

**Health and
Public Assistance**

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

	ACTUAL EXP/REV 2007-08	ACTUAL BUDGET 2008-09	ACTUAL EXP/REV 2008-09	BUDGET REQUESTS 2009-10	CAO RECOMMENDS 2009-10	ADOPTED BY BOS 2009-10
STATE CONTROLLER COUNTY BUDGET ACT (1985)						
REVENUE FROM MONEY & PROPER	163,209	122,000	87,306	90,000	90,000	90,000
TOTAL REVENUES*****	\$163,209	\$122,000	\$87,306	\$90,000	\$90,000	\$90,000
RESOURCE MGMT GEN REVENUES EXP OVER (UNDER) REV	(\$163,209)	(\$122,000)	(\$87,306)	(\$90,000)	(\$90,000)	(\$90,000)

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 2009-10 requested budget includes \$90,000 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

STATE CONTROLLER COUNTY BUDGET ACT (1985)	ACTUAL EXP/REV 2007-08	ACTUAL BUDGET 2008-09	ACTUAL EXP/REV 2008-09	BUDGET REQUESTS 2009-10	CAO RECOMMENDS 2009-10	ADOPTED BY BOS 2009-10
SALARIES AND BENEFITS	1,392,225	1,626,376	1,432,664	1,428,480	1,428,480	1,428,480
SERVICES AND SUPPLIES	428,802	537,694	386,754	462,397	462,397	462,397
OTHER CHARGES	46,331	86,790	66,790	106,920	106,920	106,920
FIXED ASSETS	1,969	0	0	13,413	13,413	13,413
INTRAFUND TRANSFERS	-186,583	-188,680	-150,565	-196,810	-196,810	-196,810
APPROP FOR CONTINGENCY	0	5,940	0	0	0	0
OTHER FINANCING USES	10,327	9,021	7,637	0	0	0
TOTAL EXPENDITURES*****	\$1,693,071	\$2,077,141	\$1,743,280	\$1,814,400	\$1,814,400	\$1,814,400
LICENSES, PERMITS & FRANCHIS	1,041,666	1,034,760	1,010,886	971,760	971,760	971,760
FINES, FORFEITURES & PENALTIE	3,000	3,000	25,500	3,000	3,000	3,000
INTERGOVT REVENUES	371,284	329,300	403,923	273,100	273,100	273,100
CHARGES FOR SERVICES	393,104	373,650	311,024	347,055	347,055	347,055
MISCELLANEOUS REVENUES	7,216	0	157	0	0	0
OTHR FINANCE SRCS TRAN IN	109,354	113,141	113,141	116,494	116,494	116,494
OTHR FINANCE SRCS SALE F/A	0	0	8,280	0	0	0
TOTAL REVENUES*****	\$1,925,624	\$1,853,851	\$1,872,910	\$1,711,409	\$1,711,409	\$1,711,409
ENVIRONMENTAL HEALTH EXP OVER (UNDER) REV	(\$232,553)	\$223,290	(\$129,630)	\$102,991	\$102,991	\$102,991

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 2009-10 requested budget includes expenditures in the amount of \$1.8 million and revenues in the amount of \$1.7 million. Expenditures have decreased by \$262,741 and revenues are decreased by \$142,442 as compared to FY 2008-09. The General Fund continues to support one full-time Environmental Health Specialist position that works with un-reimbursed community Environmental Health programs. FY 2009-10 expenditures exceed revenue by \$102,991 and will be covered by fund balance.

SUMMARY OF RECOMMENDATIONS

The CAO concurs with the requested budget. The department meets the 10 percent reduction goal.

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.

POSITION ALLOCATION

Title	As of June 09	09-10 Request	09-10 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)	2007-08	2008-09	2008-09	2009-10	2009-10	2009-10
SALARIES AND BENEFITS	1,139,032	3,709,366	2,330,676	4,941,511	4,941,511	4,941,511
SERVICES AND SUPPLIES	922,742	4,593,329	1,708,352	7,178,435	7,147,807	7,147,807
OTHER CHARGES	188,039	755,101	233,295	752,943	783,571	783,571
FIXED ASSETS	46,826	80,000	0	0	0	0
APPROP FOR CONTINGENCY	0	25,439	0	0	0	0
TOTAL EXPENDITURES*****	\$2,296,640	\$9,163,235	\$4,272,323	\$12,872,889	\$12,872,889	\$12,872,889
REV FROM MONEY & PROP	143,377	50,000	93,723	50,000	50,000	50,000
INTERGOVT REVENUES	2,882,021	9,604,606	3,547,823	13,154,300	13,154,300	13,154,300
CHARGES FOR SERVICES	0	0	140	0	0	0
MISCELLANEOUS REVENUES	55	0	5	0	0	0
TOTAL REVENUES*****	\$3,025,453	\$9,654,606	\$3,641,691	\$13,204,300	\$13,204,300	\$13,204,300
MENTAL HEALTH SERVICES ADMIN EXP OVER (UNDER) REV	(\$728,813)	(\$491,371)	\$630,632	(\$331,411)	(\$331,411)	(\$331,411)

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 for persons with serious 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. Funded programs include Community Services and Support (CSS), Workforce Education and Training, Capital Facilities and Information Technology, Innovation, Housing, and Prevention and Early Intervention.

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. As part of the crisis services, SCMH continues to operate a 24-hour a day, 7-day per week 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 and Recovery Center (CRRC) services are provided to up to a maximum of 15 patients at a time, with average stays of 7 days. This service helps to provide a local alternative to costly in-patient hospitalization outside the community, and transitional care to

someone returning to the community from an in-patient stay. Services provided in the CSS and CRRC that are not reimbursed from another source are funded by MHSA dollars.

