicating about these issues is the biggest barrier to end this step to be able to address these issues. The court oversight with this additional grant and the community-based facilities as well as the forensics facility being built by Schaffner will be all tools that the \$80,000 investment will certainly be a wise investment. I'm in support of the grant.

Mr. DiFrancesco: I'm in support of the grant as well. To me the number one priority in this whole thing is the fact that we are not just warehousing people, we are putting people into the services that they need to make sure that the recidivism rate does go down. I feel we can chalk up an objective being met, because again it is that revolving door at the Prison that we have got to break. If we can do that the community is going to be a better place and these people's individual lives are going to be much better.

That is the over reaching goal. That is the number one goal. I also support the grant as you laid it out. We have a good thing going. We should continue it and expand it. My one comment that I will make is separate from the grant presentation. Peter and I had a conversation in my office yesterday about this. I'm very concerned about how the budget situation at the Federal and State level is going to impact the services that we provide. What I would like every department to do is to make sure that they are presenting to us those cases where money is being cut, but mandates are still in place. I think every department needs to do that. We have some very progressive things going on here in Dauphin County that I look at and think are truly achieving goals, but sometimes I think that at the state level and federal level they simply look at it and say here's where the dollars are without really looking at the end goal on what we are achieving and what we are not achieving. Oftentimes money gets pumped into programs that are not as productive. I think it is very important that we understand exactly where the cuts are coming and how that affects the folks on the street. I would just ask you to watch that as well and make sure we are being briefed constantly when you see things coming down from the state level in terms of unfunded mandates and possible cuts in positive programs.

Mr. Hartwick: We went through that process yesterday with HSDF with the cuts. Nothing was more impactful than yesterday in talking about individuals receiving dialysis or whether or not we cut in-home care or whether or not the visiting nurse association receives the categorical reduction. We are trying to be fair and equitable. We are going through another evaluation of programs, who we serve, making sure the services are being provided and getting the biggest bang for the limited dollars we have. Those are decisions that are not nice to make. Those are ones that we struggled through yesterday. I think we came up with a good plan, but it is not easy. These are direct services that are not going to administration. They are serving homeless people who otherwise wouldn't get food and we are just trying to prioritize that process. Each one of the categoricals is going through a rebalancing act. I have not seen any reductions in regulations or anywhere the State told us who not to serve. Unfortunately in Children and Youth we haven't been hit as hard, because of the good relationship there.

Mr. Eisenhower: Our strategy in the mental health program has been to rely on the Federal funds to sort of bridge this time period where again I'm an optimist but I believe that we have been able to use the Federal funds to sort of bridge these services that we are creating, but yet someday whether it is the end of 2009 or 2010 or 2011 at some point we have to obtain more state funding to support the efforts that we are doing. We are building something here, but we need a sustainability plan beyond just Federal grants, because they are time limited and they can't be supplanted. I would be more than happy to share with you the concerns that we have as the budget gets passed. The proposal on the table right now is for OMHSAS in a 2 to 5% reduction.

Mr. Hartwick: I have sat with providers for the last two weeks who have come in. They are small businesses that have no ability to fold down and collapse like larger providers to be able to retool themselves based upon where the dollars are. It is an economic development problem. It is challenging right now in human services.

Mr. DiFrancesco: I just wish I had a greater sense of confidence at the state and federal level that priorities were actually being evaluated and thought out. Unfortunately through all the debate through the federal stimulus package and also through the state budget process, what I'm not seeing is good discussion about what our priorities and objectives are with the limited number of tax dollars that come in. I see this approach where money is going into all different kinds of things that when you have to start to evaluate and make those tough decisions that you spoke of I don't see people willing to sit down and actually prioritize on the state and federal level. I keep using this as my example at the state level, when you see road projects, we are still building sound barriers along new highways when our roads and bridges are in total disrepair and we don't have enough money to do projects. At some point you have to look at it and say sound barriers are a great thing for the quality of life for the area, but they are not as important as bridges falling down. At some point we need somebody to sit down and have the courage and strength to say okay these are our national priorities and this is how we are going to spend federal dollars and state dollars. That is what I'm not seeing right now. The greatest boost of confidence that our federal elected officials and state elected officials can give right now is to give us that sense of confidence that they are looking at priorities and they are honest enough to come forward and say look we are going to have to make some tough cuts and obviously serving homeless people and people with mental illness and so forth when you are talking about somebody's life in a way that it could mean life or death, not necessarily total quality of life, life or death that should take a higher preference than maybe some other things out there.

