

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

	ACTUAL EXP/REV	ACTUAL BUDGET	ACTUAL EXP/REV	BUDGET REQUESTS	CAO RECOMMENDS	ADOPTED BY BOS
COUNTY BUDGET ACT (1985)	2006-07	2007-08	2007-08	2008-09	2008-09	2008-09
REVENUE FROM MONEY & PROPERTY	203,876	124,800	163,209	122,000	122,000	122,000
TOTAL REVENUES*****	\$203,876	\$124,800	\$163,209	\$122,000	\$122,000	\$122,000
RESOURCE MGMT GEN REVENUES EXP OVER (UNDER) REV	(\$203,876)	(\$124,800)	(\$163,209)	(\$122,000)	(\$122,000)	(\$122,000)

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 2008-09 requested budget includes \$122,000 in revenue generated from Interest Income on the department's fund reserves.

SUMMARY OF RECOMMENDATIONS

The CAO 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.

POSITION ALLOCATION

There are no positions associated with this budget unit.

RESOURCE MANAGEMENT-ENVIRONMENTAL HEALTH DIVISION

Fund 0064 General-Resource Management, Budget Unit 402

Russ Mull, Director of Resource Management

	ACTUAL EXP/REV	ACTUAL BUDGET	ACTUAL EXP/REV	BUDGET REQUESTS	CAO RECOMMENDS	ADOPTED BY BOS
COUNTY BUDGET ACT (1985)	2006-07	2007-08	2007-08	2008-09	2008-09	2008-09
SALARIES AND BENEFITS	1,380,520	1,599,738	1,392,225	1,615,169	1,626,376	1,626,376
SERVICES AND SUPPLIES	530,973	661,408	428,802	518,222	533,222	533,222
OTHER CHARGES	79,463	46,119	46,331	86,790	86,790	86,790
FIXED ASSETS	0	2,100	1,969	0	9,021	9,021
INTRAFUND TRANSFERS	-166,494	-183,652	-186,583	-188,680	-188,680	-188,680
APPROP FOR CONTINGENCY	0	0	0	5,940	5,940	5,940
OTHER FINANCING USES	0	12,000	10,327	0	0	0
TOTAL EXPENDITURES*****	\$1,824,463	\$2,137,713	\$1,693,071	\$2,037,441	\$2,072,669	\$2,072,669
LICENSES, PERMITS & FRANCHISES	1,117,983	1,050,260	1,041,666	1,034,760	1,034,760	1,034,760
FINES, FORFEITURES & PENALTIES	80,107	3,000	3,000	3,000	3,000	3,000
INTERGOVERNMENTAL REVENUES	165,230	420,368	371,284	314,300	329,300	329,300
CHARGES FOR SERVICES	421,933	412,924	393,104	373,650	373,650	373,650
MISCELLANEOUS REVENUES	258	0	7,216	0	0	0
OTHR FINANCING SOURCES TRAN IN	103,547	109,354	109,354	113,141	113,141	113,141
TOTAL REVENUES*****	\$1,889,059	\$1,995,906	\$1,925,624	\$1,838,851	\$1,853,851	\$1,853,851
ENVIRONMENTAL HEALTH EXP OVER (UNDER) REV	(\$64,596)	\$141,807	(\$232,553)	\$198,590	\$218,818	\$218,818

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.

The Department consolidated its existing community outreach programs into the Community Education Section in 1994. This innovative section provides a multitude of educational activities both in local schools and as part of the community. Programs designed to impart lifestyle changes and prevent the imposition of regulatory control include the reduction in the use of household hazardous waste, solid waste recycling, air quality improvement by less vehicular emissions, and waste oil recycling.

BUDGET REQUESTS

The FY 2008-09 requested budget includes expenditures in the amount of \$2.04 million and revenues in the amount of \$1.84 million. Expenditures have decreased by \$100,272 and revenue are decreased by \$157,055 as compared to FY 2007-08. The General Fund continues to support one full-time Environmental Health Specialist position that works with un-reimbursed community Environmental Health programs. FY 2008-09 expenditures exceed revenue by \$198,590 and will be covered by fund balance.

SUMMARY OF RECOMMENDATIONS

The CAO recommended budget increased the salaries and benefits by \$11,207 to include one percent of regular salaries for Other Post Employment Benefits.

PENDING ISSUES AND POLICY CONSIDERATIONS

None.

DEPARTMENT HEAD CONCURRENCE OR APPEAL

The department head concurs with this budget as recommended.

FINAL BOARD ACTION

Adopted as presented in the Proposed Budget and as amended in the Supplemental Budget. The Supplemental Budget included an increase to appropriations in the amount of \$24,021 which included a replacement of a Facilities Management replacement vehicle that has a blown engine and an increase to professional and special services. Adjustment to revenue included an increase of \$15,000 for the excess CIWMB tire grant award (received amount was an increase to budgeted amount).

