

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

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

County of Shasta  
 Financing Sources and Uses by Budget Unit by Object  
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 Fiscal Year 2013-14

Schedule 9

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

Detail By Revenue Category and Expenditure Object	2011-12 Actuals	2012-13		2013-14 Recommended	2013-14 Adopted by the Board of Supervisors
		Actual <input checked="" type="checkbox"/>	Estimated <input type="checkbox"/>		
1	2	3	4	5	
REVENUE FROM MONEY & PROPERTY	\$33,379	\$13,821		\$30,000	\$30,000
<b>Total Revenues:</b>	\$33,379	\$13,821		\$30,000	\$30,000
<b>Total Expenditures/Appropriations:</b>	\$0	\$0		\$0	\$0
<b>Net Cost:</b>	(\$33,379)	(\$13,821)		(\$30,000)	(\$30,000)

**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 2013-14 requested budget includes \$30,000 in revenue generated from Interest Income on the department's fund reserves.

**SUMMARY OF RECOMMENDATIONS**

The CEO concurs with the requested budget.

**PENDING ISSUES AND POLICY CONSIDERATIONS**

None.

**DEPARTMENT HEAD CONCURRENCE OR APPEAL**

Not applicable.

**FINAL BOARD ACTION**

Adopted as presented in the proposed budget.

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

State Controller Schedules  
 County Budget Act  
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County of Shasta  
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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	2011-12 Actuals	2012-13		2013-14 Recommended	2013-14 Adopted by the Board of Supervisors
		Actual <input checked="" type="checkbox"/>	Estimated <input type="checkbox"/>		
1	2	3	4	5	
LICENSES, PERMITS & FRANCHISES	\$1,057,933	\$1,094,031		\$911,000	\$911,000
FINES, FORFEITURES & PENALTIES	\$15,379	\$6,362		\$0	\$0
INTERGOVERNMENTAL REVENUES	\$77,972	\$289,074		\$168,000	\$168,000
CHARGES FOR SERVICES	\$298,310	\$376,417		\$293,166	\$293,166
MISCELLANEOUS REVENUES	\$903	\$385		\$0	\$0
OTHR FINANCING SOURCES TRAN IN	\$113,072	\$114,837		\$117,907	\$117,907
<b>Total Revenues:</b>	<b>\$1,563,570</b>	<b>\$1,881,107</b>		<b>\$1,490,073</b>	<b>\$1,490,073</b>
SALARIES AND BENEFITS	\$1,153,581	\$1,255,799		\$1,491,623	\$1,491,623
SERVICES AND SUPPLIES	\$298,695	\$320,686		\$322,153	\$322,153
OTHER CHARGES	\$51,488	\$64,188		\$45,293	\$45,293
CAPITAL ASSETS	\$2,191	\$0		\$30,000	\$30,000
INTRAFUND TRANSFERS	(\$116,456)	(\$182,839)		(\$154,432)	(\$154,432)
<b>Total Expenditures/Appropriations:</b>	<b>\$1,389,500</b>	<b>\$1,457,834</b>		<b>\$1,734,637</b>	<b>\$1,734,637</b>
<b>Net Cost:</b>	<b>(\$174,069)</b>	<b>(\$423,273)</b>		<b>\$244,564</b>	<b>\$244,564</b>

**PROGRAM DESCRIPTION**

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

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

**BUDGET REQUESTS**

The FY 2013-14 requested budget includes expenditures in the amount of \$1.7 million and revenues in the amount of \$1.5 million. The FY 2013-14 expenditures are decreased by \$384,386 and revenues are decreased by \$116,819 as compared to the FY 2012-13 adjusted budget. The FY 2013-14 requested budget expenditures exceed revenue by \$244,564, a decrease of \$267,567 as compared to the FY 2012-13 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 Environmental Health division is requesting the addition of an Environmental Health Technician due to increased workload.

**SUMMARY OF RECOMMENDATIONS**

The CEO concurs with the requested budget. The requested budget meets the status quo requirement.

