



COMMONWEALTH of VIRGINIA

Department of Planning and Budget

DANIEL S. TIMBERLAKE
Director

1111 E. Broad Street
Room 5040
Richmond, VA 23219-1922

November 1, 2013

The Honorable Walter A. Stosch
Chairman, Finance Committee
Senate of Virginia
4551 Cox Road, Suite 110
Glen Allen, Virginia 23060-6740

Dear Senator Stosch:

Please find enclosed the Department of Planning and Budget's (DPB) official forecasts of expenditures for the Temporary Assistance to Needy Families (TANF), mandatory child day care, foster care maintenance, and adoption subsidy programs for fiscal years 2014 through 2016.

Please note that the forecasts associated with child welfare services will have a higher than normal error rate since these forecasts are not yet able to account for the actual impact of recent policy changes. Specifically, the Department of Social Services reduced the rate structure for enhanced maintenance payments effective October 1, 2012. This action will exert downward pressure on expenditures over the forecast horizon; however, since changes to supplemental payments happened so recently, the effects cannot be fully captured in the time series model. Even though the forecasts show an overall increase in child welfare expenditures over the next three years, DPB does not expect that a similar increase in appropriation will be necessary at this time.

Sincerely,

A handwritten signature in black ink, appearing to read "Daniel S. Timberlake", written over a faint, larger signature.

Daniel S. Timberlake

Enclosures

c: The Honorable Richard D. Brown
The Honorable William A. Hazel Jr., M.D
Ms. Betsey Daley



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November 1, 2013

The Honorable Lacey E. Putney
Chairman, Appropriations Committee
Virginia House of Delegates
Post Office Box 127
Bedford, Virginia 24523

Dear Delegate Putney:

Please find enclosed the Department of Planning and Budget's (DPB) official forecasts of expenditures for the Temporary Assistance to Needy Families (TANF), mandatory child day care, foster care maintenance, and adoption subsidy programs for fiscal years 2014 through 2016.

Please note that the forecasts associated with child welfare services will have a higher than normal error rate since these forecasts are not yet able to account for the actual impact of recent policy changes. Specifically, the Department of Social Services reduced the rate structure for enhanced maintenance payments effective October 1, 2012. This action will exert downward pressure on expenditures over the forecast horizon; however, since changes to supplemental payments happened so recently, the effects cannot be fully captured in the time series model. Even though the forecasts show an overall increase in child welfare expenditures over the next three years, DPB does not expect that a similar increase in appropriation will be necessary at this time.

Sincerely,

A handwritten signature in black ink, appearing to read 'D. Timberlake', written over a horizontal line.

Daniel S. Timberlake

Enclosures

c: The Honorable Richard D. Brown
The Honorable William A. Hazel Jr., M.D.
Mr. Robert Vaughn

TANF Expenditures Forecast

	FY2014	FY2015	FY2016
Jul	\$7,562,080	\$6,939,482	\$6,212,550
Aug	\$7,518,342	\$6,878,791	\$6,145,535
Sep	\$7,491,656	\$6,825,581	\$6,081,603
Oct	\$7,440,496	\$6,770,692	\$6,017,928
Nov	\$7,368,650	\$6,704,047	\$5,949,463
Dec	\$7,319,505	\$6,642,029	\$5,879,753
Jan	\$7,281,926	\$6,585,702	\$5,812,056
Feb	\$7,232,105	\$6,528,899	\$5,744,358
Mar	\$7,161,934	\$6,463,078	\$5,673,562
Apr	\$7,106,826	\$6,398,564	\$5,601,191
May	\$7,060,548	\$6,338,730	\$5,529,621
Jun	\$7,008,755	\$6,278,823	\$5,458,356
FY Total	\$87,552,823	\$79,354,418	\$70,105,976