POSITION ALLOCATION

Title	As of Sept 08	08/09 Request	08/09 Rec	Change
Director of Resource Management	1.00	1.00	1.00	0.00
Chief Fiscal Officer	1.00	1.00	1.00	0.00
Community Education Specialist I/II	2.00	2.00	2.00	0.00
Environmental Health Division Manager	1.00	1.00	1.00	0.00
Environmental Health Specialist/Environmental Health Specialist Trainee	4.00	4.00	4.00	0.00
Environmental Health Technician I/II	2.00	2.00	2.00	0.00
Senior Environmental Health Specialist	4.00	4.00	4.00	0.00
Staff Services Manager	1.00	1.00	1.00	0.00
Waste Management Specialist	1.00	1.00	1.00	0.00
Total	17.00	17.00	17.00	0.00

MENTAL HEALTH SERVICES ACT

Fund 0081 Mental Health Services Act, Budget Unit 404

Mark Montgomery, Psy.D., Director of Mental Health/Alcohol and Drug Programs

	ACTUAL EXP/REV	ACTUAL BUDGET	ACTUAL EXP/REV	BUDGET REQUESTS	CAO RECOMMENDS	ADOPTED BY BOS
COUNTY BUDGET ACT (1985)	2006-07	2007-08	2007-08	2008-09	2008-09	2008-09
SALARIES AND BENEFITS	348,467	1,963,089	1,139,032	2,689,369	3,709,366	3,709,366
SERVICES AND SUPPLIES	554,851	2,770,553	922,742	4,940,711	4,668,218	4,668,218
OTHER CHARGES	35,989	200,906	188,039	690,861	755,101	755,101
FIXED ASSETS	86,680	67,310	46,826	0	0	0
APPROP FOR CONTINGENCY	0	0	0	12,859	25,439	25,439
TOTAL EXPENDITURES*****	\$1,025,987	\$5,001,858	\$2,296,640	\$8,333,800	\$9,158,124	\$9,158,124
REVENUE FROM MONEY & PROPERTY	13,719	0	143,377	0	50,000	50,000
INTERGOVERNMENTAL REVENUES	2,939,011	4,981,496	2,882,021	9,125,300	9,604,606	9,604,606
MISCELLANEOUS REVENUES	0	0	55	0	0	0
TOTAL REVENUES*****	\$2,952,730	\$4,981,496	\$3,025,453	\$9,125,300	\$9,654,606	\$9,654,606
MENTAL HEALTH SERVICES ADMIN EXP OVER (UNDER) REV	(\$1,926,743)	\$20,362	(\$728,813)	(\$791,500)	(\$496,482)	(\$496,482)

PROGRAM DESCRIPTION

The Mental Health Services Act (MHSA), passed by the voters as Proposition 63 in November 2004, represents a new funding stream to enable comprehensive and transformational approaches to the development of community-based mental health services and supports with mental illness. The goals of the MHSA are to provide meaningful use of time and capabilities, safe and adequate housing, a network of supportive relationships, timely access to needed help including during times of crisis, reduction of incarceration, and reduction in involuntary services, institutionalization, and out-of-home placements.

These services are to be developed and implemented in collaboration with consumers who become full partners in their treatment and recovery options. MHSA encourages outreach and engagement to populations that are currently not served or are considered underserved in existing mental health delivery systems.

BUDGET REQUESTS

The appropriation request of \$8.3 million includes a staffing level of 20 positions transferred in 2007-08 from the Mental Health budget to work specifically on MHSA. This year's salary and benefit expenditures are estimated to be approximately \$725,000 higher than in FY 2007-08, primarily attributable to bargained step and cola increases and in anticipation of filling most or all vacancies within the program. Services and supplies expenditures are anticipated to increase approximately \$2.2 million, due to higher expenditures under the Capital and Information Technology aspect of the program as the department utilizes technology and building upgrades to improve services provided to clients. \$2.7 million is requested in professional services for contracts with community providers to carry out some of the MHSA activities.

Revenues in the amount of \$9.13 million to support activities in this cost center come exclusively from the MHSA funds. The \$791,500 in excess revenue above projected expenditures will be used to increase the prudent reserve, which is required by the MHSA legislation. The additional dollars committed to the reserve are one-time funds that were provided to departments in FY 2007-08 and will bring the reserve closer to the required level. The reserve will remain in Shasta County's MHSA fund, but may only be accessed under certain economic conditions when continued funding of program activities is in jeopardy. There is no required match or General Fund contribution for program activities or the prudent reserve.

No new position allocations or fixed assets are requested at this time, however the development of plans for additional components of the MHSA may necessitate future requests of the Board.

SUMMARY OF RECOMMENDATIONS

The CAO recommended budget includes minor changes to expenditures in the Salaries and Benefits line items with a net reduction of \$430 in expenditures in those line items and an increase in expenditures in Services and Supplies of \$50. Other than these minor changes the budget is recommended as requested by the department.

PENDING ISSUES AND POLICY CONSIDERATIONS

The major focus for FY 2008-09 will be continuing to transform the mental health service delivery system available to youth, adults, and older adults. While the state has been relatively slow in releasing instructions for all components of the MHSA, staff has continued to work toward meeting approved program goals in FY 2007-08, and these efforts will continue well into the future. As plans are completed and approved for Prevention and Early Intervention, Capital and Information Technology, and Workforce Education and Training, enhancement of the MHSA system will continue throughout FY 2008-09. Because each of these new components require an intensive planning process, Mental Health Board review and approval, and public hearings before submittal to the State Department of Mental Health and a State Oversight Commission for approval, these elements will gradually be implemented and may require changes in the approved budget. As necessary the department will bring those issues to the Board of Supervisors for separate action.

While this is an exciting new funding source that will help to change the lives of people with mental illness, strict supplantation language in the legislation prohibits the use of MHSA funds to shore up mental health service delivery systems that are already in place. Some mental health programs have had funding cut at the state level in anticipation that the services could be provided under MHSA. However, in proposing these types of cuts, the state will not assume the risk for audit findings and disallowances resulting from supplantation. This leaves the county in an extremely awkward situation of having to turn away some clients for services as resources for routine mental health care dwindle, while intensive and costly services to other clients in MHSA programs expand.

DEPARTMENT HEAD CONCURRENCE OR APPEAL

The department head concurs with the recommended budget.

