

Legislative Budget Analysis
Proposed FY 2025 Operating and Capital Budgets
Office of the County Auditor
Baltimore County, Maryland
HEARING DATE: May 8, 2024



Department of Social Services

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Questions Sent to Department	Friday, April 19
Responses Received	Wednesday, April 24
Analysis considers all agency responses.	

BALTIMORE COUNTY
FISCAL YEAR 2025 BUDGET ANALYSIS

DEPARTMENT OF SOCIAL SERVICES (031)

BUDGET SUMMARY
\$ in Thousands

PROPOSED CHANGE	GENERAL	SPECIAL ⁽¹⁾	TOTAL	% Change Prior Year
FY 2024 - 2025 Change	\$ 620.4	\$ 360.8	\$ 981.2	3.9%
BUDGET TRENDS				
FY 2023 Actual	\$ 13,235.6	\$ 6,695.2 ⁽²⁾	\$ 19,930.8	
FY 2024 Approp.	14,390.3	10,595.9	24,986.2	25.4%
FY 2025 Request	15,010.7	10,956.7	25,967.4	3.9%

⁽¹⁾ Excludes Non-County funds, which represent non-local funds received directly by the Department, which are not appropriated
⁽²⁾ Reflects audited expenditures \$7,124 greater than the amount reflected in the Executive's budget documents.

PERSONNEL

PROPOSED CHANGE	GENERAL		SPECIAL	
	FULL-TIME	PART-TIME	FULL-TIME	PART-TIME
FY 2024 - 2025 Change	1	1	1	9
BUDGET TRENDS				
FY 2023 Actual	54	60	2	97
FY 2024 Approp.	54	45	4	95
FY 2025 Request	55	46	5	104 ⁽³⁾

⁽³⁾ Increased by 3 position errors included in the Executive's budget documents.

VACANCY DATA

Positions Vacant*	10	7	0	16
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*General Fund vacancies provided by the Office of Budget and Finance as of March 31, 2024, and Special Fund vacancies provided by the Department of Social Services as of May 3, 2024.

For further information contact: Office of the County Auditor

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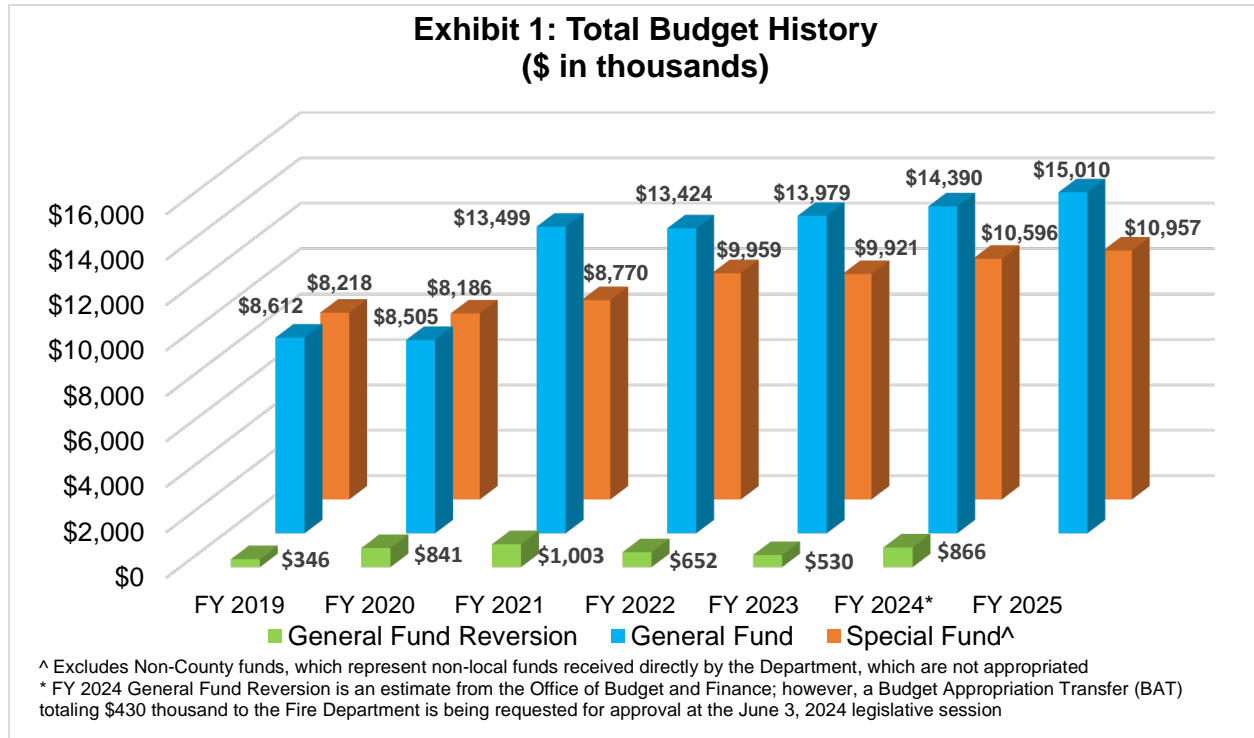
BUDGET SUMMARY:

The proposed FY 2025 budget for the Department of Social Services totals \$26.0 million, an increase of \$981 thousand, or 3.9%, over the FY 2024 budget: the General Fund budget increases by \$620 thousand, or 4.3%, and the Special Fund budget increases by \$361 thousand, or 3.4%. See details beginning on page 4.

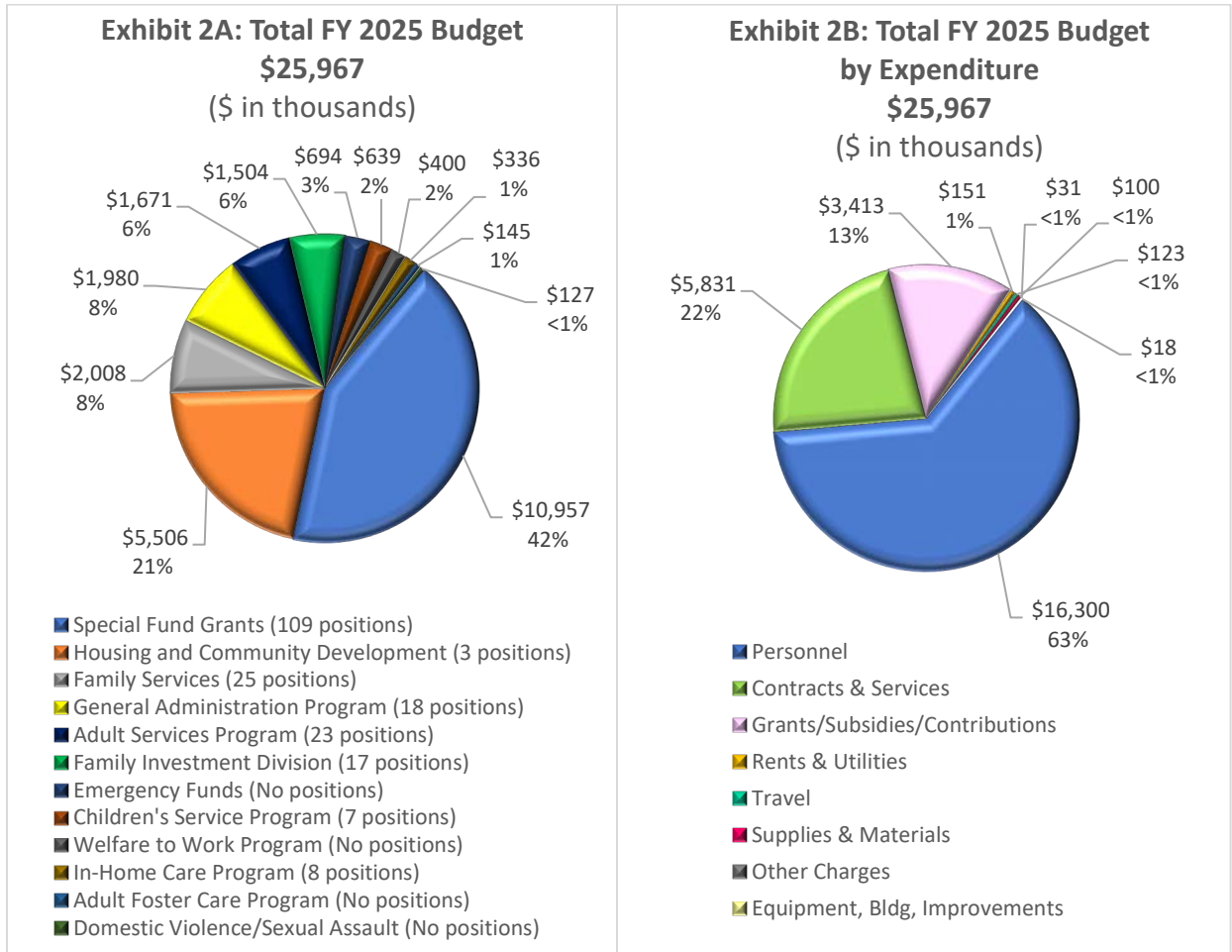
	General Fund (\$ in thousands)	Special Fund ⁽¹⁾	Total
2025 Request	\$ 15,010	\$ 10,957	\$ 25,967
2024 Appropriation	14,390	10,596	24,986
\$ Increase	\$ 620	\$ 361	\$ 981
% Increase	4.3%	3.4%	3.9%

