

Agenda
Health & Human Services Committee
West Olive Administration Building – Board Room
12220 Fillmore Street, West Olive, Michigan 49460
Wednesday, August 8, 2012
8:30 a.m.

Consent Items:

1. Approval of the Agenda.
2. [Approval of the Minutes from the June 13, 2012 Health and Human Services Committee meeting.](#)

Action Items:

None

Discussion Items:

1. [Housing Choice Voucher Program in Ottawa County – Issues & Potential Changes, Bill Raymond, Executive Director, Michigan Works!](#)
2. Department Updates

Adjournment

Comments on the day's business are to be limited to three (3) minutes.

HEALTH & HUMAN SERVICES COMMITTEE

Proposed Minutes

DATE: June 13, 2012

TIME: 8:30 a.m.

PLACE: Fillmore Street Complex

PRESNT: James Holtrop, James Holtvluwer, Stu Visser, Greg DeJong, Robert Karsten

STAFF & GUESTS: Alan Vanderberg, Administrator; Justin Roebuck, Deputy Clerk; Lynne Doyle, CMH; Lisa Stefanovsky, Health Official; Dr. Paul Heidel, Medical Director; Bill Raymond, MI Works!/CAA Director; Michelle Martin, DHS Director; Kori White Bissot, Lakeshore Coordinating Council Director; Amy Flores, Senior Resources; Marcia Knol, Health Dept.; Donna Cornwell, Human Services Coordinating Counsel

SUBJECT: CONSENT ITEMS

HHS 12-011 Motion: To approve the agenda of today as presented and approve the minutes from the May 9, 2012 meeting as presented.

Moved by: Karsten

UNANIMOUS

SUBJECT: SENIOR RESOURCES ANNUAL IMPLEMENTATION PLAN FY 2013

HHS 12-012 Motion: To approve and forward to the Board of Commissioners the resolution approving the Senior Resources Annual Implementation Plan FY 2013.

Moved by: Holtvluwer

UNANIMOUS

A power point presentation of the Annual Senior Resources Implementation Plan was presented by Amy Flores.

SUBJECT: DISCUSSION ITEMS

1. Youth Assessment Survey Condensed Overview – An update was given by Marcia Knol on what the Youth Assessment Survey does and the partnerships used. The survey helps the community understand where to place programs where they would be the most effective. Overall findings show Ottawa County youths are less at risk than national average and improvements are being made as a trend. Ottawa County is the first County to ad “Sexting” questions to the survey.
2. Department Reports:

Health Department – Lisa Stefanovsky reported the Health Departments accreditation went very well. The Governor and State Health Director recently released a “4 x 4” plan to tackle obesity in the State. Legislation is cracking down on the sale of synthetic marijuana which is expected to move quickly.

Dr. Heidel reported on the Lyme Disease presentation held on May 12th. He also gave a talk on Meningococcal Meningitis.

MI Works!/CAA – Bill Raymond reported CAA may receive additional funds for weatherization. MI Works! is in the middle of a change-over to a direct service model. A team supervisor has been hired for their warehouse.

Dept. of Human Services – Michelle Martin reported there have been 6,561 applications statewide from individuals who are reapplying for cases that have been closed. DHS is now being notified of lottery winners to keep them off welfare. In the first three weeks, 719 lottery winners were removed.

Lakeshore Coordinating Council – Kori White Bissot reported LCC is changing the way they contract for services. They are trying to reduce delay in services, making a more welcoming system for clients. LCC has met with provider networks to discuss ideas for expanding treatment. The website is being restructured to offer better services on-line.

Human Services Coordinating Council – Donna Cornwell reported they will be losing federal/state dollars designed for suicide prevention. They would like to see more coordination between agencies in light of this lack of funding.

Mental Health – Lynne Doyle reported the Annual Stakeholders Meeting is coming up. The CMH audit is going to be performed and will occupy much time.

SUBJECT: ADJOURNMENT

HHS 12-013 Motion: To adjourn at 9:45 a.m.
Moved by: Karsten

UNANIMOUS

Emerging Issues: OCCAA Housing Choice Voucher Program

Background for August 8, 2012 Ottawa County Health & Human Services Committee Meeting

Background

The housing choice voucher program is the federal government's major program for assisting very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market. Since housing assistance is provided on behalf of the family or individual, participants are able to find their own housing, including single-family homes, townhouses and apartments.