FINAL BOARD ACTION

Adopted as presented in the Proposed Budget and as amended in the Supplemental Budget. The Supplemental Budget included increases in appropriations of \$824,704 and revenues of \$529,306, pending State approval, which reflect the movement of funding for Crisis Stabilization Services and the Crisis Residential and Recovery Center from budget unit 410 – Mental Health to MHSA funding and transfer of costs and revenue increases due to claiming changes for both Mental Health and MHSA programs.

POSITION ALLOCATION

Title	As of Sept 08	08/09 Request	08/09 Rec	Change
Administrative Secretary I	1.00	1.00	1.00	0.00
Allied Medical Professional/Staff Nurse II	1.00	1.00	1.00	0.00
Clinical Program Coordinator	2.00	2.00	2.00	0.00
Clinical Psychologist I/II/III or Mental Health Clinician I/II/III or Staff Nurse I/II	6.50	6.50	6.50	0.00
Community Education Specialist I/II	1.00	1.00	1.00	0.00
Community Education Specialist II or Staff Nurse I	1.00	1.00	1.00	0.00
Community Mental Health Worker	1.00	1.00	1.00	0.00
Medical Services Clerk	1.00	1.00	1.00	0.00
Senior Staff Analyst	2.00	2.00	2.00	0.00
Senior Psychiatrist	3.00	3.00	3.00	0.00
Social Worker/ Assistant Social Worker	6.00	6.00	6.00	0.00
Staff Nurse I/II	1.00	1.00	1.00	0.00
Typist Clerk III	1.00	1.00	1.00	0.00
Total	27.50	27.50	27.50	0.00

PUBLIC HEALTH-COUNTY MEDICAL SERVICES

Fund 0061 General-CMSP, Budget Unit 409

Donnell Ewert, M.P.H., Director of Public Health

STATE CONTROLLER COUNTY BUDGET ACT (1985)	ACTUAL EXP/REV 2006-07	ACTUAL BUDGET 2007-08	ACTUAL EXP/REV 2007-08	BUDGET REQUESTS 2008-09	CAO RECOMMENDS 2008-09	ADOPTED BY BOS 2008-09
OTHER CHARGES	11,455,356	8,000,000	12,322,605	8,000,000	8,000,000	8,000,000
TOTAL EXPENDITURES*****	\$11,455,356	\$8,000,000	\$12,322,605	\$8,000,000	\$8,000,000	\$8,000,000
INTERGOVERNMENTAL REVENUES	11,455,356	8,000,000	12,322,605	8,000,000	8,000,000	8,000,000
TOTAL REVENUES*****	\$11,455,356	\$8,000,000	\$12,322,605	\$8,000,000	\$8,000,000	\$8,000,000
COUNTY MEDICAL SERVICES PROG EXP OVER (UNDER) REV	\$0	\$0	\$0	\$0	\$0	\$0

PROGRAM DESCRIPTION

In FY 1990-91, the California Legislature enacted the State/Local Realignment program, which provided sales tax and vehicle license fees (VLF) to counties to finance Public Health, Mental Health, and Social Services, as well as the County Medical Services Program (CMSP), a Medi-Cal look-alike program serving medically indigent people who do not qualify for Medi-Cal. This cost center receives the VLF portion of Realignment revenue from the State, and then distributes it through a statutory formula to Public Health and Mental Health Realignment accounts. A large portion of the VLF funding received in this budget is distributed back to the State for CMSP program funding. This mechanism allows the State to avoid the state constitutional appropriation limit, which makes it difficult for the State to directly finance the CMSP program.

The State is no longer responsible for 100 percent of the costs of indigent care for Counties that participate in CMSP. Under current law, CMSP counties are required to absorb cost overruns in this program.

BUDGET REQUESTS

Revenue in this cost center should be stable through the end of this fiscal year as the Governor's budget does not suggest any changes to this VLF revenue stream.

SUMMARY OF RECOMMENDATIONS

No modifications to the request are recommended.

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.

POSITION ALLOCATION

There are no positions associated with this budget unit.

MENTAL HEALTH

Fund 0080 Mental Health, Budget Unit 410

Mark Montgomery, Psy.D., Director of Mental Health

	ACTUAL EXP/REV	ACTUAL BUDGET	ACTUAL EXP/REV	BUDGET REQUESTS	CAO RECOMMENDS	ADOPTED BY BOS
COUNTY BUDGET ACT (1985)	2006-07	2007-08	2007-08	2008-09	2008-09	2008-09
SALARIES AND BENEFITS	9,330,731	9,522,235	8,244,531	8,683,865	7,556,171	7,556,171
SERVICES AND SUPPLIES	2,337,876	2,093,369	2,115,393	2,450,792	2,405,935	2,405,935
OTHER CHARGES	9,145,466	10,761,491	9,057,525	8,966,638	8,774,546	8,774,546
FIXED ASSETS	0	0	0	0	100,000	100,000
INTRAFUND TRANSFERS	-921,918	-578,338	-955,627	-581,337	-581,337	-581,337
APPROP FOR CONTINGENCY	0	0	0	62,965	98,317	98,317
OTHER FINANCING USES	0	126,574	57,015	21,574	21,574	21,574
TOTAL EXPENDITURES*****	\$19,892,155	\$21,925,331	\$18,518,836	\$19,604,497	\$18,375,206	\$18,375,206
REVENUE FROM MONEY & PROPERTY	52,087	21,000	9,751	21,000	21,000	21,000
INTERGOVERNMENTAL REVENUES	17,919,327	20,305,607	15,648,265	17,855,649	17,128,440	17,128,440
CHARGES FOR SERVICES	110,651	126,750	59,877	106,750	106,750	106,750
MISCELLANEOUS REVENUES	206,316	160,000	292,629	160,000	160,000	160,000
OTHR FINANCING SOURCES TRAN IN	266,778	771,696	674,757	276,778	376,778	376,778
OTHER FINANCING SRCS SALE F/A	353	0	238	0	0	0
TOTAL REVENUES*****	\$18,555,511	\$21,385,053	\$16,685,516	\$18,420,177	\$17,792,968	\$17,792,968
MENTAL HEALTH EXP OVER (UNDER) REV	\$1,336,644	\$540,278	\$1,833,320	\$1,184,320	\$582,238	\$582,238

