

**RESOURCE MANAGEMENT-GENERAL REVENUE**  
**Fund 0064 General-Resource Management, Budget Unit 400**

State Controller Schedules  
 County Budget Act  
 January 2010 Edition, revision #1

County of Shasta  
 Financing Sources and Uses by Budget Unit by Object  
 Governmental Funds  
 Fiscal Year 2014-15

Schedule 9

**Budget Unit: 400 - RESOURCE MGMT GEN REVENUES (FUND 0064)**  
**Function: HEALTH & SANITATION**  
**Activity: HEALTH**

| Detail By Revenue Category<br>and Expenditure Object | 2012-13<br>Actuals | 2013-14                                    |                                    | 2014-15<br>Recommended | 2014-15<br>Adopted by<br>the Board of<br>Supervisors |
|------------------------------------------------------|--------------------|--------------------------------------------|------------------------------------|------------------------|------------------------------------------------------|
|                                                      |                    | Actual <input checked="" type="checkbox"/> | Estimated <input type="checkbox"/> |                        |                                                      |
| 1                                                    | 2                  | 3                                          | 4                                  | 5                      |                                                      |
| REVENUE FROM MONEY & PROPERTY                        | \$13,821           | \$24,417                                   |                                    | \$20,000               | \$20,000                                             |
| <b>Total Revenues:</b>                               | <b>\$13,821</b>    | <b>\$24,417</b>                            |                                    | <b>\$20,000</b>        | <b>\$20,000</b>                                      |
| <b>Total Expenditures/Appropriations:</b>            | <b>\$0</b>         | <b>\$0</b>                                 |                                    | <b>\$0</b>             | <b>\$0</b>                                           |
| <b>Net Cost:</b>                                     | <b>(\$13,821)</b>  | <b>(\$24,417)</b>                          |                                    | <b>(\$20,000)</b>      | <b>(\$20,000)</b>                                    |

**PROGRAM DESCRIPTION**

The Resource Management General Revenue budget unit reflects revenue or charges allocated to the Resource Management Fund as a result of cash flow needs.

**BUDGET REQUESTS**

The FY 2014-15 requested budget includes \$20,000 in revenue generated from Interest Income on the department's fund reserves.

**SUMMARY OF RECOMMENDATIONS**

The CEO concurs with the requested budget.

**PENDING ISSUES AND POLICY CONSIDERATIONS**

None.

**DEPARTMENT HEAD CONCURRENCE OR APPEAL**

Not applicable.

**FINAL BOARD ACTION**

Adopted as presented in the proposed budget.

**RESOURCE MANAGEMENT-ENVIRONMENTAL HEALTH DIVISION**  
**Fund 0064 General-Resource Management, Budget Unit 402**  
**Richard Simon, Director of Resource Management**

State Controller Schedules  
 County Budget Act  
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County of Shasta  
 Financing Sources and Uses by Budget Unit by Object  
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Schedule 9

**Budget Unit: 402 - ENVIRONMENTAL HEALTH (FUND 0064)**  
**Function: HEALTH & SANITATION**  
**Activity: HEALTH**

| Detail By Revenue Category<br>and Expenditure Object | 2012-13<br>Actuals | 2013-14<br>Actual <input checked="" type="checkbox"/><br>Estimated <input type="checkbox"/> | 2014-15<br>Recommended | 2014-15<br>Adopted by<br>the Board of<br>Supervisors |
|------------------------------------------------------|--------------------|---------------------------------------------------------------------------------------------|------------------------|------------------------------------------------------|
| 1                                                    | 2                  | 3                                                                                           | 4                      | 5                                                    |
| LICENSES, PERMITS & FRANCHISES                       | \$1,094,031        | \$1,153,864                                                                                 | \$928,000              | \$928,000                                            |
| FINES, FORFEITURES & PENALTIES                       | \$6,362            | \$16,000                                                                                    | \$0                    | \$0                                                  |
| INTERGOVERNMENTAL REVENUES                           | \$289,074          | \$252,910                                                                                   | \$340,099              | \$340,099                                            |
| CHARGES FOR SERVICES                                 | \$376,417          | \$339,250                                                                                   | \$306,063              | \$306,063                                            |
| MISCELLANEOUS REVENUES                               | \$385              | \$2,540                                                                                     | \$22,261               | \$22,261                                             |
| OTHR FINANCING SOURCES TRAN IN                       | \$114,837          | \$117,907                                                                                   | \$123,351              | \$123,351                                            |
| <b>Total Revenues:</b>                               | <b>\$1,881,107</b> | <b>\$1,882,472</b>                                                                          | <b>\$1,719,774</b>     | <b>\$1,719,774</b>                                   |
| SALARIES AND BENEFITS                                | \$1,255,799        | \$1,342,103                                                                                 | \$1,677,120            | \$1,677,120                                          |
| SERVICES AND SUPPLIES                                | \$320,686          | \$317,115                                                                                   | \$463,812              | \$463,812                                            |
| OTHER CHARGES                                        | \$64,188           | \$45,293                                                                                    | \$87,450               | \$87,450                                             |
| CAPITAL ASSETS                                       | \$0                | \$0                                                                                         | \$30,000               | \$30,000                                             |
| INTRAFUND TRANSFERS                                  | (\$182,839)        | (\$165,348)                                                                                 | (\$168,626)            | (\$168,626)                                          |
| <b>Total Expenditures/Appropriations:</b>            | <b>\$1,457,834</b> | <b>\$1,539,163</b>                                                                          | <b>\$2,089,756</b>     | <b>\$2,089,756</b>                                   |
| <b>Net Cost:</b>                                     | <b>(\$423,273)</b> | <b>(\$343,309)</b>                                                                          | <b>\$369,982</b>       | <b>\$369,982</b>                                     |

**PROGRAM DESCRIPTION**

The Environmental Health Division of the Department of Resource Management is charged with the responsibility for enforcement of pertinent California health laws, rules, regulations, and Shasta County Ordinances. This responsibility covers Shasta County as well as the three incorporated cities within the County. Additionally, they provide technical environmental services to Trinity County.

This Division also provides specific permit and inspection programs which involve sewage disposal, individual wells, solid waste, hazardous materials storage and disclosure, underground tanks, food service facilities, public drinking water systems, swimming pools, housing and institutions, and medical waste management. By pulling together these various programs, Environmental Health additionally performs a comprehensive environmental review of proposed land use projects. Environmental Health also serves as the enforcement agency responsible for solid waste and garbage code enforcement.

**BUDGET REQUESTS**

The FY 2014-15 requested budget includes expenditures in the amount of \$2.0 million and revenues in the amount of \$1.7 million. The FY 2014-15 expenditures are increased by \$174,478 and revenues are increased by \$80,075 as compared to the FY 2013-14 adjusted budget. The FY 2014-15 requested budget expenditures exceed revenue by \$320,652 and will be covered by fund balance. The General Fund continues to support one full-time Senior Environmental Health Specialist position that works with un-reimbursed community Environmental Health programs. The Environmental Health division is requesting the addition of an Environmental Health Specialist due to increased workload. The CEO concurs with the addition of this position.

**SUMMARY OF RECOMMENDATIONS**

Four changes were made to the requested budget: a \$56,211 increase in Other Post Employment Benefits, a \$10,957 increase in Fuel, a \$4,424 increase in Maintenance of Structures, and a \$22,261 increase in Prior Period Expenditure Adjustment.

**PENDING ISSUES AND POLICY CONSIDERATIONS**

None.

**DEPARTMENT HEAD CONCURRENCE OR APPEAL**

The department head concurs with this budget as recommended.

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**FINAL BOARD ACTION**

Adopted as presented in the proposed budget.

# MENTAL HEALTH SERVICES ACT

Fund 0081 Mental Health Services Act, Budget Unit 404

Donnell Ewert, M.P.H., Health and Human Services Agency Director

State Controller Schedules  
County Budget Act  
January 2010 Edition, revision #1

County of Shasta  
Financing Sources and Uses by Budget Unit by Object  
Governmental Funds  
Fiscal Year 2014-15

Schedule 9

**Budget Unit: 404 - MENTAL HEALTH SERVICES ADMIN (FUND 0081)**

**Function: HEALTH & SANITATION**

**Activity: MENTAL HEALTH**

| Detail By Revenue Category<br>and Expenditure Object | 2012-13<br>Actuals   | 2013-14                                    |                                    | 2014-15<br>Recommended | 2014-15<br>Adopted by<br>the Board of<br>Supervisors |
|------------------------------------------------------|----------------------|--------------------------------------------|------------------------------------|------------------------|------------------------------------------------------|
|                                                      |                      | Actual <input checked="" type="checkbox"/> | Estimated <input type="checkbox"/> |                        |                                                      |
| 1                                                    | 2                    | 3                                          | 4                                  | 5                      |                                                      |
| REVENUE FROM MONEY & PROPERTY                        | \$35,273             | \$33,872                                   | \$0                                | \$0                    |                                                      |
| INTERGOVERNMENTAL REVENUES                           | \$8,242,140          | \$6,172,523                                | \$7,784,417                        | \$7,784,417            |                                                      |
| MISCELLANEOUS REVENUES                               | \$3,838,640          | \$198,149                                  | \$0                                | \$0                    |                                                      |
| OTHER FINANCING SRCS SALE C/A                        | \$6,293              | \$1,081                                    | \$0                                | \$0                    |                                                      |
| <b>Total Revenues:</b>                               | <b>\$12,122,347</b>  | <b>\$6,405,626</b>                         | <b>\$7,784,417</b>                 | <b>\$7,784,417</b>     |                                                      |
| SALARIES AND BENEFITS                                | \$2,296,705          | \$3,741,722                                | \$4,529,841                        | \$4,529,841            |                                                      |
| SERVICES AND SUPPLIES                                | \$4,403,087          | \$3,150,470                                | \$4,078,035                        | \$4,078,035            |                                                      |
| OTHER CHARGES                                        | \$701,964            | \$404,420                                  | \$504,096                          | \$504,096              |                                                      |
| CAPITAL ASSETS                                       | \$0                  | \$0                                        | \$1,400,000                        | \$1,400,000            |                                                      |
| INTRAFUND TRANSFERS                                  | (\$75,230)           | (\$240,795)                                | (\$122,381)                        | (\$122,381)            |                                                      |
| OTHER FINANCING USES                                 | \$106,247            | \$52,373                                   | \$0                                | \$0                    |                                                      |
| <b>Total Expenditures/Appropriations:</b>            | <b>\$7,432,773</b>   | <b>\$7,108,191</b>                         | <b>\$10,389,591</b>                | <b>\$10,389,591</b>    |                                                      |
| <b>Net Cost:</b>                                     | <b>(\$4,689,574)</b> | <b>\$702,564</b>                           | <b>\$2,605,174</b>                 | <b>\$2,605,174</b>     |                                                      |

