

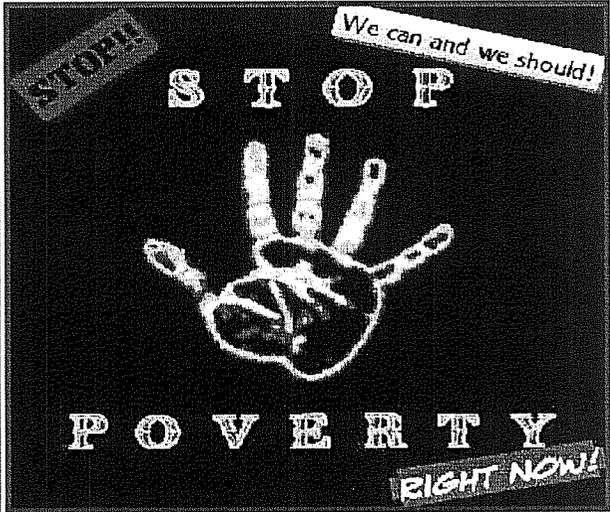
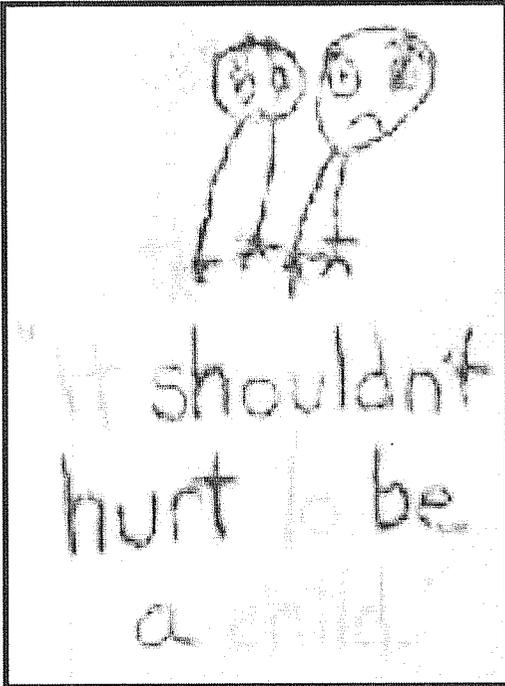
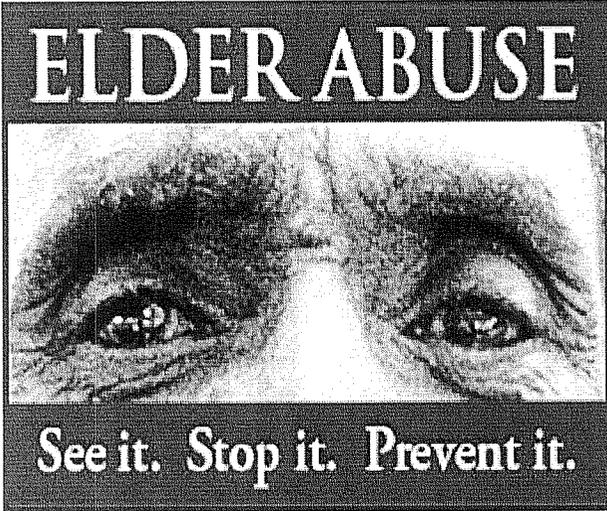
## Section 16