PROGRAM DESCRIPTION

The mission of the Shasta County Mental Health Department (SCMH) is to enable persons experiencing severe and disabling mental illnesses, and children with serious emotional disturbances, to access services and programs that assist them in a manner tailored to each individual to better control their illness, to achieve their personal goals, and to develop skills necessary to maintain recovery. For persons with Medi-cal coverage, mental health services are largely provided under a performance agreement with the State Department of Mental Health.

SCMH, in partnership with Mercy Medical Center and Shasta Regional Medical Center implemented a Crisis Stabilization Service (CSS) during FY 2006-07. The CSS provides intensive professional intervention to individuals in order to stabilize their condition and potentially avoid an acute inpatient hospital admission. Continuance of this service has lessened the need for costly acute psychiatric hospitalization. Along with the CSS, SCMH continues to operate a 24-hour a day, 7-day per week crisis response system that works in collaboration with the hospital emergency rooms and local law enforcement agencies. Beginning January 1, 2008, the department began operating a voluntary on-site crisis residential treatment service to take the place of these services previously provided on-site by a local contractor. Crisis residential treatment services are provided to up to a maximum of 15 patients at a time, with average stays of 7 days. Though the department incurred initial start-up costs to sustain this service, it was able to maintain continuity of care for clients. This service helps to provide a local alternative to costly in-patient hospitalization outside the community.

Other areas of program significance include the continued provision of services through the Local Interagency Network for Children and Family Services (LINCS) program, an interagency service and financial partnership between the Shasta County Departments of Mental Health, Public Health, Social Services, the Alcohol and Drug Programs, as well as Shasta County Office of Education and Shasta County Probation. SCMH will also continue to contract for the provision of short and long-term involuntary treatment and residential services for adults and maintain an urgent care option for outpatient services.

Outpatient and other mental health services are accessed both directly through SCMH and through contract providers. Funding is provided by a combination of state and federal programs, including Medi-Cal Federal Financial Participation, Realignment, other state revenues including the managed care contract allocation, fees collected from patients and insurance companies, and a County General Fund statutory Maintenance of Effort (MOE) contribution to receive Realignment.

BUDGET REQUESTS

Mental Health's FY 2008-09 budget request includes projected revenues in the amount of \$18.4 million and appropriations of \$19.6 million. The resulting \$1.18 million deficit is proposed to be absorbed by department reserves. Continued cost increases coupled with decreasing Medi-Cal reimbursement and flat or declining funding in other areas have contributed to a dire financial picture for the department. The expenditure request includes a \$1.41 million unallocated expenditure reduction, necessary to bring the department into a more reasonable draw on reserves.

Identification of specific areas to close this budget gap will require significant planning efforts in collaboration with the Board of Supervisors, the Mental Health Board, and other community mental health planning groups.

Overall, salaries and benefits are projected at \$8.68 million, a decrease of \$838,370 from the FY 2007-08 budget. This reduction is largely due to maintaining planned vacancies within the department, shifting staff to assignments within Mental Health Services Act program (Cost Center 404), and shifting fiscal, contracts, and other administrative staff out of the department and into the HHS administrative budget (Cost Center 502). Services and supplies expenditures are projected to increase by approximately \$350,000, due to increases in psychiatric consulting services, rehabilitative services, utilities and HHS administrative costs for staff working directly and indirectly on Mental Health duties as determined by time studies. Other charges decreased by \$1.80 million from the FY 2007-08 adopted budget to \$8.97 million. This decrease is largely attributed to the \$1.41 million unallocated expenditure reduction, a decrease of \$521,752 in recipient housing expense that was previously provided under the AB 2034 homeless mental health funding eliminated by the State in FY 2007-08, and a \$733,218 decrease in adult residential services (replaced by a department-operated crisis residential service). The savings were offset by an \$810,553 increase in contracts for services with medical providers and with locum tenens agencies to provide psychiatrist services, and a \$75,468 increase in county A-87 charges.

Revenues overall in this budget are anticipated to be almost \$3.5 million lower than in FY 2007-08. The most significant revenue reduction is in Medi-Cal. The state Medi-Cal mental health managed care contract is projected to be reduced by \$91,307 as part of the Governor's state-wide budget cutting measures. Further, Medi-Cal fee for service revenue is anticipated to decrease by \$1.15 million due to a cut in Medi-Cal reimbursement rates. State Realignment revenue is expected to decrease by \$164,857 from the FY 2007-08 budget in anticipation of a decline in sales tax and little or no growth in vehicle license fee revenue. General fund was augmented in FY 2007-08 by \$399,000 by transferring dollars that would have otherwise been allocated to Social Services. That

augmentation was reduced to \$10,000 (again from Social Services) in FY 2008-09. Total General Fund requested is \$276,778, including the statutory MOE of \$266,778 and the \$10,000 from Social Services.

No new positions or fixed assets are requested.

SUMMARY OF RECOMMENDATIONS

The CAO recommended budget increases expenditures in Services and Supplies by \$117 and \$34,426 in Salaries and Benefits to correct the number of staff budgeted for transfer to HHSA and includes a reduction in budgeted OPEB contribution to account for unallocated salary savings. These expenditure increases add \$34,543 to the total unallocated expenditures line item. To account for the FY 2007-08 reduction in actual expenditure for the Mental Health Building roof project a revenue transfer from accumulated capital outlay of \$100,000 has been made with a corresponding expenditure of \$100,000 in the Mental Health Building Roof Fixed Asset account.

