

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

State Controller Schedules
 County Budget Act
 January 2010

County of Shasta
 Detail of Financing Sources and Financing Uses
 Governmental Funds
 Fiscal Year 2011-12

Schedule 9

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

Detail By Revenue Category and Expenditure Object	2009-10 Actuals	2010-11		2011-12 Recommended	2011-12 Adopted by the Board of Supervisors
		Actual <input checked="" type="checkbox"/>	Estimated <input type="checkbox"/>		
1	2	3	4	5	
REVENUE FROM MONEY & PROPERTY	\$40,118	\$40,622		\$40,000	\$40,000
Total Revenues:	\$40,118	\$40,622		\$40,000	\$40,000
Total Expenditures/Appropriations:	\$0	\$0		\$0	\$0
Net Cost:	(\$40,118)	(\$40,622)		(\$40,000)	(\$40,000)

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 2011-12 requested budget includes \$40,000 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.

RESOURCE MANAGEMENT-ENVIRONMENTAL HEALTH DIVISION
Fund 0064 General-Resource Management, Budget Unit 402
Russ Mull, Director of Resource Management

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County of Shasta
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Schedule 9

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

Detail By Revenue Category and Expenditure Object	2009-10 Actuals	2010-11		2011-12 Recommended	2011-12 Adopted by the Board of Supervisors
		Actual <input checked="" type="checkbox"/>	Estimated <input type="checkbox"/>		
1	2	3	4	5	
LICENSES, PERMITS & FRANCHISES	\$1,042,090	\$980,312	\$876,760	\$876,760	\$876,760
FINES, FORFEITURES & PENALTIES	\$41,708	\$12,191	\$0	\$0	\$0
INTERGOVERNMENTAL REVENUES	\$239,103	\$180,652	\$122,912	\$122,912	\$122,912
CHARGES FOR SERVICES	\$330,517	\$390,833	\$296,201	\$296,201	\$296,201
MISCELLANEOUS REVENUES	\$9,256	\$33	\$340	\$340	\$340
OTHER FINANCING SOURCES TRANSFER	\$116,494	\$116,708	\$113,072	\$113,072	\$113,072
OTHER FINANCING SOURCES SALE C/A	\$0	\$1,590	\$0	\$0	\$0
Total Revenues:	\$1,779,170	\$1,682,321	\$1,409,285	\$1,409,285	\$1,409,285
SALARIES AND BENEFITS	\$1,320,841	\$1,075,283	\$1,349,628	\$1,349,628	\$1,349,628
SERVICES AND SUPPLIES	\$381,690	\$276,686	\$336,395	\$336,395	\$336,395
OTHER CHARGES	\$106,920	\$76,465	\$51,487	\$51,487	\$51,487
CAPITAL ASSETS	\$0	\$2,638	\$0	\$0	\$0
INTRAFUND TRANSFERS	(\$149,884)	(\$116,244)	(\$116,825)	(\$116,825)	(\$116,825)
OTHER FINANCING USES	\$9,363	\$0	\$0	\$0	\$0
Total Expenditures/Appropriations:	\$1,668,931	\$1,314,828	\$1,620,685	\$1,620,685	\$1,620,685
Net Cost:	(\$110,238)	(\$367,492)	\$211,400	\$211,400	\$211,400

PROGRAM DESCRIPTION

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

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

BUDGET REQUESTS

The FY 2011-12 requested budget includes expenditures in the amount of \$1.6 million and revenues in the amount of \$1.4 million. The FY 2011-12 expenditures are decreased by \$14,772 and revenues are decreased by \$100,641 as compared to FY 2010-11 adjusted budget. The FY 2011-12 requested budget expenditures exceed revenue by \$211,400, an increase of \$85,869 as compared to the FY 2010-11 adjusted budget and will be covered by fund balance. The General Fund continues to support one full-time Senior Environmental

Health Specialist position that works with un-reimbursed community Environmental Health programs.

The Community Education Section, which was started in 1989 and has been for the most part 100 percent grant funded, was discontinued in FY 2010-11 due to the elimination of most state grants. This resulted in the layoff of 1.5 staff. Some remaining activity in Household Hazardous Waste collection will be maintained with existing Environmental Health positions and Extra Help.

SUMMARY OF RECOMMENDATIONS

The CAO concurs with the requested budget.

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.

MENTAL HEALTH SERVICES ACT

Fund 0081 Mental Health Services Act, Budget Unit 404

Marta McKenzie, R.D., M.P.H., Health and Human Services Agency Director

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Schedule 9

Budget Unit: 404 - MENTAL HEALTH SERVICES ADMIN (FUND 0081)
Function: HEALTH & SANITATION
Activity: MBNTAL HEALTH

Detail By Revenue Category and Expenditure Object	2009-10 Actuals	2010-11		2011-12 Recommended	2011-12 Adopted by the Board of Supervisors
		Actual <input checked="" type="checkbox"/>	Estimated <input type="checkbox"/>		
1	2	3	4	5	5
REVENUE FROM MONEY & PROPERTY	\$61,869	\$63,015	\$60,000	\$60,000	\$60,000
INTERGOVERNMENTAL REVENUES	\$5,627,563	\$12,295,793	\$12,661,976	\$12,661,976	\$12,661,976
MISCELLANEOUS REVENUES	\$321	\$6,118	\$0	\$0	\$0
Total Revenues:	\$5,689,753	\$12,364,927	\$12,721,976	\$12,721,976	\$12,721,976
SALARIES AND BENEFITS	\$3,109,919	\$3,724,850	\$5,092,957	\$5,092,957	\$5,092,957
SERVICES AND SUPPLIES	\$2,073,932	\$3,006,313	\$5,514,459	\$5,514,459	\$5,514,459
OTHER CHARGES	\$328,097	\$461,841	\$715,110	\$715,110	\$715,110
CAPITAL ASSETS	\$77,469	\$22,402	\$1,399,450	\$1,399,450	\$1,399,450
Total Expenditures/Appropriations:	\$5,589,418	\$7,215,406	\$12,721,976	\$12,721,976	\$12,721,976
Net Cost:	(\$100,335)	(\$5,149,520)	\$0	\$0	\$0

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 community-based mental health services and supports for persons with, and at risk of serious mental illness. The goals of the MHSA are to define serious mental illness among children, adults and seniors as a condition deserving priority attention, including prevention and early intervention services and medical and supportive care; to reduce the long-term adverse impact on individuals, families, and state and local budgets resulting from untreated serious mental illness; to expand the kinds of successful, innovative service programs for children, adults and seniors begun in California, including culturally and linguistically competent approaches for underserved populations; to provide funds to adequately meet the needs of children and adults who can be identified and enrolled in programs under this measure; and to ensure that all funds are expended in the most cost effective manner and services are provided in accordance with recommended best practices subject to local and state oversight to ensure accountability to taxpayers and to the public.

