DAUPHIN COUNTY BOARD OF COMMISSIONERS

WORKSHOP MEETING

August 18, 2004
10:00 a.m.

MEMBERS PRESENT

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

STAFF PRESENT

Marie Rebuck, Controller; Chad Saylor, Chief Clerk; Julia Nace, Assistant Chief Clerk; William Tully, Esq., Solicitor; Gary Serhan, Controller's Office; Randy Baratucci, Director of Purchasing; Faye Fisher, Director of Personnel; Edgar Cohen, Director of Facilities Maintenance; Carolyn Thompson, Court Administrator; Rita Frealing-Shultz, Director of Domestic Relations; Garry Esworthy, Risk Manager; Dan Robinson, Director of Economic Development; Dave Schreiber, Personnel; Sharon Way, Personnel; Kay Sinner, Personnel; Sandy Moore, Human Services Director; Sandy Pintarch, Children & Youth; Jamie Rinehart, Children and Youth Agency; Jena Wolgemuth, Commissioners' Office; Kacey Truax, Commissioners' Office; Lena Martinez, Commissioners' Office and Richie Martz, Commissioners' Office

GUESTS PRESENT

Jack Sherzer, Leon Feinerman, Dan Dorsheimer, and Kevin Krause

MINUTES

CALL TO ORDER

Mr. Haste, Chairman of the Board, called the meeting to order at 10:00 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: The Minutes of the August 4, 2004 Workshop Meeting will be handled next week.

PUBLIC PARTICIPATION

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

PERSONNEL

Ms. Sinner: In the packet there are several Salary Board requests for the creation of additional positions at Spring Creek. We are also abolishing several positions out there. I would like to call to your attention the effective date of these Salary Board requests should be August 25, 2004.

Mr. Haste: For which one?

Ms. Sinner: It would be all the Spring Creek Salary Board requests – clinical coordinator restorative/wound care services, restorative nurses aides, and transport aides. They are abolishing an electrician position and creating a skilled maintenance worker. There is also a request to abolish a plumber position. I ask that you pull that. I have another Salary Board request in the Addendum, which abolishes the plumber position and creates a skilled maintenance worker position. There was some confusion over how many maintenance workers we were creating.

Mr. Haste: So, we are pulling one in the yellow packet and using the one in the green packet.

Ms. Sinner: That is correct.

There is one other Salary Board request that is in the yellow packet. It is a reclassification of a position in the Economic Development Office.

Mr. Haste: Before we leave this, Faye, did you check the numbers?

Ms. Fisher: Things have changed since we put together the information. Whatever Kay is presenting now is correct.

Mr. Haste: We are creating how many and eliminating how many?

Ms. Sinner: As far as Spring Creek, we are creating the two skilled maintenance workers, five positions in Nursing and we are eliminating seven positions.

Mr. DiFrancesco: You are holding off on the plumber position?

Ms. Sinner: I wanted to abolish the plumber and create a skilled maintenance worker on one Salary Board request. That is the way that it was written up. But, according to the Union, it looked like they intended to just create one skilled maintenance worker and abolish the electrician and plumber.

Mr. DiFrancesco: And just create one.

Ms. Sinner: I have learned since then that they actually do want to create two skilled maintenance worker positions, which the original paperwork was submitted to me correctly, but I revised it based on the e-mail. I have gotten clarification that it is two skilled maintenance workers.

Mr. DiFrancesco: If I could just speak to that for a minute. What they are doing out there actually makes a lot of sense for this facility. Right now we have those skilled maintenance workers, the plumber is a plumber and the electrician is an electrician. What they are trying to do is create a circumstance where you have a whole host of skilled maintenance workers and those individuals can actually train and test into various positions so that one guy can be trained and cross trained into a plumber and electrician in multiple functions. Therefore, they would be compensated as such as opposed to having one guy that is just a plumber and if he is working that is great and if he is not working then we have a problem. Now, you have a whole force of people who have gone through specialized training and they can respond to a lot of different needs rather than that just one thing that they were hired to do.

Ms. Sinner: I also wish to point out that with this position in Economic Development, it is an Administrative Assistant/Program Coordinator. That is the position that is being reclassified. On the Vacancies Listing, I have that listed as 100% County. That is incorrect, it is 100% funded. It is funded by CDBG and the Home Program Fund. The New Hires Listing is as presented. On the Changes Listing, I just noticed that there are some numbers out of sequence. If you would correct your numbering, after 4, it would be 5 and so on. For the 5th item, it is regarding out of class pay. That effective date is actually 8/10/2004. I have overtime reports and a request from the Prison for overtime. There is also a request for overtime from EMA. Any questions so far?

Mr. Haste: Any further questions of Kay?

Ms. Sinner: The Addendum includes the elimination of a plumber and the creation of a skilled maintenance worker position. We are also abolishing the Sealer of Weights and Measures position in the Conservation District. We are no longer required to have that position and the person in that position retired. We are requesting permission to fill a full time teamsters' clerk III in the Clerk of Courts, which position was recently vacated. New Hires, we are filling a position, teamsters' administrative assistant 1. The start date has been changed to August 30, 2004 for this administrative assistant in the Clerk of Courts. On the Changes Listing, there are merit increases for two employees under Judge Evans. These employees have gotten a 2% increase in January. They didn't get their full 2004 increase. Judge Evans had reserved part of their increase for the new year. The additional monies due them does not exceed what their annual increase was supposed to be. Overall, the total increases are still 4%.

Mr. Hartwick: Is there anybody else operating like that?

Ms. Sinner: To my knowledge, no. This was new to me. I didn't know that this was done.

Mr. Hartwick: Could you explain this to me again?

Ms. Sinner: These two employees only got part of their increase in January. Their hourly rate was raised, which accounted for a 2% increase. This dollar amount represents the balance of the approximately 4% increase that they were scheduled to get in 2004. Overall, they will have received their full increase that they were slotted to receive. It was just that half of it was delayed.

Mr. Hartwick: Is there any reason why we have that practice?

Mr. Haste: He did it so he could keep his budget revenue neutral. He postponed two people getting their increase. If you remember when we had that discussion when he brought someone in at a higher step. What he did is these people put off their increase for half a year to allow that to happen. They won't get dollar wise the same amount that they would have gotten at the beginning of the year, but percentage wise they are now brought up to speed. It was a way for him to stay within his budget.

Ms. Sinner: There are also some other overtime requests in here regarding coverage in the Recorder of Deeds Office and the Prothonotary's Office for title searchers who have to access files in those offices some evenings. There is an overtime request for the Tax Assessment Office so they can input information that they need for the public tax sale.

Mr. Hartwick: That is something that we sort of struggled with. It was a broad request for overtime and we wanted to make it very clear that we are going to be using staff in those areas that are paid on the lower end of the salary scale. We have been given the commitment from those folks that they are going to be using folks from the lower end of the pay scale to sit there while these professionals come in and do the searches.

Mr. Haste: For next week, if you could give me something to clarify Spring Creek. I know you said that we are creating and eliminating seven. My packet has us creating and eliminating six. Maybe I am missing something.

Ms. Sinner: I will get that for you.

PURCHASE ORDERS

Mr. Baratucci: You should have all received your packet yesterday. There is one change on it for next week. There is a duplicate item that was sent over by the Deputy Court Administrator's Office. It is on Page 10. They had sent over for a fax machine and a copier for the new DJ Office and we found since then that they already have a purchase order approved from a previous meeting for a fax. So the first line item there will be eliminated and they will just be putting this purchase order through for the copier. That will be taken off, just line item #1 on Page 10. Other than that, there are the normal budget adjustments that need to be done and a lot of those are already in the works and we will have them all cleaned up by next week. There are none on there for Spring Creek.