(1) Excludes Non-County funds, which represent non-local funds received directly by the Department, which are not appropriated

See Exhibit 1 for a history of the Department’s budget and Exhibits 2A and 2B for the distribution of expenses across the Department’s programs and expenditures, respectively, as proposed for FY 2025.



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BUDGET FLEXIBILITY:

For FY 2024, the Office of Budget and Finance projects the Department will revert \$866 thousand to the General Fund due to lower-than-anticipated spending needs. The primary driver of this operating surplus is salary savings (turnover higher than projected); specifically, budgeted turnover is less than 7%, while actual turnover (as projected by the Office of Budget and Finance) is expected to be 10% for FY 2024. For FY 2025, the proposed budget assumes turnover savings of 5.3%. As of March 31, 2024, of the Department's 99 authorized General Fund positions with salaries totaling \$6.8 million, there were 17 vacant positions (4 where the Office has noted a candidate has been selected to fill the position) with salaries totaling \$1.1 million. The vacant positions were primarily Social Work (10) and Social Service Aide (3) positions. This vacancy

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level reflects an increase from 8 vacancies in April 2023 (of 114 authorized General Fund positions). In other words, during the approximate one-year span beginning in April 2023, the Department's number of filled General Fund positions declined from 106 to 82. As a result, there again may be considerable budget flexibility within the Department's FY 2025 General Fund operating budget. The Department advised that it is continuing its vigorous recruitment efforts to fill vacant positions.

It is noteworthy that the Department split-funds certain General Fund positions between the General Fund and Gifts & Grants (Special) Fund, potentially providing a limited amount of additional flexibility in how positions are funded if higher-than-budget grant utilization becomes possible. Presently, there are 16 vacant Gifts & Grants Fund positions (6 where the Department has noted a candidate has been selected to fill the position), with budgeted salaries of \$707 thousand, paired with less than \$3 thousand budgeted turnover savings for such positions, which, as noted, may need to be infilled with existing staff support until they are filled.

Pending Budget Appropriation Transfer (BAT)

Scheduled for the June 3, 2024 legislative session is a BAT totaling \$5.8 million to cover higher-than-anticipated callback expenses for the Fire Department. The sources of funds for this planned transfer include \$430 thousand from the Department of Social Services (\$300 thousand in personnel expenses and \$130 thousand in non-personnel operating expenses).