**PENDING ISSUES AND POLICY CONSIDERATIONS**

None.

**DEPARTMENT HEAD CONCURRENCE OR APPEAL**

The department head concurs with this budget as recommended.

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**FINAL BOARD ACTION**

Adopted as presented in the proposed budget.

# MENTAL HEALTH SERVICES ACT

Fund 0081 Mental Health Services Act, Budget Unit 404

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

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

**Function: HEALTH & SANITATION**

**Activity: MENTAL HEALTH**

Detail By Revenue Category and Expenditure Object	2011-12 Actuals	2012-13		2013-14 Recommended	2013-14 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	\$33,427	\$35,273	\$30,000	\$30,000	\$30,000
INTERGOVERNMENTAL REVENUES	\$5,874,161	\$8,242,140	\$6,406,080	\$6,406,080	\$6,406,080
MISCELLANEOUS REVENUES	\$22,658	\$3,838,640	\$0	\$0	\$0
OTHER FINANCING SRCS SALE C/A	\$0	\$6,293	\$0	\$0	\$0
<b>Total Revenues:</b>	<b>\$5,930,247</b>	<b>\$12,122,347</b>	<b>\$6,436,080</b>	<b>\$6,436,080</b>	<b>\$6,436,080</b>
SALARIES AND BENEFITS	\$4,178,536	\$2,296,705	\$3,268,358	\$3,268,358	\$3,268,358
SERVICES AND SUPPLIES	\$3,767,850	\$4,403,087	\$3,553,764	\$3,553,764	\$3,553,764
OTHER CHARGES	\$801,027	\$701,964	\$524,318	\$524,318	\$524,318
CAPITAL ASSETS	\$0	\$0	\$1,380,677	\$1,380,677	\$1,380,677
INTRAFUND TRANSFERS	(\$249)	(\$75,230)	\$0	\$0	\$0
OTHER FINANCING USES	\$60,274	\$106,247	\$0	\$0	\$0
<b>Total Expenditures/Appropriations:</b>	<b>\$8,807,439</b>	<b>\$7,432,773</b>	<b>\$8,727,117</b>	<b>\$8,727,117</b>	<b>\$8,727,117</b>
<b>Net Cost:</b>	<b>\$2,877,192</b>	<b>(\$4,689,574)</b>	<b>\$2,291,037</b>	<b>\$2,291,037</b>	<b>\$2,291,037</b>

## 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. Funded services include twenty-four hour, 7-day a week crisis response services support hospital emergency rooms and local law enforcement, and the Crisis Residential and Recovery Center (CRRC), which provides 24-hour support for a period up to 30 days as both an alternative to acute psychiatric hospitalization (when clinically indicated) and as a transition out of hospital care or to ensure stability following an acute episode. CSS funding is also utilized to increase access to services and improve outcomes for those individuals with a severe mental illness living in more rural areas of Shasta County.
- Prevention and Early Intervention (PEI): PEI activities focus on prevention programs, successful identification and management of mental illnesses early in the onset of the illness for both youth and adults, decreasing stigmatization and other mental health community awareness efforts, suicide prevention, trauma oriented supports for youth, and behavioral health services for older adults. PEI additionally supports use of evidence-based prevention and early intervention activities, such as the Positive Parenting Program, that are intended to decrease the incidence of behavioral disorders in children, child abuse in stressed families, and the need for out of home placement for children.
- Workforce Education and Training (WET): WET activities address staffing shortages in the public mental health profession by creating educational and training opportunities to expand and enhance the mental health workforce, including engagement of people with mental illness and their family members.
- Capital Facilities/Technological Needs (CF/TN): CF/TN plans will cross the current and next budget years with projects to update the existing mental health facility and electronic medical record systems.
- Innovation: Innovation funds are used to provide peer-to-peer pre-crisis services to individuals with severe mental illness.