Mr. DiFrancesco: Sounds good. Hopefully they have that resolved.

Mr. Baratucci: If there are no questions, we will have them cleaned up and ready for approval next week.

TRAINING PACKET

Mr. Haste: Training packet, Chad, do I take it that Item #1 is highlighted for a reason?

Mr. Saylor: We have a request for approval of Item #1 on the Training Packet for today. It is for Children and Youth for a Family Group Conference in Washington, PA.

> **It was moved by Mr. Hartwick and seconded by Mr. DiFrancesco that the Board approve Item #1 from the Training Packet, which authorized Karen Kessen and Dean Brocious of the Children and Youth Agency to attend a Family Group Conference 4-day Overview in Washington, PA on August 23-26, 2004, at a cost of $912.50. (Question: Mr. Haste – Aye; Mr. DiFrancesco – Aye; and Mr. Hartwick – Aye; motion carried.)**

DEPARTMENT DIRECTORS/GUESTS

Sandra Moore, Human Services Director/Children & Youth

1. Children & Youth Services and Juvenile Probation Justice Services Needs-Based Plan for FY 04/05 and Needs-Based Plan FY 05/06. **(A vote is requested on 8/18/04)**

Ms. Moore: What you have in front of your this morning is the Integrated Children Services Plan and our Needs Based Plan for the next couple of years. Both of them are fairly thick documents and I tend to get pretty passionate about Children and Youth, so to keep myself sort of focused a little bit was the Power Point presentation that we used for our Citizens Advisory Board and the public hearing, which sort of explains the documents. The first piece is the Integrated Children's Services Plan for Dauphin County. This was a new requirement of the Department of Public Welfare, Office of Children, Youth and Families, asking counties to look at all their children and youth services, involve the directors of all of their categorical agencies, private providers, children, families and everybody that you can think of that you might touch the lives of children and families to create a more integrated system for children and families in your community.

What the Department of Public Welfare asked us to do was at least lay out the starting steps that the County would use to get to an integrated children's plan. What we have done in Dauphin County, fortunately, is we have been moving towards integrated children's services for quite some time. I think we have been sort of leading the way in the State of Pennsylvania of what this should look like. We have a lot of different initiatives going on in Dauphin County relating to children and family services. The challenge for us will be integrating all of those different initiatives so that when families approach any of our systems, the service that they are provided is fairly seamless.

We have on the second page, two proposals for our Integrated Children's Service Plan. The first comes from the Human Services Director's Office, which also includes Aging services. The second comes from our Family Service System Reform Grant, which is a fairly large collaborative of over sixty people from the community, including about 30 parents who look at our social services, specifically children and family services. In the coming year, part of our proposal in our Integrated Children's Plan is to somehow merge all of these vision statements and come up with one centralized one. We don't have final instructions from the Department of Public Welfare on how to put this document together yet, but were given a draft that we were instructed to use, about a month before the plan was actually due. We weren't quite clear on what DPW was going to expect. So, we only have a month and a half to get something put together, which is why the Integrated Children's Plan for Dauphin County, as with many other counties I believe, is sort of just the stepping stone on where we are going over this next year for next year's Integrated Children's Plan.

The components that are outlined in the Plan are pretty significant. We have three main processes upon which this was built. The first is our Federal System of Care Grant that we already have. The second is our two and a half years of working with family group conferencing and the third is many years of working with our family service system reform. Those are the processes that we built into the Integrated Children's Plan. The focuses are going to be outcome driven practices and outcome driven programming. So, we have a lot of emphasis on assessment, evaluation and coordination of services. The second focus is increasing family involvement. We are doing that in all of those different processes. The third is establishing that unified vision for children and family services, which hopefully will get there this coming year.

The initial planning for Integrated Children's Services included the head of JPO, the head of MH/MR, the head of our Drug and Alcohol System (actually a supervisor out of Drug and Alcohol), and of course, myself, as Children & Youth Administrator and Human Services Director. We also got input from our oversight Commissioner, from our Juvenile Court Judges and from direct staff to put this plan together. That is the Integrated Children's Plan. It is sort of just a guideline for where we go with integrating those services of all of the different systems. Fortunately for Dauphin County, also I think, we have a Human Services Office which can help oversee all of those agencies. It is pretty easy to say we all need to come together and work together. Many counties don't have that and struggled a little bit more than Dauphin County did in putting that together.

One of the things that came out of CCAP in conversations with the Children and Youth Administrators Association was some direction to counties on how to handle the guidelines that came out. The guidelines actually asked for these two documents to be merged as one document. Because the Integrated Children's Service Plan contains no funding associated with it, we did not want Dauphin County to connect that Plan with our Needs-Based Plan. We thought strategy, being if the State did not think this Integrated Plan was thorough enough, we didn't want that to hold up them approving our Needs-Based Plan for Children and Youth and the funding that is associated with that. We are asking you actually to sign two separate documents to be submitted to the Department of Public Welfare.

The second plan, which is our Needs-Based Plan and Budget, actually covers, as always, two years for Children and Youth Funding. The first is our implementation year, which is our current fiscal year that we are in, which began July 1, 2004 and ends in June 2005 and our Needs-Based Year, which is sort of the State asking us to guess out a year from now and look at what services we think we may want to implement and what funding we think we might want to associate with that. The Needs-Based Plan document is really the State required document that connects our program and our fiscal outline for all of Children and Youth services and all prevention and placement services related to Juvenile Probation. It is really the connection between the County services that are provided, State, Federal, and County funded with what the Federal government expects for child welfare services. As you all know, two years ago the Federal government came into the State of Pennsylvania and did an audit of child welfare services, which included child protective services and Juvenile Probation services that were funded with Federal dollars. Philadelphia, Montgomery and Lancaster Counties were the counties that they audited. Pennsylvania failed the audit, as did the rest of the States in the country. Pennsylvania had a lot of strength in their services also. What the next bullet shows is the different outcomes required by the Federal government. Everything that we do in our Needs Based Plan revolves around these outcomes. The first being safety. The second being permanence and the third being well-being. After those are the performance standards upon which the Federal government measures states. In Pennsylvania, because we are a county run system, they come into actual counties and pull the statistics, but it is reported out as the State of Pennsylvania, not as an individual county passing or failing. We expect the Federal government to come back into Pennsylvania sometime in 2005 and we expect Dauphin County will probably be chosen as one of the counties that they come into. Philadelphia for certain will be one of those counties. They always go the largest county and then pick two others. I think we will do very well if Dauphin County is selected.

The other thing that the Federal government looks at when they come in is what is called systemic factors and those are outlined in the first bullet on Page 5. They look at how the State does on their information system. They look at whether there is a process for reviewing cases, what quality assurance practices are in place, again for the State, whether there is an array of services for families and children, what kind of training staff and providers get, whether or not the agency, in this case the State, is responsive to the community and what the foster and adoptive licensing process and training process is. Again, I think Dauphin County would do very well in all of those areas. The next slide talks about where we get some of the data that we use to put into our Needs-Based Plan and you can see throughout the year Dauphin County is constantly gathering information, asking people where do they see gaps in services, what thoughts and suggestions do they have to fill those gaps. We continually collect that information so that when the guidelines come out and it is time to write our plan we have as much information as possible. That is just a glimpse of where we get information. The next slide talks a little bit about Pennsylvania statistics. It talks about how many reports of suspected child abuse there were in 2003, how many were substantiated and how many of those were re-abuse cases of the substantiated. I have to say to you that is a misleading figure, because re-abuse doesn't necessarily mean re-abuse as I think of it. The Feds look at it of all the children who are in foster care and go home, how many come back into foster care because they were abused. That is what the State said this number was, but when we looked more closely at it, what it really could include and in Dauphin County the two that we have is that children come into care perhaps because allegations of severe physical abuse. Once they are in a safe environment they may disclose that there was sexual abuse also. So, another report gets called into Child Line and we investigate that report. They consider that re-abuse even though the child didn't go home and didn't get re-abused. I am quite honestly surprised that it is only two, because we have a lot of children disclose additional abuse.