BUDGET REQUESTS

The appropriation request of \$12,872,889 represents an increase of \$3.5 million from the FY 2008-09 adjusted budget and includes an increase of \$1.23 million in salaries from the adjusted FY 2008-09 budget. These costs come from the assignment of staff from the core Mental Health budget (BU 410) to MHSA to augment services to the clients in MHSA programs. This move was necessary to maintain overall staffing levels and continue the level of services available to clients. Services and supplies expenditures are anticipated to increase approximately \$2.5 million, due to higher expenditures for contracts with community mental health providers, facilities management and computer equipment and IT costs that are currently in the MHSA approval process, and the allocation of department administrative services from the core Mental Health budget.

Revenues in the amount of \$13,154,300 to support activities in this cost center come exclusively from the MHSA revenues and federal and state reimbursement for Medi-Cal covered youth and adult mental health services provided to MHSA supported clients. MHSA revenue totals \$11.4 million, which includes \$2.3 million from prior years' unspent revenue and \$9.1 million in current year projected revenue. Of the current year revenue, \$331,411 will be used to fund the remainder of required reserves as determined by the current level of the CSS portion of MHSA funding. For Shasta County, the total mandated reserve level is \$1,811,768, but this amount will fluctuate year to year, based upon the CSS funding levels. 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.

SUMMARY OF RECOMMENDATIONS

Adjustments were made to a few expense accounts; however, this has no effect on the net.

PENDING ISSUES AND POLICY CONSIDERATIONS

As in FY 2008-09, the major focus of the budget year will be to continue to transform the mental health service delivery system available to youth, adults, and older adults. Since the inception of the MHSA, the state has been relatively slow in releasing instructions for all components of the MHSA. As plans are completed and approved for Prevention and Early Intervention, Capital and Information Technology, Innovation, and Workforce Education and Training, enhancement of the MHSA system will continue. 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.

MHSA funds may not be used to supplant services that existed prior to the passage of the law. The shift of staff from the core Mental Health budget has been necessary to preserve services, and represents a change in the way that services are delivered to our clients.

This funding source is not without risks. The FY 2009-10 state budget included the assumption of some capture of MHSA trust funds to fund the state's funding obligation for youth mental health

services. This redirection of funds requires approval by the voters through a ballot initiative in May 2009. Should this initiative pass, there would be a decrease in the available MHSA funding over a two-year period. Further, the funding is based on a one percent tax on taxpayers making more than \$1 million per year. As economic conditions throughout the state have declined, it is anticipated that revenues will follow suit and be reduced in future years until the economy recovers.

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

Title	As of June 09	09-10 Request	09-10 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	0.00	0.00	-1.00
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	26.50	26.50	-1.00

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 2007-08	ACTUAL BUDGET 2008-09	ACTUAL EXP/REV 2008-09	BUDGET REQUESTS 2009-10	CAO RECOMMENDS 2009-10	ADOPTED BY BOS 2009-10
OTHER CHARGES	12,322,605	8,000,000	10,862,984	8,000,000	8,000,000	8,000,000
TOTAL EXPENDITURES*****	\$12,322,605	\$8,000,000	\$10,862,984	\$8,000,000	\$8,000,000	\$8,000,000
INTERGOVT REVENUES	12,322,605	8,000,000	10,862,984	8,000,000	8,000,000	8,000,000
TOTAL REVENUES*****	\$12,322,605	\$8,000,000	\$10,862,984	\$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 must 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

STATE CONTROLLER COUNTY BUDGET ACT	ACTUAL EXP/REV 2007-08	ACTUAL BUDGET 2008-09	ACTUAL EXP/REV 2008-09	BUDGET REQUESTS 2009-10	CAO RECOMMENDS 2009-10	ADOPTED BY BOS 2009-10
SALARIES AND BENEFITS	8,244,531	7,545,195	7,204,912	6,281,010	6,281,010	6,281,010
SERVICES AND SUPPLIES	2,115,393	2,416,911	2,416,911	2,162,097	2,162,097	2,162,097
OTHER CHARGES	9,057,525	8,774,546	8,440,222	8,735,557	8,551,538	8,551,538
FIXED ASSETS	0	7,035	0	0	0	0
INTRAFUND TRANSFERS	-955,627	-581,337	-1,123,250	-1,349,121	-1,349,121	-1,349,121
APPROP FOR CONTINGEN	0	98,317	0	0	0	0
OTHER FINANCING USES	57,015	121,574	24,806	21,574	21,574	21,574
TOTAL EXPENDITURES*****	\$18,518,836	\$18,382,241	\$16,963,601	\$15,851,117	\$15,667,098	\$15,667,098
REV FROM MONEY & PROPE	9,751	21,000	20,189	21,000	21,000	21,000
INTERGOVT REVENUES	15,648,265	17,128,440	17,704,609	15,047,919	15,047,919	15,047,919
CHARGES FOR SERVICES	59,877	106,750	39,051	85,750	85,750	85,750
MISC REVENUES	292,629	160,000	247,328	160,000	160,000	160,000
OTHR FINANCE SRCS T/I	674,757	801,778	748,476	276,778	276,778	276,778
OTHR FINANCE SRCS F/A	238	0	1,438	0	0	0
TOTAL REVENUES*****	\$16,685,516	\$18,217,968	\$18,761,091	\$15,591,447	\$15,591,447	\$15,591,447
MENTAL HEALTH EXP OVER (UNDER) REV	\$1,833,320	\$164,273	(\$1,797,490)	\$259,670	\$75,651	\$75,651

PROGRAM DESCRIPTION

The mission of the Shasta County Mental Health Department (SCMH) is to enable persons experiencing chronic and persistent 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 managed care and related performance agreement with the State Department of Mental Health.

Outpatient specialty mental health services are authorized by SCMH. These services are provided directly through SCMH and through contract providers. Funding is provided by a combination of state and federal funding, 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.