## PROGRAM DESCRIPTION

The Mental Health Services Act (MHSA), passed by the voters as Proposition 63 in November 2004, represents a funding stream that enables comprehensive and transformational approaches to community-based mental health services and supports for persons with, and at risk of, serious mental illness. The goals of the MHSA are to provide services to children, adults and seniors with serious mental illness, including prevention and early intervention services and medical and supportive care. Services are provided in accordance with recommended best practices and incorporate culturally and linguistically competent approaches for underserved populations. MHSA program services are developed and implemented in collaboration with consumers of mental health services and their family members, as well as community stakeholders. Funded components include Community Services and Supports (CSS) (which includes housing), Workforce Education and Training (WET), Capital Facilities/Technological Needs (CF/TN), Innovation, and Prevention and Early Intervention (PEI).

Utilizing MHSA funding through its CSS plan originally approved in FY 2005-06, a variety of services are provided for residents experiencing acute psychiatric crises. Funded services include: twenty-four hour, 7-day a week crisis response service support to local hospital emergency rooms and local law enforcement, and; a Crisis Residential and Recovery Center (CRRC) which provides 24-hour support for a period up to 30 days as both an alternative to acute psychiatric hospitalization (when clinically indicated) and as a transition out of acute hospital care or Institutes for Mental Disease (IMD) to ensure stability following an acute episode. CSS funding is also utilized to increase access to services, including outreach activities to provide clients with additional system support, as well as improve outcomes for those individuals with a severe mental illness living in more rural areas of Shasta County.

WET activities address staffing shortages in the public mental health profession by creating educational and training opportunities to expand and enhance the mental health workforce, including engagement of people with mental illness and their family members.

CF/TN plans cross budget years with projects to update the existing mental health facility and electronic health record systems. Innovation funds are used to provide peer-to-peer pre-crisis services to individuals with severe mental illness. Future planning includes areas that would expand the county's continuum of care including 24/7 urgent care and transitional housing.

PEI activities focus on prevention programs, successful identification and management of mental illnesses early in the onset of the illness for both youth and adults, decreasing stigmatization and other mental health community awareness efforts, suicide prevention, trauma oriented practice for youth, and behavioral health services for older adults. PEI additionally supports use of evidence-based prevention and early intervention activities, such as the Positive Parenting Program, that are intended to decrease the incidence of behavioral disorders in children, and adverse childhood experiences in stressed families.

**BUDGET REQUESTS**

The appropriation request of \$10,389,591 is relatively flat compared to the FY 2013-14 adjusted budget. The \$1.3 million capital project related to improvements to the mental health facility at 2640 Breslauer Way, funded through the Capital Facilities allocation of MHSA, is again included in this fiscal year's budget as it has not yet been completed. The budget includes the addition of a Staff Nurse I/II position to perform outreach activities and provide home-visitation services in the Agency's continuous efforts to reduce the cost of out of home placements. Expenditures for one new vehicle and three replacement vehicles are included in the budget. Revenues in the amount of \$7,784,417 to support activities in this cost center come from the MHSA revenues, federal reimbursement for Medi-Cal covered youth and adult mental health services provided to MHSA supported clients. The excess of expenditures over revenue in the amount of \$2,605,174, \$1.3 million of which is for the capital project at the mental health facility, will come from fund balance reserves. There is no required match or General Fund contribution for program activities.

**SUMMARY OF RECOMMENDATIONS**

The figures above reflect several recommended budget adjustments. During the time period between HHSA's submission of the requested budget and the subsequent budget adjustment process, HHSA became aware that Shasta County would not be awarded a California Health Facilities Financing Authority (CHFFA) grant which would have supported various expenses associated with two new positions and two new vehicles. In addition, a proposed new position classification is being postponed until additional research can occur. The CEO recommends that the expenditures and revenues associated with these updates be removed from the requested budget.

**PENDING ISSUES AND POLICY CONSIDERATIONS**

In past years, MHSA has been a target of budget solutions at the state level. MHSA funds are volatile and vary with economic conditions. MHSA revenues are distributed monthly as a percent of total income tax receipts. MHSA currently has cash reserves in excess of \$8 million.

**DEPARTMENT HEAD CONCURRENCE OR APPEAL**

The department head concurs with the recommended budget.

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**FINAL BOARD ACTION**

Adopted as presented in the proposed budget.

# MENTAL HEALTH

Fund 0080 Mental Health, Budget Unit 410

Donnell Ewert, M.P.H., Health and Human Services Agency Director

State Controller Schedules  
County Budget Act  
January 2010 Edition, revision #1

County of Shasta  
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Governmental Funds  
Fiscal Year 2014-15

Schedule 9

Budget Unit: 410 - MENTAL HEALTH (FUND 0080)  
Function: HEALTH & SANITATION  
Activity: MENTAL HEALTH

| Detail By Revenue Category<br>and Expenditure Object | 2012-13<br>Actuals  | 2013-14<br>Actual <input checked="" type="checkbox"/><br>Estimated <input type="checkbox"/> | 2014-15<br>Recommended | 2014-15<br>Adopted by<br>the Board of<br>Supervisors |
|------------------------------------------------------|---------------------|---------------------------------------------------------------------------------------------|------------------------|------------------------------------------------------|
| 1                                                    | 2                   | 3                                                                                           | 4                      | 5                                                    |
| REVENUE FROM MONEY & PROPERTY                        | (\$1,999)           | (\$7,878)                                                                                   | \$0                    | \$0                                                  |
| INTERGOVERNMENTAL REVENUES                           | \$17,859,341        | \$19,459,331                                                                                | \$21,819,442           | \$21,819,442                                         |
| CHARGES FOR SERVICES                                 | \$242,509           | \$340,548                                                                                   | \$560,000              | \$560,000                                            |
| MISCELLANEOUS REVENUES                               | \$29,674            | \$50,652                                                                                    | \$484,193              | \$484,193                                            |
| OTHR FINANCING SOURCES TRAN IN                       | \$1,648,845         | \$2,261,025                                                                                 | \$301,778              | \$301,778                                            |
| OTHER FINANCING SRC'S SALE C/A                       | \$0                 | \$3,695                                                                                     | \$0                    | \$0                                                  |
| <b>Total Revenues:</b>                               | <b>\$19,778,372</b> | <b>\$22,107,374</b>                                                                         | <b>\$23,165,413</b>    | <b>\$23,165,413</b>                                  |
| SALARIES AND BENEFITS                                | \$6,992,125         | \$6,610,237                                                                                 | \$8,069,877            | \$8,069,877                                          |
| SERVICES AND SUPPLIES                                | \$6,921,119         | \$3,228,124                                                                                 | \$3,187,132            | \$3,187,132                                          |
| OTHER CHARGES                                        | \$11,207,377        | \$11,473,720                                                                                | \$13,877,806           | \$13,877,806                                         |
| CAPITAL ASSETS                                       | \$0                 | \$42,644                                                                                    | \$90,000               | \$90,000                                             |
| INTRAFUND TRANSFERS                                  | (\$2,156,251)       | (\$1,814,878)                                                                               | (\$2,776,867)          | (\$2,776,867)                                        |
| OTHER FINANCING USES                                 | \$171,792           | \$185,984                                                                                   | \$0                    | \$0                                                  |
| <b>Total Expenditures/Appropriations:</b>            | <b>\$23,136,164</b> | <b>\$19,725,832</b>                                                                         | <b>\$22,447,948</b>    | <b>\$22,447,948</b>                                  |
| <b>Net Cost:</b>                                     | <b>\$3,357,792</b>  | <b>(\$2,381,542)</b>                                                                        | <b>(\$717,465)</b>     | <b>(\$717,465)</b>                                   |

## PROGRAM DESCRIPTION

Per statute, the role of County mental health services is to assist persons experiencing chronic and persistent mental illnesses, as well as children with serious emotional disturbances, to access services and programs to better manage their illness, achieve personal goals, and develop skills necessary to maintain recovery. For persons with Medi-Cal coverage, mental health services are largely provided under managed care (Mental Health Plan) that is administered by counties and currently overseen by State Department of Health Care Services.