These services are to be developed and implemented in collaboration with consumers of mental health services and their family members, as well as community stakeholders. MHSA encourages outreach and engagement to populations that are currently not served or are considered underserved in existing mental health delivery systems.

Funded components of MHSA include the following:

- Community Services and Supports (CSS): Utilizing MHSA funding through its CSS plan originally approved in FY 2005-06, a variety of services are provided for residents experiencing acute psychiatric crises. Twenty-four hour, 7-day a week crisis response services support hospital emergency rooms and local law enforcement. Specifically, the Crisis Stabilization Service provides for up to 23-hours to help clients to reduce acute psychiatric episodes and determine if psychiatric

hospitalization is necessary. Crisis Residential and Recovery Center (CRRC) services are intended to provide residential crisis support for a period up to 30 days as a transition out of hospital care or to ensure stability following an acute episode. The 15-bed CRRC facility has an average patient stay of approximately 7 days. The CRRC is a local and partial alternative to costly inpatient psychiatric hospitalization outside of the Redding area. CSS funding is also utilized to increase access to services and to increase positive outcomes for those individuals with a severe mental illness.

- **Prevention and Early Intervention (PEI):** Final approval of Shasta County's PEI plan was received in FY 2009-10. PEI activities focus on successful identification and management of mental illnesses early in the onset of the illness for both youth and adults, decreasing stigmatization and other mental health community awareness efforts, suicide prevention, trauma oriented supports for youth, and behavioral health services for older adults. PEI funds also supports evidence-based efforts, such as the Triple P-Positive Parenting Program, that is intended to decrease the incidence of behavioral disorders in children, child abuse in stressed families, and reduce the need for out of home placement for children.
- **Workforce Education and Training (WET):** Final approval of Shasta County's WET plan was received in FY 2009-10. WET activities address staffing shortages in the public mental health profession by creating educational and training opportunities to expand and enhance the mental health workforce.
- **Capital Facilities/Technological Needs (CF/TN):** Final approval of Shasta County's CF/TN plan was received in FY 2010-11. The projects in this plan include the development of a variety of technology uses related to electronic health records, and capital facilities improvement strategies to support the programs and services implemented through the MHSA.
- **Innovation:** It is anticipated that final approval of the Innovation plan will occur during the final quarter of FY 2010-11. Upon approval, Innovation funds will be used for projects which increase access to underserved groups and increase the quality of services. The proposed projects have the common goals of decreasing emergency room visits, hospitalizations, and incidence of psychiatric crisis.

BUDGET REQUESTS

The appropriation request of \$12.7 million represents an increase of \$1.8 million (17%) from the FY 2010-11 adjusted budget. Salaries and benefits expenditures are projected \$738,522 (17%) above the FY 2010-11 budget due to the following position requests necessary to implement the MHSA program components:

- 1.0 FTE alternately staffed Mental Health Clinician (for PEI)
- 1.0 FTE alternately staffed Mental Health Clinician (for Managed Care)
- 1.0 FTE alternately staffed Mental Health Clinician (for Innovation)
- 1.0 FTE Social Worker (for PEI)
- 1.0 FTE Senior Staff Analyst (for Housing and Innovation)
- 1.0 FTE Agency Staff Services Analyst I/II (for PEI)
- 1.0 FTE Community Development Coordinator (for PEI)
- Increase one 0.5 FTE alternately staffed Mental Health Clinician position to 1.0 FTE (for Innovation)

Some of these requests were approved by the Board of Supervisors in May 2011 in order to expedite implementation of various MHSA plans already approved by the State. All of the MHSA position requests for this cost center sunset on June 30, 2013, at which time they can be reevaluated depending upon available MHSA funding and programmatic needs. Because the MHSA plan approval process has been protracted over several years, available and dedicated Shasta County resources have accumulated above the single year allocation level. Without the new positions, it will be difficult to implement approved MHSA plans, and Shasta County will face reversion to the state of MHSA funding designated for Shasta County use.

Services and Supplies expenditures are projected at approximately \$203,000 (3.6%) below the FY 2010-11 adjusted budget, due mainly to the shift of Facilities Charges being transferred to a Capital Asset account for the building remodel (\$1.4 million) at the Breslauer campus related to the CF/TN program component.

Revenues in the amount of \$12.7 million 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 and interest on the fund balance. MHSA revenue is expected to decline in the next few years due to a declining income tax base funding this program. However, MHSA currently has slightly over \$7.9 million in revenue received which has not been obligated for use, but as noted above much of these funds are time sensitive. The HHSA will continue to monitor the available revenues and adjust program expenditures accordingly. The statutory allowed prudent reserve has been fully funded at \$1.8 million, which is intended to support programs and services during times of funding decreases. 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

The CAO concurs with the requested budget.

PENDING ISSUES AND POLICY CONSIDERATIONS

MHSA continues to be a target of budget solutions at the state level. Statewide MHSA funds have been approved for borrowing, as part of a proposal to swap support for adult and youth mental health programs in FY 2011-12 under a new realignment proposal. However, portions of this proposal will require approval of the legislature and the voters. AB 100 was signed by Governor Brown on March 24, 2011. It addresses changes in oversight and administration of Proposition 63 at the State level. In the long term, MHSA funds may become more flexible to allow ongoing support for local mental health services.

DEPARTMENT HEAD CONCURRENCE OR APPEAL

The department head concurs with the recommended budget.

FINAL BOARD ACTION

Adopted as presented in the proposed budget.

PUBLIC HEALTH-COUNTY MEDICAL SERVICES
Fund 0061 General-CMSP, Budget Unit 409
Marta McKenzie, R.D., M.P.H., Health and Human Services Agency Director

State Controller Schedules
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County of Shasta
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Schedule 9

Budget Unit: 409 - COUNTY MEDICAL SERVICES PROG (FUND 0061)
Function: HEALTH & SANITATION
Activity: MEDICAL CARE

Detail By Revenue Category and Expenditure Object	2009-10 Actuals	2010-11		2011-12 Recommended	2011-12 Adopted by the Board of Supervisors
		Actual <input checked="" type="checkbox"/>	Estimated <input type="checkbox"/>		
1	2	3	4	5	
INTERGOVERNMENTAL REVENUES	\$10,333,457	\$8,556,430	\$0	\$0	
Total Revenues:	\$10,333,457	\$8,556,430	\$0	\$0	
OTHER CHARGES	\$10,333,457	\$8,556,430	\$0	\$0	
Total Expenditures/Appropriations:	\$10,333,457	\$8,556,430	\$0	\$0	
Net Cost:	\$0	\$0	\$0	\$0	

PROGRAM DESCRIPTION/BUDGET REQUESTS

There are no budget requests for FY 2011-12. All revenues and expenditures are included in budget units 411 (Public Health) and 412 (Shasta County Health Care). Realignment statute enacted by the State of California in 1991 required that Vehicle License Fees specifically for health programs be deposited in the local Health Account. The 409 cost center was set up to meet the statutory requirement. In the past, Vehicle License Fees were deposited and an offsetting expenditure reflected the deduction of the County Medical Services Program (CMSP) statutory contribution.

