

# EHSD Proposed Budget FY 2019-2020

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DIRECTOR, EMPLOYMENT AND HUMAN SERVICES DEPARTMENT

BOARD OF SUPERVISORS BUDGET HEARING

04/16/2019



*“Our vision is that Contra Costa County will continue to be a **thriving community** where all individuals and families can be healthy, safe, secure and self-sufficient.”*

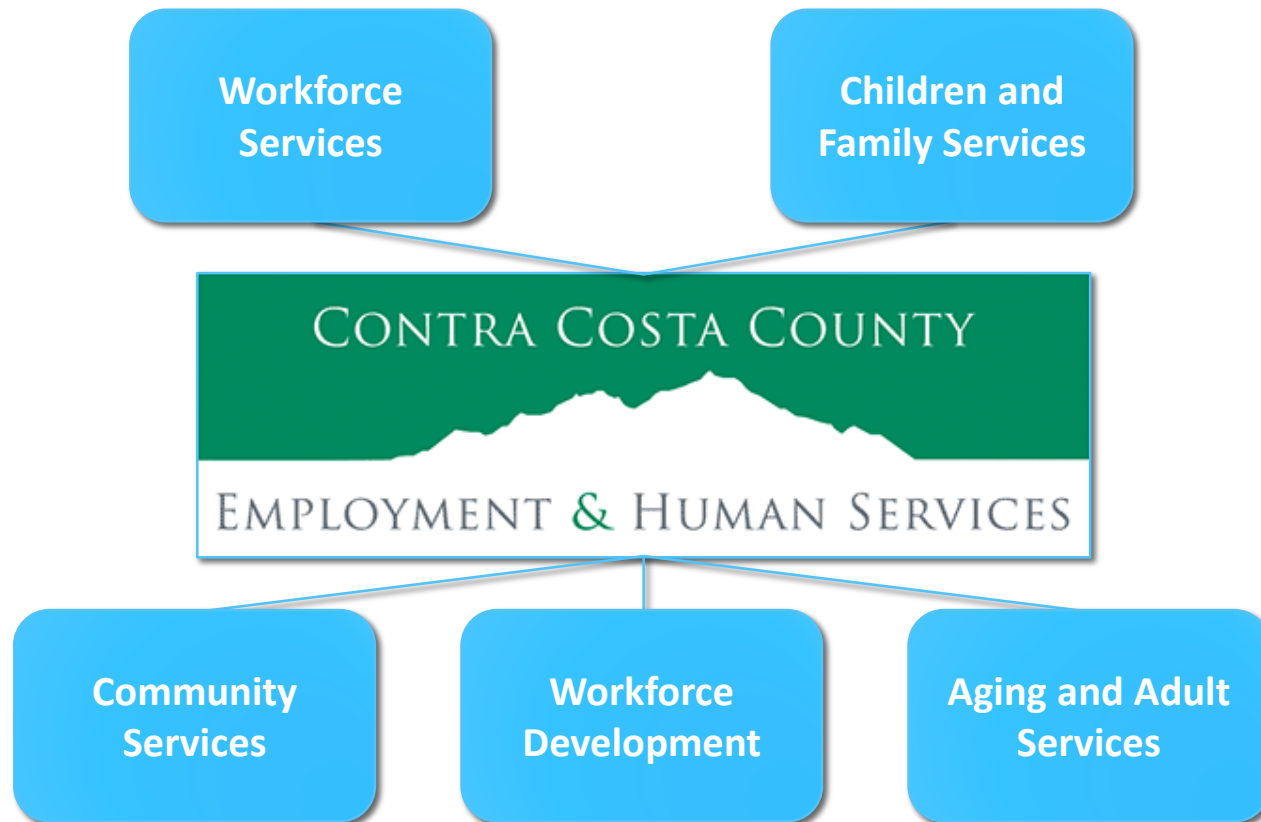
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- \$516 million budget
- Approximately 2,000 employees annually
- We touch the lives of **one out of four** Contra Costa County residents
  - Enabling self-sufficiency
  - Keeping people healthy
  - Supporting food security
  - Keeping children safe
  - Preparing children for life
  - Protecting older adults
  - Helping the elderly stay in their homes