PENDING ISSUES AND POLICY CONSIDERATIONS

The unallocated expenditure reduction included in the budget will have to be relieved before adoption of the final budget through a combination of identifying increased revenues or cuts to department expenditures.

The directors of Mental Health and the Health and Human Services Agency are working actively with their professional organizations and policymakers to provide relief to an ailing Mental Health financial system, which continues to be critically underfunded. One of the most troubling issues is the continual delay of payments for Medi-Cal mental health services by the state. Senate Bill 1349 (Cox) has been introduced as a way to mandate that the state pay mental health claims within 90 days or pay interest for delayed payments. At budget submission, Shasta County Mental Health is owed more than \$2 million in back payments for adult Medi-Cal and EPSDT for children's mental health services. The delay in receiving payments in a timely manner puts additional pressure on Mental Health's ability to provide services either within the department or through contracts. While it is unknown at this time whether the legislation will be successful, or other remedies will emerge as a result of this process or others, this bill represents a crucial step in the state's willingness to acknowledge that the Medi-Cal mental health system is broken and must be fixed.

DEPARTMENT HEAD CONCURRENCE OR APPEAL

The department head concurs with the recommended budget.

FINAL BOARD ACTION

Adopted as presented in the Proposed Budget and as amended in the Supplemental Budget. Mental Health's unallocated expenditure in preliminary budget totaled \$1,447,260. This unallocated expenditure has been balanced by a decrease in appropriations of \$2,776,551, netting to a reduction in appropriations of \$1,329,291. The Supplemental Budget also included reductions in revenues of \$727,209, primarily due to the movement of funding for Crisis Stabilization Services and the Crisis Residential and Recovery Center from budget unit 410-Mental Health to MHSA funding; reductions in contracted services for client board and care, inpatient acute care, day treatment

services, and institutions for mental disease due to department restructuring; and transfers of costs and revenue decreases due to claiming changes for both Mental Health and MHSA programs.

POSITION ALLOCATION

Title	As of Sept 08	08/09 Request	08/09 Rec	Change
Director of Mental Health Services	1.00	1.00	1.00	0.00
Account Clerk I/II	1.00	1.00	1.00	0.00
Administrative Secretary I	1.00	1.00	1.00	0.00
Administrative Secretary II	2.00	2.00	2.00	0.00
Administrative Secretary II-Supervisory	1.00	1.00	1.00	0.00
Agency Staff Services Analyst I/II	2.00	2.00	2.00	0.00
Business Office Clerk I/II	7.00	7.00	7.00	0.00
Chief of Psychiatry	1.00	1.00	1.00	0.00
Clinical Division Chief	4.00	4.00	4.00	0.00
Clinical Program Coordinator	7.00	7.00	7.00	0.00
Clinical Psychologist I/II/III or Mental Health Clinician I/II/III or Staff Nurse I/II	27.00	27.00	27.00	0.00
Community Health Advocate	1.50	1.50	1.50	0.00
Community Mental Health Worker	5.00	5.00	5.00	0.00
Deputy Director Mental Health	1.00	1.00	1.00	0.00
Executive Assistant-Confidential	1.00	1.00	1.00	0.00
Medical Services Clerk	6.00	6.00	6.00	0.00
Mental Health Business Office Supervisor	1.00	1.00	1.00	0.00
Mental Health Medical Records Supervisor	1.00	1.00	1.00	0.00
Nurse Practitioner I/II or Physician Assistant I/II	2.00	2.00	2.00	0.00
Patients' Rights Advocate	1.00	1.00	1.00	0.00
Recreational Therapist I/II	1.00	1.00	1.00	0.00
Senior Psychiatrist	1.75	1.75	1.75	0.00
Senior Staff Analyst	1.00	1.00	1.00	0.00
Social Worker/Assistant Social Worker	16.00	16.00	16.00	0.00
Staff Nurse I/II	1.00	1.00	1.00	0.00
Staff Nurse II	5.00	5.00	5.00	0.00
Total	99.25	99.25	99.25	0.00

PUBLIC HEALTH

Fund 0196 Public Health, Budget Unit 411

Donnell Ewert, M.P.H., Director of Public Health

STATE CONTROLLER	ACTUAL EXP/REV	ACTUAL BUDGET	ACTUAL EXP/REV	BUDGET REQUESTS	CAO RECOMMENDS	ADOPTED BY BOS
COUNTY BUDGET ACT (1985)	2006-07	2007-08	2007-08	2008-09	2008-09	2008-09
SALARIES AND BENEFITS	10,049,355	11,224,010	10,826,500	9,995,006	10,189,094	10,189,094
SERVICES AND SUPPLIES	6,010,384	7,474,299	6,018,735	7,602,809	7,636,438	7,636,438
OTHER CHARGES	449,390	768,290	752,376	847,151	847,151	847,151
FIXED ASSETS	1,688,404	195,217	6,393	0	130,400	130,400
INTRAFUND TRANSFERS	-3,484,999	-4,008,064	-3,766,263	-4,612,329	-4,612,329	-4,612,329
APPROP FOR CONTINGENCY	0	0	0	53,243	53,243	53,243
OTHER FINANCING USES	40,678	104,658	108,624	56,814	90,148	90,148
TOTAL EXPENDITURES*****	\$14,753,210	\$15,758,410	\$13,946,364	\$13,942,694	\$14,334,145	\$14,334,145
LICENSES, PERMITS & FRANCHISES	4,628	4,502	4,958	4,500	4,500	4,500
FINES, FORFEITURES & PENALTIES	8,887	9,631	6,573	7,343	7,343	7,343
REVENUE FROM MONEY & PROPERTY	193,835	200,000	91,538	75,000	75,000	75,000
INTERGOVERNMENTAL REVENUES	9,193,147	11,483,836	12,799,548	11,166,630	11,103,375	11,103,375
CHARGES FOR SERVICES	1,091,328	881,616	1,058,344	946,358	999,012	999,012
MISCELLANEOUS REVENUES	195,998	289,450	400,110	173,323	583,323	583,323
OTHR FINANCING SOURCES TRAN IN	53,042	50,105	50,105	48,500	47,048	47,048
OTHER FINANCING SRCS SALE F/A	20,286	0	0	0	0	0
TOTAL REVENUES*****	\$10,761,151	\$12,919,140	\$14,411,176	\$12,421,654	\$12,819,601	\$12,819,601
PUBLIC HEALTH EXP OVER (UNDER) REV	\$3,992,060	\$2,839,270	(\$464,812)	\$1,521,040	\$1,514,544	\$1,514,544