Outpatient specialty mental health services for Medi-Cal eligible and indigent individuals are authorized by the County. These services are provided directly by staff and through contract providers. Funding is provided by a combination of state, federal, and local dollars, including Medi-Cal Federal Financial Participation (FFP), Mental Health realignment, private pay fees, insurance companies, and a County General Fund statutory Maintenance of Effort (MOE) contribution to receive Mental Health realignment.

Other areas of program significance include the continued provision of youth mental health services through the County's interagency child welfare system which includes a service and financial partnership between various HHS programs, as well as Shasta County Office of Education and Shasta County Probation. The provision of short and long-term involuntary treatment and residential services is also a responsibility of this budget unit for adults and a shared responsibility with Social Services for foster children with regard to treatment in residential facilities.

## BUDGET REQUESTS

The FY 2014-15 budget request includes projected revenues in the amount of \$23,165,413 and appropriations of \$22,447,948. The resulting \$717,465 surplus is proposed to restore Mental Health fund balance reserves as long as revenues perform as predicted.

Overall, salaries and benefits are projected at \$8,069,877, an increase of \$805,266 from the FY 2013-14 adjusted budget. This increase is due to a one time \$300,504 increase in other post-employment benefits (offset by \$484,193 in a revenue account for a one-time Risk Management refund) and an increase in salaries from filling positions previously held vacant in efforts to reduce high level placement costs.

Position Request/Changes are as follows:

- Mental Health Clinician I/II - will provide Wraparound services throughout Children's Services that allows more opportunity to divert youth from expensive group homes, stabilize them at entry into services, and keep kids from any form of placement care by assisting with the assessment of mental health treatment needs of families entering services. As this position works directly with youth in the Child Welfare Services system it is fully funded by Social Services revenue.
- Mental Health Clinician I/II - the primary role will be to provide crisis intervention and therapy to youth clients receiving medication services who have not been able to engage with an Organizational Provider, but have therapeutic issues that are making medical treatment less effective. The Clinician will have more flexibility in service delivery capacity to meet the needs of clients than the previous position.
- Add one Recreational Therapist I/II and delete one Community Mental Health Worker to cleanup a current underfill
- Add one Social Worker / Assistant Social Worker and delete a Social Worker for cleanup
- Deleting one Administrative Secretary II / Supervisor in 410 budget unit offset by adding one Office Assistant Supervisor to 411 budget unit for cleanup

As in previous years, the redirection of staff between Mental Health and Mental Health Services Act (MHSA) funded programs also impacts salaries and benefits. Staff routinely works in both Mental Health (BU 410) and MHSA (BU 404) budgets with their costs allocated based upon the client that they are serving, or the activities performed. In this manner, clients receive quality services without regard to the funding source. The cost of inpatient hospitalization and treatment in Institutes for Mental Diseases (IMDs) continues to be problematic. Reducing these costs, which are largely unreimbursed, has been a particular focus for the past several budget years. Despite that, the volume and severity of illness experienced by people coming into the system has increased substantially. Costs are projected to increase by more than \$1.7 million from the FY 2013-14 expenditures. The budget request includes the purchase of two vehicles to replace aged vehicles as well as one additional vehicle approved by the Community Corrections Program (AB109 funding used to purchase vehicle) to provide transportation for Mental Health Staff working directly with the Court as part of the Mental Health Court, with the goal of reducing recidivism. Mental Health Realignment funding will be used for fuel and maintenance of this additional vehicle.

Revenues in this budget are projected at \$23,165,413, an increase of approximately \$2.4 million from the FY 2013-14 adjusted budget. Revenues reflect an increase in realignment funds due to 2011 realignment growth, a proposed transfer from Social Services 1991 and 2011 realignment, totaling \$1,787,116, to Mental Health, a \$343,817 FY 2009-10 cost settlement, a \$1,855,814 FY 2010-11 cost settlement, and Medi-Cal revenue has also been increased by \$750,000 to reflect additional funding attributed to client services that will be reimbursable, as previously uninsured childless adults served in our system will fall into the expanded Medi-Cal population under health care reform. Additionally, HHSA is in the process of submitting a Medicare enrollment application for outpatient services, thus the FY 2014-15 budget includes revenue for services provided to those clients with Medicare and Medicare/Medi-Cal benefits that were not previously eligible for billing. The 2011 realignment of behavioral health programs shifted the State cost for the managed care contribution and matching funds for Medi-Cal covered mental health services for youth with dedicated sales tax funds. Programs previously provided under 1991 realignment were shifted to 2011 realignment and funding was augmented slightly. Under the 2011 realignment, Mental Health is preferentially treated in the distribution of growth funds after the Child Welfare funding restoration of \$200 million is paid.

Overall, the Mental Health fund could have a total fund balance of less than \$1 million by July 1, 2015. If anticipated revenues don't materialize, HHSA will need to consider taking additional action.

## SUMMARY OF RECOMMENDATIONS

The figures above include several recommended budget adjustments. Various modifications to salary and benefit accounts will ensure that the requested budget figures and the submitted salary/benefit worksheets match and reverse a classification change at the request of HHSA. There are some miscellaneous cleanup items due to adjustments in other HHSA cost centers. In addition, \$85,000 is added to reimburse Probation's cost of a Clinician at Oasis School.

## PENDING ISSUES AND POLICY CONSIDERATIONS

The HHSA budget request for FY 2014-15 includes a proposal to transfer approximately \$1.3 million from Social Services 1991 realignment and \$481,412 from Social Services 2011 realignment to Mental Health to offset a shortfall in the hospitalization and institutional care areas of the Mental Health budget as well as continued delays in receipt of cost settlement revenue. Since March 2012, costs for acute hospitalization and Institutes for Mental Diseases (IMDs) have stayed at the higher levels. Costs in these categories are projected to be approximately \$1 million higher in the current year and \$1.2 million higher in the budget year than the FY 2012-13 actual expenditures. Most of the IMD cost is ineligible for Medi-Cal reimbursement and, thus, must be supported within department realignment funds. Efforts to curb costs in this area have been somewhat successful and will continue, but the number of people presenting at local hospitals and the length of their treatment, due to seriousness of their illness, have made costs difficult to control.

Of significant concern is the responsibility for those with mild to moderate diagnosed mental health illnesses. Currently, services for this population are administered by health plans, while counties, through managed care, are responsible for those diagnosed with severe mental health illnesses. With the State's continuing efforts to divert costs to counties, discussions are occurring about shifting responsibility for those with mild to moderate diagnosed mental health illnesses to counties with no additional funding attached. Shasta County is working closely with the County Mental Health Directors Association (CMHDA) to participate in these ongoing discussions and ensure county mental health departments' are represented.

The "Katie A." lawsuit sought to improve the provision of mental health and supportive services for children and youth in, or at imminent risk of placement in, foster care in California. The court approved a settlement agreement on December 2, 2011, seeking to accomplish systemic change in the provision of mental health services to children and youth within the class by promoting, adopting, and endorsing new and expanded service approaches for Medi-Cal covered services. Included in the settlement agreement is implementation of Therapeutic Foster Care anticipated to begin later in 2014. Further, the provision of these intensive services to children and youth is determined by eligibility criteria established in the settlement agreement and address those foster youth that have significant needs. Some funding was provided through 2011 realignment to support the cost of expanded services required by the lawsuit. The Governor's FY 2014-15 "May Revision" includes a small placeholder of \$2 million to be used for potential statewide county administrative costs associated with semi-annual progress report requirements if the costs are considered "new" relative to Proposition 30 (passed in 2012), which requires the State to provide annual funding for newly required activities that have an overall effect of increasing county costs in realigned programs. Further discussions will occur between State and counties as there are many unanswered questions regarding funding the expanded services. HHSA is participating in and closely monitoring these discussions which include the California State Association of Counties (CSAC), County Welfare Directors Association of California (CWDA), and the County Mental Health Directors Association (CMHDA).

## DEPARTMENT HEAD CONCURRENCE OR APPEAL

The department head concurs with the recommended budget.

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## FINAL BOARD ACTION

Adopted as presented in the proposed budget.