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.

BUDGET REQUESTS

Mental Health's FY 2009-10 budget request includes projected revenues in the amount of \$15,591,447 and appropriations of \$15,851,117. The resulting \$259,670 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 continue to contribute to a troubling financial picture for the department. The department has worked diligently to close a budget gap without profoundly affecting services to clients.

Overall, salaries and benefits are projected at \$6,281,010, a decrease of \$1.3 million from the FY 2008-09 budget. This reduction is largely due to shifting staff to assignments within Mental Health Services Act programs (BU 404) and maintaining planned vacancies within the department. One staff member was shifted to the HHS Administration budget (BU 502) to allow their costs to be appropriately distributed to other HHS departments. Services and supplies expenditures are projected to decrease by \$243,838 as operating costs are shifted appropriately to MHS.

Revenues overall in this budget are anticipated to be \$2.2 million lower than in FY 2008-09. Significant reductions in the Medi-Cal managed care allocation, Realignment revenue, and Early and Periodic Screening, Diagnosis and Treatment (EPSDT) revenue accounting for the decline. Federal Medi-Cal funds are projected to be flat, despite an increase in the Federal Medical Assistance Percentage (FMAP) from 50 percent to 61.59 percent reimbursement. This trend is reflective of the shift in billable services provided to MHS clients that must be attributed to that cost center. The Medi-Cal revenue projection also assumes receipt of the FY 2007-08 cost settlement of approximately \$1 million. The state Medi-Cal mental health managed care allocation is projected to be reduced by \$231,521 from the FY 2008-09 budget as an offsetting deduction for additional FMAP funds coming to the County. State Realignment revenue is expected to decrease by \$779,663 from the FY 2008-09 budgeted levels as a continued decline in vehicle license fee and sales tax revenue is anticipated. Total General Fund requested is \$276,778, which includes the statutory Realignment MOE of \$266,778 and \$10,000 from Social Services General Fund support to leverage receipt of state and federal rehabilitation funds.

The department continues to await more than \$1.2 million in FY 2005-06 cost settlement revenue (services provided from July 1, 2005 through June 30, 2006) that was anticipated to be received in May 2008. This payment has been delayed due to a dispute between the state and federal governments over the claiming process in two large California counties for that fiscal year. Absent the confidence that this dispute will be resolved any time soon, the department has not projected receipt of those dollars in either the current or budget years. The FY 2006-07 settlement payment of approximately \$600,000 set for receipt in May 2009 will also be delayed. When the funds are received, they will be used to rebuild fund balance reserves. To avoid these large cost settlements in the future, the department has changed billing practices to more prospectively capture funding through monthly billing for services and administrative costs. Over time, this change will drastically reduce reliance on future cost settlements and minimize the risk of delays in payment.

Even with the shift of staffing and operating expenses to MHS, the department is facing a deficit of \$1.5 million for FY 2008-09 and \$259,670 for FY 2009-10. Current department fund balance reserves will be completely exhausted by the end of FY 2009-10, leaving the department with no flexibility to respond to community needs absent significant new revenues or severe cost-cutting measures. To remedy the shortfall, the Health and Human Services Agency Director will likely bring

a recommendation to the Board of Supervisors to transfer \$550,000 in Tobacco Settlement Funds from Social Services to Mental Health. These funds were originally provided by the Board of Supervisors to Social Services as it faced significant non-controllable cost increases in FY 2008-09 associated with caseload growth in entitlement and mandated programs. This move is not without risk, however. By the end of FY 2009-10, this transfer would further diminish reserves in Social Services (Fund 0140) to only 2.7 percent in a budget of more than \$92 million.

SUMMARY OF RECOMMENDATIONS

Adjustments were made to balance the cost-applied accounts. A negative fund balance issue was addressed by reducing expenditures by \$4,741 and identifying \$179,278 as unallocated expenditures.

PENDING ISSUES AND POLICY CONSIDERATIONS

The most pressing issues facing Mental Health are revenue related. For both the current and budget years, Realignment revenue is projected to fall far below the FY 2008-09 base allocation. This two-year revenue loss to the department is projected at \$1.38 million. These funds are used as match for federal Medi-Cal funds as well as to provide indigent Mental Health services and support the cost of inpatient hospitalization and residential care for severely ill persons. The FMAP increase, as a part of the federal stimulus package, promised to bring increased revenue into the department. However, much of the increase has been offset by decreases in state funding and a May 2009 federal ruling that the state may not be eligible for these increases adds to the seriousness of the lack of funding.

Exacerbating the problem, continued delays in payment from the state have led to significant cash management issues for the department. The California legislature is currently putting significant pressure on the state Department of Mental Health to pay Mental Health Medi-Cal claims within 30 days of receipt of the billing. This would provide some much needed relief to the program as payments are currently processed in approximately 90 to 120 days after the billing has been submitted to the state. As noted above, delayed cost settlement for years-old services rendered, and prospective payment deferrals for youth mental health services have further worsened the cash position of the department.

Finally, Mental Health services are some of the most frequently audited with multiple program and financial audits performed every year. Risk of recoupment of significant portions of state and federal funding causes the department to expend large sums of money in administrative oversight and compliance review functions.

The Mental Health Director and the Health and Human Services Agency Director are working actively with their respective professional organizations and policymakers to provide relief to an ailing Mental Health system.

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's unallocated expenditures in the proposed budget totaled \$179,278. This is offset by a decrease in appropriations of \$179,278 in Supplemental/Care Client Contract Services.

