



STAFF REPORT

AGENDA ITEM #: 19-83
COUNCIL MTG. OF: July 16, 2019
FROM: Dave Caron, Town Administrator
OFFERED BY: Administration
PREPARED BY: Administration
SUBJECT: Extension of CHS contract

INTRODUCTION:

To extend the Agreement with Community Health Services to provide General Assistance and Case Management services to the Town through June 30, 2020.

TOWN ADMINISTRATOR COMMENTS

Please see comments within this staff report.

BACKGROUND

In FY 19 the Town Council approved a proposal to contract for General Assistance Services with two goals in mind: 1) To bring administrative efficiencies into the General Assistance process and 2) To expand both leveraging opportunities of resources with other social service partners and case management services with the goal of increasing clients' self-sufficiency. The Town contracted with Community Health Services, one of the Town's social services partners which also provides General Assistance services to the Towns of Londonderry and Hampstead. The Town originally signed a 13-month agreement which expires on August 31, 2019.

DISCUSSION

As both the Town and CHS worked through the first year of this partnership, it became evident that clients were in significant need of case management services. These services are designed to assist clients with life management skills in order to attain self-sufficiency and reduce/eliminate reliance upon social services and Town general assistance resources. In FY 19, CHS conducted over 250 case management appointments; the time involved with these appointments is significant, however, the corresponding reduction in general assistance payments is even greater. The Town saw a reduction of \$xx,xxx in direct aid payments in FY 19 as compared to the previous year. Although CHS performed to the Town's Agreement and administered the program according to the Town's General Assistance Guidelines, the Town did not receive any appeals of those decisions which are known as Fair Hearing requests.

FISCAL IMPACT

The Town level funded its Human Services budget from FY 19 to FY 20 at \$282,845, which includes \$88,900 in support to the Town's social service agency partners. Due to the heavy investment into case management services, the administrative portion of this contract is proposed to be increased to \$8,750 per month, resulting in an increase of \$20,625 for FY 20. These funds are available in the overall Human Services budget and can be transferred to the appropriate line item by the Town Administrator pursuant to Section 9.7 of the Town Charter.

As the chart below indicates, the anticipated FY 20 administrative expense is approximately \$70K less than the costs to maintain the previous in-house administrative structure. Further, the amount necessary to provide direct aid to clients decreased approximately \$70K from FY 19 to FY 20.

Town of Derry					
Human Services Costs					
Purpose	FY 18 Budget	FY 18 Actual	FY 19 Budget	FY 19 Actual	FY 20 Budget
Personnel Services	\$ 159,544.00	\$ 135,220.00	\$ -	\$ -	\$ -
Office Expenses	\$ 1,401.00	\$ 1,092.00	\$ 1,445.00	\$ 0.33	\$ 1,445.00
Professional Services	\$ -	\$ 29,708.00	\$ 82,500.00	\$ 82,500.00	\$ 82,500.00
Agency Support	\$ 104,900.00	\$ 108,769.00	\$ 88,900.00	\$ 85,837.00	\$ 88,900.00
General Assistance	\$ 86,000.00	\$ 108,044.00	\$110,000.00	\$ 38,817.37	\$ 110,000.00
	\$351,845.00	\$ 382,833.00	\$282,845.00	\$207,154.70	\$ 282,845.00
<i>Projected in house personnel @ 4.5%</i>			<i>\$166,723.48</i>	<i>\$ 174,226.04</i>	

RECOMMENDED ACTION BY COUNCIL & MOTION

Staff recommends that the Town Council approve Resolution #2019-044 to continue to efficient and beneficial relationship with Community Health Services.

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