On Page 7, again the fiscal year ending in 2002 ended with almost 21,000 children in out of home care, which is really a said statistic for Pennsylvania. More sad is of those, 85% experienced two or more placements within 12 months of being placed. That is very concerning.

Mr. DiFrancesco: When you say two or more placements in the course of a year, does that mean they came to placement went home and came back to placement or does that mean they came to placement and it didn't work out and they had to be replaced some place else?

Ms. Moore: The second.

As we all know, removing a child from their home, even if it is horrible situation, is traumatic for that child. Adjusting to a new home is a challenge for them and then having to readjust and readjust is just really concerning. Dauphin County's statistics are the next lines. I wanted to bring your attention to a couple of things related to Dauphin County. Almost 35% of children in Dauphin County re-enter care within 12 months. That is very concerning, however, we believe that has something to do with how we capture statistics. It includes both juvenile probation and children and youth children. Our Juvenile Probation, we believe is counting Schaffner. So, a child might be booked in Schaffner, which is a placement, the child gets released by the Judge pending disposition, it comes into disposition and gets placed again. That would be a replacement, even though it is a better way of handling and not just keeping kids in the Schaffner Center. The parenthesis afterwards is what the Federal government says it should be no more than. The Federal government says that number should not be higher than 8.6%. The next one is also a little concerning to us. Children in care for less than 12 months, almost 74% of our children have less than two placements. The Federal government says that should be closer to 87%. What is helpful about this is that it tells us in our system where we need to identify resources and where we really need to analyze what is going on with children and families. The next slide, the first one, 67% of children unified with their parents did so in less than 12 months. Meaning, of all the children who were unified, they are looking at how quickly those children were unified. The Federal government says that 76% of those children should be unified in less than 12 months. We are a little bit lower than what the Feds say is an acceptable level. 15% of adopted children left care within 24 months of placement. The Federal government says that should be 32%. Again, I think this is a misleading statistic related to our adoption work. We have many, many children that get adopted in Dauphin County, however, if they get adopted after they have been placed for 24 months, meaning if we have children who came in early in their life and have stayed in foster care for a length of time and now we are able to get mainly teenagers or pre-teens adopted, if it happened after 24 months it is a negative strike against Dauphin County's statistics. So, we may have many, many children get adopted, but it happened after what the Federal government said the time period was. The last statistic on there really isn't a very telling statistic for us, because all of the children were juvenile probation children and all of the children entering juvenile probation went to institutions, not foster care. There is no Federal expectation around that. However, the State's expectation is that children who are under the age of 12 should not be in institutions. I think that is a good thing, but if you talk to Steve Suknaic the kids who are between 10 and 12 coming into the juvenile probation system that they actually place are kids who have committed some pretty serious crimes and those children are going to institutions. We had three of them.

The next slide is just a reiteration and you will read it throughout our Needs-Based Plan that our focus is really moving from a deficit practice to a strength based practice. Looking at what concerns there are, but really focusing in on what is going well with children and families and using what we discover to help families get through their crisis. The next four slides are what I just talked to you about related to reentries, stability, reunification and adoption, but it is information from 1998 to 2003 so it sort of shows a trend. It also splits up Dauphin County's Children and Youth and Juvenile Probation numbers.

Mr. DiFrancesco: Am I allowed to ask questions or should I wait?

Ms. Moore: You are allowed to ask as many questions as you want.

Mr. DiFrancesco: I guess I am very curious how meaningful these statistics are when the State throws out a number of what you should be at. There are so many factors that go into these relationships and when you look at the one that says about reunification with the family, well if a significant population has serious issues going on within the family why are they setting a time frame, why aren't they in some way determining what meaningful reunification is or we can send these children back to their families within two weeks or we could send them back into environments that are not real healthy. So, I am just trying to understand.

Ms. Moore: One of the things that we balance is the reunification rate and the reentry. For example, some counties will look at their data, this is not true in Dauphin County, and see that children are going home very quickly, but their reentry rates are very high. When we have a rate of going home in a very decent amount of time, but our reentry rate is not high then I am feeling comfortable that kids are going home safely and we are providing the service that we need to be providing. If you have a county where children are staying out of care for many months beyond the 12 months, part of me would be saying are we providing enough supportive services for children and families to get them home safely. All of this again goes back to those three initial things—safety, permanence and well-being. I think a couple of other pieces of this is these are Federal guidelines, not the State guidelines. The other piece is Federal government passed the Adoption and Safe Families Act several years ago that basically said the premise was that children shouldn't remain in foster care forever. Children either need to be safely reunited with their birth families or they need to move to another permanent home. Growing up in foster care is not the answer for children. All of this is sort of getting to you either safely get children home, which is why they look at reentry rates and safety rates or you move children more quickly to a permanent home. You have to look at all the pieces combined to see how you are doing in child welfare. The challenge is applying it to Juvenile Probation, because it is a very different population with the very different kinds of needs, but they are using Federal dollars so you have to apply the Federal expectations. Is that confusing enough?

Mr. DiFrancesco: I need to take this and digest it. I probably will have some questions.

Ms. Moore: We really have analyzed some of these statistics. On the reentry rate or the movement rate, first of all I thought the statistics were wrong and we did some analyzing and found out that they weren't wrong. Then, I thought well maybe Dauphin County just has really sick children and they are coming in at high rates of care like in institutions and then they are going to group home and then going to foster home and then going home, which would cause a lot of moves, but would be in a positive direction. That is not true either. We find children are just moving around a lot in our system for a variety of reasons, often times not the result of the child's behavior.

Mr. DiFrancesco: Again, that raises another question. How do people become foster parents and are they making the call whether or not they want to stick with a child. I can't imagine that would be an easy thing to do. Those people are giving a lot of themselves and their homes and their families. Again, how do you interpret the statistic if a child is moved twice within the course of a year is it the family that is the issue or is it the child that is the issue.

Ms. Moore: Fortunately for Dauphin County our numbers are so small we can go back to case specific and pull out the cases and see what exactly happened with this child. One of the things that we found with re-entry rates, and we have built some things in our Needs-Based Plan around this, is that we found that out of 21 children who reentered care, 16 of those children were age 13 or older females. So, what we realized that these females were being sent away to placement, doing well in their placements, coming home and not doing well integrating into their family. One of the things that we built into our Needs-Based Plan was an aftercare service specifically targeting this population. We went back to look at our numbers to see exactly what was happening with those 16 girls. That is where the information is useful.

Mr. DiFrancesco: That is what is meaningful that we are responding when we interpret the data. We check on the cases and respond to particular areas of need that we see. To me that is the most important part of the presentation.