### Social Services



**Proposed FY 2010-11  
Budget Overview**

# **Department of Social Services Budget Hearings**

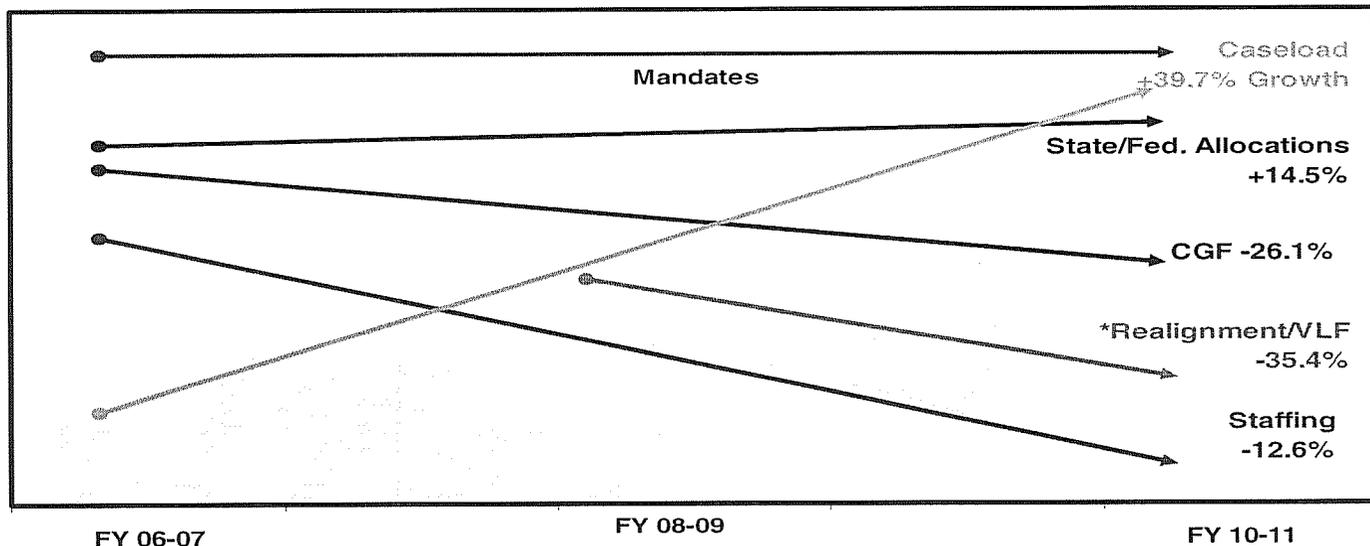


# Social Services FY 2010-11

- Total County Budget: \$141,593,387
- Total FTEs: 587.2 FTEs
  - 40.6 less than FY 2009-10
- County General Fund Contribution
  - \$8,198,707 - Ongoing
  - \$1,000,000 - One-Time from Capital Outlay (Swap of DSS County General Fund)
  - \$1,008,000 – One-Time from Reserves to maintain CWS and APS
  - \$755,000 – One-Time from Tobacco Settlement for Court-Ordered Foster Care Group Home rate increase
- This budget does not include May Revise or other State budget impacts
  - This budget reflects only losses in county funds and reserves
  - Budget uses known FY 09/10 State/Federal allocations for all programs



# DSS Trends

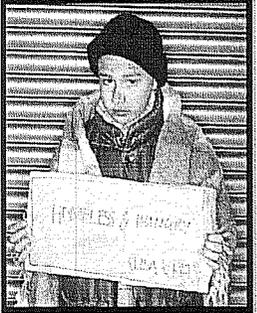


\*Realignment/VLF has decreased 35.4% since FY 08-09

- No mandate relief.
- Caseload continues to grow + 39.7% since FY 06-07.
- State/Fed allocations are not keeping pace with caseload growth.
- Ongoing CGF contribution is down 26% since FY 06-07.
- Realignment revenue is down 35.4% since FY 08-09.
- Staffing is down 12.6% since FY 06-07 and the lowest since FY 03-04.

