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MIAMI BEACH

City of Miami Beach, 1700 Convention Center Drive, Miami Beach, Florida 33139, www.miamibeachfl.gov

COMMITTEE MEMORANDUM

TO: Finance and Citywide Projects Committee

FROM: Jimmy L. Morales, City Manager

DATE: July 25, 2013

SUBJECT: A DISCUSSION REGARDING MEALS DISTRIBUTED BY LITTLE HAVANA ACTIVITIES & NUTRITION CENTERS AND BUDGETARY RESOURCES TO KEEP FUNDING SOCIAL PROGRAMS.

BACKGROUND

On May 1, 2013, the Alliance for Aging notified its congregate meal site providers that immediate cuts would be implemented as of May 6, 2013 in response to the Federal Sequester as it impacts the State Formula funds for the *Older American Act* programs. Our City's congregate meal sites experienced the following reductions:

Site	Provider	Capacity as of 5/1/13	Capacity as of 5/6/13
Rebecca Towers	Little Havana ANC	115	81
Council Towers South	Little Havana ANC	80	56
Stella Maris	Little Havana ANC	35	25
South Shore Com. Ctr.	Jewish Community Services	65	55
Federation Towers	Jewish Community Services	45	40

When these cuts were initially announced, the community mobilized to offset the budget cuts. Through these independent efforts, some of the cuts were offset as follows:

Site	Provider	Meals Served as of 5/1/13	Meals Served as of 5/6/13	Meals Served as of 07/15/2013	Net Gain/ Loss 5/6/13 to 07/15/13
Rebecca Towers	Little Havana ANC	115	81	100	19
Council Towers South	Little Havana ANC	80	56	70	14
Stella Maris	Little Havana ANC	35	25	32	7
South Shore Com. Ctr.	JCS	65	55	45	-10
Federation Towers	JCS	45	40	35	-5

Unfortunately, additional sequester-related service cuts were projected to take effect July 22nd. Little Havana Activities & Nutrition Center said an additional seven (7) meals would be cut from City locations. The Alliance for Aging is predicting additional cuts this year but is unable to estimate their size or date of impact. Furthermore, the cuts experienced this year are expected to become permanent as of January 1, 2014 with the possibility of additional cuts in the new fiscal year.

ANALYSIS

Before providing a fiscal analysis, it merits understanding how the congregate meal program works and who it is intended to benefit. Funding for the program was created in the *Older American's Act* underscoring the importance of good nutrition in overall health and independent living. Program participants must be 60 years of age or older and complete an assessment. The assessment scores clients on several factors including age, health, access to transportation and nutritional resources. Once completed, this score is intended to prioritize the individual's unique needs including food insecurity.

In theory, while program participants must complete the assessment and are subsequently provided with a score that determines how they should be prioritized for services, the meal sites serve clients on a first come-first served basis and those who may be at a higher risk or face a greater need are not necessarily prioritized to be served.

Having said this, the current fiscal crisis associated with the latest sequester cuts are exacerbated by cuts in other Federal programs including the USDA Nutrition Incentive Services Program as well as the United Way of Miami-Dade.

Further complicating this murky fiscal outlook is the sheer number of elder residents that enter eligibility each year. In South Beach alone, there are more than 14,233 people aged 65 or older. Each of these residents is vulnerable to program participation as a major adverse health event or fiscal setback could trigger their need to pursue help via the congregate meal program. As it currently stands, the Alliance for Aging has asked that all of its meal sites refrain from screening new clients in the face of the sequester cuts. This means residents who may now need the support are effectively prohibited from accessing much-needed help.

In terms of fiscal impact, meal sites are reimbursed at varying rates by the Alliance for Aging. Little Havana Activities and Nutrition Centers is reimbursed at \$6.35 per meal. Jewish Community Services of South Florida is reimbursed at \$5.62 per meal and provides primarily kosher meals. This reimbursement rate assumes several factors: the cost of each meal, staffing, rental costs, and overhead among others.

The reimbursement rate also presumes that the congregate meal program serves as a "gateway" to identify elder residents who may have other needs to ensure continued independent living. These needs include housing, medical support, socialization, homemaker services, and companion services. Were it not for the *congregate meals* program, these elder residents would otherwise go unnoticed – and subsequently

without service -- because of the limited interactions with human service agencies. The following chart depicts the fiscal loss for each site as of July 15th through December 31st excluding non-service days:

Site	Provider	Lost Capacity	Daily Budget Shortfall	Shortfall thru 12/31/13
Rebecca Towers	Little Havana ANC	15	\$95.25	\$10,668.00
Council Towers South	Little Havana ANC	10	\$63.50	\$7,112.00
Stella Maris	Little Havana ANC	3	\$19.05	\$2,133.60
South Shore Com. Ctr.	JCS	20	\$112.40	\$12,588.80
Federation Towers	JCS	10	\$56.20	\$6,294.40
Overall Total Shortfall			\$ 346.40	\$ 38,796.80

It should be noted that the City currently provides \$46,930 to Jewish Community Services through its General Fund's Citywide Grants Program and \$23,814 from its Community Development Block Grant funds to support its meal site operations.

Of the 34 municipalities in Miami-Dade County, five operate congregate meal programs on their own. Among these cities:

- Hialeah
- Hialeah Gardens
- Miami Springs
- Sweetwater
- West Miami

However, each of these municipalities must augment Alliance for Aging funds with other resources. In Hialeah, the municipal leverage or cash match exceeds \$1 million. Hialeah Gardens leverages more than \$200,000. Both cities use the General Fund as leverage match and independently pursue additional funds through grants and other appropriations.

CONCLUSION

The Administration seeks direction from the Finance and Citywide Projects Committee to determine if the City should identify and allocate funds to congregate meal sites to supplant Federal funds that were lost via the sequester. It further recommends, should the Commission decide to appropriate funds, that funds be awarded conditionally to ensure that priority is given to those elder residents in greatest need. Priority can be determined by those residents living in households earning less than \$12,000 per year.

JLM/KGB/MLP