Because Public Health is in a separate county fund, realignment revenue can be deposited directly into the Public Health account and still meet the statutory requirements. Beginning in FY 2011-12, all Health realignment revenue will be reflected in the 411 and 412 budget units with the CMSP contribution of \$5.4 million reflected in the 412 budget unit. This is merely a technical change and does not have an impact on actual revenues or expenditures. The Shasta County Auditor-Controller approves of this change.

SUMMARY OF RECOMMENDATIONS

The CAO concurs with the requested budget.

PENDING ISSUES AND POLICY CONSIDERATIONS

None.

DEPARTMENT HEAD CONCURRENCE OR APPEAL

The department head concurs with the recommended budget.

FINAL BOARD ACTION

Adopted as presented in the proposed budget.

MENTAL HEALTH

Fund 0080 Mental Health, Budget Unit 410

Marta McKenzie, R.D., M.P.H., Health and Human Services Agency Director

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Schedule 9

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

Detail By Revenue Category and Expenditure Object	2009-10 Actuals	2010-11		2011-12 Recommended	2011-12 Adopted by the Board of Supervisors
		Actual <input checked="" type="checkbox"/>	Estimated <input type="checkbox"/>		
1	2	3	4	5	
REVENUE FROM MONEY & PROPERTY	\$30,805	\$8,476	\$25,000	\$25,000	
INTERGOVERNMENTAL REVENUES	\$14,964,292	\$14,960,433	\$15,789,656	\$15,789,656	
CHARGES FOR SERVICES	\$186,579	\$205,703	\$225,422	\$225,422	
MISCELLANEOUS REVENUES	\$297	\$6,987	\$0	\$0	
OTHER FINANCING SOURCES TRANSFER	\$276,778	\$276,777	\$276,778	\$276,778	
OTHER FINANCING SRC'S SALE C/A	\$5,152	\$1,177	\$0	\$0	
Total Revenues:	\$15,463,905	\$15,459,557	\$16,316,856	\$16,316,856	
SALARIES AND BENEFITS	\$6,384,023	\$6,187,266	\$6,098,849	\$6,098,849	
SERVICES AND SUPPLIES	\$1,934,701	\$2,237,342	\$2,227,416	\$2,227,416	
OTHER CHARGES	\$7,679,358	\$8,937,782	\$9,151,734	\$9,151,734	
CAPITAL ASSETS	\$0	\$4,264	\$0	\$0	
INTRAFUND TRANSFERS	(\$986,298)	(\$993,568)	(\$1,376,677)	(\$1,376,677)	
APPROP FOR CONTINGENCY	\$0	\$0	\$1,900,000	\$1,900,000	
OTHER FINANCING USES	\$25,271	\$1,829	\$0	\$0	
Total Expenditures/Appropriations:	\$15,037,056	\$16,374,917	\$18,001,322	\$18,001,322	
Net Cost:	(\$426,848)	\$915,359	\$1,684,466	\$1,684,466	

PROGRAM DESCRIPTION

Per statute, the role of County mental health services is to assist persons experiencing chronic and persistent mental illnesses, and children with serious emotional disturbances, to access services and programs to better manage the illness, achieve 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 (Mental Health Plan) that is currently overseen by the State Department of Mental Health.

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

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

BUDGET REQUESTS

The FY 2011-12 budget request includes projected appropriations of approximately \$18 million. Successful management of dwindling financial resources over the past several years has been achieved by reducing costs and serving qualifying clients under Mental Health Services Act (MHSA) programs. Continued shifting of staff between the Mental Health (BU410) and MHSA (BU404) budget units is working to better serve clients and maximize financial resources. Staff routinely work in both budgets with their costs allocated based upon the client that they are serving. In this manner, clients receive quality services without regard to the funding source.

Further, ongoing efforts to minimize clients' stay in psychiatric hospitals and locked Institutes for Mental Diseases (IMDs) has also conserved limited financial resources. In continuing efforts to assist clients and further reduce costs, the FY 2011-12 budget request includes a contingency reserve of \$1.9 million for possible pre-payment for psychiatric hospital services associated with bringing a new Psychiatric Health Facility to the community; having a local facility capable of psychiatric hospitalization would allow an eventual and significant cost savings for out of county transportation and 24 hour crisis response services that is now borne almost exclusively by limited MHSA and Mental Health realignment. The plan is only in the formation stage, and will require Board of Supervisors action in order to be implemented. This \$1.9 million contingency reserve accounts for the majority of the thirteen percent increase of projected appropriations from the FY 2010-11 budget.

Overall, salaries and benefits are projected at approximately \$6 million, which is a reduction of \$225,110 (3.6%) from the FY 2010-11 budget. The projection includes additional costs associated with the request for 1.0 FTE alternately staffed Mental Health Clinician for HHS Children's Services, approved by the Board of Supervisors in May 2011. With this additional resource, the Agency will more thoroughly assess the need for intensive levels of intervention, which are currently funded through specialty care stipends paid to adoptive parents through the Social Services Adoptions Assistance Program (AAP)(BU541). This is intended to better align specialty care rates with the actual needs of the child, potentially decreasing costs in the AAP program. Since this position is a redirection of current Social Services Administration (BU501) resources that have been previously contracted out, the net result is an anticipated savings in overall costs.

Total Revenues are anticipated to be \$16.3 million, an increase of \$1.2 million (7.7%) from the FY 2010-11 budget, predominantly due to the receipt of FY 2007-08 Cost Settlement monies owed to the County in FY 2009-10. The California Department of Mental Health (CDMH) has been historically slow in passing funding through to counties, so this budget unit reflects a more conservative approach in budgeting federal Medi-Cal revenues. Further, the revenue projection does not include payment of the FY 2008-09 and FY 2009-10 cost report settlements which should be paid by June 2011 and June 2012, respectively. The state Medi-Cal mental health managed care allocation is projected to be \$648,276, which is a \$114,929 (21.5%) increase from FY 2010-11; however, this level is still \$415,279 below the FY 2008-09 allocation. 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 funding. The resulting \$1.7 million deficit is proposed to be absorbed by Mental Health fund balance reserves.

