Board Agenda Item 46

DATE: April 22, 2025

TO: Board of Supervisors

SUBMITTED BY: Sanja Bugay, Director, Department of Social Services

SUBJECT: Budget Resolutions

RECOMMENDED ACTION(S):

1. **Adopt Budget Resolutions increasing the FY 2024-25:**
   a. **appropriations and estimated revenues for the Aid to Refugees Org 6615 in the amount of $126,159 (4/5 Vote);**
   b. **appropriations and estimated revenues for the Aid to Adoptions Org 6415 in the amount of $271,766 (4/5 Vote);**
   c. **appropriations for the Local Health and Welfare Trust Fund 0135, Subclass 13046, 1991 Realign-Social Services Org 5246 in the amount of $37,063 (4/5 Vote);**
   d. **appropriations for the Local Revenue Fund 2011 Fund 0271, Subclass 13027, Protective Services Subaccount Org 6210 in the amount of $111,197 (4/5 Vote);**
   e. **appropriations and estimated revenues for the Social Services Fund 0065, Subclass 17228, Domestic Violence Org 1123 in the amount of $18,702 (4/5 Vote);**
   f. **appropriations and estimated revenues for the General Fund 0001, Subclass 10000, Department of Social Services Org 5610 in the amount of $18,702 (4/5 Vote);**
   g. **appropriations for the Local Health and Welfare Trust Fund 0135, Subclass 13048, 1991 Realign-Family Support Org 5248 in the amount of $16,800,000 (4/5 Vote); and**

2. **Adopt Budget Resolution decreasing FY 2024-25 appropriations and estimated revenues for the Social Services Fund 0065, Subclass 17225, Welfare Advance Fund Org 1120 in the amount of $16,550,335 (4/5 vote).**

There is no additional Net County Cost associated with the recommended actions. Approval of the recommended actions will allow the Department of Social Services (DSS) to address budgetary needs caused by an increase in the Aid to Refugees to Cash Assistance Program for Immigrants (CAPI) caseload, an increase in Aid to Adoptions Program (AAP) average grant, and receipt of corresponding additional social services revenues. Approval of the recommended actions will also provide sufficient appropriations between two different revenue Orgs to account for a change in funding source by the State Controller's Office. This item is countywide.

ALTERNATIVE ACTION(S):

There are no viable alternative actions that will allow the Department to issue benefits to eligible clients if the appropriations are not increased. If the recommended actions are not approved, the Department will not have sufficient appropriations to issue State mandated payments through the end of the fiscal year or have the ability to move offsetting revenue to the General Fund from Special Revenue Funds.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended actions.

Recommended Action 1a. will increase appropriations and estimated revenues in the Aid to Refugees Org 6615 ($126,159) to fund the increase in the CAPI caseload. The estimated cost increase ($126,159) will be offset with 100% State revenues from the Welfare Advance Fund Org 1120.

Recommended Action 1b. will increase appropriations and estimated revenues in the Aid to Adoptions Org 6415 to fund the increase in expenditures due to an increase in the average grant. The estimated cost increase ($271,766) will be offset with additional Federal and State revenues from the Welfare Advance Fund Org 1120 ($123,506), 1991 Realign-Social Services Fund 0065 Org 5246 ($37,063), and Local Revenue Fund 2011 Org 6210 ($111,197).

Recommended Action 1c. and 1d. will increase appropriations in 1991 Realign-Social Services Org 5246 ($37,063) and in the Protective Services Subaccount Org 6210 ($111,197) respectively to offset a portion of the cost increases in Aid to Adoptions Org 6415 ($148,260).

Recommended Action 1e. and 1f. will increase appropriations and estimated revenues in the Domestic Violence Org 1123 ($18,702) and in the Department of Social Services Org 5610 ($18,702) to account for an increase in collection of marriage license fees and court ordered debt revenues. These funds are disbursed from the Department of Social Services Org 5610 and reimbursed by the Domestic Violence Fund 0065 Org 1123 per Welfare and Institution code 18293.

Recommended Action 1g. will increase appropriations in the Local Health and Welfare Trust Fund 0135, Subclass 13048, 1991 Realign-Family Support Org 5248 in the amount of $16,800,000 to offset CalWORKs assistance cost in lieu of State General Fund.

To align with State funding adjustments, recommended action 2 will decrease the appropriations and estimated revenues in the Social Services Fund 0065, Subclass 17225, Welfare Advance Fund Org 1120 ($16,550,335) to account for projected usage of revenue from Org 5248 to offset CalWORKs assistance costs. The amount of the decrease in Org 1120 is a net of the amount needed for the $16,800,000 decrease that is being used in lieu of State General Fund and a $249,665 increase for the additional need in Org 6615 and Org 6415 of $249,665 resulting in a net $16,550,335 decrease.