OPERATING BUDGET HIGHLIGHTS:

General Fund

Of the \$620 thousand General Fund increase, \$533 thousand (86%) is attributable to personnel expenses, as detailed in #1, and \$87 thousand (14%) for non-personnel operating expenses.

1. Personnel Expenses total \$7.8 million (51.8% of the budget), an increase of \$533 thousand, or 7.4%, primarily for the following.

- **\$374 thousand - Salary Enhancements**
 - \$186 thousand - Increments and Longevities

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- \$115 thousand – 3% FY 2025 COLA, effective January 1, 2025
- \$73 thousand – FY 2025 effect of FY 2024 COLA
 - The FY 2024 budget, adopted in May 2023, included a 2% employee COLA, effective in January 2024; thus, the FY 2024 budget absorbed a portion of the annual cost of this salary enhancement; the remaining portion of the annual cost is realized in FY 2025.
- **\$305 thousand – New or Transferred-In Positions**
 - \$105 thousand - New Administrative Officer I Position (0 authorized position, 1.94 FTE) in the Housing and Community Development Program
 - The Department advised that positions were added in FY 2024 to support County residents who are facing housing instability by providing Emergency Assistance grants to prevent an eviction or to meet the needs of residents impacted by fires or other housing disasters.
 - \$97 thousand - Management Analyst III transferred into the Family Services program from the Department of Corrections
 - \$55 thousand – 2 New Occasional Hourly positions (0 authorized positions, 0.46 FTE) in the General Administration Program
 - The Department advised that one position (\$15 thousand) provides part-time support to resolve Information Technology issues related to hardware and network access, and the other position (\$40 thousand) provides support for grant exploration and acquisition and participates in the Department's Grant Review Committee.
 - \$48 thousand – 1 FY 2024 mid-year addition of an Administrative Officer I position to the Housing and Community Development program
- **\$115 thousand - Decreased Turnover Savings from 6.9% to 5.3%**
 - The Department advised that proposed turnover is based on current hiring trends, vacancy rates, and the anticipation of less attrition.
- **(\$261 thousand) - Other Salary Adjustments**
 - The Department advised that other salary adjustments include savings yielded as a result of positions previously held by long-term employees that became vacant

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and were budgeted at entry-level for FY 2025.

The Department should be prepared to discuss the proposed funding for its personnel expenses, including the impact of salary enhancements on its ability to attract and retain staff.

Special Fund

The Department's proposed FY 2025 Special Fund budget is increasing by \$361 thousand, or 3.4%, primarily due to a new Coordinated Entry DHCD Grant of \$680 thousand (see *issue #2*) and an increase of \$1.1 million in continuing grants, partially offset by a \$1.5 million decrease in the Federal Supplemental Nutrition Assistance Program (SNAP) Grant (see *issue #3*).

TOPICS FOR DISCUSSION

2. Coordinated Entry DHCD Grant

The Office of Budget and Finance advised that \$734 thousand in already-appropriated ARPA funding exists for Coordinated Entry and Homeless Prevention, with a December 31, 2026 completion date. In this regard, the Department advised that 11 positions currently provide information and referral services and direct case management and economic support to County residents facing housing instability. Coordinated Entry is the single point of entry for County homeless services, including shelter. The Department advised that this project will continue but will be focused on Coordinated Entry functions, as other homeless prevention efforts will end due to State/Federal program sunsets or are being transitioned to other community-based service providers. As such, the total number of positions will be reduced from 11 to 8 positions and transferred to the Department's new Coordinated Entry DHCD Gifts & Grant Fund Program discussed below.