# PUBLIC HEALTH

Fund 0196 Public Health, Budget Unit 411

Donnell Ewert, M.P.H., Health and Human Services Agency Director

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Schedule 9

**Budget Unit: 411 - PUBLIC HEALTH (FUND 0196)**

**Function: HEALTH & SANITATION**

**Activity: HEALTH**

| Detail By Revenue Category<br>and Expenditure Object | 2012-13<br>Actuals  | 2013-14                                    |                                    | 2014-15<br>Recommended | 2014-15<br>Adopted by<br>the Board of<br>Supervisors |
|------------------------------------------------------|---------------------|--------------------------------------------|------------------------------------|------------------------|------------------------------------------------------|
|                                                      |                     | Actual <input checked="" type="checkbox"/> | Estimated <input type="checkbox"/> |                        |                                                      |
| 1                                                    | 2                   | 3                                          | 4                                  | 5                      |                                                      |
| LICENSES, PERMITS & FRANCHISES                       | \$5,294             | \$5,449                                    | \$5,000                            | \$5,000                | \$5,000                                              |
| FINES, FORFEITURES & PENALTIES                       | \$2,000             | \$2,358                                    | \$1,500                            | \$1,500                | \$1,500                                              |
| REVENUE FROM MONEY & PROPERTY                        | \$6,622             | \$13,497                                   | \$1,500                            | \$1,500                | \$1,500                                              |
| INTERGOVERNMENTAL REVENUES                           | \$10,749,565        | \$12,880,366                               | \$11,796,647                       | \$11,796,647           | \$11,796,647                                         |
| CHARGES FOR SERVICES                                 | \$1,221,438         | \$950,992                                  | \$1,028,300                        | \$1,028,300            | \$1,028,300                                          |
| MISCELLANEOUS REVENUES                               | \$207,621           | \$287,530                                  | \$341,729                          | \$341,729              | \$341,729                                            |
| OTHR FINANCING SOURCES TRAN IN                       | \$44,924            | \$44,604                                   | \$36,125                           | \$36,125               | \$36,125                                             |
| <b>Total Revenues:</b>                               | <b>\$12,237,466</b> | <b>\$14,184,799</b>                        | <b>\$13,210,801</b>                | <b>\$13,210,801</b>    | <b>\$13,210,801</b>                                  |
| SALARIES AND BENEFITS                                | \$9,170,069         | \$8,765,026                                | \$10,199,050                       | \$10,199,050           | \$10,199,050                                         |
| SERVICES AND SUPPLIES                                | \$5,472,235         | \$5,337,789                                | \$6,652,150                        | \$6,652,150            | \$6,652,150                                          |
| OTHER CHARGES                                        | \$714,051           | \$611,023                                  | \$638,393                          | \$638,393              | \$638,393                                            |
| CAPITAL ASSETS                                       | \$27,895            | \$11,392                                   | \$125,000                          | \$125,000              | \$125,000                                            |
| INTRAFUND TRANSFERS                                  | (\$3,527,865)       | (\$3,033,956)                              | (\$3,774,816)                      | (\$3,774,816)          | (\$3,774,816)                                        |
| OTHER FINANCING USES                                 | \$88,978            | \$715,916                                  | \$29,025                           | \$29,025               | \$29,025                                             |
| <b>Total Expenditures/Appropriations:</b>            | <b>\$11,945,365</b> | <b>\$12,407,192</b>                        | <b>\$13,868,802</b>                | <b>\$13,868,802</b>    | <b>\$13,868,802</b>                                  |
| <b>Net Cost:</b>                                     | <b>(\$292,100)</b>  | <b>(\$1,777,607)</b>                       | <b>\$658,001</b>                   | <b>\$658,001</b>       | <b>\$658,001</b>                                     |

## PROGRAM DESCRIPTION

The purpose of Public Health is to work with the community to protect and improve health by actively promoting activities that prevent disease and injury before they occur, protecting maternal and child health, and controlling communicable diseases. As Public Health continues to maintain its focus on prevention, its role in protecting the public has become even more crucial with newly emerging diseases, the need to prepare for all types of emergencies, and the growing impact of chronic diseases on the population.

The budget unit includes essential public health services that assist in the creation of conditions for good health in the community. Three of the four divisions in the Public Health Branch and specific programs operated out of the Regional Services Branch are included in this budget unit. Additionally, the public health nursing function within the Adult and Children's Services Branches also resides in this budget unit.

## BUDGET REQUESTS

State statute mandates that the County General Fund contribute \$184,049 annually as a maintenance of effort (MOE) to obtain 1991 health realignment revenue. As in the past, the majority of the General Fund (\$147,924 for FY 2014-15) goes into Budget Unit 412 to support contracted Emergency Medical Services, maintain County hospital records, and provide a reserve for payment of indigent health claims that fall within Shasta County indigent aid and care standards. The remaining County General Fund contribution (\$36,125) supports activities in the main Public Health budget (BU 411). The total expenditure request for

Public Health is \$13,868,802, an increase of \$817,340 from the FY 2013-14 adjusted budget. This increase reflects a one-time increase to other post-employment benefits of \$411,113 (partially offset by one-time Risk Management revenue of \$262,786), increased professional services related to Homeland Security activities, and additional costs for administering the programs.

Position Requests/Changes are as follows:

- Public Health Nutritionist - to provide registered dietitian services to In-Home Supportive Services (IHSS) recipients to improve client health outcomes; the position cost will be fully reimbursable by federal and state funding through Social Services.
- Add one Program and Policy Analyst and delete one Public Health Nurse I/II/Registered Nurse. The Program and Policy Analyst will coordinate activities for the national Public Health Accreditation process.
- Add one Typist Clerk I/II and delete one Nutrition Assistant I/II/III for cleanup
- Add one Office Assistant Supervisor and delete one Administrative Secretary II/Supervisor in budget unit 410 for cleanup
- Add one Public Health Nurse II/III and delete one Public Health Nurse II/III in budget unit 417 for cleanup

As in previous years, the budget includes fixed asset requests of \$75,000 as a placeholder to allow the purchase of replacement laboratory equipment quickly should aging equipment become inoperable. This authority will be utilized only if the equipment fails and cannot reasonably be repaired. The budget also includes the addition of two new vehicles for Regional Services, including activities for the Nurse Family Partnership home visit based program as well as Medi-Cal outreach activities and the CalFresh Farmers' Markets projects.

Public Health's largest single revenue stream continues to be 1991 Public Health realignment, which is made up of Vehicle License Fees (VLF) and Sales Tax (ST). Although this funding stream has seen a steady decline as a result of the recession since FY 2007-08, in FY 2012-13 VLF reached its base allocation with strong growth, which was received in FY 2013-14. However, under AB85, beginning in FY 2013-14 a portion of health realignment and growth has been redirected to support the State's share of cost for CalWORKs payments as well as State and County costs associated with increases to the CalWORKs maximum assistance payment (MAP). This redirection of funding will significantly limit the amount of Public Health growth received in the future. Revenue from other governmental sources is expected to decrease slightly in the budget year, mainly due to the loss of Community Transformation Grant funding and reduced Medical Administrative Activities (MAA) claiming.

Overall, the department projects utilization of department reserves in the amount of \$658,001 in the budget year. At this time, Public Health has sufficient reserves to support this level of deficit spending, and deficits have not in previous years materialized to the extent budgeted.

#### **SUMMARY OF RECOMMENDATIONS**

The CEO concurs with the requested budget.

#### **PENDING ISSUES AND POLICY CONSIDERATIONS**

A pressing issue for Public Health has been the State's approach to funding services under the expansion of Medi-Cal services as a part of health care reform and the changes to 1991 realignment with approval of AB85. The growth formula in 1991 health realignment has been changed due to the State taking responsibility for much of the indigent health care population through the Medi-Cal expansion which was implemented January 1, 2014. It will not be clear until September 2014, when FY 2013-14 growth calculations are released, how this change in the formula will impact growth payments into the future.

The Women, Infants, and Children (WIC) program plans to enter into a one-year contract with the State for the period covering October 1, 2014 to September 30, 2015 (Federal Fiscal Year 2015) as federal funding is passed through the State to Shasta County. Caseload and dollar amounts included in the current contract will be utilized for this purpose. Effective October 1, 2015 (Federal Fiscal Year 2016), California's contracting rules will require contracts be procured through a competitive process that

includes program standards and requirements. The State is in the process of developing the Request for Application (RFA) for the competitive process, with the intent to award three-year contracts through the RFA process. Essentially, HHSA could have to compete to continue to provide WIC services in Shasta County. HHSA will work diligently to ensure WIC services continue and will closely monitor this process as it evolves.

**DEPARTMENT HEAD CONCURRENCE OR APPEAL**

The department head concurs with the recommended budget.

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**FINAL BOARD ACTION**

Adopted as presented in the proposed budget.

**PUBLIC HEALTH-HEALTH SERVICES**  
**Fund 0196 Public Health, Budget Unit 412**  
**Donnell Ewert, M.P.H., Health and Human Services Agency Director**

State Controller Schedules  
 County Budget Act  
 January 2010 Edition, revision #1

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Schedule 9

**Budget Unit: 412 - SHASTA COUNTY HEALTH CARE (FUND 0196)**  
**Function: HEALTH & SANITATION**  
**Activity: MEDICAL CARE**

| Detail By Revenue Category<br>and Expenditure Object | 2012-13<br>Actuals | 2013-14                                    |                                    | 2014-15<br>Recommended | 2014-15<br>Adopted by<br>the Board of<br>Supervisors |
|------------------------------------------------------|--------------------|--------------------------------------------|------------------------------------|------------------------|------------------------------------------------------|
|                                                      |                    | Actual <input checked="" type="checkbox"/> | Estimated <input type="checkbox"/> |                        |                                                      |
| 1                                                    | 2                  | 3                                          | 4                                  | 5                      |                                                      |
| INTERGOVERNMENTAL REVENUES                           | \$5,361,013        | \$0                                        | \$0                                | \$0                    | \$0                                                  |
| CHARGES FOR SERVICES                                 | \$49,451           | \$49,446                                   | \$89,514                           | \$89,514               | \$89,514                                             |
| OTHR FINANCING SOURCES TRAN IN                       | \$433,494          | \$433,812                                  | \$442,293                          | \$442,293              | \$442,293                                            |
| <b>Total Revenues:</b>                               | <b>\$5,843,958</b> | <b>\$483,258</b>                           | <b>\$531,807</b>                   | <b>\$531,807</b>       | <b>\$531,807</b>                                     |
| SALARIES AND BENEFITS                                | \$0                | \$435                                      | \$0                                | \$0                    | \$0                                                  |
| SERVICES AND SUPPLIES                                | \$62,414           | \$58,222                                   | \$181,742                          | \$181,742              | \$181,742                                            |
| OTHER CHARGES                                        | \$5,742,535        | \$380,675                                  | \$383,107                          | \$383,107              | \$383,107                                            |
| INTRAFUND TRANSFERS                                  | \$0                | \$0                                        | (\$71,292)                         | (\$71,292)             | (\$71,292)                                           |
| APPROP FOR CONTINGENCY                               | \$0                | \$0                                        | \$30,000                           | \$30,000               | \$30,000                                             |
| <b>Total Expenditures/Appropriations:</b>            | <b>\$5,804,949</b> | <b>\$439,334</b>                           | <b>\$523,557</b>                   | <b>\$523,557</b>       | <b>\$523,557</b>                                     |
| <b>Net Cost:</b>                                     | <b>(\$39,008)</b>  | <b>(\$43,924)</b>                          | <b>(\$8,250)</b>                   | <b>(\$8,250)</b>       | <b>(\$8,250)</b>                                     |

**PROGRAM DESCRIPTION**

The Health Services budget accounts for the cost of the County Medical Services Program (CMSP), a program to support medical care costs for indigent county residents, contingency reserve for medically indigent adults who do not qualify for CMSP, the cost of the County's contract with Sierra-Sacramento Valley Emergency Medical Services (SSV-EMS) to provide statutorily required regulatory oversight of EMS services, and the cost associated with operating, maintaining, and replacing equipment for the Shasta County EMS communication system. In addition, this budget contains costs related to the maintenance of Shasta General Hospital records since the hospital's closure in 1987, including requests for copies of records, subpoenas, lien payments, correspondence and purging of files.