PROGRAM DESCRIPTION

The purpose of the Public Health Department is to work with the community to protect and improve health by actively promoting activities that focus on preventing disease and injury before they occur and controlling communicable diseases. As Public Health continues to maintain this focus, its role in protecting the public has become even more crucial with newly emerging diseases and bioterrorism threats, as well as the growing impact of chronic diseases on the population.

The budget unit includes the majority of the essential public health services provided for the community and is grouped into seven divisions: Administration, Communicable Disease Prevention and Control, Regional/Community Health Improvement; Maternal and Child Health; Health Support Services; Injury and Substance Abuse Prevention, and Nutrition and Physical Activity Promotion.

Areas in which Public Health expects to focus on in FY 2008-09 include continued implementation of the "Healthy Shasta County 2010" strategic plan through community partnerships; pandemic influenza preparation and other communicable disease response and control capabilities; continued support of regional health promotion services to all geographical areas of Shasta County; continued focus on preventing chronic diseases, particularly those related to obesity and tobacco use; and continued prevention efforts related to motor vehicle crash injuries and deaths. The Department will also dedicate resources to address family violence, substance abuse, blood borne pathogens and support of the Sexual Assault Response Team (SART) which collects evidence for the District

Attorney's Office.

BUDGET REQUESTS

The Public Health FY 2008-09 budget contains a General Fund contribution of the statutory minimum of \$184,049 necessary to obtain Realignment revenue. As in the past, a portion of this contribution goes into Budget Unit 412 to support the NorCal EMS contract and maintain county hospital records, and the remainder offsets costs in Budget Unit 411. The total expenditure request for Public health is \$13.9 million, a decrease of approximately \$1.8 million from the FY 2007-08 adjusted budget. These reductions are largely due to reductions in salaries and benefits generated by shifting administrative staff into the HHS administration budget (cost center 502) and planned vacancies in the department.

Salaries and benefit expenditures are expected to decrease by approximately \$1.23 million from the adjusted FY 2007-08 budget. Operating expenses reflect an increase of approximately \$78,500 from the FY 2007-08 budget. This increase is largely driven by the cost of staff in the HHS administrative budget being charged back to the department based upon time studies, as well as increases in facilities management charges, liability and malpractice insurance, and offset by reductions in Information Technology, office expense and other operational costs.

Consistent with budget direction to departments, Public Health has not requested any new fixed assets. Traditionally, the department has included fixed asset request to replace aging laboratory equipment, but has only made actual purchases as the equipment failed. It may, thus, be necessary for the department to return to the Board of Supervisors during the year to request authority to purchase new laboratory equipment should the existing equipment become inoperable.

The Department's largest single revenue stream continues to be State Realignment. Public Health is projecting Realignment revenue to be flat for FY 2008-09 as little or no funding growth is anticipated. Budget cuts in various state funded programs, such as Maternal and Child Health, Child Health and Disability Prevention, HIV/AIDS prevention, Oral Health, and Bioterrorism Preparedness have contributed to the overall decrease in Intergovernmental revenues as well. However, these decreases are offset somewhat by an increase in funding for child passenger safety and nutrition/physical activity promotion, and higher revenue in the laboratory.

Charges for Services revenues are budgeted to increase slightly mainly due to increased revenue for Targeted Case Management. These funds, however, are generated by our community partners doing claimable activities and are passed through to those agencies via professional services contracts. Therefore, this increase has no effect on the department's bottom line.

Overall, the department projects utilization of department reserves in the amount of \$1.5 million, down from \$2.8 million in FY 2007-08. In past years, the department has taken a very conservative approach to budget and maintained cost controls and efficiencies within the department that allowed it to build sufficient reserves to maintain critical public health services in difficult budget years. In light of state budget cuts and other budget pressures anticipated to last beyond the current fiscal year, the department has tightened expenditure controls and continues to aggressively seek out new revenue sources to support essential Public Health functions.

SUMMARY OF RECOMMENDATIONS

With the exception of minor technical adjustment, the recommended budget is as requested by the department.

PENDING ISSUES AND POLICY CONSIDERATIONS

The most pressing challenge is the impact of the state’s budget difficulties on local programs. In most state funded programs, state revenues do not fully support the cost of operating the program and the difference is made up largely through Realignment dollars. As the state makes budget cuts, those revenue reductions will result in less funding available to fund normal cost increases within the program. State budget reductions passed onto the County must be absorbed through local resources or reductions in services. The department will continue to adopt a conservative approach to budgeting, but this is made all the more difficult as state budgeting becomes more volatile.