SUMMARY OF RECOMMENDATIONS

To correct a data entry error, CAO recommends adjustments in four benefit accounts which have a net zero effect on the overall budget.

PENDING ISSUES AND POLICY CONSIDERATIONS

Mental Health continues to experience realignment revenue losses, which will cumulatively total \$3.6 million by the end of FY 2011-12. Currently, Mental Health's realignment base is slightly below its FY 1999-00 level.

On October 8, 2010, Governor Schwarzenegger signed a budget that effectively eliminated the local mandate for Mental Health to provide school-based mental health treatment services to students. This action immediately initiated a flurry of litigation, much of which is still left to be settled by the courts. In response, HHS staff have been working with SCOE and the Special Education Local Plan Area (SELPA) leadership to

develop a plan to continue provision of these crucial services that are mandated by federal law. This plan will provide payment by the SELPA for non-Medi-Cal covered mental health services delivered to students by the county. There has been no lapse in service delivery for any child as a result of the mandate suspension.

The Mental Health budget also must be able to fund an increased level of services necessary to address the ongoing mental health needs of state prisoners released to the local community. While some funding commitment for this is insinuated in ongoing discussions regarding new realignment of programs from the state to local government, a massive release of prisoners, many of whom have serious mental illness, could overwhelm the available resources within the community.

Shasta County continues to grapple with cash flow deficiencies resulting from two areas: unpaid prior year cost settlements and ongoing claims payment delays related to a state billing system conversion. The FY 2006-07 cost settlement was due to County by June 2009; only after intervention by our legislative representatives during the current fiscal year, the California Department of Mental Health (CDMH) released the FY 2006-07 cost settlement in February 2011. Although the state is in the process of implementing a new claims payment system that may ultimately reduce the amount of time it takes for counties to get paid for Short-Doyle (mental health) Medi-Cal claims, the conversion has been rocky and communication between the state and local governments has been poor. As a result, Shasta County has experienced significant delays in being able to submit billing to the state. This was remedied somewhat in March 2011, but it will remain to be seen whether the delays have ended. On a more positive note, new realignment discussions at the state level indicate that the state will likely implement a continuous appropriation mechanism to allow payments to flow uninterrupted in the event of delayed state budget adoption. This should help with cash flow.

Finally, provision of mental health services is expected to change dramatically under new parity laws and federal health care reform, as requirements for equivalent mental health services and integration of physical and behavioral health care is implemented. California's Freedom of Choice waiver under which local mental health departments operate the specialty Medicaid managed care program as the sole provider, has been renewed through June 30, 2012. It is anticipated that new and expanded delivery systems will be implemented over time to ensure mental health parity and integration occurs that will impact the County's delivery system.

DEPARTMENT HEAD CONCURRENCE OR APPEAL

The department head concurs with the recommended budget.

FINAL BOARD ACTION

Adopted as presented in the proposed budget.

PUBLIC HEALTH

Fund 0196 Public Health, Budget Unit 411

Marta McKenzie, R.D., M.P.H., Health and Human Services Agency Director

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Budget Unit: 411 - PUBLIC HEALTH (FUND 0196)

Function: HEALTH & SANITATION

Activity: HEALTH

Detail By Revenue Category and Expenditure Object	2009-10 Actuals	2010-11		2011-12 Recommended	2011-12 Adopted by the Board of Supervisors
		Actual <input checked="" type="checkbox"/>	Estimated <input type="checkbox"/>		
1	2	3	4	5	
LICENSES, PERMITS & FRANCHISES	\$4,788	\$5,044	\$5,000	\$5,000	\$5,000
FINES, FORFEITURES & PENALTIES	\$5,584	\$4,445	\$5,000	\$5,000	\$5,000
REVENUE FROM MONEY & PROPERTY	\$22,258	\$12,668	\$10,000	\$10,000	\$10,000
INTERGOVERNMENTAL REVENUES	\$9,567,685	\$10,221,763	\$10,133,789	\$10,133,789	\$10,133,789
CHARGES FOR SERVICES	\$1,213,052	\$1,124,376	\$1,223,227	\$1,223,227	\$1,223,227
MISCELLANEOUS REVENUES	\$286,743	\$243,109	\$100,075	\$100,075	\$100,075
OTHER FINANCING SOURCES TRANS IN	\$49,019	\$46,712	\$45,903	\$45,903	\$45,903
Total Revenues:	\$11,149,132	\$11,658,119	\$11,522,994	\$11,522,994	\$11,522,994
SALARIES AND BENEFITS	\$9,503,105	\$8,949,624	\$9,577,083	\$9,577,083	\$9,577,083
SERVICES AND SUPPLIES	\$5,299,012	\$5,577,776	\$7,036,296	\$7,036,296	\$7,036,296
OTHER CHARGES	\$665,230	\$405,968	\$335,478	\$335,478	\$335,478
CAPITAL ASSETS	\$71,082	\$8,968	\$75,000	\$75,000	\$75,000
INTRAFUND TRANSFERS	(\$3,260,191)	(\$2,919,785)	(\$4,424,045)	(\$4,424,045)	(\$4,424,045)
OTHER FINANCING USES	\$0	\$62,330	\$206,100	\$206,100	\$206,100
Total Expenditures/Appropriations:	\$12,278,239	\$12,084,882	\$12,805,912	\$12,805,912	\$12,805,912
Net Cost:	\$1,129,107	\$426,763	\$1,282,918	\$1,282,918	\$1,282,918

PROGRAM DESCRIPTION

The purpose of Public Health is to work with the community to protect and improve health by actively promoting activities that prevent disease and injury before they occur 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 essential public health services that assist in the creation of conditions for good health in the community. Most of the programs within the four divisions in the Public Health Branch and two divisions in the Regional Services Branch are included in the 411 budget unit. Additionally, the public health nursing function within the Adult and Children's Services Branches also resides in this budget unit.

BUDGET REQUESTS

The Public Health FY 2011-12 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, the majority of the General Fund (\$137,420 for FY 2011-12) goes into Budget Unit 412 to support contracted Local Emergency Medical Services Agency (LEMSA) services, maintain county hospital records, and provide a reserve for payment of indigent health claims that fall within Shasta County indigent aid and care standards. The remaining County General Fund contribution (\$46,629) supports activities in the main Public Health budget (BU411).

The total expenditure request for Public Health is \$12.8 million, roughly the same level as the FY 2010-11 adjusted budget. Salaries and benefit expenditures are expected to increase by \$364,544 (4%) from the adjusted FY 2010-11 budget, predominantly due to increased health insurance costs (24% increase) and additional Extra Help allocation (78% increase) for Women, Infants, and Children (WIC) peer counselors. To help offset these increases, Public Health will realize a reduction in A-87 charges of \$70,478 (17%).