Ms. Moore: You are sort of asking the so what. We have all this data kind of information and the next slide is the so what—what are we doing to address some of these issues? In Dauphin County, what we have built into our Plan was the continued implementation of family group conferencing and in parenthesis are the areas that we think this will impact—stability and re-entry rates we think that will help with that. For continued implementation of our system of care grant which we know will impact stability, because we are targeting direct services on 25 youth through that Federal grant. Increased intensive services, we have workers who provide very intensive services to families. They meet with families practically daily for a period of time to help children either stay at home or reintegrate into a home. Increase in our data analysis, our outcome evaluation and our assessment, again, so we have data that makes sense to us rather than just data that we are receiving from the State. A continued increase in the availability of County licensed foster homes. We have targeted our services to recruitment and actually probably not this week, but next the following week you will see a training request come across asking to send our two foster care recruiters to a foster care recruitment training to learn how to better do that and stabilize foster parent homes. That is a real emphasis for us. Currently, we primarily use provider foster homes, which are wonderful homes, but because we go through a provider we have less direct work with those provider foster homes in choosing who they are and licensing them. The County's criteria for licensing is much more strict and much more supportive in the licensing process. We want to have a lot more County licensed foster homes. It is also less expensive for us to have County licensed homes. The other piece that is happening not through requirements from DPW, but through what I think is just good practice is we are really increasing our kinship care. Meaning a child who has to go into placement doesn't necessarily have to go into foster care, which is sometimes referred to as stranger care, but they can actually go with a kin relative who becomes a licensed foster parent and has all the expectations of a licensed foster parent, but also gets some financial and medical support for that child while they are caring for them.

Mr. DiFrancesco: The data analysis, is that done by a human being or computer?

Ms. Moore: It is done by a computer and then translated by a human being, but when it gets to us it is human beings that are sitting around trying to dissect these numbers. First of all we ask does it make sense, does it ring true with what we think is happening. Then we have our own data analysis person, Steve Rice, in Children and Youth, who also runs our own reports. For example, when we saw 21 children, we asked Steve to tell us who these 21 children are, their ages, where they came from and Steve can do that in our computer system.

In 2004/2005, we have asked the State for two new casework positions for our Intensive Services. One program specialist for our Family Group Conferencing and one technology specialist to sort of start learning what Steve Rice knows in his head, because Steve is going to probably retire in the years ahead. We need to have that person knowledgeable. Funding for those positions was certified by the State and they were included in the County budget that was presented a couple months back.

Mr. Hartwick: I thought we got the commitment that Sandy and Steve were not allowed to leave until we were gone.

Ms. Moore: In our Needs-Based year, we are telling the State that we are going to continue implementing family group conferencing, pushing it more out into the community rather than just keeping it in our organizations, continue our system of care grant, increase our focus on kinship care and increase our focus on outcome assessment, evaluation and program improvement. We actually built into our Needs-Based Plan funding from the State to bring in a person to do a complete analysis of all our family preservation and family reunification services. We spent a lot of money for those services and we want to know what the outcomes of those services are. We are going to be making funding recommendations to all of you based on what we find out from doing case specific analysis of what is going on with those programs. We asked the State for no new positions and some additional funding in 2005/2006. We thought we really needed to focus on taking care of and doing well what it was that we already said we would be doing.

On Page 13, the bottom slide, is a very simplistic way of showing in 2003/2004 we asked for about $44 million. We actually spent $38.9 million. Had we spent what we asked the State for, we would have needed $7.5 million from County funds. Because we only spent $38.9 million, we used $6 million of County funds. In 2004/2005, we have asked the State for $36.5 million for a variety of reasons. If we use all of that and hopefully we will not use all of that, you can see what the County share would be. In 2005/2006, we asked the State for $47.5 million and if we use all of that the County's share would be about $7.6 million. Again, all of this has been presented in the County budget and approved by you. The next two slides sort of show why we are asking for this. Our biggest struggle with the Department of Public Welfare will be you asking for a lot more State and Federal money when you didn't even spend what we gave you last year. So, why should we give you more this coming year? So, we included all of these reasons and the changes that are happening in the County. Not knowing what might happen to TANF, some rewriting of regulations that direct the work of our caseworkers and then a whole list of other reasons why we think our request is a reasonable rational request.

Mr. Haste: What is SPLC?

Ms. Moore: Subsidized Permanent Legal Custodianship – some people choose not to adopt, but want to be a guardian so it basically is a legalized guardian. Some children don't want to be adopted. After the age of 12, I believe, they have a right to say whether they want to be adopted or not. They may have lived with a foster family for many years, but just don't want to be adopted and go through the process of having their name changed and disconnecting from their birth family, but they want to stay with that family. That family can become a legal guardian and then our agency and the Court steps out and they proceed on.

The only other piece that I wanted to share is in conversations again with CCAP and from some directives from CCAP, we were asked to include on this signature page an additional criteria for the County. In the instructions for this Needs-Based Plan and Integrated Children's Plan, the State wanted the County Commissioners to 100% commit to county dollars for what we were requesting. We put in a caveat that gets us out of that. We are not completely committing. We are basically saying that based on Federal, State and the availability of County funds, we are going to support this plan financially. There is never a guarantee of Federal funding and never a guarantee of State, so we didn't think it was appropriate to have to guarantee the County. So, that was added to our plan.

Mr. Haste: There is actually a threat of a lawsuit.

Ms. Moore: TANF is the big one. Does anyone have any additional questions?

Mr. Hartwick: First of all, I would also like to recognize one of the members of our staff, Jamie Rinehart, who last time I saw her was covered in paper in the back of a file room trying to figure out exactly what she was required to do in the Integrated Service Plan, because she didn't have any guidelines and putting both documents together in a timely fashion, working with a very competent staff, she deserves a great deal of credit for putting all of this together. We have an unbelievable staff in Children and Youth, one that I know we are very proud of. The sad side is the statistics are not great, but the good thing is we are proactively trying to address some of those concerns. In Dauphin County we also have a very unique collaborative with the Court system, with JPO, and Children and Youth. There is nobody on an island. Everybody has the best interest of our kids at their heart and ultimately that working relationship is allowing us to not hold information. We are sharing information in a way that's really attacking some of the problems that exist in Dauphin County. In traveling around the County and knowing what kind of conversation I hear in the Human Service Policy Committee of CCAP that doesn't happen in most counties. We got a lot to be proud of here in Dauphin County and I know I am certainly proud of the people that do the work. Lastly, Sandy, we want to get you on record saying that you will not leave. I would also like to thank you all for participating from the legislative side, as you know, Dauphin County is taking the lead, thanks to the support of the Commissioners, as well as, the preparation from the staff and working through our lobbyists. We are going to be meeting with Allegheny County on Monday to discuss TANF and the reauthorization. We prepared legislative briefings for the House of Representatives and we got some people that want to lead the charge. We are not going to sit back in the Human Services Committee and say "I can't believe they are taking these resources away". We want to get on our toes and proactively fight for reauthorization that does not cripple counties as we move forward in the future. So, I would like to thank you for all the work you have been doing for us on that level.

It was moved by Mr. Hartwick and seconded by Mr. DiFrancesco that the Board approve the Needs-Based Plan for FY 2004/05 and the Integrated Children's Plan. (Question: Mr. Haste – Aye; Mr. DiFrancesco – Aye; and Mr. Hartwick – Aye; motion carried.)

Representatives from AIA Benefit Group

Mr. Feinerman: I'm Leon Feinerman, Vice President of American Insurance Administrator. To my right is Kevin Krause, Chief Operating Officer of American Insurance Administrator's Benefits Resource Group. To his right is Dan Dorsheimer, who is the Principal of AIA and he heads up the Benefits Resource Group.

I want to thank the Commissioners and their staff for giving us all the consideration, time and patience for the last several months in working out this benefits program and bringing this to where we are today. You are faced with an extreme challenge to try to continue the excellent benefits for the employees of Dauphin County within the budget constraints, which are very challenging. We know that we can help you meet those challenges and we are extremely excited about the opportunity of doing this for the Commissioners and the employees of Dauphin County. I would like to turn the rest of the presentation over to Kevin Krause, who will give you a summary of where we are to date.