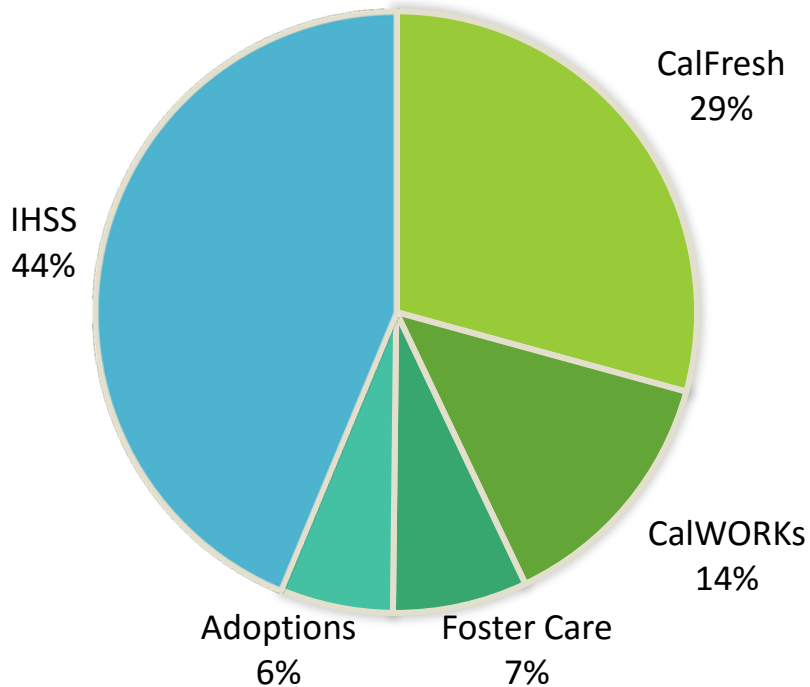
*Our Core Values include promoting excellence and practicing ethical behavior in everything we do, communicating openly, and delivering an exceptional customer experience.*

*“We **partner** with the community to deliver quality services to ensure access to resources that support, protect, and empower individuals and families to achieve self-sufficiency.”*

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# Benefits to Contra Costa County Residents: Cash-Based Programs



Program	Annual Assistance
CalFresh*	\$ 100,242,211
CalWORKs	\$ 46,878,138
Foster Care	\$ 24,780,897
Adoptions	\$ 20,875,826
IHSS*	\$ 149,823,546
<b>Total Local Economic Impact</b>	<b>\$ 342,600,618</b>

\*EHSD budget does not include CalFresh benefits issued and the Federal and State portion of IHSS caregiver payments.

# Fiscal Year 2019/2020 Budget

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# *Key Factors Driving 2019/2020 Budget Considerations*

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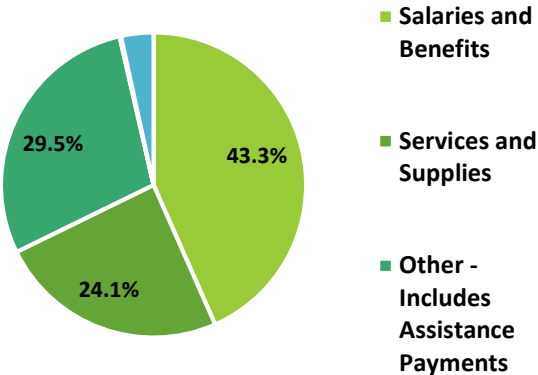
- Looming cost increases
  - Employee wage and benefit increases
  - IHSS provider wage negotiation
- In-Home Supportive Services (IHSS) growth and growing backlog
  - 16% increase in number of individuals receiving IHSS (since 2015)
  - 4,000 overdue reassessments as of October 2018 (and growing)
- State Admin allocation is inadequate to address staffing need
- New mandates and associated costs
  - CalFresh Expansion to vulnerable and disabled (SSI) population
  - Work requirements for Able-Bodied Adults without Dependents (ABAWDs) in CalFresh
  - Continuum of Care Reform (Child Welfare)
- Other potential cost drivers
  - Allocations for funding CalWORKS and CalFresh administration are declining quicker than the decline in caseloads
  - Uncertainty of General Assistance litigation impacts