The department also participates in the Medi-Cal Administrative Activities/Targeted Case Management program to claim federal financial participation for qualifying activities provided by our community partners. Because the costs must be claimed by a “local government agency,” in this case Shasta County Public Health, non-governmental agencies engaged in claimable activities in support of clients accessing Medi-Cal services must claim through Public Health. In the past, the agencies had invoiced the department for services and the department had appropriately only reimbursed the agencies after it had received the federal reimbursement. A new clarification of the federal Medicaid rules requires that governmental entities must first expend funds before they are claimed. This means that Public Health must first pay the agencies and then wait for reimbursement which tremendously increases the financial burden on the department as the payments are not always timely. However, if the department is unwilling to front payments and await reimbursement, our community partners would lose funding for services that they are providing.

DEPARTMENT HEAD CONCURRENCE OR APPEAL

The department head concurs with the recommended budget.

FINAL BOARD ACTION

Adopted as presented in the Proposed Budget and as amended in the Supplemental Budget. The Supplemental Budget included various amendments to adjust budget units to actual funding needs and current revenue projections. In aggregate, appropriations are increased by \$344,716 and revenues are increased by \$397,947. Amended requests for fixed assets include; budget unit 41122-PH Lab Services, a request for three items of lab equipment funded through realignment dollars at a requested appropriation of \$85,000; and budget unit 41174 PH Bio Terrorism Preparedness for five fixed assets funded through the Federal Bioterrorism grant in an aggregate of \$45,400.

POSITION ALLOCATION

Title	As of Sept 08	08/09 Request	08/09 Rec	Change
Director of Public Health	1.00	1.00	1.00	0.00
Administrative Secretary II	2.00	2.00	2.00	0.00

Chief Public Health Microbiologist	1.00	1.00	1.00	0.00
Community Development Coordinator	6.00	6.00	6.00	0.00
Community Education Specialist I/II	22.00	22.00	22.00	0.00
Community Health Advocate	9.00	9.00	9.00	0.00
Community Organizer	5.00	5.00	5.00	0.00
Deputy Director of Public Health	2.00	2.00	2.00	0.00
Deputy Health Officer	1.00	1.00	1.00	0.00
Epidemiologist	2.00	2.00	2.00	0.00
Executive Assistant-Confidential	1.00	1.00	1.00	0.00
Health Officer	1.00	1.00	1.00	0.00
Licensed Vocational Nurse	2.00	2.00	2.00	0.00
MCAH Coordinator	1.00	1.00	1.00	0.00
Medical Billing Clerk	1.00	1.00	1.00	0.00
Medical Records Clerk I/II	1.00	1.00	1.00	0.00
Medical Services Clerk	8.50	8.50	8.50	0.00
Nutrition Assistant I/II	6.00	6.00	6.00	0.00
Nutrition Assistant I/II/III	3.00	3.00	3.00	0.00
Public Health Assistant	10.00	10.00	10.00	0.00
Public Health Clinic Services Coordinator	3.00	3.00	3.00	0.00
Public Health Lab Technician	1.00	1.00	1.00	0.00
Public Health Microbiologist III	1.00	1.00	1.00	0.00
Public Health Microbiologist I/II or Public Health Microbiologist Trainee	3.00	3.00	3.00	0.00
Public Health Nurse I/II	15.00	15.00	15.00	0.00
Public Health Nurse I/II or Registered Nurse (Public Health)	2.00	2.00	2.00	0.00
Public Health Nurse III/II	4.00	4.00	4.00	0.00
Public Health Nutritionist I/II	7.00	7.00	7.00	0.00
Public Health Nutritionist I/II or Community Education Specialist I/II	1.00	1.00	1.00	0.00
Public Health Program Manager	6.00	6.00	6.00	0.00
Public Health Program and Policy Analyst	1.00	1.00	1.00	0.00
Registered Nurse (Public Health) or Community Education Specialist I/II	1.00	1.00	1.00	0.00
Senior Public Health Assistant	3.00	3.00	3.00	0.00
Senior Staff Analyst	1.00	1.00	1.00	0.00
Supervising Community Education Specialist	2.00	2.00	2.00	0.00
Supervising Community Education Specialist or Supervising Public Health Nutritionist	2.00	2.00	2.00	0.00
Supervising Public Health Nurse	2.00	2.00	2.00	0.00
Supervising Public Health Nutritionist	1.00	1.00	1.00	0.00
Typist Clerk I/II	7.00	7.00	7.00	0.00
Typist Clerk III	6.00	6.00	6.00	0.00
Total	154.50	154.50	154.50	0.00

PUBLIC HEALTH-HEALTH SERVICES

Fund 0196 Public Health, Budget Unit 412

Donnell Ewert, M.P.H., Director of Public Health

STATE CONTROLLER	ACTUAL EXP/REV	ACTUAL BUDGET	ACTUAL EXP/REV	BUDGET REQUESTS	CAO RECOMMENDS	ADOPTED BY BOS
COUNTY BUDGET ACT (1985)	2006-07	2007-08	2007-08	2008-09	2008-09	2008-09
SALARIES AND BENEFITS	815	2,665	404	1,525	1,525	1,525
SERVICES AND SUPPLIES	75,072	83,140	83,618	82,313	82,313	82,313
OTHER CHARGES	357,359	372,737	101,764	360,784	362,236	362,236
INTRAFUND TRANSFERS	-55,827	-64,704	-62,894	-64,704	-64,704	-64,704
APPROP FOR CONTINGENCY	0	37,235	0	50,000	50,000	50,000
TOTAL EXPENDITURES*****	\$377,419	\$431,073	\$122,891	\$429,918	\$431,370	\$431,370
CHARGES FOR SERVICES	15	0	17	0	0	0
OTHR FINANCING SOURCES TRAN IN	425,376	428,313	428,313	429,918	431,370	431,370
TOTAL REVENUES*****	\$425,391	\$428,313	\$428,330	\$429,918	\$431,370	\$431,370
SHASTA COUNTY HEALTH CARE EXP OVER (UNDER) REV	(\$47,972)	\$2,760	(\$305,439)	\$0	\$0	\$0

PROGRAM DESCRIPTION

This cost center accounts for the County Medical Services Program (CMSP) participation fee (a State-administered program similar to Medi-Cal), contingency reserve for medically indigent adults, and the cost of the County's contract with Northern California Emergency Medical Services Program (NorCal EMS). In addition, this cost center has been responsible for 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.

