BOARD C	M BEACH COUNTY OF COUNTY COMMISS NDA ITEM SUMMARY		RS
Meeting Date: April 18, 2023 Department	[ ] Consent [ ] Ordinance	[X] []	Regular Public Hearing
Submitted By: <u>Community Ser</u> Submitted For: <u>Community Act</u>			

I. EXECUTIVE BRIEF

**Motion and Title: Staff requests direction on:** continuation, modification, or suspension of County-operated and contracted Low-Income Home Energy Assistance Program (LIHEAP), Low-Income Household Water Assistance Program (LIHWAP), and Community Services Block Grant (CSBG) Programs due to the Florida Department of Economic Opportunity (FDEO) reaching its state legislative budget appropriation authority limit for fiscal year 2022-2023.

**Summary:** On June 15, 2021, the Board of County Commissioners (BCC) ratified the Mayor's signature on the Federally Funded Subgrant Umbrella Agreement #E2016 (R2021-0783) with the FDEO, for the period of October 1, 2020 through September 30, 2023, for the LIHEAP, LIHWAP, and CSBG programs. Under the terms of the new umbrella agreement, FDEO issues a Notice of Funding Availability (NFA) for each program award. The total funding award for each program under this agreement is:

٠	LIHEAP	\$14,880,072;
٠	LIHWAP	\$5,053,983;
٠	CSBG	\$1,094,998.

On April 7, 2023, FDEO sent a notice stating that the spending demand for LIHEAP, LIHWAP, and CSBG programs exceeded budget authority. Therefore, it has requested that all outstanding invoices for the above-mentioned federally funded programs be submitted by Friday, April 13, 2023. The Community Services Department (CSD) submitted a reimbursement request of \$1,006,874 for direct client assistance, for March on April 13, 2023. An additional \$711,608 is needed to cover encumbered direct client assistance, and \$275,000 for staff salaries, for a total of \$986,608. Finally, an additional \$2,750,000 from reserves will be required to provide the current level of direct client services, or \$800,000 will be required to provide a modified level of direct client assistance programs. No information has been received from FDEO as to the likelihood of reimbursement of funds expended during the budget lapse, and the projected date of resolution is unknown. Based on Board direction, CSD may bring additional agenda items to the BCC to amend the budget. (Community Action Program) <u>Countywide</u> (HH)

**Background and Policy Issues:** LIHEAP has been administered by the Community Action Program since 1992 and provides utility assistance and restoration services to individuals and households living in Palm Beach County. LIHWAP is a federally funded program that focuses on preventing disconnection and restoring water services in low-income households. CSBG funds are used to provide various services, such as vocational training and rental assistance to assist low-income households to obtain employment and increase economic self- sufficiency.

Attachments: Notice from the Florida Department of Economic Opportunity

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Recommended By	James & Freen	4/17/2023
•	Department Director	Date
Approved By: _	Assistant County Administrator	<u> </u>

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## **FISCAL IMPACT ANALYSIS**

## A. Five Year Summary of Fiscal Impact:

Fiscal Years	2023	2024	2025	2026	2027
Capital Expenditures					
Operating Costs	4,743,482				
External Revenue	0				
Program Income (County)					
In-Kind Match (County)					
NET FISCAL IMPACT	4,743,482				

No. ADDITIONAL FTE POSITIONS (Cumulative)		
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Is Item Included In Current Budget? Does this item include the use of federal funds?

Yes<u>X</u>No\_\_\_\_ Yes\_\_X\_\_\_No \_\_\_\_

Budget Account No.:

Fund <u>1009</u> Dept <u>145</u> Unit <u>1462</u> Object <u>Var.</u> Program Code <u>Var.</u> Program Period <u>Var.</u> <u>1003</u> Dept <u>145</u> Unit <u>1455</u> Object <u>Var</u> Program Code <u>Var</u> Program Period <u>Var</u>

## B. Recommended Sources of Funds/Summary of Fiscal Impact:

\$1,006,874 has been submitted to FDEO for reimbursement, however there is uncertainty as to whether this will be paid to the County. An additional \$986,608 for encumbered direct assistance and salary needs might be reimbursed in the future from FDEO, contingent upon budget availability. If FDEO does not have the funds to reimburse the County for what has been expended to date or does not allow reimbursement for service needs for the remainder of the fiscal year, the net fiscal impact to Palm Beach County is \$4,743,482, unless modified service levels are used, which would make the fiscal impact \$2,793,482. Based on board direction, CSD may bring additional agenda items to the BCC to amend the budget.

C. Departmental Fiscal Review:

Julie Dowe

Julie Dowe, Director, Financial & Support Svcs.

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## **REVIEW COMMENTS**

A. OFMB Fiscal and/or Contract Development and Control Comments:

B. Legal Sufficiency:

C. Other Department Review:

**Department Director** 

This summary is not to be used as a basis for payment.

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April 7, 2023

Dear Community Action Network Partners,

In the coming days, the Florida Department of Economic Opportunity (DEO) will reach the limit of its fiscal year 2022-2023 state legislative budget appropriation authority for four programs:

- 1. Low-Income Home Energy Assistance Program (LIHEAP);
- 2. Low-Income Household Water Assistance Program (LIHWAP); and
- 3. Weatherization Assistance Program; and
- 4. Community Services Block Grant (CSBG) program.

Demand for these programs has exceeded budget authority far earlier than expected, and this has occurred despite the significant supplemental budget authority that the Legislature granted just a couple months ago.

To that end, this letter serves as notice that DEO will work with each of you to ensure that any outstanding invoices for the above mentioned federally funded programs are submitted by no later than Friday, April 13, 2023. Invoices received by this date will be considered and prioritized for payment in this ongoing fiscal year.

Our staff will be in contact with each of you by close of business on Monday, in order to discuss further. If you have any questions or need assistance in the meantime, please contact Debbie Smiley at (850) 717-8450 or by email at <u>debbie.smiley@deo.myflorida.com</u>.

Sincerely,

Baynin M. Melund

Benjamin M. Melnick Deputy Secretary for Community Development

Florida Department of Economic Opportunity | Caldwell Building | 107 E. Madison Street | Tallahassee, FL 32399 (850) 245.7105 | www.FloridaJobs.org | www.Twitter.com/FLDEO | www.Facebook.com/FLDEO

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