As in previous years, the budget includes fixed asset requests of \$75,000 as a placeholder to allow the purchase of replacement laboratory equipment quickly should aging equipment become inoperable. This authority will be utilized only if the equipment fails and cannot reasonably be repaired.

Overall, intergovernmental revenues are projected to be approximately \$365,000 (3.7%) above the FY 2010-11 adjusted budget. Public Health continues to seek additional funds in keeping with its strategic focus from multiple sources to replace lost realignment and categorical funding. Miscellaneous revenues are projected to decline by over \$50,000 (35%) from FY 2010-11 due to the ending of grant funding from The California Endowment.

The net fund balance draw for FY 2011-12 is \$1.3 million, which is a thirteen percent decrease from FY 2010-11. The department has tightened expenditure controls and continues to aggressively seek out new revenue sources to support essential Public Health functions.

SUMMARY OF RECOMMENDATIONS

Shasta County Fire (Fund 391) determined they will need to spend their entire allocation of Homeland Security Grant funds in FY 2010-11; therefore, CAO recommends reducing the Trans Out Fire account from \$30,000 to zero. The Trans Out Sheriff is being increased by \$23,000 to \$206,100 for anticipated grant fund transfers. In addition, it is recommended to decrease the Trans In General Fund by \$726 to offset the \$726 increase of General Fund match in the Health Services budget (BU412).

PENDING ISSUES AND POLICY CONSIDERATIONS

Public Health's largest single revenue stream continues to be Public Health realignment, which is made up of Vehicle License Fees (VLF) and sales tax. Beginning in FY 2007-08, this funding stream began to decline as a result of the recession. By the end of FY 2009-10, Public Health realignment revenue had fallen by \$1.3 million from the FY 2006-07 level. This decline is expected to continue through the current and budget year and will result in a five-year cumulative loss of more than \$6.2 million. The projected realignment revenue for FY 2011-12 is \$9.6 million which is \$2.5 million less than the FY 2006-07 base amount (the year our base allocation peaked). At the same time, Public Health must continue to pay its County Medical Services Program (CMSP) contribution of \$5.4 million as required by statute, bringing the net realignment revenue to public health down to \$4.3 million. Some of this revenue loss is offset by increases in the Women, Infants and Children supplemental nutrition program, new grant revenues from First 5 Shasta, and a new Sodium Reduction grant.

DEPARTMENT HEAD CONCURRENCE OR APPEAL

The department head concurs with the recommended budget.

FINAL BOARD ACTION

Adopted as presented in the proposed budget.

PUBLIC HEALTH-HEALTH SERVICES
Fund 0196 Public Health, Budget Unit 412
Marta McKenzie, R.D., M.P.H., Health and Human Services Agency Director

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Schedule 9

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

Detail By Revenue Category and Expenditure Object	2009-10 Actuals	2010-11		2011-12 Recommended	2011-12 Adopted by the Board of Supervisors
		Actual <input checked="" type="checkbox"/>	Estimated <input type="checkbox"/>		
1	2	3	4	5	5
INTERGOVERNMENTAL REVENUES	\$0	\$0	\$5,361,013	\$5,361,013	\$5,361,013
CHARGES FOR SERVICES	\$108	\$49,484	\$82,062	\$82,062	\$82,062
MISCELLANEOUS REVENUES	\$69	\$0	\$0	\$0	\$0
OTHR FINANCING SOURCES TRAN IN	\$429,399	\$431,706	\$432,515	\$432,515	\$432,515
Total Revenues:	\$429,576	\$481,190	\$5,875,590	\$5,875,590	\$5,875,590
SERVICES AND SUPPLIES	\$89,468	\$113,652	\$169,754	\$169,754	\$169,754
OTHER CHARGES	\$333,030	\$382,050	\$5,744,201	\$5,744,201	\$5,744,201
CAPITAL ASSETS	\$0	\$3,602	\$0	\$0	\$0
INTRAFUND TRANSFERS	(\$70,106)	(\$71,353)	(\$76,615)	(\$76,615)	(\$76,615)
APPROP FOR CONTINGENCY	\$0	\$0	\$30,000	\$30,000	\$30,000
Total Expenditures/Appropriations:	\$352,392	\$427,952	\$5,867,340	\$5,867,340	\$5,867,340
Net Cost:	(\$77,183)	(\$53,237)	(\$8,250)	(\$8,250)	(\$8,250)

PROGRAM DESCRIPTION

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

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

BUDGET REQUESTS

The CMSP participation fee is set in statute and remains the same as in previous years. This year's budget includes the CMSP obligation of \$5.36 million and offsetting Realignment revenue which was previously accounted for in the County Medical Services budget unit (BU409). Also included is \$30,000 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 2010-11, however claims can arise without warning, and the County must be prepared to pay them.

Due to the Board-approved EMS communications system fee ordinance in 2010, the FY 2011-12 budget includes \$73,812 for operating and maintaining the EMS communication system equipment along with offsetting fee revenue. There is an additional \$8,250 in fee revenue included for future equipment replacement; these funds are in a classified account solely for the purpose of addressing needs of the EMS communication system. The budget's net contribution to fund balance is the \$8,250 classified for the EMS communication system.

SUMMARY OF RECOMMENDATIONS

The A-87 figure was inadvertently left out of the requested budget. The CAO recommends increasing this account from zero to \$726 offset by an equal decrease in the General Fund match.

PENDING ISSUES AND POLICY CONSIDERATIONS

Recent budget decisions in Sacramento have decreased Medi-Cal coverage of certain optional benefits which could shift costs to CMSP and/or indigent medical care, which is funded solely by the County. Additional co-payments for Medi-Cal recipients to receive medical care that were adopted by Governor Brown for FY 2011-12 may reduce preventive care, and/or reduce program participation. It is conceivable that both CMSP and indigent care could bear greater costs as a result. On the other hand, federal health care reform proposals may assist with reducing CMSP and/or other indigent care obligations, and should be closely monitored for potential impacts. The CMSP board voted to enter into an agreement with the state to begin to enroll indigent patients under 100% of federal poverty level, beginning January 1, 2012, related to the 1115 waiver into CMSP. Since CMSP is funded by small and medium counties' statutory contributions and Public Health Realignment funds, the ability to finance otherwise indigent patients with some portion of enhanced federal matching funds, may be significantly beneficial to county obligations over the long run.

DEPARTMENT HEAD CONCURRENCE OR APPEAL

The department head concurs with the recommended budget.

FINAL BOARD ACTION

Adopted as presented in the proposed budget.