POSITION ALLOCATION

Title	As of June 09	09-10 Request	09-10 Rec	Change
Director of Mental Health Services	1.00	1.00	1.00	0.00
Account Clerk I/II	1.00	0.00	0.00	-1.00
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	2.00	2.00	1.00
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 COUNTY BUDGET ACT (1985)	ACTUAL EXP/REV 2007-08	ACTUAL BUDGET 2008-09	ACTUAL EXP/REV 2008-09	BUDGET REQUESTS 2009-10	CAO RECOMMENDS 2009-10	ADOPTED BY BOS 2009-10
SALARIES AND BENEFITS	10,826,500	10,189,094	9,960,742	9,822,139	9,822,139	9,822,139
SERVICES AND SUPPLIES	6,018,735	8,130,733	6,083,501	6,693,269	6,697,339	6,697,339
OTHER CHARGES	752,376	850,151	848,227	666,312	666,312	666,312
FIXED ASSETS	6,393	204,054	7,115	85,000	85,000	85,000
INTRAFUND TRANSFERS	-3,766,263	-4,612,329	-3,797,803	-4,667,172	-4,663,102	-4,663,102
APPROP FOR CONTINGENCY	0	53,243	0	0	0	0
OTHER FINANCING USES	108,624	125,183	70,557	0	0	0
TOTAL EXPENDITURES*****	\$13,946,364	\$14,940,129	\$13,172,339	\$12,599,548	\$12,607,688	\$12,607,688
LICENSES, PERMITS & FRANC	4,958	4,500	4,638	4,500	4,500	4,500
FINES, FORFEITURES & PENA	6,573	7,343	5,154	5,500	5,500	5,500
REV FROM MONEY & PROPER	91,538	75,000	36,486	50,000	50,000	50,000
INTERGOVT REVENUES	12,799,548	11,103,375	9,948,414	9,639,724	9,639,724	9,639,724
CHARGES FOR SERVICES	1,058,344	999,012	1,179,734	1,135,281	1,135,281	1,135,281
MISCELLANEOUS REVENUES	400,110	583,323	471,544	589,156	589,156	589,156
OTHR FINANCE SRCS TRN IN	50,105	51,122	47,048	49,019	49,019	49,019
TOTAL REVENUES*****	\$14,411,176	\$12,823,675	\$11,693,019	\$11,473,180	\$11,473,180	\$11,473,180
PUBLIC HEALTH EXP OVER (UNDER) REV	(\$464,812)	\$2,116,454	\$1,479,321	\$1,126,368	\$1,134,508	\$1,134,508

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. For FY 2009-10, the department will be reorganized from six divisions into five to align with the proposed HHSA transformation model and adjust for staff reductions and reassignments due to revenue losses. These divisions are: Communicable Disease Prevention and Control; Health Support Services; Regional Public Health Services; Maternal, Child, and Adolescent Health; and Nutrition and Physical Activity Promotion.

BUDGET REQUESTS

The Public Health FY 2009-10 budget contains a General Fund contribution of the statutory maintenance of effort level of \$184,049 necessary to obtain Realignment revenue. As in the past, a portion of this contribution goes into Cost Center 412 to support the Nor-Cal EMS contract, 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 funds offset costs in the main Public Health budget (Cost Center 411). General Fund dollars remaining for the main Public Health budget this year total \$49,019. The total expenditure request for Public health is \$12.6 million, a

decrease of approximately \$2.3 million, or 15.7 percent, from the FY 2008-09 adjusted budget. The expenditure reduction is attributable to reductions in salaries and benefits and other operating costs necessary to absorb significant losses in Realignment revenue.

Areas on which Public Health expects to focus in FY 2009-10 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 prevent child abuse and neglect, substance abuse, and promotion of maternal, child, and adolescent health.

Salaries and benefit expenditures are expected to decrease by approximately \$366,955, or 3.6 percent, from the adjusted FY 2008-09 budget due to staff reductions and despite increases due to step advances and COLA adjustments and higher retirement costs as more employees become vested. To reduce costs, the department contemplated the layoffs of as many as 12 current Public Health employees. However, through management of attrition and reassignment to other areas with sufficient funding, the number of positions being eliminated has been reduced to 4.2 FTE. Incumbent staff in these positions may have the option to fill vacant positions in HHSA Administration–Community Relations, or Social Services. Operating expenses reflect a decrease of approximately \$1.4 million, or 17.7 percent, from the FY 2008-09 budget. This decrease is attributed to reductions in office and educational expenses, Information Technology costs, building maintenance, HHSA and department administration costs, advertising, professional services, and travel and training. The department will also realize a decrease in County A-87 charges of \$182,259.

As in previous years, the department has included fixed asset requests of \$85,000 as a placeholder to allow the department to purchase replacement laboratory equipment quickly should aging equipment become inoperable. This authority will only be utilized if the equipment fails and cannot reasonably be repaired.

The department's largest single revenue stream continues to be Realignment, which is made up of Vehicle License Fees (VLF) and Sales Tax (ST). Public Health expects this funding stream to decline significantly through both the current and next budget year. Overall, the department projects to lose \$1.27 million and \$1.65 million in the current and next budget years respectively. Realignment revenue projections are consistent with current year actual shortfalls of 11 percent in VLF and nine percent in ST with the decline in funding slowing for FY 2009-10. In addition to Realignment loss, reductions in Bioterrorism Preparedness, and AIDS funding are projected. Some of the revenue loss is offset by modest increases in the Women, Infants and Children (WIC) supplemental nutrition program, and Medi-Cal Administrative Activities funding.

Charges for Services revenues are budgeted to increase by \$136,269 mainly due to increased immunization and drug testing revenue and revenues from schools for health and fitness education. Revenues for Targeted Case Management are also increased due to a higher rate of claiming by community partners and a federal stimulus package augmentation of the Federal Medical Assistance Percentage (FMAP). These funds are a pass-through with a commensurate amount of cost in services and supplies expenditures.