The participant is free to choose any housing that meets the requirements of the program and is not limited to units located in subsidized housing projects.

A family that is issued a housing voucher is responsible for finding a suitable housing unit of the family's choice where the owner agrees to rent under the program. This unit may include the family's present residence. Rental units must meet minimum standards of health and safety.

A housing subsidy is paid to the landlord directly by the Housing Agent on behalf of the participating family. The family then pays the difference between the actual rent charged by the landlord and the amount subsidized by the program.

Ottawa County CAA has operated the Housing Choice Voucher (formerly known as Section 8) program for the past few years. Many voucher programs administer vouchers directly from the federal Housing and Urban Development (HUD) and the administrative organization is the local Public Housing Authority. Here in Ottawa County vouchers are administered by OCCAA, which receives vouchers from the Michigan State Housing Development Authority (MSHDA). We do not administer any vouchers directly from HUD. At the current time we administer approximately 375 vouchers for Ottawa County families and individuals. This is down from about 440 a few years ago.

OCCAA took on the voucher program in the early 2000's at the request of MSHDA due to some problems with the previous Housing Agent.

Emerging Issues

OCCAA has done a good job of administering this very complex program but there are some long-standing issues that we must begin to explore. This brief paper outlines the key issues for the board and serves as a basis for continued discussion on the issues.

1. **OCCAA Income:** Our income for this program is about \$102,000 per year but projected expenses are approximately \$199,000 for 2012. We must heavily subsidize the program each year from Community Service Block Grant (CSBG) and other funds. CSBG funds are flexible and can be used for this purpose, although funds spent in one area are not available to spend in other areas. Due to staffing reductions, we are also "subsidizing" with other program funds.
2. **OCCAA Need to Subsidize HCV:** Subsidizing the program puts a strain on other areas of OCCAA programming. The OCCAA budget is very tight each year and most of our grants are tied to specific activities and we can't mix funds from one grant funded activity to another.

Emerging Issues: OCCAA Housing Choice Voucher Program

Background for August 8, 2012 Ottawa County Health & Human Services Committee Meeting

OCCAA's costs include not only employee wages, but also full-time benefits. In addition our costs include indirect costs for other Ottawa County employees who work in other departments that support OCCAA, such as Fiscal Services, Human Resources and Information Technology.

3. **Staffing limitations:** We have two .8 FTE staff dedicated to the HCV program, but they must work extra hard to keep up with all of the rules and guidelines for the HCV process. They are under a tremendous amount of stress and pressure to perform. They do an excellent job, but the stress does take its toll on the staff. The OCCAA Program Supervisor is spending approximately half of her time on the HCV program and the Weatherization Coordinator is spending one half to three quarters of her time on HCV.

4. **Independent Agents:** Most HCV activity around the state is performed by Housing Agents who are Independent Contractors with MSHDA. They are reimbursed by the state for the work they do but their cost structure does not include some items that are part of OCCAA's cost structure, such as employee benefits and county administrative costs. The independent contractors may choose to purchase any benefits from the amount reimbursed by MSHDA, if they have sufficient funding to do so. I'm not sure how many choose to do so or if they offer benefits such as health insurance, etc. The cost structure for the independent agents is also lower, due to lower wages and lower overhead. Many work out of their homes.

In talking with some of these Independent Contractors it is apparent that they also struggle with how to balance their budgets, as the reimbursement rate from MSHDA is very tight. In addition, when the work expands they simply work more hours to keep up or catch up. They are able to do this since they are independent contractors and not hourly employees subject to overtime provisions. In talking with some of the independent agents, it is apparent that they simply work the hours needed to get the work done – 12 – 16 hour days are not uncommon according to some of the agents we talked with. Working weekends is also common practice.

