



Board Report

File #: BC 19-055, **Version:** 1

- a. Support authorizing the Auditor-Controller to amend the FY 2018-19 Adopted Budget by increasing appropriations in the amount of \$2,360,539 and revenues of \$916,701, and using \$1,443,838 of fund balance for Social Services 2011 Protective Services Realignment Fund 022-5010-SOC011-8464 for Out-of-Home Care entitlement costs; and
- b. Support authorizing the Auditor-Controller to amend the FY 2018-19 Adopted Budget by increasing appropriations and revenues in the amount of \$2,360,107 for Social Services, 1991 Health & Welfare Realignment Fund 025-5010-SOC012-8425, for In-Home Supportive Services Maintenance of Effort costs.

RECOMMENDATION:

It is recommended that the Budget Committee:

- a. Support authorizing the Auditor-Controller to amend the FY 2018-19 Adopted Budget by increasing appropriations in the amount of \$2,360,539 and revenues of \$916,701, and using \$1,443,838 of fund balance for Social Services 2011 Protective Services Realignment Fund 022-5010-SOC011-8464 for Out-of-Home Care entitlement costs; and
- b. Support authorizing the Auditor-Controller to amend the FY 2018-19 Adopted Budget by increasing appropriations and revenues in the amount of \$2,360,107 for Social Services, 1991 Health & Welfare Realignment Fund 025-5010-SOC012-8425, for In-Home Supportive Services Maintenance of Effort costs.

SUMMARY/DISCUSSION:

In preparation for the FY 2018-19 year-end close, the Department of Social Services is requesting increased appropriations in the amount of \$2,360,539 and revenues of \$916,701 and using \$1,443,838 of fund balance for the 2011 Protective Services Realignment Fund 022-5010-8464-SOC011 and \$2,360,107 for Social Services 1991 Health & Welfare Realignment Fund 025-5010-8425-SOC012.

In 2011 Protective Services Realignment, a segment of the account is to fund the payments for the Foster Care and Adoption Assistance programs. With the implementation of the Continuum of Care Reform (CCR) a new rate structure was put in place and it was unknown what the impact would be when the FY 2018-19 budget was developed. Although the number of Foster Care and Adoption Assistance cases remain steady, expenditures have increased approximately 6.2% over last year. The cost per child in placement varies greatly and depends upon the level of care required and additional services needed to ensure the safety and well-being of the child. Revenue appropriations need to be increased by \$916,701 to align with the realignment revenues estimated by the State of California. The remainder of the appropriation increase will be covered by \$1,443,838 of prior year fund balance.

A portion of the 1991 Health & Welfare Realignment is to fund part of the In-Home Supportive Services (IHSS) Maintenance of Effort (MOE) costs. The IHSS MOE represents the County's share of costs for service provider wages, IHSS administrative costs, health benefits for caregivers, and the administration of the IHSS Public Authority. In FY 2018-19, there was a statutory increase of 5% to the MOE. To assist counties fund these increased costs, the State has accelerated the FY 2018-19 caseload growth for the IHSS component of 1991 Health & Welfare Realignment. This accelerated growth was not expected when the FY 2018-19 budget was developed.

OTHER AGENCY INVOLVEMENT:

None.

FINANCING:

The recommended action for Fund 022 requires an increase in appropriations of \$2,360,539 and state realignment revenues of \$916,701, for the 2011 Protective Services Realignment Fund 022-5010-8464-SOC011 in the FY 2018-19 Adopted Budget. The remainder will be financed by \$1,443,838 of the prior year fund balance, leaving an estimated balance of \$2,172,015 in the fund.

The recommended action for Fund 025 requires an increase in appropriations and revenues of \$2,360,107 for Social Services 1991 Health & Welfare Realignment Fund 025-5010-8425-SOC012 in the FY 2018-19 Adopted Budget. This action will be financed with State realignment revenues.

There is no impact to the Department's County General Fund Contribution for both recommended actions.

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