Overall, the department projects utilization of department reserves in the amount of \$2.4 million in FY 2008-09 and \$1.1 million in FY 2009-10. At this time, the department has sufficient reserves to support this level of deficit spending. However, it is important for the department to maintain a reasonable level of reserves to sustain cash balances without having to borrow while awaiting payment for reimbursement-based grants. The department continues to take a very conservative approach to budget and maintains cost controls and efficiencies within the department that allow it to maintain sufficient reserves to continue 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

Adjustments were made to balance the cross accounts and correct two fixed asset figures; however, this has a minimal effect on the net cost.

PENDING ISSUES AND POLICY CONSIDERATIONS

The most pressing challenge is the impact of the steep decline in Realignment revenue. The department has a base allocation level of \$12,090,812. However, of this, \$5,361,013 is deducted to support indigent health care through the County Medical Services Program (CMSP). Through the current fiscal year, approximately 85 percent of the allocation has been deducted from the gross payment beginning early in the fiscal year until the CMSP obligation is met. For FY 2009-10 and FY 2010-11, the CMSP board agreed to "smooth" the CMSP payment, dividing it into 11 equal installments. This will allow the department to receive more Realignment revenue earlier in the year, helping to sustain cash balances while awaiting payment for expenditure-based programs. The department will continue to closely monitor Realignment revenue and make further expenditure adjustments, if necessary.

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

Title	As of June 09	09-10 Request	09-10 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	20.00	20.00	-2.00
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	1.00	1.00	-1.00

Title	As of June 09	09-10 Request	09-10 Rec	Change
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	151.50	151.50	-3.00

PUBLIC HEALTH-HEALTH SERVICES

Fund 0196 Public Health, Budget Unit 412

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

STATE CONTROLLER COUNTY BUDGET ACT (1985)	ACTUAL EXP/REV 2007-08	ACTUAL BUDGET 2008-09	ACTUAL EXP/REV 2008-09	BUDGET REQUESTS 2009-10	CAO RECOMMENDS 2009-10	ADOPTED BY BOS 2009-10
SALARIES AND BENEFITS	404	1,525	0	0	0	0
SERVICES AND SUPPLIES	83,618	83,313	82,839	82,727	82,727	82,727
OTHER CHARGES	101,764	361,236	66,574	361,376	361,376	361,376
INTRAFUND TRANSFERS	-62,894	-64,704	-63,928	-64,704	-64,704	-64,704
APPROP FOR CONTINGENCY	0	50,000	0	50,000	50,000	50,000
TOTAL EXPENDITURES*****	\$122,891	\$431,370	\$85,485	\$429,399	\$429,399	\$429,399
CHARGES FOR SERVICES	17	0	33	0	0	0
OTHR FINANCE SOURCES TRAN IN	428,313	431,370	431,370	429,399	429,399	429,399
TOTAL REVENUES*****	\$428,330	\$431,370	\$431,403	\$429,399	\$429,399	\$429,399
SHASTA COUNTY HEALTH CARE EXP OVER (UNDER) REV	(\$305,439)	\$0	(\$345,919)	\$0	\$0	\$0

PROGRAM DESCRIPTION

The cost center accounts for the County Medical Services Program (CMSP) participation fee (a program to support medical care costs for indigent county residents), contingency reserve for medically indigent adults who do not qualify for CMSP, 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 supports the activities for this budget unit.

BUDGET REQUESTS

The budget request includes the cost of the NorCal EMS contract at the same level as in FY 2008-09. A budget amendment will be processed as needed to reflect any increase for FY 2009-10. This budget also continues the lease of space in central Redding for hospital records 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 Institutions Code §17000 obligation. No claims have been processed for these costs in FY 2008-09, but \$12,764 was paid in FY 2007-08. All Salary and Benefits costs for this program are included in cost center 41121, Public Health Clinic/Reception Services.

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. Recent budget decisions in Sacramento have decreased Medi-Cal coverage beginning July 1, 2009, of certain optional benefits, such as adult dental services, due to a fiscal "trigger" related to the amount of federal stimulus money coming to California to offset general fund obligations. This coverage reduction may increase annual obligations to the entire CMSP system of approximately \$20 million. Since CMSP is funded by small and medium counties' statutory contributions and Realignment funds, declining Realignment revenues put additional pressure on CMSP to cut services or require participating counties to pay additional funds into the program. Should CMSP-covered services be reduced, it would increase the risk of payment for non-CMSP indigent health care claims.

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.

PUBLIC HEALTH-CALIFORNIA CHILDREN SERVICES

Fund 0196 Public Health, Budget Unit 417

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

STATE CONTROLLER COUNTY BUDGET ACT (1985)	ACTUAL EXP/REV 2007-08	ACTUAL BUDGET 2008-09	ACTUAL EXP/REV 2008-09	BUDGET REQUESTS 2009-10	CAO RECOMMENDS 2009-10	ADOPTED BY BOS 2009-10
SALARIES AND BENEFITS	1,109,588	1,430,865	1,131,706	1,484,059	1,484,059	1,484,059
SERVICES AND SUPPLIES	364,462	461,593	382,712	499,353	499,353	499,353
OTHER CHARGES	234,447	313,871	308,853	321,706	321,706	321,706
APPROP FOR CONTINGENCY	0	4,107	0	0	0	0
TOTAL EXPENDITURES*****	\$1,708,496	\$2,210,436	\$1,823,271	\$2,305,118	\$2,305,118	\$2,305,118
INTERGOVT REVENUES	1,394,973	1,682,579	1,809,090	1,780,630	1,780,630	1,780,630
CHARGES FOR SERVICES	872	1,200	2,958	800	800	800
MISCELLANEOUS REVENUES	764	1,500	4,424	1,500	1,500	1,500
OTHR FINANCE SRCS TRAN IN	168,075	168,075	168,075	138,075	138,075	138,075
TOTAL REVENUES*****	\$1,564,684	\$1,853,354	\$1,984,547	\$1,921,005	\$1,921,005	\$1,921,005
CALIFORNIA CHILDRENS SERVICES EXP OVER (UNDER) REV	\$143,813	\$357,082	(\$161,276)	\$384,113	\$384,113	\$384,113