The Department's proposed FY 2025 Special Fund budget includes \$680 thousand, including \$386 thousand in County funds from the General Fund Local Share Program, for the new Coordinated Entry DHCD Gifts & Grant Fund Program that will assist callers to the Adult Services Screening Unit seeking referrals to homeless services (such as eviction prevention,

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shelter diversion, and shelter referrals). The Department advised that the program, which is coordinated by the County's Department of Housing and Community Development, will serve as the single point of entry for County homeless services and homelessness prevention programs.

This grant program's FY 2025 budget includes \$248 thousand in salaries for 8 authorized positions (6.79 FTE) transferred in from the Office of Budget and Finance's ARPA Grant, including: 4 Specialist Officer I positions (\$108 thousand), 1 Social Worker III PT (\$41 thousand), 1 Specialist Lead (\$39 thousand), 1 Specialist Officer II (\$32 thousand), and 1 Social Work Associate (\$28 thousand).

The Department should be prepared to discuss the metrics it will use to measure the effectiveness of its Coordinated Entry Grant program efforts, and to explain all planned sources of funding for this program, including County General Funds and ARPA funds, and future plans for funding the County's efforts towards this program.

The Office of Budget and Finance should address the rationale for including the County's General Fund contribution for this program in the Local Share program, given that the County funding does not reflect a local matching fund requirement upon which grant funds are contingent.

3. Demand for Services

The Department's FY 2025 Special Fund budget includes \$1.1 million in increases in continuing grants as follows:

- **\$611 thousand – Housing Counselor Grant** - reflects anticipated additional State funding to support services related to shelter diversion, exits from shelter, or rapid rehousing; 75 households are expected to be served.
- **\$237 thousand – Office of Home Energy Program** - due to increase in personnel costs.
- **\$145 thousand – Victims of Crime Act** - to support a bilingual Court Advocate and Police Domestic Violence Advocate to serve the Essex Community.

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- **\$126 thousand – Centers for Family Success** - for personnel costs, classroom supplies, curricula, and other essentials program items.

SNAP Grant Program

The proposed FY 2025 Special Fund budget reflects a \$1.5 million decrease in the federal Supplemental Nutrition Assistance Program (SNAP) Grant. The Department advised that the decrease is due to the State program being discontinued and replaced by a federal Summer Electronic Benefit Transfer (EBT) program that does not require any local match but will serve more children.

The Department noted that while current caseloads have remained generally level for the past year, with approximately 100,000 County residents receiving SNAP, federal expenditures have nearly doubled to \$19 million per month in March 2024, up from \$10 million per month in FY 2019 (pre-Covid). The Department advised that this increase is due to a larger overall caseload of eligible families and to increased benefit amounts that result from changes in federal regulations. This Department also advised that the increased demand for services is reflected in the FY 2025 budget, which sustains investments in economic assistance programs and Job Network services.

The Department advised that the \$2.0 million in ARPA funds previously budgeted for food insecurity projects in FY 2024 have been fully expended.

The Department should be prepared to discuss how the County intends to meet the needs of County residents with a significantly reduced budget for the federal SNAP Program in FY 2025, including opportunities to be provided by partners such as the school system, the State, etc.

4. American Rescue Plan Act (ARPA) Funds

According to the Office of Budget and Finance, approximately \$81 thousand in ARPA funds have been identified for food insecurity projects with a December 31, 2026 completion date.

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In this regard, the Department advised that funds are being used to leverage food security resources across the County, specifically, in partnership with various organizations including the Maryland Food Bank, Maryland Cooperative Extension, and the Department of Health Women's, Infants and Children (WIC) program to support special Farmer's Markets, Nutrition Education demonstrations, emergency food distribution, and strategies to mitigate the impact of food deserts.

The Department also advised that it has two projects with three positions funded by ARPA, which will be eliminated by December 31, 2024 if new grant funding is not identified. The first is for two positions (Specialist Lead and Specialist Officer I with salaries totaling approximately \$67 thousand) to provide social work services to County residents suffering from hoarding disorders, while the second is for one position (Specialist Officer I with a salary of approximately \$27 thousand) to provide domestic violence services to Essex residents involved with a police response for a domestic-related call.