Mandated Childcare Expenditures Forecast

	FY2014	FY2015	FY2016
Jul	\$4,305,462	\$4,478,592	\$4,482,355
Aug	\$4,375,797	\$4,478,371	\$4,482,850
Sep	\$4,679,698	\$4,670,128	\$4,675,146
Oct	\$4,498,235	\$4,478,593	\$4,483,885
Nov	\$4,474,109	\$4,479,005	\$4,484,432
Dec	\$4,473,186	\$4,479,445	\$4,484,997
Jan	\$4,480,723	\$4,479,842	\$4,485,578
Feb	\$4,480,032	\$4,480,198	\$4,486,174
Mar	\$4,475,962	\$4,480,557	\$4,486,785
Apr	\$4,475,249	\$4,480,955	\$4,487,411
May	\$4,477,052	\$4,481,398	\$4,488,052
Jun	\$4,478,405	\$4,481,870	\$4,488,707
FY Total	\$53,673,910	\$53,948,954	\$54,016,372

Title IVE Foster Care Expenditure Forecast

	FY2014	FY2015	FY2016
Jul	\$3,425,059	\$3,337,313	\$3,336,111
Aug	\$3,405,096	\$3,328,365	\$3,333,238
Sep	\$3,360,180	\$3,336,955	\$3,336,147
Oct	\$3,333,344	\$3,329,416	\$3,333,784
Nov	\$3,349,067	\$3,336,582	\$3,336,222
Dec	\$3,320,161	\$3,330,389	\$3,334,283
Jan	\$3,338,183	\$3,336,344	\$3,336,331
Feb	\$3,325,407	\$3,331,221	\$3,334,743
Mar	\$3,338,888	\$3,336,199	\$3,336,465
Apr	\$3,325,208	\$3,331,968	\$3,335,168
May	\$3,904,890	\$3,902,768	\$3,903,264
Jun	\$3,327,179	\$3,332,636	\$3,335,564
FY Total	\$40,752,662	\$40,570,156	\$40,591,320

Title IVE Adoption Subsidy Forecast
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	FY2014	FY2015	FY2016
Jul	\$6,977,650	\$6,764,982	\$7,533,798
Aug	\$5,407,068	\$6,874,552	\$7,594,485
Sep	\$6,624,661	\$6,909,769	\$7,656,087
Oct	\$5,995,428	\$6,981,534	\$7,717,909
Nov	\$6,416,727	\$7,043,321	\$7,778,884
Dec	\$6,350,667	\$7,098,477	\$7,840,960
Jan	\$6,378,918	\$7,169,017	\$7,901,929
Feb	\$6,561,075	\$7,221,082	\$7,963,866
Mar	\$6,469,775	\$7,291,028	\$8,025,040
Apr	\$6,684,247	\$7,345,739	\$8,086,760
May	\$6,611,804	\$7,412,198	\$8,148,130
Jun	\$6,778,460	\$7,470,436	\$8,209,692
FY Total	\$77,256,480	\$85,582,135	\$94,457,540

Special Needs (GF) Adoption Subsidy Forecast

	FY2014	FY2015	FY2016
Jul	\$3,218,526	\$3,421,838	\$3,536,875
Aug	\$3,379,588	\$3,425,328	\$3,546,998
Sep	\$3,274,453	\$3,438,663	\$3,557,015
Oct	\$3,356,577	\$3,447,181	\$3,567,015
Nov	\$3,327,884	\$3,457,037	\$3,577,140
Dec	\$3,349,523	\$3,467,776	\$3,587,133
Jan	\$3,366,141	\$3,476,506	\$3,597,285
Feb	\$3,358,749	\$3,487,683	\$3,607,321
Mar	\$3,389,301	\$3,496,518	\$3,617,470
Apr	\$3,378,594	\$3,507,375	\$3,627,560
May	\$3,406,211	\$3,516,697	\$3,637,707
Jun	\$3,402,084	\$3,527,117	\$3,647,842
FY Total	\$40,207,631	\$41,669,719	\$43,107,361