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 under the age of 21 with severe disabilities/diseases 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. For the administrative/case management portion of the program, until the current year, the state funded 100% of costs for children on Medi-Cal, 82.5 percent of costs for children on Healthy Families insurance, and 50 percent for all other children. The therapy and medical care portion of the program was shared 50/50 between state and County. Beginning in FY 2008-09, the state capped the allocations for CCS, increasing the County's risk for financing of the program for any expenses above the cap. The allocation formula used by the state to determine the cap penalized the most efficient counties, like Shasta, because it used a previous year's budgeted costs rather than a caseload-based standard. This program is funded by Social Services Realignment revenue, categorical state funding, Medi-Cal fee for service, Public Health resources, and a County General Fund appropriation.

BUDGET REQUESTS

The FY 2009-10 expenditure request represents an increase of \$94,682, or 4.28 percent, over the FY 2008-09 adjusted budget, primarily due to negotiated increases in employee salaries and benefits, administrative costs allocated to this program based upon time studies, and an increase in A-87 charges. While state revenue for this program is expected to increase slightly, because of the new allocation methodology, the revenue increase does not support the state's share of cost increases. Further, the county share of cost in this program costs continues to outpace Social Services Realignment funding for this categorical program. The County General Fund contribution to this program is reduced by \$30,000 for FY 2009-10 to \$138,075. Public Health is using fund balance reserves to fund the increased county cost to operate the CCS program.

SUMMARY OF RECOMMENDATIONS

No modifications to the request are recommended.

PENDING ISSUES AND POLICY CONSIDERATIONS

This is the eighth full year of CCS operating under Public Health oversight and the department 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 Healthy Families and Medi-Cal client ratios and varying high-risk medical needs among CCS children. Therefore, due to the possibility of additional medical care costs, Medi-Cal and Healthy Families caseloads, and the decline and continued uncertainty of Realignment revenues, Public Health bears the risk for the additional costs.

In FY 2007-08, legislation was introduced that would have made more children eligible for the program and without any provision to relieve counties of their proportionate share of the additional cost associated with the increase. The legislation was eventually rewritten to include language to protect counties financially, but was vetoed by the Governor as too costly for the state. However, this type of legislation is indicative of the pressure from interest groups with good intent but an unclear understanding of the detrimental financial effects this type of legislation would have locally on other programs. The department will continue to work with its own professional organizations and the Board of Supervisors to suggest opposition to legislation that does not adequately fund program expansion at the state level and places additional financial burden upon counties.

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

Title	As of June 09	09-10 Request	09-10 Rec	Change
Occupational Therapist I/II or Physical Therapist I/II or Licensed Physical Therapy Assistant or Certified Occupational Therapy Assistant	4.50	4.50	4.50	0.00
Medical Services Clerk	1.00	1.00	1.00	0.00
Public Health Nurse III/II	1.00	1.00	1.00	0.00
Public Health Nurse I/II	1.00	1.00	1.00	0.00
Social Worker or Assistant Social Worker	3.00	3.00	3.00	0.00
Supervising Public Health Nurse	1.00	1.00	1.00	0.00
Therapist Supervisor	1.00	1.00	1.00	0.00
Typist Clerk I/II	1.00	1.00	1.00	0.00
Total	13.50	13.50	13.50	0.00

MENTAL HEALTH-ALCOHOL AND DRUG PROGRAMS

Fund 0080 Mental Health, Budget Unit 422

Mark Montgomery, Psy.D., Mental Health Director

STATE CONTROLLER COUNTY BUDGET ACT (1985)	ACTUAL EXP/REV 2007-08	ACTUAL BUDGET 2008-09	ACTUAL EXP/REV 2008-09	BUDGET REQUESTS 2009-10	CAO RECOMMENDS 2009-10	ADOPTED BY BOS 2009-10
SALARIES AND BENEFITS	933,278	954,598	909,987	750,109	750,109	750,109
SERVICES AND SUPPLIES	759,816	1,049,802	989,061	872,920	870,160	870,160
OTHER CHARGES	604,783	692,776	570,191	606,394	606,394	606,394
INTRAFUND TRANSFERS	-44,525	-70,397	-26,224	-51,750	-51,750	-51,750
TOTAL EXPENDITURES*****	\$2,253,352	\$2,626,779	\$2,443,015	\$2,177,673	\$2,174,913	\$2,174,913
FINES, FORFEITURES & PENALTIE	31,743	25,100	31,959	31,800	31,800	31,800
INTERGOVT REVENUES	2,138,088	2,481,718	2,416,735	2,021,347	2,021,347	2,021,347
CHARGES FOR SERVICES	135,510	76,000	71,078	46,817	46,817	46,817
MISCELLANEOUS REVENUES	15	0	-45,831	0	0	0
OTHR FINANCE SRCS TRAN IN	22,766	14,324	14,342	13,874	13,874	13,874
TOTAL REVENUES*****	\$2,328,122	\$2,597,142	\$2,488,283	\$2,113,838	\$2,113,838	\$2,113,838
ALCOHOL & DRUG PROGRAMS EXP OVER (UNDER) REV	(\$74,770)	\$29,637	(\$45,268)	\$63,835	\$61,075	\$61,075

PROGRAM DESCRIPTION

The Alcohol and Drug Program's (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. Outpatient counseling services are available to those in need of substance abuse treatment. Specialized treatment programs are offered for adolescents, seniors, and individuals with coexisting conditions of mental illness and substance abuse dependence. Residential alcohol and drug treatment is provided through contracts with local providers. Substance abuse prevention and HIV services are provided through an agreement with the Department of Public Health.