## **BUDGET REQUESTS**

The appropriation request of \$8.7 million represents a decrease of approximately \$1.2 million from the FY 2012-13 adjusted budget, reflecting ongoing efforts to reduce program costs to more closely match current revenues. It is requested that eight positions, with a sunset date of June 30, 2013, have the sunset dates extended to June 30, 2015. This will allow staff to continue implementing MHSA services and HHSa can review the positions based on funding support in two years. Revenues in the amount of \$6.4 million to support activities in this cost center come exclusively from the MHSA revenues and federal reimbursement for Medi-Cal covered youth and adult mental health services provided to MHSA supported clients. The excess of expenditures over revenue in the amount of \$2.3 million, \$1.4 million of which is for the capital project at the mental health facility, will come from reserves from prior years' unspent funds.

In the past, MHSA revenues were distributed to counties as an allocation, with 75 percent received at the beginning of the fiscal year and the remaining 25 percent received after December 31st. Beginning in FY 2012-13, revenues are distributed monthly as a percent of total income tax receipts. Shasta County received additional MHSA revenues in FY 2012-13 as a result of a one-time distribution of MHSA reserves to counties and tax changes on capital gains. MHSA currently has cash reserves in excess of \$5 million in the county treasury; however, future cash flow issues may arise due to delays in distributing county monies and will be closely monitored. There is no required match or General Fund contribution for program activities.

**SUMMARY OF RECOMMENDATIONS**

A net zero adjustment is necessary to move \$1.4 million for updating the facility to a capital asset account.

**PENDING ISSUES AND POLICY CONSIDERATIONS**

In past years, MHSA has been a target of budget solutions at the state level. MHSA funds are volatile and vary with economic conditions. They are projected to increase in the current budget year, but reserves will need to be augmented in future years to smooth variances in revenue from year to year. Beginning in FY 2013-14, the MHSA Plan will be reviewed and approved locally by the Board of Supervisors rather than a state commission. This is anticipated to increase administrative efficiency and allow for a more community-centered approval process.

**DEPARTMENT HEAD CONCURRENCE OR APPEAL**

The department head concurs with the recommended budget.

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**FINAL BOARD ACTION**

Adopted as presented in the proposed budget.

**PUBLIC HEALTH-COUNTY MEDICAL SERVICES**  
 Fund 0061 General-CMSP, Budget Unit 409  
 Donnell Ewert, M.P.H., Health and Human Services Agency Director

State Controller Schedules  
 County Budget Act  
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**Budget Unit: 409 - COUNTY MEDICAL SERVICES PROG (FUND 0061)**  
**Function: HEALTH & SANITATION**  
**Activity: MEDICAL CARE**

Detail By Revenue Category and Expenditure Object	2011-12 Actuals	2012-13		2013-14 Recommended	2013-14 Adopted by the Board of Supervisors
		Actual <input checked="" type="checkbox"/>	Estimated <input type="checkbox"/>		
1	2	3	4	5	
<b>Total Revenues:</b>	\$0	\$0	\$0	\$0	\$0
SERVICES AND SUPPLIES	\$18,932	\$0	\$0	\$0	\$0
<b>Total Expenditures/Appropriations:</b>	\$18,932	\$0	\$0	\$0	\$0
<b>Net Cost:</b>	\$18,932	\$0	\$0	\$0	\$0

**PROGRAM DESCRIPTION/BUDGET REQUESTS**

There are no budget requests for FY 2013-14. 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 is reflected in the 411 and 412 budget units. The Shasta County Auditor-Controller approved of this change.

# MENTAL HEALTH

Fund 0080 Mental Health, Budget Unit 410

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

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**Budget Unit: 410 - MENTAL HEALTH (FUND 0080)**