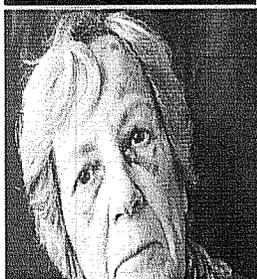
## Local Match Needed To Draw Down Revenues

- \$21.0 Million – Necessary to draw down full DSS State/Fed Allocations
- \$14.7 Million – Ongoing Local funding
  - Ongoing County Contribution (\$8.2M)
  - Ongoing Realignment (\$6.5M)
- \$6.3 Million – Ongoing County Contribution Deficit



# Social Services FY 2010-11

Transactions	Deposits	Withdrawals <i>(Mandated Local Share)</i>	Balance
Ongoing County Contribution	\$8,198,707		
Ongoing Realignment Revenues	\$6,504,191		
			\$14,702,898
<b>Cash Assistance Payments</b>			
CalWORKs Assistance Payments (WIC 10544, 15200, 15204)		(\$ 830,684)	
Adoption & Foster Care Placement Costs (WIC 15200, 15204.9)		(\$8,034,750)	
General Relief Assistance Payments (WIC 17000)		(\$ 720,209)	
IHSS Caregiver Wages (\$8.00 per hour) (WIC 10101, 12306, 17602)		(\$4,327,753)	
IHSS Contract Provider (WIC 10101, 12306, 17602)		(\$ 269,659)	
			\$519,843
<b>Program Operations</b>			
CalWORKs & Food Stamps (WIC 10544, 15200, 15204)		(\$1,835,578)	
Child Welfare Services (WIC 10101)		(\$1,659,473)	
Adult Protective Services and In Home Supportive Services (WIC 10101, 12306, 13004, 15764, 17602)		(\$ 555,585)	
General Relief Eligibility and SSI Outreach (WIC 17000)		(\$ 822,191)	
Other Small Programs Combined		(\$ 986,696)	
Cuts to Child Welfare and Adult Protective Services		(\$1,008,000)	
<b>Ongoing Department Deficit</b>			<b>(\$6,347,680)</b>



# Social Services FY 2010-11



Transactions	Deposits	Withdrawals <i>(Mandated Local Share)</i>	Balance
<b>Ongoing Department Deficit</b>			<b>(\$6,347,680)</b>
One Time Funding from Capital Outlay Reserves	\$1,000,000		
One Time Tobacco Settlement Funding	\$ 755,000		
One Time Restoration of Cuts to CWS and APS	\$1,008,000		
Exhaustion of Department's Special Revenue Fund Balance	\$3,584,680		
<b>Balance</b>			<b>\$0</b>
Maintain IHSS Caregiver Wages at \$10.00 per hour		(\$1,005,103)	
<b>Department Deficit</b>			<b>(\$1,005,103)</b>

# Social Services Budget Expansion FY 2010-11

- Maintain IHSS Wages at \$10.00 per hour  
--This budget proposes to reduce wages to \$8.00 per hour
- 2,500 low-income caregivers affected
- Additional CGF needed \$1,005,103



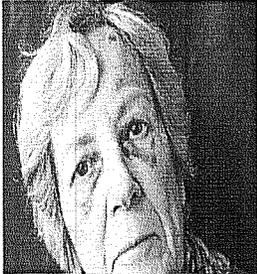
# DSS Cost Reduction Efforts Since FY 06/07

- Implemented a soft hiring freeze (10%-12% vacancy rate annually)
- Continued to reduce positions in spite of recession driven caseload growth
- Reduced Non-Labor operating expenses since FY 06-07 by over \$400,000
- Opened a call center to more efficiently service caseload growth without adding staff
- Implemented foster care placement alternatives which have saved over \$1 million in CGF
- Closed DSS offices (Santa Barbara and Lompoc)

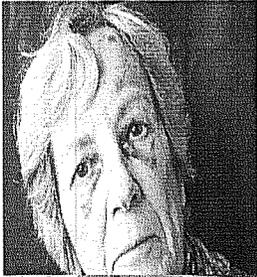
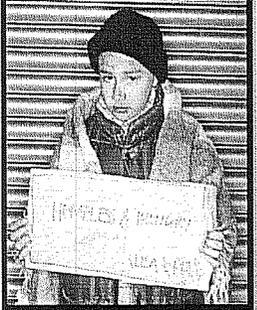