During FY 2009-10, ADP will continue to focus on increasing the number of Drug/Medi-Cal treatment providers in Shasta County. The new treatment services will be totally funded through State and Federal funds.

BUDGET REQUESTS

The FY 2009-10 appropriation request is \$2,174,913, a reduction of approximately \$323,147, or 12.9 percent, from the adjusted FY 2008-09 budget. A decrease in Salaries and Benefits of \$246,332 is attributable to movement of positions funded by Social Services CalWORKs revenue into the Perinatal Services budget (Budget Unit 425) to align those services with others that will be transitioning into the Regional Resource Centers under the new Health and Human Services Agency service delivery model, and from projected salary savings from leaving vacant positions unfilled. The department also anticipates a reduction of \$130,113 in services and supplies to account for the movement of operating costs to the Perinatal budget.

Revenue in this cost center is expected to be \$2,113,838, a decrease of \$354,485, or 14.4 percent, from the adjusted FY 2008-09 budget. The decrease is mainly attributed to the movement of

CalWORKs funds to the Perinatal budget. Offsetting the movement of CalWORKs funds, federal and state Medi-Cal funds are increased by nearly \$90,000 to account for a higher level of billable services provided through contractors.

The General Fund contribution requested for this program is \$13,874, which is the minimum required match to receive discretionary State General Funds and the State General Fund Offender Treatment Program (OTP) allocation. This is a reduction of \$450 from the FY 2008-09 level, reflective of the decrease in the state allocation. In an effort to cover increased costs, ADP is proposing to use \$61,075 of fund balance.

There are no fixed assets or new position allocations associated with this budget submission.

SUMMARY OF RECOMMENDATIONS

Adjustments were made to balance the cross accounts; however, this has a minimal effect on the net cost.

PENDING ISSUES AND POLICY CONSIDERATIONS

Historically, state funds for alcohol and drug prevention and treatment services are targeted for reductions in difficult budget times. The current state budget deficit may drive a further decrease in state funding for these valuable programs.

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

Title	As of June 09	09-10 Request	09-10 Rec	Change
Administrative Secretary I	1.00	1.00	1.00	0.00
Administrative Secretary II/Supervisor	1.00	0.00	0.00	-1.00
Alcohol/Drug Program Administrator	1.00	1.00	1.00	0.00
Business Office Clerk I/II	1.75	1.75	1.75	0.00
Clinical Division Chief	1.00	1.00	1.00	0.00
Clinical Program Coordinator	1.00	1.00	1.00	0.00
Social Worker or Assistant Social Worker	13.00	13.00	13.00	0.00
Typist Clerk I/II	1.00	1.00	1.00	0.00
Total	20.75	19.75	19.75	-1.00

MENTAL HEALTH-SUBSTANCE ABUSE & CRIME PREVENTION PROGRAM

Fund 0189 Substance Abuse Crime Prevention, Budget Unit 424
 Mark Montgomery, Psy.D., Mental Health Director

STATE CONTROLLER COUNTY BUDGET ACT (1985)	ACTUAL EXP/REV 2007-08	ACTUAL BUDGET 2008-09	ACTUAL EXP/REV 2008-09	BUDGET REQUESTS 2009-10	CAO RECOMMENDS 2009-10	ADOPTED BY BOS 2009-10
SALARIES AND BENEFITS	389,832	328,620	321,447	384,301	384,301	384,301
SERVICES AND SUPPLIES	310,560	366,998	280,853	279,452	279,452	279,452
OTHER CHARGES	102,654	16,619	16,619	34,198	34,198	34,198
INTRAFUND TRANSFERS	-78,088	-92,051	-22,211	-52,421	-52,421	-52,421
APPROP FOR CONTINGENCY	0	5,185	0	0	0	0
TOTAL EXPENDITURES*****	\$724,958	\$625,371	\$596,707	\$645,530	\$645,530	\$645,530
REVENUE FROM MONEY & PROPERTY	-1,624	500	6,493	4,000	4,000	4,000
INTERGOVERNMENTAL REVENUES	668,680	599,060	582,484	589,060	589,060	589,060
CHARGES FOR SERVICES	29,248	14,000	7,983	8,500	8,500	8,500
TOTAL REVENUES*****	\$696,303	\$613,560	\$596,960	\$601,560	\$601,560	\$601,560
SUBSTANCE ABUSE CRIME PREVENT EXP OVER (UNDER) REV	\$28,655	\$11,811	(\$253)	\$43,970	\$43,970	\$43,970

PROGRAM DESCRIPTION

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

Alcohol and Drug Programs (ADP) has been designated as the lead agency and is responsible for implementation and ongoing coordination of SACPA. To insure that all impacted parties have input in how SACPA operates in Shasta County, the SACPA Implementation Committee continues to meet for the purposes of monitoring this program. Along with Alcohol and Drug Program staff, the committee is comprised of the representatives from the following agencies: County Probation, District Attorney, Mental Health, County Administrative Office, Public Defender's Office, Shasta County Superior Court of California, and California State Parole.

BUDGET REQUESTS

Overall expenditures in this program are expected to be \$645,530, an increase of \$20,159, or 3.2 percent, from the FY 2008-09 adjusted budget. Cost increases in salaries and benefits and contracted drug counseling services are offset somewhat by an overall reduction in services and supplies. It is anticipated that Shasta County will receive an allocation of \$539,363 from the State and \$49,697 in federal funds to provide SACPA services during FY 2009-10. Total revenues are projected at \$601,560, a reduction of \$12,000, or two percent, from the current fiscal year. Revenue projections have been reduced in client self-pay to reflect lower payments from participating clients and in CalWORKs revenue that will move into the Perinatal Alcohol & Drug Services budget (Cost Center 425) as part of HHSA's movement toward Regional Resource Center service delivery. The department projects expenditures to exceed revenues by \$43,970 for the

budget year and has sufficient reserves to absorb this deficit. There is no County General Fund cost associated with this cost center.