**Function: HEALTH & SANITATION**

**Activity: MENTAL HEALTH**

Detail By Revenue Category and Expenditure Object	2011-12 Actuals	2012-13		2013-14 Recommended	2013-14 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	\$21,646	(\$1,999)		\$5,000	\$5,000
INTERGOVERNMENTAL REVENUES	\$18,506,076	\$17,859,341		\$20,783,716	\$20,783,716
CHARGES FOR SERVICES	\$276,801	\$242,509		\$240,000	\$240,000
MISCELLANEOUS REVENUES	\$28,767	\$29,674		\$0	\$0
OTHR FINANCING SOURCES TRAN IN	\$351,014	\$1,648,845		\$337,099	\$337,099
OTHER FINANCING SRCS SALE C/A	\$2,526	\$0		\$0	\$0
<b>Total Revenues:</b>	<b>\$19,186,832</b>	<b>\$19,778,372</b>		<b>\$21,365,815</b>	<b>\$21,365,815</b>
SALARIES AND BENEFITS	\$6,299,512	\$6,992,125		\$7,563,188	\$7,563,188
SERVICES AND SUPPLIES	\$2,635,169	\$6,921,119		\$2,957,525	\$2,957,525
OTHER CHARGES	\$10,149,694	\$11,207,377		\$12,169,925	\$12,169,925
CAPITAL ASSETS	\$0	\$0		\$95,000	\$95,000
INTRAFUND TRANSFERS	(\$1,167,141)	(\$2,156,251)		(\$1,330,319)	(\$1,330,319)
OTHER FINANCING USES	\$5,868	\$171,792		\$0	\$0
<b>Total Expenditures/Appropriations:</b>	<b>\$17,923,102</b>	<b>\$23,136,164</b>		<b>\$21,455,319</b>	<b>\$21,455,319</b>
<b>Net Cost:</b>	<b>(\$1,263,729)</b>	<b>\$3,357,792</b>		<b>\$89,504</b>	<b>\$89,504</b>

## 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 HHS programs, as well as Shasta County Office of Education and Shasta County Probation. The provision of short and long-term involuntary treatment and residential services are also a responsibility of this budget unit for adults and a shared responsibility with Social Services for foster children.

**BUDGET REQUESTS**

The FY 2013-14 budget request includes projected revenues and appropriations in the approximate amounts of \$21.4 million. The slight deficit is proposed to be absorbed by Mental Health fund balance reserves.

Overall, Salaries and Benefits are projected at \$7.6 million, which is an increase of \$874,960 from the FY 2012-13 adjusted budget and consistent with current staffing levels. This is largely due to a redirection of staff from Mental Health Services Act (MHSA) funded programs. Staff routinely works in both Mental Health (BU 410) and MHSA (BU 404) budgets with their costs allocated based upon the client that they are serving, or the activities performed. In this manner, clients receive quality services without regard to the funding source.

Revenues in this budget are projected at \$21.3 million, an increase of approximately \$4 million from the FY 2012-13 adjusted budget. The increase reflects an increase in realignment funds as well as the expected payment of FY 2010-11 and FY 2011-12 Medi-Cal costs settlements estimated at \$1.8 and \$1.2 million respectively. Medi-Cal revenue has also been increased by \$375,000 to reflect additional funding attributed to current client services that will be reimbursable as previously uninsured childless adults served in our system will fall into the expanded Medi-Cal population under health care reform. The 2011 realignment of behavioral health programs shifted the state cost for the managed care contribution and matching funds for Medi-Cal covered mental health services for youth with dedicated sales tax funds. Programs previously provided under 1991 realignment were shifted to 2011 realignment and funding was slightly augmented. Under 2011 realignment, Mental Health is preferentially treated in the distribution of growth funds after the Child Welfare funding restoration of \$200 million is paid. Based upon current revenues and projected economic growth, the State forecasts that significant new funding will be provided to mental health programs beginning in FY 2014-15. That is, unless the State makes allowable changes and reduces the current mental health funding flowing to counties.

**SUMMARY OF RECOMMENDATIONS**

Adjustments are necessary relative to the \$50,000 for roof repair capital project and a transfer from Probation of \$10,321 to support Assembly Bill 109 (AB 109) costs. This modifies the net fund balance draw to \$89,504.