Costs in this program are supported by fees charged to ambulance providers and base hospitals for maintenance of the EMS communications system as well as a portion of the County General Fund maintenance of effort (MOE) required to secure Public Health realignment, and the statutory County General Fund payment of the CMSP participation fee.

**BUDGET REQUESTS**

The budget request includes the cost of the SSV-EMS contract of \$87,000, consistent with the FY 2013-14 actual cost of this contract. The budget includes the costs of operating and maintaining EMS communication system equipment along with offsetting fee revenue. Revenues in excess of projected expenditures in the amounts of \$72,336 and \$8,250 for the current and budget years, respectively, will be held in reserve for future EMS-related equipment replacement. This budget also continues the lease of space in central Redding for hospital records storage. The CMSP participation fee is set in statute and is supported entirely by a statutory County General Fund contribution of \$294,369. Also included is \$30,000 in a Contingency Reserve account for health care claims for medically indigent adults that are not CMSP-

eligible but fall within the County's Welfare and Institutions Code §17000 obligation. No claims have been processed for these costs in FY 2013-14, however claims can arise without warning, and the County must be prepared to pay them.

**SUMMARY OF RECOMMENDATIONS**

A net zero adjustment was made to move the statutory County General Fund contribution of \$294,369 and the \$147,924 CMSP participation fee into the same account code.

**PENDING ISSUES AND POLICY CONSIDERATIONS**

With the implementation of the Patient Protection and Affordable Care Act (ACA) on January 1, 2014, many clients who were considered "medically indigent" qualified for Medi-Cal coverage paid for 100% by the federal government. As of February 28, 2014, the number of Shasta County residents covered by CMSP decreased from 5,000 to less than 100. A pressing issue for Public Health has been the State's approach to funding services under the expansion of Medi-Cal services as a part of health care reform and the changes to 1991 realignment with approval of AB85. Although, during the first three years of the ACA expansion, the federal government pays 100 percent of the cost of services to the expanded population, the State has diverted funds (\$5.36 million) previously paid by Shasta County to CMSP to pay for other State health care obligations (the requested budget does not include \$5.36 million in expenditures or revenues due to this diversion of funding). During the years following, federal matching will fall to 95 percent and then decline each year ultimately to 90 percent. As a CMSP county, it is anticipated that Shasta would continue to utilize their network to cover a residual population of individuals' medical needs.

**DEPARTMENT HEAD CONCURRENCE OR APPEAL**

The department head concurs with the recommended budget.

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**FINAL BOARD ACTION**

Adopted as presented in the proposed budget.

# PUBLIC HEALTH-CALIFORNIA CHILDREN'S SERVICES

Fund 0196 Public Health, Budget Unit 417

Donnell Ewert, M.P.H., Health and Human Services Agency Director

State Controller Schedules  
County Budget Act  
January 2010 Edition, revision #1

County of Shasta  
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Schedule 9

Budget Unit: 417 - CALIFORNIA CHILDRENS SERVICES (FUND 0196)

Function: HEALTH & SANITATION

Activity: CALIFORNIA CHILDRENS SERVICES

| Detail By Revenue Category<br>and Expenditure Object | 2012-13<br>Actuals | 2013-14                                    |                                    | 2014-15<br>Recommended | 2014-15<br>Adopted by<br>the Board of<br>Supervisors |
|------------------------------------------------------|--------------------|--------------------------------------------|------------------------------------|------------------------|------------------------------------------------------|
|                                                      |                    | Actual <input checked="" type="checkbox"/> | Estimated <input type="checkbox"/> |                        |                                                      |
| 1                                                    | 2                  | 3                                          | 4                                  | 5                      |                                                      |
| INTERGOVERNMENTAL REVENUES                           | \$1,815,384        | \$1,671,424                                | \$2,074,303                        | \$2,074,303            |                                                      |
| CHARGES FOR SERVICES                                 | \$2,794            | \$4,105                                    | \$200                              | \$200                  |                                                      |
| MISCELLANEOUS REVENUES                               | \$199              | \$2,526                                    | \$41,359                           | \$41,359               |                                                      |
| OTHR FINANCING SOURCES TRAN IN                       | \$131,171          | \$131,171                                  | \$131,171                          | \$131,171              |                                                      |
| <b>Total Revenues:</b>                               | <b>\$1,949,550</b> | <b>\$1,809,226</b>                         | <b>\$2,247,033</b>                 | <b>\$2,247,033</b>     |                                                      |
| SALARIES AND BENEFITS                                | \$1,312,546        | \$1,323,412                                | \$1,692,455                        | \$1,692,455            |                                                      |
| SERVICES AND SUPPLIES                                | \$287,522          | \$350,421                                  | \$424,308                          | \$424,308              |                                                      |
| OTHER CHARGES                                        | \$126,716          | \$191,499                                  | \$376,555                          | \$376,555              |                                                      |
| <b>Total Expenditures/Appropriations:</b>            | <b>\$1,726,785</b> | <b>\$1,865,332</b>                         | <b>\$2,493,318</b>                 | <b>\$2,493,318</b>     |                                                      |
| <b>Net Cost:</b>                                     | <b>(\$222,764)</b> | <b>\$56,106</b>                            | <b>\$246,285</b>                   | <b>\$246,285</b>       |                                                      |

## PROGRAM DESCRIPTION

California Children's Services (CCS) is a state-mandated program which provides diagnostic, treatment, case management, and therapy services for children and young adults aged less than 21 years with severe disabilities/diseases that may be improved or corrected with special medical and therapy services. Low and moderate-income families are assisted with medical expenses associated with caring for their disabled children.

## BUDGET REQUESTS

The FY 2014-15 expenditure request represents an increase of approximately \$203,613 from the FY 2013-14 adjusted budget, predominantly due to an increase in administrative charges and a one-time increase in other post-employment benefits of \$58,703 (partially offset by one-time Risk Management revenue of \$40,359). One Public Health Nurse II/III position will be deleted, offset by adding one in budget unit 411 for cleanup. The FY 2014-15 revenues have been projected based on the current FY 2013-14 state allocation. This program is funded by Social Services realignment revenue, categorical state funding, Medi-Cal fee for service, Public Health reserves, and a County General Fund contribution of \$131,171, the same level as previous years. The county share of cost in this program continues to outpace available Social Services realignment funding for this program, and Public Health is currently using fund balance reserves to fund the increased county cost to operate the CCS program.

## SUMMARY OF RECOMMENDATIONS

The CEO concurs with the requested budget.

**PENDING ISSUES AND POLICY CONSIDERATIONS**

CCS operates under Public Health oversight and staff continues to closely monitor expenditures for both administrative and diagnostic and treatment services. As in previous years, these costs are somewhat unpredictable due to fluctuations in Medi-Cal client ratios and varying high-risk medical needs among CCS children. Therefore, due to the possibility of additional medical care costs, increased Medi-Cal caseload, particularly related to the implementation of Health Care Reform, and the decline in prior years of 1991 realignment revenues, Public Health bears the risk for the additional costs.

**DEPARTMENT HEAD CONCURRENCE OR APPEAL**

The department head concurs with the recommended budget.

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**FINAL BOARD ACTION**

Adopted as presented in the proposed budget.