5. **Other Organization Based Agents:** There are three other agencies/organizations acting as Housing Agents in Michigan:
 - a. Inner City Christian Federation, Grand Rapids: 2010 Budget: \$3.1 million
 - b. Wayne Metro Community Action Agency, Wyandotte: 2011 Budget: \$23.5 million
 - c. True North Community Services, Fremont: 2010 Budget: \$10.1 million

Each of these organizations is a private, 501 (c) (3) nonprofit organizations and, as such, has greater flexibility to raise private dollars from individuals, businesses and foundations. Each organization lists significant unrestricted private contributions on their annual reports. In talking with each of these organizations they all indicate that they also subsidize their HCV program with private, unrestricted funds.

Emerging Issues: OCCAA Housing Choice Voucher Program

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6. **Increasing work load and changes in MSHDA Expectations:** A request for proposals is due to MSHDA by September 6. The RFP requests additional information that we have not had to supply before and it also seems to indicate that overseeing 500 vouchers is a minimum threshold for bidding on vouchers services. At the present time we have approximately 375 vouchers.
7. **Local Ottawa County Issues:** OCCAA took over the voucher program about 10 years ago when the existing independent agent could no longer meet the expectations of the program. OCCAA was in a position to effectively implement the program and had sufficient funds to subsidize the program beyond MSHDA funding. Other housing providers in Ottawa County have appreciated OCCAA's role in implementing the voucher program and do not necessarily want to see OCCAA drop the program. We understand this concern, but fiscal realities may not allow us to continue to offer the services in light of the high subsidization required.
8. **Funding Availability:** This discussion and background is based on the assumption that our funding will remain flat/stable. Even with flat funding, we face the issue of limited fund with which to subsidize the HCV program. Given the state of federal funding, we may have further reductions in funding. Community Service Block Grant funding has been targeted for funding reductions and if this happens we will have even less funds with which to subsidize the program.

Decision Needed: I have met with MSHDA and told them that I would like to give them a final decision regarding our direction by September 2012. They have indicated that this is a sufficient time frame for them to find another appropriate agent, especially given their RFP deadline of September 6.

I would like to get a sense of the County Commissioners on what direction(s) you see as appropriate.

Some Potential Options

1. Continue the program and continue to subsidize from other OCCAA funding
2. Continue the program, but with a concerted effort to find additional funding
3. Discontinue the program and work with MSHDA to identify another Housing Agent
4. Work with ICCF and/or True North Community Services to see if they could take on the program
5. Work with current OCCAA staff to help them form an LLC to take over the Ottawa HCV program

Regardless of the decision made, given the reduction in funds and staffing for OCCAA, it seems very likely that we cannot continue to subsidize all of the current programs that we have. There are simply not enough funds to go around. At the current time, no program activity is fully funded by the funds attached to it. In some cases, there are no staffing funds attached to a program and all funds must be disbursed to eligible customers. Other funds must be found to pay for staff to determine eligibility.

With this in mind, if the decision is to continue with the HCV program and to find a way to subsidize the program, we will have to eliminate something else in order to have sufficient funds to subsidize.

Ottawa County CAA
Housing Choice Voucher Budget: 2012

Budget HCV Program 1/1/12 - 12/31/12	Total \$	Actual 1/1 - 12/31/11	Notes
Income			
MSHDA	102,000	119,396	375 x 22.5 x 12 = \$101,250 for 2012
Total:	\$102,000	\$119,396	
Expenses			
Salaries	109,014	80,345	2 A&E; 1 Prog Supr; 1 other = approximately 2.8 FTE's
Fringe Benefits	49,085	35,398	
Subtotal: Salary & Fringe:	\$158,099	\$115,743	2011 doesn't reflect all of the subsidies
Office Supplies	1,964	1,866	
Printing	626	250	
Postage	1,098	3,669	
Operational Supplies	200	869	
Service Contracts	10,000	16,865	Contractual Inspections
Memberships	379	0	
Administrative Costs	12,820	18,399	
Data Processing	6,760	7,501	
Telephone	755	907	
Travel	1,698	529	
Conferences	477	210	
Advertising	0	190	
Insurance	1,956	2,890	
Office Equipment Repair	10	0	
Building Rent	2,286	2,789	
Equipment Rental	87	205	
Subtotal: Other Expenses	41,116	57,139	
Total:	\$199,215	\$172,882	
Difference	(97,215)	(53,486)	