# Proposed Budget

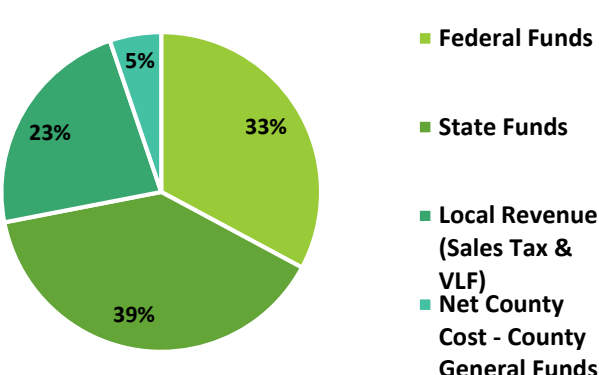
FY 2019-2020 Proposed Budget			
Description	FY 2018-19 Adjusted Budget	FY 2019-20 Recommended Budget	Increase (Decrease)
Salaries & Benefits	\$ 217,171,922	\$ 224,204,359	\$ 7,032,437
Services & Supplies	121,376,644	126,012,017	4,635,373
Other Charges	148,376,969	148,088,368	(288,601)
Fixed Assets	973,276	800,000	(173,276)
Expenditure Transfers	14,896,777	17,724,256	2,827,479
<b>Total Expenditures</b>	<b>\$ 502,795,588</b>	<b>\$ 516,829,000</b>	<b>\$ 14,033,412</b>
<b>Total Revenues</b>	<b>473,875,109</b>	<b>489,916,000</b>	<b>16,040,891</b>
<b>Sub-Total Net County Cost</b>	<b>\$ 28,920,479</b>	<b>\$ 26,913,000</b>	<b>\$ (2,007,479)</b>
Less:			
GF - PY Rollover Encumbrances	(713,619)	0	713,619
GF - PY Venture Capital Rollover	(290,000)	0	290,000
Non-GF - PY Fund Balance Rollovers	(1,006,860)	0	1,006,860
<b>Net County Cost</b>	<b>\$ 26,910,000</b>	<b>\$ 26,913,000</b>	<b>\$ 3,000</b>

# Proposed Budget

**FY 19/20 Budgeted Expenditures**



**FY 19/20 Budgeted Revenues**

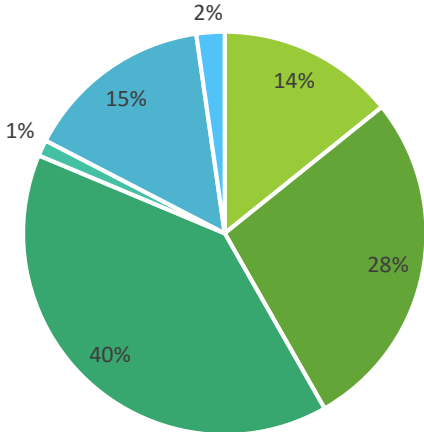


	FY 2019/20 Budget
Expenditures	516,829,000
Revenues	489,916,000
Net County Cost	26,913,000

	FY 2019/20 Budget
Allocated Positions (FTEs)	1,903.5



# Proposed Budget



- Aging & Adult Services Bureau
- Children & Family Services Bureau
- Workforce Services Bureau
- Workforce Development Board
- Community Services Bureau
- EHSD Extraneous/Other

Category	Budget	%
Aging & Adult Services Bureau	73,512,000	14%
Children & Family Services Bureau	142,294,000	28%
Workforce Services Bureau	204,444,000	40%
Workforce Development Board	6,685,000	1%
Community Services Bureau	78,202,000	15%
EHSD Extraneous/Other	11,692,000	2%
<b>Total</b>	<b>516,829,000</b>	<b>100%</b>



## *Balancing the Budget*

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•FY 2019-20 recommended FTEs:	1,903.5
•Deleted positions*:	67
•Unfunded positions (WFS):	56
•Cut back on IT projects and Strategic Initiatives	
•Reduced contract costs	

\* Not included in FY2019-20 recommended FTEs

# Ongoing Challenges and Trends

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## *Challenge: Lost Purchasing Power*

*County Funds can be used as a required match to draw down federal and state funds for program delivery*