**PENDING ISSUES AND POLICY CONSIDERATIONS**

There are immediate concerns relative to the Mental Health budget. Despite significant efforts to reduce costs for treatment of acute and long-term psychiatric conditions, the volume and severity of clients coming into the local mental health system has increased significantly over the past year and the cost of providing the most intensive services has also risen. An analysis of current expenditures indicates that those related to support and care of persons will exceed \$11 million, or more than half of the total Mental Health expenditures in FY 2012-13. Mental Health expenditures in the "support and care" category are expected to surpass the current budget by more than \$1.8 million.

HHSA staff have taken steps to identify and implement efficiencies and curb controllable costs such as holding essential but non-critical positions vacant and allocating costs to Mental Health Services Act programs wherever appropriate. However, those actions are not sufficient to sustain the Mental Health budget. For this reason, the Board of Supervisors approved a transfer of \$1.19 million in 1991 realignment revenue from Social Services to Mental Health on May 7, 2013. Although Social Services is experiencing 1991 realignment growth and can sustain the \$1.19 million transfer, cash flow is a continuing concern for Mental Health and Social Services due to the timing of reimbursements from the State and that some of the revenue received by Mental Health must be transferred to the Mental Health Services Act budget based on allowable services.

Additionally, the settlement of the Katie A. lawsuit makes mental health services for foster children an entitlement. Shasta County's child welfare and mental health systems have worked together with service providers to address the mental health needs of children, youth and families in the child welfare system for a significant period of time. Although this coordination is already occurring, further expanded services

will be necessary to meet the court ordered requirements. Counties are currently in process of completing Readiness Assessment and Service Delivery Plan documents. These actions are designed to pull together people and information from the Child Welfare Service system, the Mental Health system and other stakeholders. The timeline for completion of these documents and their submission to the State Department of Health Care Services was May 15, 2013. A Fiscal Task Force is meeting at the State level to continue to work on funding resources for mandated services.

Some children and youth previously served in the Healthy Families program are now eligible for Medi-Cal in FY 2013-14, due to a change in the eligibility criteria. This expansion of Medi-Cal eligibles and changes to the eligibility criteria for those most in need of mental health services in the Healthy Families program is expected to increase the number of children and youth eligible for services through county Mental Health departments. Some additional funding was provided under the 2011 realignment to reflect the expanded population, but it remains to be seen whether the additional funding is sufficient to meet the needs of the children transferred from the Healthy Families program.

**DEPARTMENT HEAD CONCURRENCE OR APPEAL**

The department head concurs with the recommended budget.

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**FINAL BOARD ACTION**

Adopted as presented in the proposed budget.

# PUBLIC HEALTH

Fund 0196 Public Health, Budget Unit 411

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

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**Budget Unit: 411 - PUBLIC HEALTH (FUND 0196)**  
**Function: HEALTH & SANITATION**  
**Activity: HEALTH**

Detail By Revenue Category and Expenditure Object	2011-12 Actuals	2012-13	2013-14 Recommended	2013-14 Adopted by the Board of Supervisors
		Actual <input checked="" type="checkbox"/> Estimated <input type="checkbox"/>		
1	2	3	4	5
LICENSES, PERMITS & FRANCHISES	\$5,228	\$5,294	\$5,000	\$5,000
FINES, FORFEITURES & PENALTIES	\$3,546	\$2,000	\$4,000	\$4,000
REVENUE FROM MONEY & PROPERTY	\$14,384	\$6,622	\$10,000	\$10,000
INTERGOVERNMENTAL REVENUES	\$10,625,753	\$10,749,565	\$10,814,323	\$10,814,323
CHARGES FOR SERVICES	\$1,449,535	\$1,221,438	\$1,257,922	\$1,257,922
MISCELLANEOUS REVENUES	\$174,252	\$207,621	\$214,075	\$214,075
OTHR FINANCING SOURCES TRAN IN	\$49,901	\$44,924	\$44,605	\$44,605
<b>Total Revenues:</b>	<b>\$12,322,602</b>	<b>\$12,237,466</b>	<b>\$12,349,925</b>	<b>\$12,349,925</b>
SALARIES AND BENEFITS	\$9,078,627	\$9,170,069	\$9,894,264	\$9,894,264
SERVICES AND SUPPLIES	\$5,713,764	\$5,472,235	\$5,997,750	\$5,997,750
OTHER CHARGES	\$422,569	\$714,051	\$692,205	\$692,205
CAPITAL ASSETS	\$91,016	\$27,895	\$75,000	\$75,000
INTRAFUND TRANSFERS	(\$3,149,573)	(\$3,527,865)	(\$3,912,218)	(\$3,912,218)
OTHER FINANCING USES	\$490,096	\$88,978	\$116,461	\$116,461
<b>Total Expenditures/Appropriations:</b>	<b>\$12,646,501</b>	<b>\$11,945,365</b>	<b>\$12,863,462</b>	<b>\$12,863,462</b>
<b>Net Cost:</b>	<b>\$323,898</b>	<b>(\$292,100)</b>	<b>\$513,537</b>	<b>\$513,537</b>