See Appendices A and B for program-level expenditure/appropriation and authorized staffing levels, respectively, for FY 2023 (actual), FY 2024 (appropriated), and FY 2025 (proposed).

BALTIMORE COUNTY
FISCAL YEAR 2025 BUDGET ANALYSIS
DEPARTMENT OF SOCIAL SERVICES (031)

APPROPRIATION DETAIL					
	FY 2023 ACTUAL	FY 2024 APPROP	FY 2025 BUDGET	NET CHANGE	
				AMOUNT	%
General Fund					
Adult Foster Care	\$ 145,000	\$ 145,000	\$ 145,000	\$ -	0.0%
Welfare to Work Program	399,996	400,000	400,000	-	0.0%
Housing and Community Development	4,997,351	5,182,282	5,505,849	323,567	6.2%
Emergency Funds	391,499	800,179	693,679	(106,500)	-13.3%
Domestic Violence/Sexual Assault	127,260	127,260	127,260	-	0.0%
In-Home Care Program	327,220	376,228	336,107	(40,121)	-10.7%
Adult Services	1,570,429	1,602,467	1,670,863	68,396	4.3%
General Administration	1,721,310	1,763,305	1,980,034	216,729	12.3%
Children's Services	619,148	665,468	639,099	(26,369)	-4.0%
Family Investment Division	1,145,087	1,437,325	1,504,430	67,105	4.7%
Family Services	1,791,251	1,890,778	2,008,350	117,572	6.2%
General Fund Total	\$ 13,235,551	\$ 14,390,292	\$ 15,010,671	\$ 620,379	4.3%
Special Fund					
<i>Gifts & Grants Funds</i>					
<i>New Grants</i>					
GR-2122 Coordinated Entry DHCD (Inactive)	-	-	680,381	680,381	100.0%
Subtotal	\$ -	\$ -	\$ 680,381	\$ 680,381	0.0%
<i>Continuing Grants</i>					
GR-1059 State Center For Family Success-State, Center for Family Success, Match Center for Family Success-Match, Federal Center For Family Success-Federal	368,205	585,705	711,763	126,058	21.5%
GR-1060 Child Advocacy Center-Medical Services, Match Child Advocacy Center-Medical Services-Match, Federal Child Advocacy Center-Medical Services-Federal	214,123	265,763	331,882	66,119	24.9%
GR-1061 State Contractual Temporary Assistance	199,620	523,682	523,682	-	0.0%
GR-1062 State Housing Counselor-State, Housing Counselor, Match Housing Counselor-Match	274,623	401,603	1,012,923	611,320	152.2%
GR-1063 State In-Home Care Services	122,929	132,431	136,294	3,863	2.9%
GR-1064 Federal Job Network	1,267,852	1,862,431	1,870,638	8,207	0.4%
GR-1065 Match Rapid Rehousing-Match, Interagency Rapid Rehousing-Interagency, Rapid Rehousing	309,491	375,735	389,867	14,132	3.8%
GR-1066 Federal Supplemental Nutrition Asst. Program (SNAP)	120,048	1,678,192	158,862	(1,519,330)	-90.5%
GR-1067 Match Victims of Crime Act-Match, Victims of Crime Act, Federal Victims of Crime Act-Federal	486,087	668,752	813,598	144,846	21.7%
GR-1171 Child Advocacy Center Therapy & Technology Services	-	43,262	44,560	1,298	3.0%
GR-1172 Child Support	113,442	138,885	144,248	5,363	3.9%
GR-1174 MATCH Infant and Toddler	127,456	141,230	145,466	4,236	3.0%
GR-1175 State Interagency Family Preservation Services	400,381	707,855	620,171	(87,684)	-12.4%
GR-1176 Office of Home Energy Program (OHEP)	1,818,348	2,192,509	2,429,493	236,984	10.8%
GR-1177 State Responsible Father's Project	92,633	105,562	120,416	14,854	14.1%
GR-1178 State Therapeutic Foster Care	288,867	352,246	372,855	20,609	5.9%
GR-1179 Violence Against Women Act, Federal Violence Against Women Act	33,753	42,662	46,400	3,738	8.8%
GR-1180 State Youth Sexual Behavior Program	250,883	297,847	322,840	24,993	8.4%
GR-1329 Misc Client Support Services	128	52,500	52,500	-	0.0%