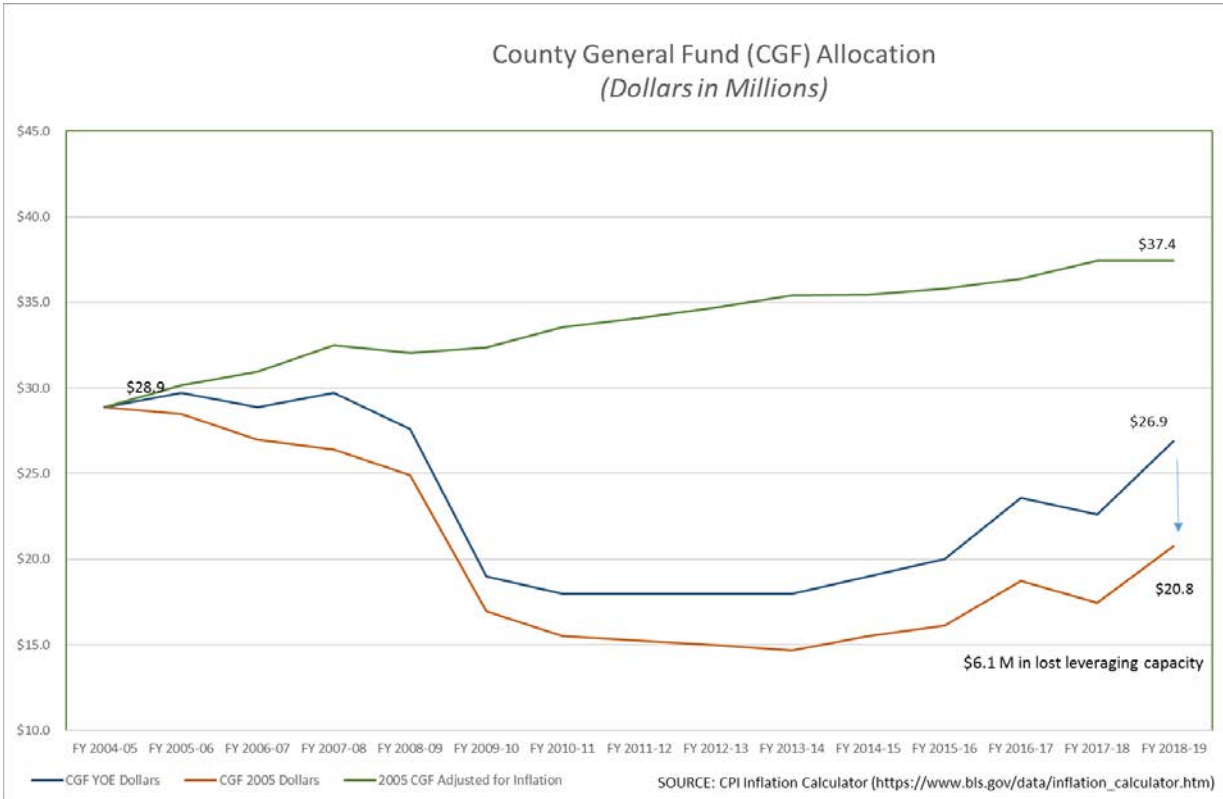
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▶ Foster Care MOE/Adoptions/CFS	\$6.4 Million
▶ Adult Protective Services	\$1.5 Million
▶ IHSS MOE	\$4.7 Million
▶ CalWORKS MOE/CalFresh	\$5.9 Million
▶ Alliance to End Abuse	\$1.7 Million
▶ GA (100% County Funds)	\$6.3 Million
▶ Admin/Comm. Action Program	\$0.4 Million
▶ <b>Total</b>	<b>\$26.9 Million</b>

▶ Does not include any discretionary funding

# Challenge: Lost Purchasing Power

We have lost leveraging capacity to obtain Federal and State funds due to inflation



- General Fund allocation would be \$37.4m if FY 2004-2005 level is maintained based on CPI inflation
- \$26.9m in FY 2019-2020 = \$20.8m in inflation-adjusted FY 2004-2005 dollars