Mr. Krause: We passed out some talking points that we are going to go through. We have a brief allotment of time and we will try to move very quickly. From an agenda perspective, we want to spend a few minutes introducing who we are and why we are different, because we think we are substantially different than other firms. We also want to summarize our proposal that we made to Dauphin County for the Employee Benefit Consulting Services and then we will answer any questions that you may have.

If you go to the next page, our business model, we believe we are Central Pennsylvania's leading employee benefits firm. I believe we are the largest in terms of clients and revenue, but I think more importantly than that if you talk to the senior executives of the health care companies who deal with us on a regular basis, I think they will attest to the fact that we are different. Our analytical means are creativity which we believe is unique in this market. Our mission is really to assist employers in developing creative benefit architecture that will allow you to balance the needs of recruitment, retention and motivation of your employees with the fiscal constraints that all employers are facing today. As you know, health care is not unique to Dauphin County. This is a national issue. Anybody can cut costs. Our goal is to be able to develop a two to three year strategic plan that allows you to manage those benefit costs over time without negativity and sometimes enhancing employment recruitment, retention and motivation. We consider ourselves a benefits resource provider. You may have not heard that term before. Our goal is to really be an extension of your HR activity and be an ongoing resource in the entire benefit world. We also look to be a strategic partner in planning business models relative to the Commissioners and other senior management here at the County to create a plan that will work over time. From an AIA value proposition, we think that the set of services and comprehensiveness of what we provide far out weighs the cost and typically almost always, we are not an incremental cost. In today's environment with the cost of health care to lay another cost on top of what is going on already is very problematic. So, our business model is built on the fact that we will reduce your costs far in excess of what our fees are. It is really not a net incremental cost to you. On the next page, we talked about our unparallel team. First of all I should say "Experience the Difference" is the title of the slide. That is not something that we came up with, that is what our clients have told us how we are different. They have never experienced the kind of support and creativity and analytical work since they have hired us. That's really our corporate tag line, which came from our clients. We do put a lot of resources on every case. We have an unparallel team approach. We have 19 people located here in Central Pennsylvania that are dedicated to benefits. That is all we do day in and day out. Each client has a client team of at least three members and then some ad-hoc people underwriting and reporting, those kinds of people that support those client teams. Our staff, the very disciplines that we come from provides the unique set of resources as well. Dan, to my right, is the Principal in the firm and has always been on the employer side of the equation from a benefits consulting perspective. I came from healthcare delivery, hospital, administrator, medical group. I understand the healthcare side of the equation. If you look down the rest of the group that most of our staff comes from prior carrier relationships in terms of Highmark, Capital Blue Cross, HealthAmerica, so we know all of that. From a client profile perspective, we have over 60 clients. They range as small as 25 up to 5,000 employees. We do both fully insured and self-funded. Most of our larger clients are self-funded. I think, as I mentioned before, we have the vendor carrier respect and leverage in this market. We do a lot of business with the carriers here. We are on all the advisory committees for the major carriers and we have strong, both underwriting and senior management, relationships. It is hard to differentiate when you are just talking. Every firm starts to sound the same. From a differentiation highlight, I think one real important thing is we take a two to three year planning approach. We didn't get into this situation and we are not going to get out of it in a year. We have proprietary analytical models that make decisions. The presentation of information must be done well so it is easy for people to make decisions from, which is critical, because this can get very complicated. We do have the market influence with the regional carriers. From an on-going management and reporting perspective, we track what we do. We set objectives with our clients. We then track how are we achieving those objectives and do we need to make any changes mid-stream. Employee communications is critical. The move towards consumerism, which we will discuss in a second. We need to get employees as part of this puzzle and we need to have them understand what is going on. The bottom line is we feel very strongly that we produce superior results and we hope that you have had a chance to talk to some of our clients.

The next page is a sample page of some of those clients. You probably will recognize some of these – Commerce Bank and Thomas, Thomas & Hafer, etc. We wanted to give you a sense of the other companies within this geographic region that we provide services to.

Moving away from AIA as a company to what are the employee benefit challenges at Dauphin County. The next page identifies five major points. Clearly, there is a healthcare affordability crisis. Today, approximately $12.5 million was spent on healthcare for your employees and without a change in course we are projecting that will almost double by plan year 2007. Market trends are moving towards healthcare consumerism. I'm not sure if you saw President Bush's most recent ad where he talks about ownership and actually talks about owning your own health plan, which is the Health Savings Account Legislation that was passed last January. We have to find better ways for people to understand, own and participate in their healthcare plan. Right now, your current plan doesn't have many opportunities for that. It is basically free. So, your utilization is high. Quite frankly, people don't appreciate their benefits until they have an economic stake in it. That is something that needs to be looked at over time. Again, you can't do that over night. It has to probably be incrementally phased. That is a trend that is moving across the nation and one that probably has to occur here as well. Of course all of that has to be balanced with recruitment, motivation and retention. We know that keeping these employees are important and we want to make sure that we balance anything that we do. Obviously, the other issue is that you have labor agreements. It has been reported to us about 50% of the employees impact this year, but through labor agreements they might not be able to impact until the following years. The education is important in that sense. Finally, management and HR resources are not unique to Dauphin County, but they are limited and we can provide support to those resources. We submitted our proposal, on the next page, in June. It is fairly thick. We provided some good reading. We had a 24-page Core Proposal where we really took the time to look at your current plan, to provide our observations and what the strategic implications of those observations were relative to your plan. We went on to describe in detail our potential strategies and how to impact all of that. We also outlined our fee structure. In addition, we provided 12 detailed attachments that again, it is difficult, a lot of firms say the same thing, we wanted you to touch and feel some of our analytical work and how we present information and how we would approach both analytical parts, communication activities and so forth.

On the next page, in terms of summarizing the potential strategies, this, and we believe it is very important that this is a multifaceted strategic planning approach. There is no silver bullet in here. There has to be a full analysis, identifying different pressure points in which to hit. Number one on benefit plan architecture, we think you have to incrementally retool your benefit levels to better align with the market. As has been reported elsewhere, your benefit levels are a little bit out of line, but we do understand that you do want us to stay slightly above market to continue to attract, retain or recruit motivated employees. So, we think you have to incrementally retool the benefit levels. I think you need to provide employees financial incentives to move towards the consumer driven healthcare plan, either in a core and by up strategy or with the new HSA (health savings accounts), the FSA debit card, those kinds of things. Now, the HSA and HRA's are new and untested. Again, that is why a two to three year planning process is really critical here. Finally, on the plan architectural side is to provide your employees with incentives to encourage spouses to access their employer's plan. You have about 30% of your employees that are in single coverage. That is very low. You have many, many employed spouses on your plan. There is a movement amongst employers in the marketplace to say I'll take care of my employees, you take care of yours. There is a way to do this without negatively impacting the employee, but allowing the County to access the dollars that are available from other employers willing to put those on the table. We think that is critical.

Moving down to the vendor selection of management category, obviously, a competitive RFP process is important and probably already in place. From the medical side you have been in a retro refund arrangement. Moving forward we think you need to look at a prospective arrangement. Number 2, self-funding, some people may say well I don't really want to look at self-funding, because my medical loss ratio today is well over 100%. That is what it is today, but what you need to look at is where do we project the claims to be, based upon the plan design, and how does that relate to what the insurers are going to put on the table next year and the year after. I wouldn't rule out self-funding. I think that analysis needs to be done.