Mr. Saylor: What are the next steps with this?

Mr. Eisenhauer: There is going to be an application and I will be requesting that Commissioner Haste sign off on the official grant prior to March 9th.

Mr. Haste: You have our blessing.

PERSONNEL

Ms. Lengle: Are there any questions on the Salary Board item?

Mr. DiFrancesco: Basically is this mandated? Is this one that is due to a desk audit or something? Are we required to do this?

Ms. Lengle: We did review it and met with the Reclassification Committee on it and the duties of the position that the person is doing does warrant a higher position. The union is reviewing it too. We have already given them a copy of the job description.

Are there any questions on the Personnel Transactions? (There was none.) I don't need a vote on anything today.

PURCHASE ORDERS

Mr. Baratucci: You should have received your Packet yesterday. We have a couple of budget adjustments to make. If you have any questions on it now I can answer them. If not, it will be forwarded to next week for approval.

In addition to that you should have received two Blackberry requests. They are both personal items that will be paid for by the employees. Those can be voted on next week as well.

Mr. Hartwick: On Page 2, I talked to Steve Howe this morning and this is for Tom Guenther as well. I guess Gancom used to be the folks that we contracted with to do the tax billing and I guess this is the end of that three year contract.

Mr. Baratucci: Fry bought them and that is why it is Fry now. You are right this is the last year.

Mr. Hartwick: If we could just have the discussion on whether or not we have the capacity to do this any way internally and what that investment would take versus what would be recommended and to identify any vendors, particularly Dauphin County vendors, that may be able to perform this function and to make sure that they are involved in any bid process. It is going to be a larger package with hopefully our new software and modules being completed. We would like to do this for more school districts and municipalities. I suspect the bid will be a larger package. We just need to make sure that we are thinking about those issues. The first one is can we do this internally at all and then if we are going to bid out making sure that we got... I guess this is a specialty service.

Mr. Baratucci: It is and Steve is the one who usually puts together the package. We can discuss that with him, because we have a little less than a year to review. This is the last of the three years. Steve and Tom would be the ones to talk to.

TRAINING PACKET

Mr. Haste: Item #1 needs to be voted on so we can get an early registration discount.

It was moved by Mr. Hartwick and seconded by Mr. DiFrancesco that the Board approve Item #1 on the Training Packet; motion carried.

ITEMS FOR DISCUSSION

- A. Ordinance #2-2009 – Tax Collector Compensation.
- B. Appointment of Stephan Michael Letavic to the Solid Waste Advisory Committee.
- C. Lease Agreement between Dauphin County and Hewlett-Packard (Schedule #103120000010). **(***A VOTE IS REQUESTED 2/25/09***)**

- D. Lease Agreement between Dauphin County and Hewlett-Packard (Schedule #10312000011). (*****A VOTE IS REQUESTED 2/25/09*****)
- E. Agreement between Dauphin County and Penn Waste, Inc. for municipal waste collection, transportation and disposal services. (*****A VOTE IS REQUESTED 2/25/09*****)
- F. Purchase of Service Agreement between Dauphin County and David Smith Printing for printing services. (*****A VOTE IS REQUESTED 2/25/09*****)
- G. Family & Medical Leave Act Policy/Procedure.
- H. Request to retain expert witness to give testimony on accounting procedures in CIT litigation.

Mr. Haste: We have Items for Discussion and Board Action, Items C, D, E and F are being requested to vote on. Are there any questions on those? (There was none.)

It was moved by Mr. Hartwick and seconded by Mr. DiFrancesco that the Board approve Items for Discussion, Items C, D, E and F, listed above; motion carried.