The County General Fund funds activities within the cost center.

BUDGET REQUESTS

The budget request includes the cost of the Nor Cal EMS contract at the same level as in FY 2007-08. As this contract is yet to be negotiated for FY 2008-09, it may be necessary to revise this amount in the supplemental budget. This budget also continues the lease of space in the GAIN basement for hospital record storage with a modest negotiated increase in the annual rental cost. The CMSP participation fee is set in statute and remains the same as last year. This year's budget also includes \$50,000 in a Contingency Reserve account for health care claims from medically indigent adults that are not CMSP eligible but fall within the County's Welfare and Institution's Code 17000 obligation. Three claims were received from medically indigent adults in 2007 and amounted to less than \$20,000.

SUMMARY OF RECOMMENDATIONS

No modifications to the request are recommended.

PENDING ISSUES AND POLICY CONSIDERATIONS

In early 2008, the County Medical Services Program (CMSP) liberalized their policy regarding payment of retroactive claims, reducing the county's risk for future claims from medically indigent adults.

DEPARTMENT HEAD CONCURRENCE OR APPEAL

The department head concurs with the recommended budget.

FINAL BOARD ACTION

Adopted as presented in the Proposed Budget and as amended in the Supplemental Budget. The Supplemental Budget included a minor increase to Support & Care of Persons of \$1,452 with an increase of \$1,452 County General Fund support which is offset by a commensurate decrease in General Fund contribution in Cost Center 41100 (to maintain the same amount of General Fund Trans-in to Fund 0196 as shown in the requested budget.)

POSITION ALLOCATION

There are no positions associated with this budget unit.

PUBLIC HEALTH-CALIFORNIA CHILDREN SERVICES

Fund 0196 Public Health, Budget Unit 417

Donnell Ewert, M.P.H., Director of Public Health

	ACTUAL EXP/REV	ACTUAL BUDGET	ACTUAL EXP/REV	BUDGET REQUESTS	CAO RECOMMENDS	ADOPTED BY BOS
COUNTY BUDGET ACT (1985)	2006-07	2007-08	2007-08	2008-09	2008-09	2008-09
SALARIES AND BENEFITS	998,844	1,343,780	1,109,588	1,430,865	1,430,865	1,430,865
SERVICES AND SUPPLIES	380,797	416,833	364,462	451,170	461,593	461,593
OTHER CHARGES	224,148	301,939	234,447	313,871	313,871	313,871
FIXED ASSETS	33,805	0	0	0	0	0
APPROP FOR CONTINGENCY	0	0	0	4,107	4,107	4,107
TOTAL EXPENDITURES*****	\$1,637,592	\$2,062,552	\$1,708,496	\$2,200,013	\$2,210,436	\$2,210,436
INTERGOVERNMENTAL REVENUES	1,322,301	1,644,615	1,394,973	1,561,095	1,533,529	1,533,529
CHARGES FOR SERVICES	980	1,200	872	1,200	1,200	1,200
MISCELLANEOUS REVENUES	1,711	2,500	764	1,500	1,500	1,500
OTHR FINANCING SOURCES TRAN IN	138,075	168,075	168,075	168,075	168,075	168,075
TOTAL REVENUES*****	\$1,463,067	\$1,816,390	\$1,564,684	\$1,731,870	\$1,704,304	\$1,704,304
CALIFORNIA CHILDRENS SERVICES EXP OVER (UNDER) REV	\$174,525	\$246,162	\$143,813	\$468,143	\$506,132	\$506,132

PROGRAM DESCRIPTION

California Children's Services (CCS) is a state-mandated program for infants and children with severe disabilities that may be improved or corrected with special medical and therapy services. Low and moderate-income families are assisted with unusual medical expenses associated with caring for their disabled children. The State funds 100 percent of the expenses for children on Medi-Cal, while the County is required to pay 17.5 percent of the expenses for children on Healthy Families insurance and 50% percent of the expenses for children who do not qualify for Medi-Cal or Healthy Families. This program is funded by the Department of Social Services (DSS) Realignment revenue, categorical state funding, Medi-Cal fee for service, Public Health resources, and a County General Fund appropriation.

BUDGET REQUESTS

The FY 2008-09 expenditure request represents an increase of approximately \$137,500 over the FY 2007-08 adopted budget, primarily due to negotiated increases in employee salaries and benefits and administrative costs allocated to this program based upon time studies. While state revenue for this program is expected to increase slightly, because of proposed cuts in the state budget, the revenue increase does not fund the normal state share of cost increases. Further, the county share of cost in this program continues to outpace Social Services Realignment funding for services. Public Health is using Public Health Realignment revenue and fund balance to fund the increased county cost to operate the CCS program. As part of the strategy to relieve the budget deficit in Social Services, Public Health will absorb the cost of the projected excess of expenditures over revenue. That deficit is currently projected at \$468,143.