**MENTAL HEALTH-ALCOHOL AND DRUG PROGRAMS**  
**Fund 0080 Mental Health, Budget Unit 422**  
**Donnell Ewert, M.P.H., Health and Human Services Agency Director**

State Controller Schedules  
 County Budget Act  
 January 2010 Edition, revision #1

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Schedule 9

**Budget Unit: 422 - ALCOHOL & DRUG PROGRAMS (FUND 0080)**  
**Function: HEALTH & SANITATION**  
**Activity: DRUG & ALCOHOL ABUSE SERVICES**

| Detail By Revenue Category<br>and Expenditure Object | 2012-13<br>Actuals | 2013-14                                    |                                    | 2014-15<br>Recommended | 2014-15<br>Adopted by<br>the Board of<br>Supervisors |
|------------------------------------------------------|--------------------|--------------------------------------------|------------------------------------|------------------------|------------------------------------------------------|
|                                                      |                    | Actual <input checked="" type="checkbox"/> | Estimated <input type="checkbox"/> |                        |                                                      |
| 1                                                    | 2                  | 3                                          | 4                                  | 5                      |                                                      |
| FINES, FORFEITURES & PENALTIES                       | \$22,802           | \$23,638                                   | \$23,300                           | \$23,300               | \$23,300                                             |
| REVENUE FROM MONEY & PROPERTY                        | \$86               | \$0                                        | \$0                                | \$0                    | \$0                                                  |
| INTERGOVERNMENTAL REVENUES                           | \$2,263,213        | \$2,627,686                                | \$3,154,298                        | \$3,154,298            | \$3,154,298                                          |
| CHARGES FOR SERVICES                                 | \$16,824           | \$21,395                                   | \$21,060                           | \$21,060               | \$21,060                                             |
| MISCELLANEOUS REVENUES                               | \$0                | \$17,417                                   | \$31,795                           | \$31,795               | \$31,795                                             |
| OTHR FINANCING SOURCES TRAN IN                       | \$3,195            | \$3,195                                    | \$3,195                            | \$3,195                | \$3,195                                              |
| OTHER FINANCING SRCS SALE C/A                        | \$525              | \$0                                        | \$0                                | \$0                    | \$0                                                  |
| <b>Total Revenues:</b>                               | <b>\$2,306,646</b> | <b>\$2,693,332</b>                         | <b>\$3,233,648</b>                 | <b>\$3,233,648</b>     | <b>\$3,233,648</b>                                   |
| SALARIES AND BENEFITS                                | \$1,056,707        | \$936,307                                  | \$1,142,516                        | \$1,142,516            | \$1,142,516                                          |
| SERVICES AND SUPPLIES                                | \$972,087          | \$712,684                                  | \$923,422                          | \$923,422              | \$923,422                                            |
| OTHER CHARGES                                        | \$605,483          | \$944,464                                  | \$1,255,663                        | \$1,255,663            | \$1,255,663                                          |
| CAPITAL ASSETS                                       | \$0                | \$0                                        | \$20,000                           | \$20,000               | \$20,000                                             |
| INTRAFUND TRANSFERS                                  | (\$1,344)          | (\$108)                                    | (\$1,000)                          | (\$1,000)              | (\$1,000)                                            |
| <b>Total Expenditures/Appropriations:</b>            | <b>\$2,632,934</b> | <b>\$2,593,347</b>                         | <b>\$3,340,601</b>                 | <b>\$3,340,601</b>     | <b>\$3,340,601</b>                                   |
| <b>Net Cost:</b>                                     | <b>\$326,287</b>   | <b>(\$99,985)</b>                          | <b>\$106,953</b>                   | <b>\$106,953</b>       | <b>\$106,953</b>                                     |

**PROGRAM DESCRIPTION**

The Alcohol and Drug Program (ADP) mission is to improve the quality of life in Shasta County by reducing the impact and incidence of alcohol and other drug use, misuse and abuse. The program provides prevention, intervention and treatment services embedded throughout HHSA programs, and through community contract providers. Outpatient counseling services are available to those in need of substance abuse treatment. Specialized treatment programs are offered for adolescents, seniors, and individuals with co-existing conditions of mental illness and substance abuse dependence. Residential alcohol and drug treatment is provided through contracts with local providers.

**BUDGET REQUESTS**

The FY 2014-15 appropriation request is \$3,340,601, an increase of \$632,103 from the FY 2013-14 budget. The increase is predominantly attributed to increases in residential alcohol and drug treatment contracted services, including sober living services. With the expansion of healthcare insurance access and treatment benefits, the HHSA is reducing direct treatment activities to adults in order to provide more resources for community-based treatment programs that are Medi-Cal certified. Also, services and supplies expenditures include charges for a clinical position supporting new responsibilities for service authorizations, utilization review, site certification, chart audits, and provider site visits. One replacement vehicle is requested.

Position Requests/Changes are as follows:

- Add two Community Mental Health Worker positions for the Behavioral Health Team to monitor the level of client functioning and allow for the least restrictive setting through home visits and referrals to/from other agencies. Both positions will be 100 percent funded by State CalWORKS.
- Adding one Community Mental Health Worker in budget unit 422 offset by deleting one Business Office Clerk in budget unit 502 for cleanup
- Deleting one Typist Clerk I/II in budget unit 422 offset by adding one Typist Clerk I/II to budget unit 502 so cost can be spread to all HHSA branches according to time allocation.
- Deleting one Social Worker / Assistant Social Worker in budget unit 422 offset by adding one Social Worker / Assistant Social Worker in budget unit 501 for Adult Protective Services programs.

Revenue in this cost center is expected to be \$3,233,648, an increase of \$775,054 from the FY 2013-14 budget. ADP contains several programs that were realigned in 2011 through the state budget process. State funding for Drug Medi-Cal, Drug Court, non Medi-Cal Alcohol and Drug Services, and Perinatal Drug services was eliminated and replaced with dedicated sales tax revenues. General fund of \$3,195 is requested at the FY 2013-14 level, which combines with realigned funds to draw down the federal revenues. Realignment funding appears to be flowing consistent with FY 2013-14 and slightly better than the state revenue it replaced, with additional growth included in the FY 2014-15 request based on increased state-wide sales tax revenue. The Medi-Cal expansion population's treatment services, and the state's expanded treatment benefits, are reimbursed 100% by the federal and state governments through 2017 with no county cost. The HHSA staff will continue to monitor this revenue closely to ensure that it is sufficient to fund planned activities and make expenditure adjustments if necessary. A budget deficit in this program of \$106,953 is proposed to be absorbed by fund balance reserves, which are sufficient to sustain this level of fund balance draw.

#### **SUMMARY OF RECOMMENDATIONS**

The figures above represent minor miscellaneous adjustments into the correct account code.

#### **PENDING ISSUES AND POLICY CONSIDERATIONS**

Through the 2011 Public Safety Realignment, responsibility for Alcohol and Drug program activities passed to the counties with a share of state sales tax to replace the state general fund contribution. Among the programs realigned is responsibility for Drug Medi-Cal, a federal entitlement. Because this entitlement can expand rapidly with health care reform and parity laws, it presents a financial risk to the county in future years. Restricting access to drug and alcohol treatment due to limited treatment dollars, on the other hand, may increase law enforcement costs, incarceration costs, losses to local businesses, and medical treatment costs due to injuries caused by intoxicated individuals. The HHSA is advocating for appropriate funding to support growing costs and will be monitoring how 2011 realignment will be structured into the future to protect county liability.

#### **DEPARTMENT HEAD CONCURRENCE OR APPEAL**

The department head concurs with the recommended budget.

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#### **FINAL BOARD ACTION**

Adopted as presented in the proposed budget.

# MENTAL HEALTH-SUBSTANCE ABUSE & CRIME PREVENTION PROGRAM

Fund 0189 Substance Abuse Crime Prevention, Budget Unit 424  
 Donnell Ewert, M.P.H., Health and Human Services Agency Director

State Controller Schedules  
 County Budget Act  
 January 2010 Edition, revision #1

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Schedule 9

**Budget Unit: 424 - SUBSTANCE ABUSE CRIME PREVENT (FUND 0189)**  
**Function: HEALTH & SANITATION**  
**Activity: DRUG & ALCOHOL ABUSE SERVICES**

| Detail By Revenue Category<br>and Expenditure Object | 2012-13<br>Actuals | 2013-14                                    |                                    | 2014-15<br>Recommended | 2014-15<br>Adopted by<br>the Board of<br>Supervisors |
|------------------------------------------------------|--------------------|--------------------------------------------|------------------------------------|------------------------|------------------------------------------------------|
|                                                      |                    | Actual <input checked="" type="checkbox"/> | Estimated <input type="checkbox"/> |                        |                                                      |
| 1                                                    | 2                  | 3                                          | 4                                  | 5                      |                                                      |
| REVENUE FROM MONEY & PROPERTY                        | (\$179)            | \$0                                        | \$0                                | \$0                    | \$0                                                  |
| <b>Total Revenues:</b>                               | <b>(\$179)</b>     | <b>\$0</b>                                 | <b>\$0</b>                         | <b>\$0</b>             | <b>\$0</b>                                           |
| <b>Total Expenditures/Appropriations:</b>            | <b>\$0</b>         | <b>\$0</b>                                 | <b>\$0</b>                         | <b>\$0</b>             | <b>\$0</b>                                           |
| <b>Net Cost:</b>                                     | <b>\$179</b>       | <b>\$0</b>                                 | <b>\$0</b>                         | <b>\$0</b>             | <b>\$0</b>                                           |

## PROGRAM DESCRIPTION

On November 7, 2000, Californians passed Proposition 36, the Substance Abuse and Crime Prevention Act of 2000 (SACPA). This initiative mandated that any person convicted of a nonviolent drug possession offense and any parolee determined by the Parole Authority to have committed a nonviolent drug possession offense (or violated any other drug-related condition of parole) would be diverted from incarceration into licensed or certified community-based drug treatment programs.

In FY 2009-10 and FY 2010-11 the state failed to fund this program, and funding is not projected to be restored since the state considered this unfunded program realigned to counties in 2011.

## BUDGET REQUESTS

Reserves in the SACPA fund (fund 0189) were anticipated to be depleted by the end of FY 2011-12, however, a slight carryover in funding to FY 2012-13 occurred.

There is no activity in this budget for FY 2014-15.

## PENDING ISSUES AND POLICY CONSIDERATIONS

None.

## DEPARTMENT HEAD CONCURRENCE OR APPEAL

The department head concurs with the recommended budget.

## FINAL BOARD ACTION

Adopted as presented in the proposed budget.