# *Challenge: Meeting the Needs of Our Most Vulnerable Residents*

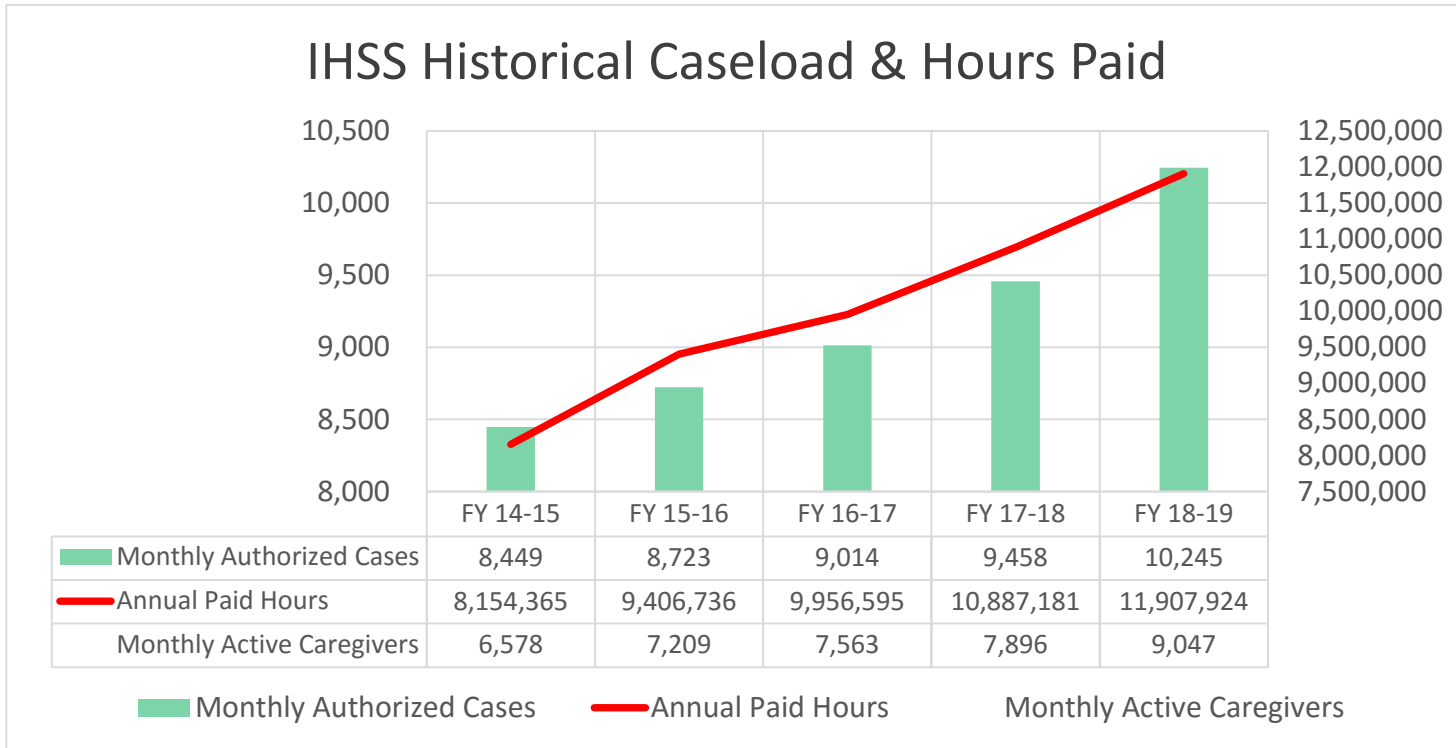
## *In-Home Supportive Services*

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- In-Home Supportive Services (IHSS) allows seniors and disabled individuals to stay in their homes as an alternative to long-term institutional care
- Who are In-Home Supportive Services clients?
  - Disabled, blind, and aged individuals
  - Severely impaired recipients are growing rapidly
  - Vulnerable elderly and disabled residents are at risk of further decline and costly health issues without timely support
- Challenges
  - 3-month backlog for new applications
  - Under State corrective action for non-compliance for reassessments
  - Significant growth expected based on aging population

# Challenge: Meeting the Needs of Our Most Vulnerable Residents

*IHSS is EHSD's fastest-growing program*



- ▶ IHSS is a challenge because of our limited ability to contain growth and costs
- ▶ Caregiver wage negotiations are coming up in the next few months