From the pharmaceutical perspective, there are several alternatives around plan design, but they also want the right vendor on pharmaceutical. Right now you are with Express Scripts in a direct relationship. There is also coalition or consortium available to you, but we feel also something that should be looked at very seriously is an alternative administrator to the traditional PBMs, like Express Scripts, Advanced PCS, Caremark. If you read the press lately, there is a lot of activity in that realm in terms of lawsuits. The State of New York has filed suit against Express Scripts. The entire Blue Cross has filed a lawsuit against Express Scripts. There is a lot of activity in the marketplace relative to rebates. The transparency of those contracts to the best interest of the employer, we have identified an alternative pharmacy administrator that will take a fiduciary responsibility and take all of that away and make sure that the best interest of the employer is what is paramount. In addition to all the financial pieces, we want to make sure we keep an eye on the non-financial plan resources. What all the carriers have from a wellness perspective, what do they have from disease management service. You can't lose sight of those things as well.

On the next page, we are talking about employee labor, education and communication. This is critical. If you are trying to move people towards a consumerism plan, giving them more responsibility, you have to give them the tools to understand their plan. We are on the point of that multifaceted strategic planning approach and the piece being the employee and labor education and communication. Employees really need to understand what is going on nationally. The County's fiscal realities are and that this is a partnership between the County and them. The carrier resources that are available. We see this all the time. Both Highmark and Capital have 24-hour nurse lines. People are not using them. They don't know about them. It hasn't been promoted to them. There is a lot of resources that are available that employees are not using. In order to move people to consumerism you have to educate them and give them these tools. From a planned performance reporting and monitoring that is critical to us. You can't manage what you don't measure. In all the clients that we work with we look at the objectives we have set and then look at the response after the changes have been made and what is happening to the claims, and the employee's perception of the plan. That is an ongoing activity that we do quarterly. We have a reporting package that is in the proposal that is second to none. Regardless of whether you go with Capital, Highmark, self-funded whatever, we can provide you with how that plan is running and with an ongoing projection so you are not surprised financially what your renewal is going to look like each year. Then we do the vendor interface, problem solving, claims issues and those kinds of things, as well.

On the last page is the human resource efficiencies. This is kind of a bonus or value add of working with us. We provide all our clients, AIA client community, your HR and management people have access to state of the art on line HR benefits, resource library, if you want to look up FMLA, or look up what is going on with the Department of Labor. It is totally on line and is available to you. Each account also gets a dedicated client service manager who is there to deal with the trouble shooting issues, if someone's claims are not getting paid right, my eligibility is not getting to the carrier on time. All those kinds of service activities we handle as well. We do have a web-based employee self service communication tool, which a lot of our employees are dialing themselves, which is important moving forward. Then all the analytical models and planned performance monitoring are things that your HR people don't have to do because we are doing it for them so they can spend their time strategically thinking about what does the data mean and what actions do I need to take rather than spending their time collecting the data. We also now are moving into the benefits administration realm. A lot of our employer clients are seeing problems in that area where we have brought on a person that handled that for Hershey Foods and we now have a couple clients that have asked us to provide benefits administration. That is on an ad-hoc basis.

The next page, which is really the summary of potential financial impact and again, I am summarizing a very big book. From a benefit plan, architectural perspective, we estimate that if 40% of your employees who have spouses who have coverage elsewhere and you actually gave them an incentive payment that would cover their cost to access that care at their place of employment that could save approximately $1 million alone. We have the models that can look at that, if it is 20%, 30%, etc. Again, not negatively impacting the employee, but just accessing the dollars that other employers are willing to put on the table. From a plan design, consumerism, that will be a management decision on how much you want to move each year incrementally in that regard. We think there is $500,000 to $1 million there and another $500,000 in pharmaceutical. In vendor selection of management, moving to prospective funding alone, out of the retro refund, is typically about 2.8 to 3%. That is about $300,000. Competitive insured quotes, again what we like to say is that this is not about manufactured suggested retail price, this is about what is a carrier willing to do to gain your business. Competition is a wonderful thing. That is to be determined, obviously. There are also pieces to be done in that research on your shock-loss claims. What happened to those claimants? Are they still on the plan? Are they on COBRA? We look at all that information to give underwriters and the carriers the best possible opportunity to lower your rates. Again, self-funding, we don't know what the rates will come in at, we haven't done the claims projections on your claims and we need to look at that for sure. The non-traditional pharmacy that we talked about. We are very high on this. We think 10 to 14% just on their domestic model. If you go to a maintenance mail order program, which means you have your first two prescriptions filled at the retail and then after that it goes to mail order where there is no dispensing fees and better discounts. That can drive the savings up higher. Finally there is an international model available that some municipalities have taken advantage of. That is not an absolute, but there is a savings there if Dauphin County wanted to move into that area. We want to make sure that any vendor that we select that we are getting performance guarantees to make sure that they are on their toes and there is financial impact to them if they don't perform as reported in the RFP process.

Mr. Hartwick: Briefly, could you explain the international model?

Mr. Krause: That is a Canadian mail order.

In conclusion, the scope and breadth of our services as outlined below are very broad and very deep and we think we are unique in what we do. We think we deliver better results than our competitors. As Leon said earlier, we are very excited about this program. We think we can deliver exceptional value to Dauphin County and would welcome the opportunity.

Mr. Haste: On your spousal eligibility, how do you move people over? On the spousal eligibility, you have $1 million savings if 40% of the people move and we are at 30% now. Are you saying that we will save $1 million by moving 10% over?

Mr. Krause: Right now, 70% of your employees have a dependent on the plan. Those could either be husband and wife, parent and child, parent and children or family.

Mr. Haste: How do you move them?

Mr. Krause: You move them by identifying a change in your eligibility language to say and there is a broad spectrum. The most severe and would not be what we suggest here is to say, and some employers in the marketplace have done this, if your spouse is employed elsewhere and eligible for benefits they are not eligible here. That is the most severe. On the other side of the spectrum is the least severe, to say if your spouse is eligible for benefits and employed elsewhere and is eligible for benefits they can access benefits here, but they also have to take them at the place of employment. What you are doing there is moving the claims out of your plan. One of the areas that we think makes a lot of sense in this case is you can say if your spouse is employed elsewhere and eligible for benefits we will give you an incentive payment to take that coverage at your spouse's place of employment.

Mr. Haste: We already do that.

Mr. Krause: I believe you do that in terms of your employees opting out. This is for the spouse to move to the other place of employment. Typically, in this marketplace, employers either pay 100% up to 75% of the cost of a single. If my spouse is employed down the road that employer is going to pay any where from 100% to 75% of the cost of the premium. If I say I want you to go access that plan and I will give you 25% of the single rate, so if your employer is charging you 25% here is the money, you are kept whole as the employee, but now 75% of that premium is being picked up by another employer.

Mr. Haste: We currently move the spouse and the employee over to that coverage under our scenario. So, how do we move more when you are just moving the spouse?

Mr. Krause: The employee would stay here.

Mr. Haste: So, that is someone that we keep on our rolls that is currently moving. They move now.

Mr. Krause: Of the people that you have participating, you have about 1,600 people participating, of those people participating 70% of those have dependents on the plan.

Mr. Haste: I understand that, but I am trying to understand how under your scenario we move more people.

Mr. Krause: By offering incentives, by rewriting your eligibility and then providing an incentive payment for them to access that employed spouse that is employed down the road, but on your plan, to access the care. The employee stays here and maybe even the children stay here, but that employed spouse would move down the road.

Mr. Haste: In that scenario the whole family moves down the road.

Mr. Krause: Not necessarily.

Mr. Haste: Yes, they do. If they opt out you are not here.