DISCUSSION:

The recommended actions will address the increase in expenditures in the Aid to Refugees due to an increase in the average grant and eligible individuals receiving CAPI benefits. The CAPI program provides cash assistance to individuals who are not eligible to Supplemental Security Income/State Supplementary Payment (SSI/SSP) solely due to their immigration status. The maximum CAPI grant amount is equivalent to the SSI/SSP amounts. The current FY 2024-25 average grant is trending higher than the adopted average grant. This is primarily due to the retroactive benefits that a client may receive when an application has been approved after pending for several months, awaiting State's determination that the client is either disabled or blind. The FY 2024-25 monthly average grant was budgeted at $1,194. Based on current FY 2024-25 trend, the projected average grant is $1,363, which is an increase of 14% compared to the budgeted average grant. Prior to FY 2023-24, the CAPI caseload was no more than an average of ninety cases per month. The average caseload per month for FY 2024-25 was budgeted at 147 based on caseload trend from FY 2023-24. However, the application and caseloads for this program continues to increase more rapidly than projected during both fiscal years. The revised caseload projections based on recent months is 184 for FY 2024-25, which is an increase of 25% compared to the budgeted caseload.

The Aid to Adoptions Program (AAP) provides assistance payments to qualified parents who need financial assistance in order to adopt a child and ensure the child continues to receive needed services. The negotiated AAP payments are determined based on the child's specific needs and the family's

circumstances. If a child's needs require a higher level of care and supervision, they may qualify for a Special Care Increment (SCI) in addition to the basic AAP rate. While the Department has seen an increase in Federal cases, a decline in Non-Federal cases has led to a net reduction in the overall caseload when compared to the budgeted figures for FY 2024-25, based on early estimates from FY 2023-24. Nevertheless, the estimated caseload for FY 2024-25 is 3,248, representing a 1% increase from the FY 2023-24 actual caseload of 3,206, with an average monthly growth of 42 cases. Additionally, the average monthly grant amount for FY 2024-25 was initially budgeted at $1,536; however, current fiscal year trends indicate a 1% month-over-month increase in the average grant amount. This has resulted in an increase in expenditures and requires the recommended budget adjustments.

The Domestic Violence Org 1123 is administered by the Department of Social Services for funds generated by marriage license fees, court ordered debt revenue, and court fines and fees imposed by the courts for domestic violence cases. Per Welfare Institutions Code (WIC) Section (§)18305, 92% these funds shall be disbursed to approved domestic violence shelter-based programs on a yearly or more frequent basis and 8% shall be retained by the County to fund administrative costs. The Department disburses these funds to Marjaree Mason on a quarterly basis. All monies are collected and transferred from the Domestic Violence Org 1123 to the Department of Social Services 5610, where it is disbursed to the approved domestic violence shelter and administrative expense. These revenues are projected to increase based on year-over-year receipts. The recommended actions will provide the Department with sufficient appropriations and estimated revenues in both Orgs to continue timely transfers and disbursements of any additional funds received.

The CalWORKs Assistance Org 6310 receives Federal, State, and 1991 Realignment revenues from the Family Support Subaccount in lieu of State funds. Funds received in both Social Services Fund 0065 Org 1120 and Local Health and Welfare Trust Fund 0135 Org 5248 (1991 Realignment-Family Support Subaccount) offset CalWORKs program cost up to the specified dollar amounts in the State's monthly Statement of Cash Advances. Based on the current fiscal year trend and guidance provided by the State, the Budget Resolution is needed to allow the Department to transfer revenue from the appropriate Special Revenue Fund as the State has been offsetting the State share of cost with the Family Support Subaccount in lieu of State general fund dollars. Approval of the action will allow the Department to complete transfers into the General Fund to cover mandated CalWORKs assistance payments cost.

REFERENCE MATERIAL:

BAI #60, April 9, 2024
BAI #52, May 23, 2023
BAI #52, May 3, 2022
BAI #51, April 13, 2021

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Resolution (Org 6615)
On file with Clerk - Resolution (Org 6415)
On file with Clerk - Resolution (Org 5246)
On file with Clerk - Resolution (Org 6210)
On file with Clerk - Resolution (Org 1123)
On file with Clerk - Resolution (Org 5610)
On file with Clerk - Resolution (Org 5248)
On file with Clerk - Resolution (Org 1120)

CAO ANALYST:

Ronald Alexander