SOLICITOR'S REPORT – GUY BENEVENTANO, ESQ.

Mr. Beneventano: You have our draft report dated February 25th. Are there any specific items that the Board wishes the office to follow up on? (There was none.)

CHIEF CLERK'S REPORT – CHAD SAYLOR

Mr. Saylor: I gave you copies of part of a presentation that came out as part of a planning session that I was involved in as part of the Airport Authority. If you turn to Page 4 just a few things that I want to point out to you. The top line you see is average airfares at HIA. The second line down is Philadelphia and the bottom line is Baltimore. The interesting thing here is if you look in around 2004 when Southwest Airlines opened in Philadelphia you can see what that did to the overall airfare. Hopefully we will soon see a downward trend as a result of the AirTran Service that we have to Florida. Page 5 shows that fares have gone up and down and traffic at HIA has responded similarly. That is the total number of passengers. Page 7 is an interesting chart. This shows our capacity on what we have been doing compared to some of our competitor airports. You can see the overall affect hasn't been good. We are doing much better than some of the bigger airports. ABE is Allentown/Bethlehem/Easton and AVP is Wilkes-Barre/Scranton and the bottom is State College. There are some interesting charts here. The last one that I will draw your attention to is Page 9 and this impacts us in terms of economic development and what is available. You can see it is pretty dramatic. The total acreage available for development at the airport as opposed to other airports is kind of interesting. Despite all that the airport is hanging in there. There are some interesting statistics if you would like more information I can certainly

give you the entire package. I thought it was interesting enough to just give you a snapshot of what has been going on down at the airport. Other than that unless there are questions of me that is all I have.

COMMISSIONERS' COMMENTS

Mr. Hartwick: Just one for an update. I was informed yesterday by Congressman Holden's Office, after some follow-up by our Human Service Director, that an earlier grant proposal for our continued expansion of family group conferencing, which most things have been put on hold, has been officially approved and will be released on Wednesday to continue our expansion work at the school districts, local law enforcement and the areas that have been defined as areas that we want to expand including the neighborhood reporting center. Next Wednesday, Congressman Holden is going to be delivering us a check in cooperation with Senators Specter and Casey, who have also been very instrumental in securing \$250,000 for the expansion of family group here in Dauphin County.

Mr. DiFrancesco: I just want to notify the Board again the numbers out at Schaffner, depending on how you look at it, are very good. We are still sitting on a 43% vacancy rate, which I still don't completely understand statistically how it's possible for juvenile crime to be where it is and beds to be available. Better diversion and we have had open beds out there for more than a year.

PUBLIC PARTICIPATION

Mr. Haste: We are again at the point in time in the meeting for public participation. Is there anybody in the audience that would like to address the Board at this time?

Rev. Taylor: I am here just to get some information and to solicit your support. I'm with the U.S. Census Bureau and we are trying to give some money away - \$300 billion dollars. I'm covering 15 counties. I brought you packets here today on everything that we are doing currently. We are one of the early local census offices here. We have the largest early local census office in the country. We have 15 counties that we are covering from here to Adams County, all the way up to Allentown. I guess I am one of the point people. I wanted to leave these with you and to also ask you who would be the Commissioners' liaison for the census to make sure that there is fluency and transparency.

Mr. Haste: I think we had that question and sent a letter back to the Census sometime ago. Is it you or Scott?

Mr. Saylor: I would have to check.

Mr. Haste: It is either Chad or Scott.

Mr. DiFrancesco: Scott.

Mr. Haste: It's Scott. We had responded maybe six months ago.

Rev. Taylor: They were the first wave and I'm the second and then we will have a third wave in the fall. I would like to leave these with you.

Mr. Haste: Just a reminder that we have Retirement Board. We will convene at 11:20 a.m.

ADJOURNMENT

There being no further business, it was moved by Mr. Hartwick and seconded by Mr. DiFrancesco that the Board adjourn.

Respectfully submitted,

Chad Saylor, Chief Clerk

Transcribed by: Richie-Ann Martz