Mr. Feinerman: The children would stay on the plan.

Mr. DiFrancesco: If a married couple has two options on insurance, they can either choose to take the other one or this one. The whole family is going wherever they go. They also have the option to split it. Obviously if you have two options you are going to take the best one and we are already offering incentives for people to move away if they choose to go to the other plan.

Mr. Krause: Your incentive affects the employee.

Mr. Haste: Everybody.

Mr. Krause: You now have 1,600 on the plan and 70% of them have dependents on the plan. Those people have chosen to stay here.

Mr. Haste: Why would anybody take that option over the one that we already offer?

Mr. DiFrancesco: If they already decided to stay here.

Mr. Haste: To me, it makes no sense. If I am going to move my family, why wouldn't I move myself?

Mr. Krause: You decided that this is a better plan to be in. You would have to rewrite your eligibility language to say that if your spouse is employed elsewhere and eligible for benefits they are not eligible here, however, we will provide you the incentive payment or the off-set so that you are not economically damaged by selecting that spouse going off the plan.

Mr. Haste: So, we have to kick the spouse off under this plan.

Mr. Krause: That is one way to do it. The other is to just offer the incentive. The other way is to say they can take your plan, but they have to access the other plan as well. The other way is to say that they can access your plan, but they have to pay some contribution, which would provide an economic incentive. There are about nine different ways to structure that. The goal is and we just did it with a school district, lets say the spouses that were on the plan and it happens with governmental and school district agencies, when you have a very rich benefits plan and the cost for that is not very high all those employed spouses that do have available coverage elsewhere do end up on your plan. Now, you are paying for them. What we showed the school district is if the spouses cost $1 million in your plan, if other employers are willing to pay up to 75% or beyond of that care, there is $750,000 sitting out there that another employee will offer to insure those people if people are properly incentivized to accept that. There is a movement in the marketplace for employers to say if I am going to offer a very rich benefit plan to my employees, I can do that here, but I can't do that for employees of other companies, because I can't afford it. If you provide that employee that differential cost. So, if I go to my other employer plan and they charge me 25% of the plan cost, if I am getting that from my spouse's employer, I am being maintained whole, but the host plan saves money.

Mr. Haste: I understand that, but I believe your $1 million is quite high. I think how we might do that if we continue to offer the incentive we have now and we make our plan not as rich it causes more people to look elsewhere and opt out. I for the life of me if I could opt my whole family out and take the incentive that the County gives or just move part of my family, I don't see, and I would have to take a look at the numbers, but I don't see how that benefits anyone, maybe a few. That $1 million is quite high.

Mr. Krause: That is based on the premium savings of 40% of your people that are currently in dependent coverage.

Mr. Haste: I think there are other ways to do that. The other thing this does, it does not talk about your fee and how do you come up with your fee. What is that fee?

Mr. Feinerman: Our fee, we indicated in here, we put two fee structures. One is a fixed fee arrangement, which was $135,000 for 12 months. That fee resulted in a self-funded format that says it was $4.50 per employee per month and 15% of the reinsurance commission for that type of analysis and placement. When we put those together we came to a fee of $135,000.

Mr. Haste: What page is that on?

Mr. Krause: In the major proposal.

Mr. Feinerman: Additionally, we had offered to the County that we would commence work immediately, work through the balance of the year and include, not only that time period, but the time period next year under that fee structure. We thought that would give the County an opportunity to see the type of work that we do. In addition to that, defer any charges to the County until January 1, 2005. The other fee structure was a 1.25% of premium. We are very agreeable to fixing those numbers under either arrangement, but the $135,000 other than the first year, because the first year includes 16 months of work.

Mr. Haste: Why not base it on the amount of savings you provide us? Some of these numbers are subject to change in the projections.

Mr. Feinerman: We have not done that in the past. It is something if you would prefer that type of agreement, it is certainly something we can look into.

Mr. Haste: I am very suspicious of consultants and I was one at one time too so I understand. But, having sat here and gone through the track record of the last few years there are some very good proposals put out there with numbers that appeared to be very good when they were presented and it seemed very logical, but when reality set in they were not accurate. The County paid for that even though we didn't realize the savings that were used in the marketing plan. I guess I am trying to protect the taxpayers and the employees at the same time and to figure out, if we move forward, how assured are we that we are going to see the savings that were used to convince us.

Mr. Feinerman: I'm glad you brought up that question. Fifty percent of the clients we work with, prior to us coming on board, I would suggest did not work with consultants, because they considered consultants to simply be another layer of costs on a program that was already price prohibited.

Mr. Haste: I really don't believe that philosophy. I believe there are very good consultants out there. I don't think we have had a good track record of that and I am trying to weed it out.

Mr. Feinerman: While we are being very candid, for years we did not do public sector work. It is only recently that we have decided to take on that challenge, because we found that in many situations there were other influences other than a good business posture in buying insurance. That is what we do well. I would suggest that you look at our clients and you call them. There are clients in here, from a population size, with less employees than the County that will clearly indicate to you that in one case a $3.1 million savings, clearly documents, under where they would have otherwise been. I couldn't agree with you more. In fact, there are a number of consultants out there that if people are paying them, they are paying too much. I think we are very unique. We are very passionate about this business. When we looked at these records and I would even like to come back with the County on this spousal issue and provide additional clarification and a written statement. We have spent a lot of time looking at this program. We clearly believe and our value proposition is moving forward. If you don't think you are getting what you paid for then you can terminate us. We do not have a long term working contract agreement with any employer that we represent. If we are not valued at the table, we don't want to be there. That is a decision that you get to make on an ongoing basis. Are you getting what you paid for and if not, we will leave. We are confident that we can deliver that. We have had that as a business posture since 1974 and it worked well then and it is working well now.

Mr. Krause: I'm not sure if you had an opportunity to look at the RFP that we completed for you. I believe Commissioner DiFrancesco and Commissioner Hartwick had seen it. I would almost put that as prolog to the work that AIA does regarding this consultant type of situation. I don't think any of your other people, individuals who bid on this work, came any where near the type of work that we have done, as a preliminary thing to tell you this is what we do, this is how we look at things, this is how we identify some of the problems and really kind of bring them to a head. If you check that information out, really look at it in great detail to give you an idea that this is the type of work that we do. We did it for the RFP. It is a no brainer from our standpoint that we will continue to do this for the County. You are a high profile potential client to say the least. We have a great reputation in Central Pennsylvania, throughout the State and parts of the country and this is the type of work that we do.

Mr. Krause: A new client that we picked up this year was South Central Employment Corporation and I believe Commissioner Hartwick sits on the Board.

Mr. Hartwick: Unfortunately.

Mr. Krause: There is a reference letter in our materials from that organization. I think you will see in that reference letter and if you talk to Gary Hoover and the HR people over there, they can document the savings that we brought to the table this year, in a new client situation. As Dan said the rest of our client references will support us in that regard.

Mr. Feinerman: In a closing comment, we look at this and price it based on the energies, expertise the systems that we have to put in place to do this job well. We hire, if you look at our bios of our people, the best people in the industry. We have been fortunate in the sense that we attract very high quality people. When we put our intellectual resources together, what we have to compensate these folks to do the jobs that we want done, you are going to have other bids lower than ours. But, we in order to get the job done well have to make the appropriate investment up front and that investment reflects our pricing for the work that we suggested needs to occur in this plan.

Mr. Haste: Does that imply that the fee is going down?

Mr. Feinerman: Is the fee going down?

Mr. Haste: The message that you gave me there was that the initial fee is because of all the initial work.