BALTIMORE COUNTY
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DEPARTMENT OF SOCIAL SERVICES (031)

APPROPRIATION DETAIL					
	FY 2023 ACTUAL	FY 2024 APPROP	FY 2025 BUDGET	NET CHANGE	
				AMOUNT	%
GR-1330 State Child Advocacy-GOCCP STATE	9,380	27,038	27,849	811	3.0%
Subtotal	<u>6,498,249</u>	<u>10,595,890</u>	<u>10,276,307</u>	<u>(319,583)</u>	<u>-3.0%</u>
<i>Grants Not Anticipated in FY 2025</i>					
GR-1173 Federal COVID 19 CDBG Eviction Prevention	206	-	-	-	100.0%
GR-1393 Federal Emergency Solutions Grant - Coronavirus	8,629	-	-	-	100.0%
GR-1601 Federal Low Income Household Water Assistance Program (LIHWAP)	188,151	-	-	-	100.0%
Subtotal	<u>\$ 196,986</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>0.0%</u>
Special Fund Total ^(B)	<u>6,695,235</u> ^(A)	<u>10,595,890</u>	<u>10,956,688</u>	<u>360,798</u>	<u>3.4%</u>
Grand Total	<u>\$ 19,930,786</u>	<u>\$ 24,986,182</u>	<u>\$ 25,967,359</u>	<u>\$ 981,177</u>	<u>3.9%</u>

(A) Reflects audited expenditures \$7,124 greater than the amount reflected in the Executive's budget documents.

(B) Excludes Non-County funds, which represent non-local funds received directly by the Department, which are not appropriated

BALTIMORE COUNTY
FISCAL YEAR 2025 BUDGET ANALYSIS

DEPARTMENT OF SOCIAL SERVICES (031)

PERSONNEL DETAIL

	FY 2023 ACTUAL		FY 2024 APPROP		FY 2025 BUDGET		NET CHANGE	
	FULL	PART	FULL	PART	FULL	PART	FULL	PART
<u>General Fund</u>								
Adult Foster Care	0	0	0	0	0	0	0	0
Welfare to Work Program	0	0	0	0	0	0	0	0
Housing and Community Development	0	17	0	2	0	3	0	1
Emergency Funds	0	0	0	0	0	0	0	0
Domestic Violence/Sexual Assault	0	0	0	0	0	0	0	0
In-Home Care Program	0	8	0	8	0	8	0	0
Adult Services	12	11	12	11	12	11	0	0
General Administration	8	9	8	10	7	11	(1)	1
Children's Services	6	1	6	1	6	1	0	0
Family Investment Division	11	6	11	6	11	6	0	0
Family Services	<u>17</u>	<u>8</u>	<u>17</u>	<u>7</u>	<u>19</u>	<u>6</u>	<u>2</u>	<u>(1)</u>
General Fund Total	<u>54</u>	<u>60</u>	<u>54</u>	<u>45</u>	<u>55</u>	<u>46</u>	<u>1</u>	<u>1</u>
Special Fund Total	<u>2</u>	<u>97</u>	<u>4</u>	<u>95</u>	<u>5</u>	<u>104</u> ⁽¹⁾	<u>1</u>	<u>9</u>
Grand Total	<u>56</u>	<u>157</u>	<u>58</u>	<u>140</u>	<u>60</u>	<u>150</u>	<u>2</u>	<u>10</u>

⁽¹⁾ Increased by 3 position errors included in the Executive's budget documents.