PUBLIC HEALTH-CALIFORNIA CHILDREN'S SERVICES
Fund 0196 Public Health, Budget Unit 417
Marta McKenzie, R.D., M.P.H., Health and Human Services Agency Director

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Budget Unit: 417 - CALIFORNIA CHILDRENS SERVICES (FUND 0196)
 Function: HEALTH & SANITATION
 Activity: CALIFORNIA CHILDRENS SERVICES

Detail By Revenue Category and Expenditure Object	2009-10 Actuals	2010-11		2011-12 Recommended	2011-12 Adopted by the Board of Supervisors
		Actual <input checked="" type="checkbox"/>	Estimated <input type="checkbox"/>		
1	2	3	4	5	5
INTERGOVERNMENTAL REVENUES	\$1,863,838	\$1,490,249		\$1,739,135	\$1,739,135
CHARGES FOR SERVICES	\$4,128	\$15		\$500	\$500
MISCELLANEOUS REVENUES	\$10,422	\$126		\$1,500	\$1,500
OTHR FINANCING SOURCES TRAN IN	\$138,075	\$131,171		\$131,171	\$131,171
Total Revenues:	\$2,016,464	\$1,621,562		\$1,872,306	\$1,872,306
SALARIES AND BENEFITS	\$1,138,141	\$1,167,259		\$1,606,568	\$1,606,568
SERVICES AND SUPPLIES	\$345,830	\$308,063		\$467,838	\$467,838
OTHER CHARGES	\$238,083	\$248,190		\$348,988	\$348,988
Total Expenditures/Appropriations:	\$1,722,055	\$1,723,514		\$2,423,394	\$2,423,394
Net Cost:	(\$294,408)	\$101,951		\$551,088	\$551,088

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.

BUDGET REQUESTS

The FY 2011-12 budget is primarily status quo with an expenditure increase of \$39,240 (1.6%) over the FY 2010-11 adjusted budget, primarily due to normal step and health insurance increases and increases in other operating costs. In regard to revenues, 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 actual costs rather than a caseload-based standard. In FY 2009-10 the state attempted to re-evaluate this methodology to include a combination of client caseloads, prior year budgeted costs, and staffing standards based on number of children served, but were unsuccessful and reverted to the prior year's methodology. The state, in conjunction with the counties, is continuing to work on creating a methodology that incorporates staffing standards based on county caseload. Therefore, the FY 2011-12 revenues have been projected based on this FY 2010-11 state allocation.

This program is funded by Social Services realignment revenue, categorical state funding, Medi-Cal fee for service, Public Health reserves, and a County General Fund appropriation. While State revenue for this program is expected to increase slightly, because of the capped State allocation, the revenue increase does not fully support the State's proportional share of the cost, which is outpacing available Social Services

realignment funding for this program. The County General Fund contribution to this program remains at \$131,171. The net cost for this budget is \$551,088 (decrease of 4.8% from FY 2010-11) and will come from Public Health fund balance.

SUMMARY OF RECOMMENDATIONS

The CAO concurs with the requested budget.

PENDING ISSUES AND POLICY CONSIDERATIONS

This is the tenth 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.

The state legislature has passed legislation changing the Healthy Families program, specifically, requiring higher premiums and co-payments from participating families. These changes, while saving the state money, may result in some CCS families currently on Healthy Families dropping this insurance coverage. This will make those children CCS-only, resulting in a greater county share of cost (50% vs. 17.5%) for their care. This type of legislation is indicative of the pressure from the current economic climate and state budget solutions that do not address the local impact that those solutions have on state programs administered at the local level.

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-ALCOHOL AND DRUG PROGRAMS
Fund 0080 Mental Health, Budget Unit 422
Marta McKenzie, R.D., M.P.H., Health and Human Services Agency Director

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

Detail By Revenue Category and Expenditure Object	2009-10 Actuals	2010-11		2011-12 Recommended	2011-12 Adopted by the Board of Supervisors
		Actual <input checked="" type="checkbox"/>	Estimated <input type="checkbox"/>		
1	2	3	4	5	5
FINES, FORFEITURES & PENALTIES	\$28,933	\$26,534		\$28,300	\$28,300
INTERGOVERNMENTAL REVENUES	\$1,998,667	\$2,624,342		\$2,394,763	\$2,394,763
CHARGES FOR SERVICES	\$41,486	\$25,740		\$26,500	\$26,500
MISCELLANEOUS REVENUES	\$19	\$0		\$0	\$0
OTHR FINANCING SOURCES TRAN IN	\$14,324	\$4,500		\$3,195	\$3,195
Total Revenues:	\$2,083,430	\$2,681,116		\$2,452,758	\$2,452,758
SALARIES AND BENEFITS	\$713,372	\$1,198,168		\$1,463,559	\$1,463,559
SERVICES AND SUPPLIES	\$899,894	\$954,596		\$871,062	\$871,062
OTHR CHARGES	\$488,444	\$499,304		\$477,501	\$477,501
INTRAFUND TRANSFERS	(\$95,285)	(\$3,307)		(\$3,000)	(\$3,000)
Total Expenditures/Appropriations:	\$2,006,426	\$2,648,762		\$2,809,122	\$2,809,122
Net Cost:	(\$77,003)	(\$32,354)		\$356,364	\$356,364

PROGRAM DESCRIPTION

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 embedded throughout HHS programs, and through community contract providers. Outpatient counseling services are available to those in need of substance abuse treatment. Specialized treatment programs are offered for adolescents, seniors, and individuals with co-existing conditions of mental illness and substance abuse dependence. Residential alcohol and drug treatment is provided through contracts with local providers.

BUDGET REQUESTS

The FY 2011-12 appropriation request is \$2.8 million, a decrease of \$261,507 (8.5%) from the FY 2010-11 budget. The decrease is largely attributed to a reduction in contract services. Two staffing changes are also included in the FY 2011-12 budget. A request for 50 percent of an additional alternately staffed Mental Health Clinician position to provide mental health, substance abuse, and domestic violence services to eliminate barriers to employment for CalWORKS recipients has been included in this budget request. The state has provided some flexibility in the expenditure of the CalWORKS funding to allow counties' to structure programs to meet local needs. Additionally, in order to better meet the needs of Shasta County Drug Court participants who are experiencing co-existing substance use and mental health disorders, it is proposed that the primary treatment counselor position be upgraded from a Social Worker to a Mental Health Clinician as requested by the Drug Court Steering Committee. At this time, there is sufficient state and federal funding to support these requests, with a minimal share of cost from the General Fund.