# *Challenge: Meeting the Needs of Our Most Vulnerable Residents*

## *Able-Bodied Adults Without Dependents (ABAWDs)*

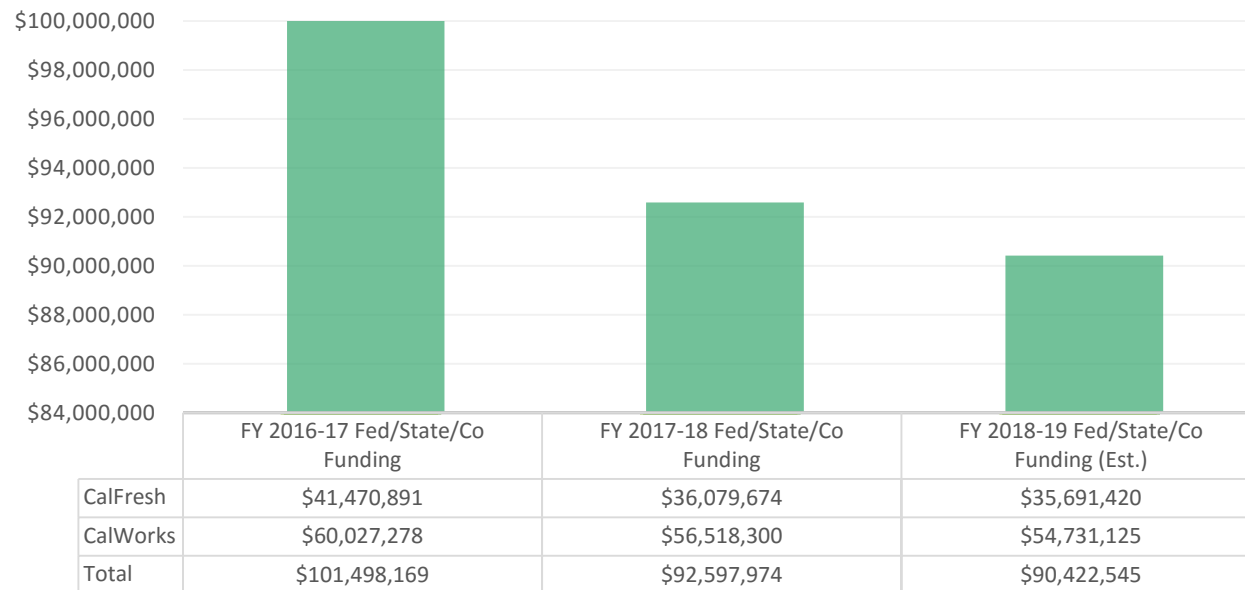
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- Who are ABAWD clients?
  - Individuals with significant employment barriers such as low education and health issues
- Beginning September 1, ABAWDs will be subject to work requirements
- Challenges
  - Expect ~4,000 individuals to be affected, requiring extra attention and case management from staff
  - Proposed federal rule change: Due to elimination of qualified exemptions from work requirements, a large number of people would lose benefits



# Challenge: Meeting the Needs of Our Most Vulnerable Residents

## Declining CalFresh and CalWORKS Administrative Funding Allocations



- ▶ Administrative funding for these programs is being reduced, leading to a reduction in 225 FTE's over this period

# *Challenge: Meeting the Needs of Our Most Vulnerable Residents*

## *CalFresh Expansion*

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- Beginning June 1, 2019, for the first time in 41 years, Supplemental Security Income/State Supplementary Payment (SSI/SSP) recipients will become eligible to receive CalFresh benefits in addition to their \$10 SSP allotment
- Who are SSI/SSP clients?
  - Aged, blind and disabled individuals with little to no income or assets; maximum grant is only \$931.72 for an individual
  - An estimated 10,000 individuals are newly eligible (75% of which are expected to apply)
  - A significant number (6,400) are also IHSS recipients
- Challenges
  - State allocations are inadequate to process anticipated application volume

## ***Solution: One-Time Allocation to Address Initial Demand for Services***

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- To meet the expected influx of applications for expanding CalFresh to this vulnerable population, the CAO is providing up to \$300k in one-time funds which will be matched by Federal funds
- State CalFresh allocation is expected in September 2019
- Planning underway to coordinate and specialize CalFresh, General Assistance, MediCal and IHSS services to the SSI population.

## *Trends: What We're Watching*

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- State Budget developments and May Revise
  - New State initiatives regarding Master Plan on Aging, Medi-Cal Expansion for Young Adults and child care
  - Federal proposals to include / revise work requirements in SNAP (CalFresh) and Medicaid (Medi-Cal) and proposed changes to Public Charge
  - Other changes in the Human Services landscape:
    - Integration of service delivery, including reducing use of County buildings
    - Expanded integration in partnerships: Health Services and CBOs
- Commitments & Opportunities:
- Supporting the launch and convening of the Children's Leadership Council
  - The merging of 3 separate welfare automation systems into a single statewide system (CalSAWS), leading to improved services to customers

# Thank You

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