**MENTAL HEALTH-PERINATAL PROGRAM**  
**Fund 0080 Mental Health, Budget Unit 425**  
**Donnell Ewert, M.P.H., Health and Human Services Agency Director**

State Controller Schedules  
 County Budget Act  
 January 2010 Edition, revision #1

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Schedule 9

**Budget Unit: 425 - PERINATAL (FUND 0080)**  
**Function: HEALTH & SANITATION**  
**Activity: DRUG & ALCOHOL ABUSE SERVICES**

| Detail By Revenue Category<br>and Expenditure Object | 2012-13<br>Actuals | 2013-14                                    |                                    | 2014-15<br>Recommended | 2014-15<br>Adopted by<br>the Board of<br>Supervisors |
|------------------------------------------------------|--------------------|--------------------------------------------|------------------------------------|------------------------|------------------------------------------------------|
|                                                      |                    | Actual <input checked="" type="checkbox"/> | Estimated <input type="checkbox"/> |                        |                                                      |
| 1                                                    | 2                  | 3                                          | 4                                  | 5                      |                                                      |
| INTERGOVERNMENTAL REVENUES                           | \$616,121          | \$587,786                                  | \$592,652                          | \$592,652              |                                                      |
| CHARGES FOR SERVICES                                 | \$0                | \$28                                       | \$0                                | \$0                    |                                                      |
| MISCELLANEOUS REVENUES                               | \$157,944          | \$1,003                                    | \$6,185                            | \$6,185                |                                                      |
| OTHR FINANCING SOURCES TRAN IN                       | \$15,017           | \$15,017                                   | \$15,017                           | \$15,017               |                                                      |
| <b>Total Revenues:</b>                               | <b>\$789,082</b>   | <b>\$603,835</b>                           | <b>\$613,854</b>                   | <b>\$613,854</b>       |                                                      |
| SALARIES AND BENEFITS                                | \$438,261          | \$432,280                                  | \$571,014                          | \$571,014              |                                                      |
| SERVICES AND SUPPLIES                                | \$124,088          | \$157,435                                  | \$245,556                          | \$245,556              |                                                      |
| OTHER CHARGES                                        | \$47,298           | \$26,990                                   | \$132,050                          | \$132,050              |                                                      |
| INTRAFUND TRANSFERS                                  | (\$33,115)         | (\$14,336)                                 | (\$20,000)                         | (\$20,000)             |                                                      |
| <b>Total Expenditures/Appropriations:</b>            | <b>\$576,532</b>   | <b>\$602,369</b>                           | <b>\$928,620</b>                   | <b>\$928,620</b>       |                                                      |
| <b>Net Cost:</b>                                     | <b>(\$212,549)</b> | <b>(\$1,466)</b>                           | <b>\$314,766</b>                   | <b>\$314,766</b>       |                                                      |

**PROGRAM DESCRIPTION**

The Perinatal Substance Abuse Prevention Program provides a full range of specialized treatment services to substance dependent women who are pregnant or who have children aged less than 18 years. In addition to alcohol and drug day-treatment services, intensive case management, childcare, transportation, and parenting classes are offered. The Perinatal Program promotes a drug-free lifestyle with an emphasis on developing a strong mother/child relationship.

Funding for services is a combination of Perinatal State General Fund, Federal Substance Abuse Prevention and Treatment Block Grant Perinatal Set-Aside funds, Federal Drug Medi-Cal, and 2011 Realignments funds that are allocated to Shasta County specifically for women's perinatal services.

Substance abuse is one of the leading causes of child neglect, and continued close coordination with HHS Children and Family Services helps to reduce out of home placement of children. In FY 2012-13, enhanced coordination with community substance abuse providers occurred resulting in more beds for detoxification and short-term residential treatment for eligible women. In addition, outpatient treatment was added as a treatment option through a contracted provider.

**BUDGET REQUESTS**

Overall expenditures are projected at \$928,620, an increase of \$228,405 from the FY 2013-14 adjusted budget. The increase is due to a combination of increased staffing costs, increased testing of clients, replacing outdated computers, and increased on-site training for staff. The budget includes a request for one Community Mental Health Worker position to provide clerical support to the Perinatal and CalWORKS Behavioral Health Team programs.

County General Fund support is requested at \$15,017 as a continuing County Maintenance of Effort (MOE) match cost. State general fund contribution for this program was realigned to counties as part of 2011 Public Safety Realignment and it appears that realignment revenue remains consistent with previous state funding. Overall, a deficit of \$314,766 in the budget year is projected, which will come from Mental Health fund balance.

**SUMMARY OF RECOMMENDATIONS**

The CEO concurs with the requested budget.

**PENDING ISSUES AND POLICY CONSIDERATIONS**

Some issues surrounding 2011 realignment remain unresolved, including the impact of realigned responsibility for Drug Medi-Cal services. Since Drug Medi-Cal was realigned to counties, the counties have taken on a significant federal entitlement program, without guarantee that realignment funds will grow commensurately with program costs. Funds may have to be diverted from Perinatal and other mental health programs in future years to fund Drug Medi-Cal services should realignment revenues fail to fully support services, which could potentially escalate costs in other programs such as mental health and child welfare.

**DEPARTMENT HEAD CONCURRENCE OR APPEAL**

The department head concurs with the recommended budget.

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**FINAL BOARD ACTION**

Adopted as presented in the proposed budget.

# SOCIAL SERVICES

Fund 0140 Social Services, Budget Unit 501

Donnell Ewert, M.P.H., Health and Human Services Agency Director

State Controller Schedules  
County Budget Act  
January 2010 Edition, revision #1

County of Shasta  
Financing Sources and Uses by Budget Unit by Object  
Governmental Funds  
Fiscal Year 2014-15

Schedule 9

**Budget Unit: 501 - SOCIAL SERVICES ADMINISTRATION (FUND 0140)**

**Function: PUBLIC ASSISTANCE**

**Activity: PUBLIC ASSISTANCE ADMIN**

| Detail By Revenue Category<br>and Expenditure Object | 2012-13<br>Actuals   | 2013-14<br>Actual <input checked="" type="checkbox"/><br>Estimated <input type="checkbox"/> | 2014-15<br>Recommended | 2014-15<br>Adopted by<br>the Board of<br>Supervisors |
|------------------------------------------------------|----------------------|---------------------------------------------------------------------------------------------|------------------------|------------------------------------------------------|
| 1                                                    | 2                    | 3                                                                                           | 4                      | 5                                                    |
| REVENUE FROM MONEY & PROPERTY                        | \$3,140              | \$14,710                                                                                    | \$0                    | \$0                                                  |
| INTERGOVERNMENTAL REVENUES                           | \$47,155,699         | \$50,937,928                                                                                | \$51,750,797           | \$51,750,797                                         |
| CHARGES FOR SERVICES                                 | \$54,656             | \$47,565                                                                                    | \$49,326               | \$49,326                                             |
| MISCELLANEOUS REVENUES                               | \$498,913            | \$163,536                                                                                   | \$1,341,445            | \$1,341,445                                          |
| OTHR FINANCING SOURCES TRAN IN                       | \$1,180,968          | \$1,180,968                                                                                 | \$1,216,397            | \$1,216,397                                          |
| OTHER FINANCING SRCS SALE C/A                        | \$9,829              | \$13,414                                                                                    | \$0                    | \$0                                                  |
| <b>Total Revenues:</b>                               | <b>\$48,903,208</b>  | <b>\$52,358,122</b>                                                                         | <b>\$54,357,965</b>    | <b>\$54,357,965</b>                                  |
| SALARIES AND BENEFITS                                | \$25,850,313         | \$27,160,242                                                                                | \$32,564,901           | \$32,564,901                                         |
| SERVICES AND SUPPLIES                                | \$13,670,237         | \$13,478,677                                                                                | \$18,347,653           | \$18,347,653                                         |
| OTHER CHARGES                                        | \$4,794,060          | \$5,254,923                                                                                 | \$6,796,593            | \$6,796,593                                          |
| CAPITAL ASSETS                                       | \$48,215             | \$199,921                                                                                   | \$507,000              | \$507,000                                            |
| INTRAFUND TRANSFERS                                  | (\$818,171)          | (\$839,633)                                                                                 | (\$957,944)            | (\$957,944)                                          |
| OTHER FINANCING USES                                 | \$1,237,254          | \$1,238,542                                                                                 | \$0                    | \$0                                                  |
| <b>Total Expenditures/Appropriations:</b>            | <b>\$44,781,911</b>  | <b>\$46,492,674</b>                                                                         | <b>\$57,258,203</b>    | <b>\$57,258,203</b>                                  |
| <b>Net Cost:</b>                                     | <b>(\$4,121,296)</b> | <b>(\$5,865,448)</b>                                                                        | <b>\$2,900,238</b>     | <b>\$2,900,238</b>                                   |

## PROGRAM DESCRIPTION

Through its Social Services budget, the HHSA administers a variety of human service programs that promote the welfare of persons in Shasta County through crisis intervention and protection functions, prevention services, income maintenance, and employment and training programs. The Social Services budget funds the salary and benefits of casework and support staff, Social Services program administration, and operating expenses necessary to carry out the programs, which include:

- CalWORKs/Welfare to Work
- Eligibility Services for Medi-Cal, CalFresh, and County Medical Services Program,
- Child Protective Services
- Adoptions
- Foster Home Licensing & Placement
- Adult Protective Services
- In-Home Supportive Services

These federal and state mandated safety net services are critical to ensure that our children and adults receive services necessary to promote safety and stability. Eligibility services help individuals and families access income supports, food and medical care. Employment services help individuals to achieve and maintain employment, a key component of self-sufficiency and economic and social well-being.

Operation of Social Service programs is funded by a combination of federal and state revenues, Social Services realignment, charges for services and miscellaneous revenues, and a statutorily required County

General Fund contribution. Social Service fund balance reserves are proposed to be used to balance the budget.

