



Board Agenda Item 51

DATE: May 1, 2018

TO: Board of Supervisors

SUBMITTED BY: Delfino E. Neira, Director, Department of Social Services

SUBJECT: Budget Resolutions

RECOMMENDED ACTION:

1. **Adopt Budget Resolution increasing FY 2017-18 appropriations and estimated revenues for the Department of Social Services In-Home Supportive Services Org 6420 in the amount of \$8,687,792 (4/5 Vote).**
2. **Adopt Budget Resolution increasing the FY 2017-18 appropriations and estimated revenues for the 1991 Realignment Org 5246 in the amount of \$8,687,792 (4/5 vote).**
3. **Adopt Budget Resolution increasing the FY 2017-18 appropriations and estimated revenues for the Aid to Adoptions Program Org 6415 in the amount of \$1,133,619 (4/5 vote).**
4. **Adopt Budget Resolution increasing the FY 2017-18 appropriations for the 2011 Realignment Org 6210 in the amount of \$135,812 (4/5 vote).**
5. **Adopt Budget Resolution increasing the FY 2017-18 appropriations and estimated revenues for the Dependent Children-Foster Care Org 6410 in the amount of \$2,166,390 (4/5 vote).**
6. **Adopt Budget Resolution increasing the FY 2017-18 appropriations and estimated revenues for the Welfare Advance Fund Org 1120 in the amount of \$2,890,975 (4/5 vote).**

Approval of the recommended actions will allow the Department of Social Services (DSS) to address budgetary needs caused by an increase in the In-Home Supportive Services (IHSS) Maintenance of Effort (MOE), an increase in placement costs due to the implementation of Continuum Care Reform (CCR) in Foster Care, and caseload growth in the Aid to Adoptions Program (AAP). Approval of the recommended actions will provide sufficient appropriations to allow the Department of Social Services to issue State and Federal mandated payments, with no increase in Net County Cost. This item is countywide.

ALTERNATIVE ACTION(s):

There are no viable alternative actions. If the recommended actions are not approved, the Department will not have sufficient appropriations to issue State and Federal mandated payments to service providers through the end of the fiscal year.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended actions. Recommended actions 1 and 2 will increase appropriations and estimated revenues in the In-Home Supportive Services (IHSS) Org 6420 and in the 1991 Realignment Org 5246 to address the increase in County share/MOE as a result of State Budget actions. An increase of \$8,687,792 in appropriations is necessary to meet MOE requirements and will be fully offset by additional 1991 Realignment revenues. Recommended action 3 will increase appropriations and estimated revenues in the Aid to Adoptions Org 6415. Recommended action 4 will increase appropriations in the 2011 Realignment Org 6210. Based on current year caseload increases,

the estimated cost of the caseload growth (\$1,133,619) will partially be offset with 2011 Realignment Org 6210 funding (\$135,812), Federal funding (\$724,585), and Net County Cost savings (\$273,222) from Foster Care Org 6410.

Recommended action 5 will increase appropriations and estimated revenues in Foster Care Org 6410 due to CCR implementation, which under Assembly Bill (AB) 403, is fully offset by State General Fund revenues. If approved, the estimated cost increase (\$2,166,390) will be 100% funded by the State, therefore freeing up \$273,222 in Net County Cost which will be used to fund increased County Share in the Aid to Adoptions Org 6415.

Recommended action 6 will increase FY 2017-18 appropriations and estimated State and Federal revenues in the Welfare Advance Fund Organization 1120 (\$2,890,975) as an Operating Transfer Out to both Aid to Adoptions Org 6415 and Foster Care Org 6410.

DISCUSSION:

The recommended actions will address statewide changes to the IHSS MOE, implementation of CCR in the Foster Care Program, and caseload increases in the Aid to Adoptions Program. In-Home Supportive Services (IHSS) Org 6420 is used to issue health benefit payments to the health benefit administrator and monthly MOE payments to the State of California. All expenditures above the IHSS MOE are covered by State and Federal funding. As a result of State Budget actions, a new County IHSS MOE shifted an additional cost of \$592.2 million from the State to the counties. A portion of the cost shift is being funded directly by a State General Fund offset, applied prior to each county receiving an MOE bill, with the remainder of the increase offset by additional 1991 Realignment revenues. In the event that 1991 Realignment revenues are not sufficient to cover MOE costs, the MOE must be funded with Net County Cost. Future IHSS MOE amounts will be adjusted based on County negotiated wage and benefit increases along with an inflation factor of 5% for FY 2018-19 and 7% for future years.

Additional statewide changes to the Foster Care and Aid to Adoptions Programs have occurred since implementation of CCR in January 1, 2017. The goal of CCR is to work towards supporting foster youth by providing youth with a home based family environment and reduce the usage of congregate care, or group home care. CCR replaced current Foster Care and Aid to Adoptions age based rates with Home Based Family Care rate that are based on the child's need. CCR implementation in both programs, along with additional caseload growth of 2% in Adoptions, has resulted in increased expenditures in both programs and require the recommended budget adjustments.

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Resolution Org 6420
On file with Clerk - Resolution Org 5246
On file with Clerk - Resolution Org 6415
On file with Clerk - Resolution Org 6210
On file with Clerk - Resolution Org 6410
On file with Clerk - Resolution Org 1120

CAO ANALYST

Ronald Alexander