Revenue in this cost center is expected to be \$2.4 million, a decrease of \$498,560 (17%) from the FY 2010-11 budget. This decrease is attributable to the elimination of funding for the Substance Abuse and Crime Prevention Act and Offender Treatment Program Grant. A General Fund contribution of \$3,195 in this program is required to support the county share of cost to draw down the federal and state revenues with the additional county share coming from fund balance reserves. A budget deficit in this program of \$356,364 is proposed to be absorbed by fund balance reserves.

SUMMARY OF RECOMMENDATIONS

The CAO concurs with the requested budget.

PENDING ISSUES AND POLICY CONSIDERATIONS

Historically, state funds for alcohol and drug prevention and treatment services have been targeted for reductions in difficult budget times. This year, drug and alcohol services are being discussed as part of a new state public safety realignment proposal. However, that action will depend on both legislative and likely voter approval. If the realignment proposal is not successful, the current state budget deficit may drive a further decrease in state funding for these valuable programs. Unfortunately, the impact on alcohol and drug services may not be known until a final state budget is passed.

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-SUBSTANCE ABUSE & CRIME PREVENTION PROGRAM

Fund 0189 Substance Abuse Crime Prevention, Budget Unit 424

Marta McKenzie, R.D., M.P.H., Health and Human Services Agency Director

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Budget Unit: 424 - SUBSTANCE ABUSE CRIME PREVENT (FUND 0189)

Function: HEALTH & SANITATION

Activity: DRUG & ALCOHOL ABUSE SERVICES

Detail By Revenue Category and Expenditure Object	2009-10 Actuals	2010-11		2011-12 Recommended	2011-12 Adopted by the Board of Supervisors
		Actual <input checked="" type="checkbox"/>	Estimated <input type="checkbox"/>		
1	2	3	4	5	
REVENUE FROM MONEY & PROPERTY	\$662	\$727	\$0	\$0	
INTERGOVERNMENTAL REVENUES	\$29,440	\$0	\$0	\$0	
CHARGES FOR SERVICES	\$1,572	\$5	\$0	\$0	
Total Revenues:	\$31,674	\$732	\$0	\$0	
SALARIES AND BENEFITS	\$16,967	\$0	\$0	\$0	
SERVICES AND SUPPLIES	\$23,404	\$0	\$99,046	\$99,046	
OTHER CHARGES	\$6,749	\$6,481	(\$3,592)	(\$3,592)	
INTRAFUND TRANSFERS	(\$2,268)	\$0	\$0	\$0	
Total Expenditures/Appropriations:	\$44,852	\$6,481	\$95,454	\$95,454	
Net Cost:	\$13,178	\$5,749	\$95,454	\$95,454	

PROGRAM DESCRIPTION

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

Alcohol and Drug Programs (ADP) was designated as the lead agency responsible for implementation and ongoing coordination of SACPA. To insure that all impacted parties had input into how SACPA operated in Shasta County, the SACPA Implementation Committee was convened for the purposes of monitoring this program. Along with Alcohol and Drug Program staff, the committee included 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.

In FY 2009-10 and FY 2010-11, this program was not funded by the state; funding is not projected to be restored for FY 2011-12.

BUDGET REQUESTS

Expenditures in this budget total \$99,335, the amount necessary to fully expend fund balance reserves. It is anticipated that prior year reconciliations to appropriately transfer expenditures between Alcohol & Drug Programs (BU422) and SACPA will fully utilize fund balance in this restricted fund and allow for the complete close-out of the fund in FY 2012-13.

SUMMARY OF RECOMMENDATIONS

In order to balance with Auditor-Controller figures, the CAO recommends reducing Professional and Special Services by \$3,881, making the total expenditures and net fund balance draw \$95,454.

PENDING ISSUES AND POLICY CONSIDERATIONS

Funding for this program has been eliminated. SACPA laws are still in existence and the court can continue to allow offenders to participate in treatment services funded through other programs or self-pay.

DEPARTMENT HEAD CONCURRENCE OR APPEAL

The department head concurs with the recommended budget.

FINAL BOARD ACTION

Adopted as presented in the proposed budget.

MENTAL HEALTH-PERINATAL PROGRAM
Fund 0080 Mental Health, Budget Unit 425
Marta McKenzie, R.D., M.P.H., Health and Human Services Agency Director

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

Detail By Revenue Category and Expenditure Object	2009-10 Actuals	2010-11		2011-12 Recommended	2011-12 Adopted by the Board of Supervisors
		Actual <input checked="" type="checkbox"/>	Estimated <input type="checkbox"/>		
1	2	3	4	5	
INTERGOVERNMENTAL REVENUES	\$1,135,325	\$550,695		\$541,040	\$541,040
CHARGES FOR SERVICES	\$0	\$0		\$110	\$110
OTHR FINANCING SOURCES TRAN IN	\$15,807	\$15,017		\$15,017	\$15,017
OTHER FINANCING SRCS SALE C/A	\$1,050	\$0		\$0	\$0
Total Revenues:	\$1,152,182	\$565,712		\$556,167	\$556,167
SALARIES AND BENEFITS	\$874,902	\$341,679		\$477,225	\$477,225
SERVICES AND SUPPLIES	\$296,620	\$240,671		\$226,051	\$226,051
OTHER CHARGES	\$30,975	\$25,263		\$103,002	\$103,002
CAPITAL ASSETS	\$56,906	\$0		\$0	\$0
INTRAFUND TRANSFERS	(\$16,205)	(\$26,868)		(\$32,000)	(\$32,000)
Total Expenditures/Appropriations:	\$1,243,198	\$580,746		\$774,278	\$774,278
Net Cost:	\$91,016	\$15,033		\$218,111	\$218,111

PROGRAM DESCRIPTION

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

Funding for services is a combination of Perinatal State General Fund, Federal Substance Abuse Prevention and Treatment Block Grant Perinatal Set-Aside funds, and State/Federal Drug Medi-Cal funds that are allocated to Shasta County specifically for this type of service.

BUDGET REQUESTS

For FY 2011-12, the program will continue efforts to increase substance abuse counseling and treatment services, particularly for women who are involved with our child protective services. Substance abuse is one of the leading causes of child neglect, so stepped up efforts in this program are anticipated to help to reduce out of home placement of children.

Overall expenditures are projected at \$770,778, an increase of \$131,782 (21%) from the FY 2010-11 adjusted budget. This increase is largely attributed to the request for 50 percent of an additional alternately staffed Mental Health Clinician position to provide necessary mental health assessments and treatment, as this program has seen an increase in the number of clients with dual diagnosis of mental health and substance abuse problems. A-87 has increased by \$73,603 for FY 2011-12.

State and federal contributions are down by \$31,774 (5.5%) and the County General Fund support remains flat at \$15,017. A deficit of \$214,611 in the budget year is projected and will come from fund balance.