## **BUDGET SUMMARY**

Social Services enters FY 2014-15 with a projected fund balance of approximately \$8 million. The requested FY 2014-15 budget submission reflects a budget deficit of \$2.9 million, which can be sustained with existing reserves. Coupled with the offset by reconciliation of General Assistance (BU 540), the total fund balance draw will be approximately \$3.3 million. This will leave Social Services with just under \$4.8 million in reserves at the end of FY 2014-15.

The Social Services budget continues to tackle budget and programmatic challenges in FY 2014-15. Sales tax realignment revenue is expected to continue to grow in FY 2014-15 due to an improved economy, and the growth in revenue will fund final repayment of prior years' unpaid caseload growth. Under 1991 realignment, Social Services programs receive payment for the increasing cost of operating entitlement programs by allocation of excess revenues to pay these costs before general growth payments are made. These realignment revenues, as well as other county resources and state allocations, are used to draw down federal matching revenues that sustain programs. For the realigned programs, the county share is made up of a combination of realignment and County General Fund dollars. For the non-realigned programs, the county share comes entirely from County General Fund. Under 2011 realignment, Social Services programs receive payment for costs previously paid for by the state general fund, with the majority of sales tax collected in excess of base allocations directed to a \$200 million statewide restoration of funding for child welfare services. Restoration is projected to be complete in FY 2014-15, with growth payments then distributed between protective services and behavioral health. The HHS budget request for FY 2014-15 includes a proposal to transfer approximately \$1.3 million from Social Services 1991 realignment and \$481,412 from 2011 realignment to Mental Health to offset a shortfall in the hospitalization and institutional care areas of the Mental Health budget.

Position requests are as follows:

- Program Manager I - Removal of the June 30, 2014, sunset date on one Program Manager position allocation that was added during the implementation of the Patient Protection and Affordable Care Act (ACA). This position was added to manage the services provided to those seeking health insurance, either through Medi-Cal or Covered California, as well as customer service center activities for Shasta County and the eight surrounding counties for customers referred from statewide Covered California Call Centers.
- Program Manager I/II - To provide oversight of new child welfare mandates and changes in practice activities necessary to address the continuing high child abuse referral and substantiation rates in Shasta County which is approximately double the state average.
- Employment & Training Worker I/II - To successfully assist Welfare-to-Work (WTW) participants cross the bridge from life on cash assistance to one of self-sufficiency, Shasta County will use AB74 Enhanced Subsidized Employment funding to increase the number of participant placements and employers contracted with the ShastaFACES2 Subsidized Employment program.
- Employment & Training Worker I/II - To assist clients in their job search efforts within the Job Center, allowing clients to research job openings, complete on-line applications, create or update resumes, and perform phone based employment interviews.
- Employment & Training Worker III - To provide for a new component in the WTW program as set forth under AB74 that will provide intensive case management and services to clients that meet certain destabilizing criteria. This new component called Family Stabilization is designed to ensure a basic level of stability within a family prior to, or concurrently with, participation in other WTW activities.
- Office Assistant I/II - To provide support for employment and training staff associated with AB74 and subsidized employment services.
- Fair Hearing Officer - Will be used to meet the County's role in Covered California (CoCA) and Modified Adjusted Gross Income (MAGI) Medi-Cal Appeals.

- Fair Hearing Officer - Will address a 40 percent increase in regular workload from this time last year. In addition, Administrative Disqualifications Hearings (ADHs) are now recognized as a required County function, adding preparation time for additional hearings.
- Job Developer - Move from budget unit 530 for cleanup.
- Eligibility Worker III - To act in a lead worker capacity within the fair hearings unit, process eligibility in C-IV in order to comply with conditional withdrawals reached with claimants, issue aid paid pending hearing decisions, and process corrections ordered by those hearing decisions where the County does not prevail in the actual hearing.
- Social Worker / Assistant Social Worker - Moved from budget unit 422 and will be utilized to support Adult Protective Services programs.
- Social Worker / Assistant Social Worker / Senior Social Worker - Will be assigned to management of an expanding Extended Foster Care caseload AB12.
- Social Worker / Assistant Social Worker / Senior Social Worker - Will provide an internal county resource to provide assistance to parents of children in Child Welfare Services with substance abuse treatment aftercare services as well as providing information and educational outreach to parents, caregivers, and foster parents on the dynamics of substance abuse, addiction, treatment, and recovery, and the impacts on children to enable best-possible outcomes for safety, permanency, and well-being of children.
- Social Service Aide - Will be assigned to provide wraparound services. These services provide an opportunity to divert youth from group homes, and stabilize them at a lower level of care or, maintain children in their family's home.
- Social Worker Supervisor I/II - Will be dedicated to the supervision of the fair hearings unit and direct service provision as Grievance Review Officer (GRO) for the child welfare Child Abuse Central Index (CACI) and Relative Home Assessment grievance processes. If approved, the creation of the supervisor position will allow for consolidation of hearing functions and eliminate the need for the county to contract for hearing officers for CACI hearings.
- Social Worker Supervisor II - Will be dedicated to staff development and training for all child welfare staff to ensure compliance with federal and state child welfare requirements as well as licensing and adoptions regulations. Shasta County is extremely challenged in its efforts to hire and retain experienced master's level social workers. Therefore, Children's Services is adopting a "grow your own" approach that requires more workforce development and support activities that includes coordinating and/or providing professional development opportunities, supervision, coaching, and workload support to facilitate capacity development of less experienced staff. This training Supervisor will also assist all child welfare staff with adoption of practice changes that include more services designed to decrease the number of children placed in foster care and/or adoptive homes while continuing to maintain their safety.

## **BUDGET REQUESTS**

The FY 2014-15 budget includes a total expenditure request of \$57,258,203, an increase of approximately \$5 million from the FY 2013-14 adjusted budget. Salaries and benefits are projected at a net amount of \$32,564,901, which includes increased costs of nearly \$2.2 million for additional staffing as well as health insurance and a one-time increase in other post-employment benefits of \$1,112,591 (offset by one-time revenue of \$1,249,645 for a Risk Management refund).

Services and supplies is projected at \$18,347,653, which is \$2.5 million higher than the FY 2013-14 adjusted budget. The increase is due to additional professional services related to clinical and nursing staff as well as costs associated with administering the additional staffing.

Other charges, which includes many of the contracts maintained to provide services to clients as well as county A-87 charges, is projected at \$6,796,593, an increase of approximately \$124,205 from the adjusted FY 2013-14 budget. Contracted services are being held relatively stable as they provide services directly to clients to meet program mandates and court orders, and eliminating contracts for beneficial but non-mandated services has occurred during previous fiscal years as part of the HHSA's cost control measures.

The Social Services FY 2014-15 budget request includes the purchase of ten new vehicles. Social Services vehicles are not part of the County's replacement program due to funding requirements. As vehicles age, newer vehicles are purchased and older vehicles are taken out of service. Two of the vehicles being replaced have extremely high mileage and have not previously been replaced due to fiscal constraints. As the fleet ages, it is no longer feasible to continue the delay of purchases, and these new replacement vehicles were anticipated to be the minimum necessary request. Three vehicles are needed to accommodate additional staffing within Children's Services. One vehicle each for Adult Services and Regional Services is requested to expand the fleet as Social Services vehicles have been in short supply causing staff to use their own vehicles to meet the demands of their positions. Also included, is the request for three additional vehicles in Regional Services for the new demands of legislation to help obtain employment for our CalWORKS clients, requiring staff to visit with potential employers and community based organizations to generate job and work experience opportunities.

Finally, the budget request includes planning monies for improvements to 2460 Breslauer Way (the Cascade Office Building), including the addition of a training facility and rooms. With the addition of the Customer Service Center and expansion for the Patient Protection and Affordable Care Act (ACA), as well as Child Welfare and Managed Care training requirements, we are in continual need of training for both new and existing staff.

Overall revenues are projected at \$54,357,965, an increase of approximately \$4.2 million from the FY 2013-14 budget. The increase is attributed to a projected increase in 2011 realignment revenue as part of the restoration of child welfare services funding, and additional federal and state funding associated with the administration of CalWORKS, CalFresh, and the expansion of Medi-Cal under the Patient Protection and Affordable Care Act (ACA).

The General Fund transfer into this budget is requested at \$1,216,397, an increase from the amount included in FY 2013-14. Combined General Fund in this budget and in the Cash Aid budget unit 541 includes a three percent increase as noted in the FY 2013-14 Budget Principles. The proposed budget deficit in the amount of \$2,900,238 in this budget unit will be absorbed through fund balance reserves.

#### **SUMMARY OF RECOMMENDATIONS**

The figures above represent recommended adjustments. Reducing professional services by \$48,933 offsets a corresponding adjustment in the Mental Health budget unit 410. Adjustments in the vehicle accounts reflect including \$2,000 trade-in value and moving the purchasing allocation to the appropriate account code.

#### **PENDING ISSUES AND POLICY CONSIDERATIONS**

With implementation of 2011 realignment, which eliminated State funding to a number of programs and replaced funds with dedicated sales tax revenues, counties were left with two months of previously state expenditures to support while waiting for sales tax revenue to arrive. State funding was previously received in advance to assist counties with the extreme nature of entitlement payments. With this policy change, counties are now 'floating' costs until revenue is received.

#### **DEPARTMENT HEAD CONCURRENCE OR APPEAL**

The department head concurs with the recommended budget.

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#### **FINAL BOARD ACTION**

Adopted as presented in the proposed budget.