SUMMARY OF RECOMMENDATIONS

Minor adjustments were made in expense accounts; however, this has no effect on the net cost.

PENDING ISSUES AND POLICY CONSIDERATIONS

While this program was adopted by the voters, funding for program activities has been steadily declining over the past few years. Unless sufficient revenues are returned to the program, future services, which have proven successful, will be in jeopardy.

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

Title	As of June 09	09-10 Request	09-10 Rec	Change
Business Office Clerk I/II	1.00	2.00	2.00	1.00
Social Worker or Assistant Social Worker	3.00	3.00	3.00	0.00
Senior Staff Analyst	1.00	1.00	1.00	0.00
Total	5.00	6.00	6.00	1.00

MENTAL HEALTH-PERINATAL PROGRAM

Fund 0080 Mental Health, Budget Unit 425

Mark Montgomery, Psy.D., Mental Health Director

STATE CONTROLLER COUNTY BUDGET ACT (1985)	ACTUAL EXP/REV 2007-08	ACTUAL BUDGET 2008-09	ACTUAL EXP/REV 2008-09	BUDGET REQUESTS 2009-10	CAO RECOMMENDS 2009-10	ADOPTED BY BOS 2009-10
SALARIES AND BENEFITS	566,275	615,289	569,177	955,799	955,799	955,799
SERVICES AND SUPPLIES	90,783	217,999	132,028	373,237	373,237	373,237
OTHER CHARGES	69,690	91,050	68,711	75,612	75,612	75,612
INTRAFUND TRANSFERS	-124,782	-68,561	-35,066	-10,152	-10,152	-10,152
APPROP FOR CONTINGENCY	0	7,226	0	0	0	0
TOTAL EXPENDITURES*****	\$601,965	\$863,003	\$734,849	\$1,394,496	\$1,394,496	\$1,394,496
INTERGOVT REVENUES	750,839	846,930	916,501	1,378,389	1,378,389	1,378,389
CHARGES FOR SERVICES	48	50	90	300	300	300
OTHR FINANCE SRCS TRAN IN	17,563	17,563	17,563	15,807	15,807	15,807
TOTAL REVENUES*****	\$768,449	\$864,543	\$934,154	\$1,394,496	\$1,394,496	\$1,394,496
PERINATAL EXP OVER (UNDER) REV	(\$166,484)	(\$1,540)	(\$199,305)	\$0	\$0	\$0

PROGRAM DESCRIPTION

The Perinatal Program of Shasta County Alcohol and Drug Programs (ADP) provides a full range of specialized treatment services to substance dependent women who are either pregnant, or who have children under the age of twelve. In addition to an alcohol and drug day-treatment program, services offered include intensive case management, childcare, transportation, parenting classes, and transitional living assistance. The Perinatal Program promotes a drug-free lifestyle with an emphasis on developing a strong mother/child relationship.

As a result of decreased federal funding and increased costs, contracts with residential treatment providers formerly paid out of this cost center have been discontinued. The focus of the Perinatal Program continues to be on the provision of outpatient and day treatment services to pregnant and parenting women and their children. Alcohol and Drug staff will continue to work with various nonprofit organizations on the development of transitional/sober-living programs that will provide housing while clients continue their substance abuse treatment at either ADP's Perinatal Day Treatment Program (Trinity House) or Right Road Recovery Services Women's Program.

In order to insure access to alcohol and other drug treatment by pregnant and parenting women, ADP is proposing to renew contracts with Right Road Recovery Services for the southern and eastern regions of the county. Funding for these services is a combination of Perinatal State General Fund, Federal Substance Abuse Prevention and Treatment Block Grant Perinatal Set-Aside funds, and State/Federal Drug Medi-Cal funds that are allocated to Shasta County specifically for this type of service.

Since the inception of welfare reform, the Department of Mental Health's Behavioral Health Team (BHT) has been working closely with the Department of Social Services staff in identifying CalWORKs participants who have mental health, substance abuse, and/or domestic violence problems that are creating barriers to employment. For FY 2009-10, the BHT staff costs and associated revenue are shifted to this budget unit as BHT and Perinatal Alcohol and Drug programs both fall into the Regional Resource Centers function under the HSA model for transforming service delivery to clients. This move will better facilitate budget and expenditure tracking for Regional Resource Centers.

BUDGET REQUESTS

Overall expenditures are projected at \$1,394,496, an increase of \$531,459, or 61.6 percent, from the FY 2008-09 adjusted budget. This increase is attributed to the movement of BHT staff and operating costs from the Alcohol & Drug Program budget (Cost Center 422) into this budget unit as well as a projected increase in contracted drug and alcohol treatment services provided to women who are pregnant or who have recently given birth.

County General Fund support is requested at \$15,807, the minimum required match to receive discretionary State General Funds. This is a reduction of \$1,756 from FY 2008-09 due to a reduction in the state allocation. Overall, the department projects a balanced budget for FY 2009-10 in this cost center.

SUMMARY OF RECOMMENDATIONS

Adjustments were made to a few expense accounts; however, this has no effect on the net result.

PENDING ISSUES AND POLICY CONSIDERATIONS

No statutory changes have been implemented that will impact this budget unit.

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

Title	As of June 09	09-10 Request	09-10 Rec	Change
Clinical Program Coordinator	1.00	1.00	1.00	0.00
Community Mental Health Worker	2.00	2.00	2.00	0.00
Social Worker or Assistant Social Worker	5.00	5.00	5.00	0.00
Total	8.00	8.00	8.00	0.00