# DSS Cost Reduction Efforts Since FY 06/07

- Kept the lowest Management-Staffing ratio in the County (1:27 or 3.5%)
- Expediting Access CalWIN to offer client information electronically (September 2010)
- Expediting Benefits CalWIN to offer services on line (November 2010)
- Made prudent use of reserves to extend availability over 3 years
- Absorbed major losses in revenue due to CODB without county general fund help



# Social Services Cost of Doing Business



The County has contributed \$823k towards salary increases

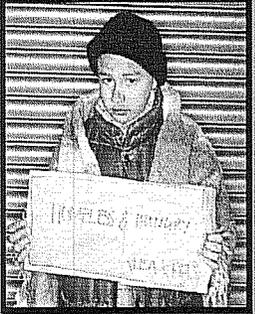
The cost of 587.2 FTEs have increased by 40% or \$12.4M since FY 06-07

**The Department has had to absorb \$11.5M in salary and benefit increases since FY 06-07. The State does not fund salary increases. This is equivalent to reducing staffing by 129 FTEs!**

# Governor's May Revise Proposals

The Governor's May Revise proposes significant changes in three major areas:

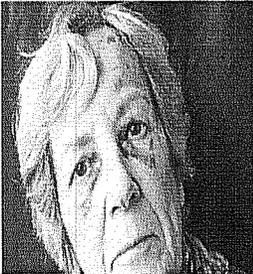
- 1. CalWORKs**
- 2. In Home Supportive Services (IHSS)**
- 3. Cost Shifts from the State to the County**



# Governor's May Revise Proposals

Elimination of CalWorks effective 10/1/10:

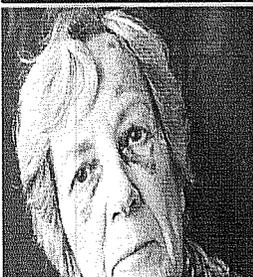
- This would effect approximately 5,000 families including 10,000 children.
- In FY 2010-11, the Department would lose approximately \$50M in Federal and State funding of which \$32M is direct aid to clients.
- Welfare and Institutions Code 17000-17030.1 mandates Counties operate a program that provides relief and support to indigent persons who are not supported by their own means, other public funds, or assistance programs.
- The Department would have to develop or expand their General Relief program to comply with W & I Code Section 17000-17030.1. This could cost the County up to \$15.5 million.



# Governor's May Revise Proposals

Reduction of the IHSS program effective 7/1/10:

- The Governor's May Revise proposed to cut \$637.1M of State General Funds or approximately \$2B all funds from the IHSS program.
- The May Revise did not contain what these cuts would be rather it stated "In consultation with stakeholders, the Administration will develop specific IHSS cost containment measures" by July 1, 2010.
- Any cut of this proportion would put the County's elderly and disabled at significant risk.
- We estimate that the County could lose as much as \$14million in Federal and State funding.
- County funds currently dedicated to IHSS could be redirected to establish a County only program which could provide critical care for the most vulnerable clients eliminated from the State IHSS program.



# Governor's May Revise Proposals

- The Governor's May Revise assumes that savings from program cuts, a six month extension of Federal ARRA FMAP and a shift of realignment from Mental Health to Social Services will fund the following cost shifts from the State to the County. Estimated cost to SB County-\$6.1 million.

	Current sharing ratio (state/county)	Proposed sharing ratio (state/county)
Foster Care	40% / 60%	20% / 80%
Foster Care Administration	70% / 30%	48% / 52%
AAP	75% / 25%	20% / 80%
CWS	70% / 30%	20% / 80%
Food Stamps	70% / 30%	19% / 81%

- This proposal does not have a sunset date even though it is being funded with one-time funds.
- It is unlikely that the County would realize sufficient savings to fully offset the increase in County cost.



# Department of Social Services Ultimate Realities

- The Department has no remaining discretionary options for cost reductions.
- The Staff to Case ratio is increasing at alarming rates.
- The Department has exhausted its reserves.