SUMMARY OF RECOMMENDATIONS

After further review of data entry and historical projections between the agency and CAO staff, it is mutually agreed to increase Communications Expense by \$3,500 and transfer \$7,100 from Professional Counseling Services to Professional Data Processing Services. The net effect increases the overall expenditures to \$774,278 and the overall deficit to \$218,111.

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.

SOCIAL SERVICES

Fund 0140 Social Services, Budget Unit 501

Marta McKenzie, R.D., M.P.H., Health and Human Services Agency Director

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Budget Unit: 501 - SOCIAL SERVICES ADMINISTRATION (FUND 0140)
Function: PUBLIC ASSISTANCE
Activity: PUBLIC ASSISTANCE ADMIN

Detail By Revenue Category and Expenditure Object	2009-10 Actuals	2010-11		2011-12 Recommended	2011-12 Adopted by the Board of Supervisors
		Actual <input checked="" type="checkbox"/>	Estimated <input type="checkbox"/>		
1	2	3	4	5	
REVENUE FROM MONEY & PROPERTY	\$42,464	\$35,058	\$16,500	\$16,500	
INTERGOVERNMENTAL REVENUES	\$41,733,807	\$46,386,826	\$40,219,118	\$40,219,118	
CHARGES FOR SERVICES	\$489,819	\$106,462	\$71,486	\$71,486	
MISCELLANEOUS REVENUES	\$7,273	\$9,405	\$5,834	\$5,834	
OTHR FINANCING SOURCES TRAN IN	\$1,068,177	\$1,182,797	\$1,180,968	\$1,180,968	
OTHER FINANCING SRCS SALE C/A	\$2,340	\$2,280	\$0	\$0	
Total Revenues:	\$43,343,883	\$47,722,830	\$41,493,906	\$41,493,906	
SALARIES AND BENEFITS	\$24,401,405	\$23,595,721	\$25,393,548	\$25,393,548	
SERVICES AND SUPPLIES	\$11,052,817	\$11,210,286	\$12,602,708	\$12,602,708	
OTHER CHARGES	\$7,195,121	\$6,386,737	\$6,382,228	\$6,382,228	
CAPITAL ASSETS	\$3,313	\$46,041	\$20,000	\$20,000	
INTRAFUND TRANSFERS	(\$827,054)	(\$464,902)	(\$827,963)	(\$827,963)	
OTHER FINANCING USES	\$0	\$100,153	\$0	\$0	
Total Expenditures/Appropriations:	\$41,825,604	\$40,874,038	\$43,570,521	\$43,570,521	
Net Cost:	(\$1,518,278)	(\$6,848,791)	\$2,076,615	\$2,076,615	

PROGRAM DESCRIPTION

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

- CalWORKs/Welfare to Work
- Eligibility Services for Medi-Cal, CalFresh (formerly called Food Stamps), and the County Medical Services Program
- Children's (Child Protective) Services
- Adoptions
- Foster Home Licensing & Placement
- Adult Protective Services
- In-Home Supportive Services

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

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

BUDGET REQUESTS

The FY 2011-12 Social Services budget is relatively flat compared to FY 2010-11. It includes a total expenditure request of \$43.5 million, a decrease of approximately \$739,000 (1.7%) from the FY 2010-11 adjusted budget. Salaries and benefits are projected at \$25 million, which includes unallocated salary savings of \$1.7 million.

For FY 2011-12, this budget includes a request to extend the June 30, 2011 sunset date to June 30, 2012 on eight eligibility positions, consisting of 6.0 FTE Eligibility Worker I/II positions and 2.0 FTE Eligibility Supervisor positions. The eight eligibility positions are all "direct service", which will help to pull additional overhead costs away from child welfare and adult protective services that have a higher county share of cost. During a time of unprecedented caseload growth in most all Social Services programs due to the poor economy, maintaining eligibility and assistance services and benefits to eligible County residents is a priority.

Other charges, which includes many of the contracts maintained to provide services to clients as well as county A-87 charges, is projected at \$6.4 million, a decrease of \$1 million (14%) from the adjusted FY 2010-11 budget. This decrease is predominantly due to the reduction of the Child Care contract with Shasta County Office of Education and the elimination of a case management contract with Northern Valley Catholic Social Service, due to anticipated decreases in state funding for several programs.

The Social Services FY 2011-12 budget request includes the purchase of one new vehicle. Social Services vehicles are not part of the County's replacement program due to funding requirements and potential purchases are highly scrutinized due to the current economy.

Overall revenues are projected at \$41.5 million, a decrease of \$1.3 million (3%) from the FY 2010-11 budget. Intergovernmental revenues are estimated to be \$40.2 million which is \$1.1 million (2.8%) lower than the prior year budgeted level. Despite increases in state and federal dollars for CalFresh administration and County Medical Services Program administration, which follow caseload growth, decreases in state and federal dollars for CalWORKs administration, Child Welfare administration, and Medi-Cal administration, account for the lower level of revenues budgeted.

The General Fund transfer into this budget is requested at nearly \$1.2 million. This reflects the required county contribution for the administration of Adult Protective Services (\$131,271) and CalWORKs (\$1 million) programs in this budget. The net draw from fund balance is \$2 million.

SUMMARY OF RECOMMENDATIONS

The CAO concurs with the requested budget.

PENDING ISSUES AND POLICY CONSIDERATIONS

The Social Services budget continues to face difficult budget challenges in FY 2011-12. For the fifth time in four years, the state is planning payment deferrals for the majority of Social Services program administration and assistance payments; the deferrals are implemented in a staggered manner throughout the fiscal year. Realignment revenue continues to decline, although not as steeply compared to the two previous years. Cumulatively, Social Services has lost over \$6.3 million in realignment funding due to the decline in the economy since FY 2007-08. This is particularly worrisome, as nearly every Social Services program includes a county share of cost that is required to draw down significant state and federal funds. For the realigned programs, the county share is made up of a combination of realignment and County General Fund dollars.

State legislation has been approved which will cut CalWORKs from 60-months to 48-months for adults. Assuming a lower caseload, without considering policies already in place that allow "clock stopping and clock extending," and despite the fact that the children associated with these cases will still be served, the

legislature has also adopted a statewide \$427 million cut to the CalWORKs single allocation, the funding mechanism for program eligibility and employment supportive services. This cut assumes, but does not guarantee, a workload reduction that most likely will not materialize and does not affect the county's maintenance of effort requirement for the program. The chronic underfunding of Social Services programs without any commensurate relief of mandated levels of service remains a trying condition at the local level.

DEPARTMENT HEAD CONCURRENCE OR APPEAL

The department head concurs with the recommended budget.

FINAL BOARD ACTION

Adopted as presented in the proposed budget.