Mr. Feinerman: That's the mistake that has been made in this industry for years that we only need these folks initially and then after that when they build this track you just push it out there and that thing will coast along that track uninterrupted and perform as well as it would have performed otherwise. It does not work. This environment is changing almost daily. The situation that people are in today, we did not get here in a year, we are not going to get out of here in a year. This is going to have to have consistent monitoring and managing. I liken it to accountants and other people who are on the job doing what needs to be done and I think if you do it on an ongoing basis you will find out that you don't have a drift where things get out of alignment and then it costs a lot of money to bring it back. That is a decision that you get to make on an ongoing basis. If you look at us, our work, our performance, your outcome and say I just don't think it makes good economic sense then you have the right to terminate. We have never had that problem.

Mr. Hartwick: Thanks for your diligence.

ITEMS FOR DISCUSSION

Mr. Haste: We have Items A through D, which we almost have to vote on everyone.

A. Approval of a Human Services Overview Cross System Training TV Coverage with WHBG TV 20 through the FSSR Grant. **(**A VOTE IS REQUESTED 8/18/04)**

B. Resolution No. 24-2004 designating the Dauphin County Department of Community and Economic Development as the official organization to represent Dauphin County for the purposes of the Industrial Development Assistance Law. **(**A VOTE IS REQUESTED 8/18/04)**

C. Patient Admissions Agreement for Spring Creek Health and Rehabilitation Center. **(**A VOTE IS REQUESTED 8/18/04)**

D. Resolution approving a continuation of a Highway Project Grant "Dauphin County Sobriety Checkpoint and Expanded DUI/Underage Drinking Enforcement Program" between C.I.D. and the Pennsylvania Department of Transportation.

We have Items A, B and C to vote on. Before we get into it, I am sort of at a loss on Can you fill me in on this?

Mr. Vance: Briefly, this is a Resolution which you must undertake annually in order to qualify for funds from the State. The amount of those funds is approximately $85,000. Simply stated, under the Industrial Development Assistant Law there must be a formal resolution designating an entity to represent the County. That is why that is on there. It is no different than the one that you adopted the preceding year.

Mr. DiFrancesco: Why are we doing Item C this week, instead of next week?

Mr. Vance: That is entirely up to you sir. It can wait until next week.

Mr. DiFrancesco: Is there a particular reason why it is on?

Mr. Vance: No sir. Originally I had hoped to have that last week. There were some alterations that needed to be made specifically with respect to the restrictions on parking of vehicles. Those have since been made and it was otherwise in appropriate form to be passed upon by the Board. That is the only reason.

Mr. Hartwick: I also have a comment as it relates to B. How comes this is a pressing matter and we didn't really receive this until today?

Mr. Vance: I can't answer that, because I just received it yesterday.

Mr. Robinson: We annually check on the status of this grant and were told that it was sent back in June and we called to different entities on this floor, which couldn't locate it. So, we fast tracked it and got it faxed to our office. This grant did increase by $20,000. The actual check goes to the Treasurer's Office. It goes to offset our yearly budget. It went from $65,000 to $84,000 so that is a significant savings.

Mr. Hartwick: Just a procedural one, normally the oversight, we are supposed to be trying to get the information on a Monday and prior to the Workshop Session, what was the reason why you weren't able to do that.

Mr. Robinson: I do apologize for that only the fact that we thought it was still in the circle up here and in doing our checking no one could locate it up here. That may be the fault of the State and we have asked the State in previous years could you put attention Dauphin County DCED and they said no it has to go to the Board of Commissioners.

Mr. Hartwick: In the future, please try to bring that to me on a Monday prior to the meeting so I can circulate to the other Commissioners.

Mr. Robinson: Okay.

Mr. Saylor: Item C, the Admissions Agreement, I know this is one thing that the management company out at Spring Creek has been asking for and I have been hounding Guy for some time, since March, I think. It has taken a long time to put this together. There were a lot of different issues. It was not delayed. There was just a lot of folks that had to look at it and sign off on it. It would not hurt to wait another week to get it approved, but it was something that they wanted to get for some time now.

Mr. DiFrancesco: I don't think it is necessarily the issue that we vote on it today, but I would echo Commissioner Hartwick's comments just that as oversight I don't want to find out that we are voting on something on Spring Creek the day of. I would rather have someone bring that to my attention early on. I know this has been ongoing and it doesn't come as a shock that we are voting to approve it. I was just curious as to why it was today and not next week. No big deal.

Mr. Haste: Do you want to talk about A?

Mr. Hartwick: Unless there are any questions. Do you have any questions?

Mr. Haste: I'm not in favor of it. I'm in favor of the program, but I'm not in favor of paying for it.

Mr. Hartwick: We are not paying for it.

Mr. Haste: The taxpayers are paying for it.

Mr. Hartwick: It is coming through a State funded grant that can only be used for collaboration, education or training. This is great way to spend money for education.

> **It was moved by Mr. Hartwick and seconded by Mr. DiFrancesco, with Mr. Haste voting no, that the Board approve Item A under Items for Discussion. (Question: Mr. Haste – No; Mr. DiFrancesco – Aye; and Mr. Hartwick – Aye; motion carried.)**

> **It was moved by Mr. Hartwick and seconded by Mr. DiFrancesco that the Board approve Items B and C under Items for Discussion. (Question: Mr. Haste – Aye; Mr. DiFrancesco – Aye; and Mr. Hartwick – Aye; motion carried.)**

Mr. Haste: We will take up Item D next week.

REPORT FROM SOLICITOR

Mr. Vance: I have nothing to report unless you have questions.

REPORT FROM CHIEF CLERK/CHIEF OF STAFF – CHAD SAYLOR

Mr. Saylor: I have two items that I would like to bring to your attention. On Thursday is our next County Tour to the northeastern corner of the County to meet and greet with local officials.

Also, I want to bring an item to your attention regarding County owned vehicles. The previous Board undertook an effort to build a County owned fleet of vehicles. As I mentioned to you, we have a small working group of staff that are reviewing this, because a number of these vehicles were under a lease purchase agreement. It is sort of a lease, but technically it is not a lease to obtain a number of vehicles. The number of vehicles that we are looking at is 75. The lease purchase agreement for 34 of these vehicles has expired this year and there was a buy agreement for $1.00. We could buy these vehicles and the County has undertaken to do that. This working group is looking, as we begin to acquire these vehicles, how are they being used, who got them and what is being done. We are still in the process of doing that. There have been some inquiries from departments that have budgeted for this lease purchase for vehicles and now that their vehicle has been purchased for $1.00 this money is in there from the previous budget, they would now like to enter into new lease purchase agreements. One thing that has come unanimous from the working group is that now that we have this pool of vehicles that there may not be a need for the County to continue with this kind of a program and that it might be worthwhile for the County to return to the policy from before, which was if your department wants a car or truck for some reason that it should be bought out right and is part of your budget proposal so that it comes before the Board. This gives the Board control over this and it forces the departments to justify why they need this vehicle and can't find some other way to handle that need. That is what we are looking at and I thought as we are entering into the budget we could communicate that to the departments if the Commissioners are in agreement.

(The Commissioners were in agreement.)

COMMISSIONERS' DISCUSSION & ACTIONS

Mr. Haste: We have Prison Board Meeting this afternoon.

Mr. Hartwick: I will be there.

PUBLIC PARTICIPATION

(There was none.)

ADJOURNMENT

> **There being no further business, it was moved by Mr. DiFrancesco and seconded by Mr. Hartwick that the Meeting be adjourned.**

Transcribed by: Richie Martz

Respectfully submitted,

Chad Saylor, Chief Clerk/Chief of Staff

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