## PROGRAM DESCRIPTION

The purpose of Public Health is to work with the community to protect and improve health by actively promoting activities that prevent disease and injury before they occur 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 total expenditure request of \$12.8 million is three percent less than the FY 2012-13 Adjusted Budget. As in previous years, the budget includes capital 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. A request to delete one Public Health Assistant and add one Nutrition Assistant will clarify the classification of the currently underfilled position.

Anticipated revenue of \$12.3 million is flat compared to the FY 2012-13 Adjusted Budget. Intergovernmental revenues are declining, primarily due to a loss of Sodium Reduction Initiative funding. The Public Health FY 2013-14 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 (\$139,444 for FY 2013-14) goes to Health Services (412) for the contracted Local Emergency Medical Services Agency (LEMSA) services, maintains county hospital records, and provides a reserve for payment of indigent health claims that fall within Shasta County indigent aid and care standards. The remaining County General Fund contribution (\$44,605) supports activities in the main Public Health budget (411).

Overall, the department projects utilization of department reserves in the amount of \$513,537 for FY 2013-14. Public Health currently has sufficient reserves to support this level of deficit spending, and deficits have not in previous years materialized to the extent budgeted.

#### SUMMARY OF RECOMMENDATIONS

Two net zero adjustments are needed to modify amounts inadvertently included in the incorrect account.

#### PENDING ISSUES AND POLICY CONSIDERATIONS

The most pressing issue for Public Health at this time is the State's approach to funding services under the expansion of Medi-Cal services as a part of health care reform. It is anticipated that the State will be responsible for the network of services to an expanded population including anyone having income below 138 percent of the federal poverty level. During the first three years of the Medi-Cal expansion, the federal government will reimburse for 100 percent of the cost of these services. During the years following, federal matching will fall to 95 percent and then decline each year ultimately to 90 percent. The State proposes to divert a portion of counties' 1991 health realignment to pay for the State cost. While there is no match requirement initially, the State believes that people who are currently eligible for, but not enrolled in Medi-Cal, may apply for these benefits, increasing the State's current cost for services. Thus, the State is looking to capture additional revenue for the increased population. The HHSA is working with the County Executive Officer and the California State Association of Counties to influence the State's decision about health care reform implementation in order to keep as much in health realignment to stabilize and even augment the County's prevention services.

#### DEPARTMENT HEAD CONCURRENCE OR APPEAL

The department head concurs with the recommended budget.

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#### FINAL BOARD ACTION

Adopted as presented in the proposed budget.

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

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

Detail By Revenue Category and Expenditure Object	2011-12 Actuals	2012-13		2013-14 Recommended	2013-14 Adopted by the Board of Supervisors
		Actual <input checked="" type="checkbox"/>	Estimated <input type="checkbox"/>		
1	2	3	4	5	5
INTERGOVERNMENTAL REVENUES	\$0	\$5,361,013	\$5,361,013	\$5,361,013	\$5,361,013
CHARGES FOR SERVICES	\$49,449	\$49,451	\$88,793	\$88,793	\$88,793
MISCELLANEOUS REVENUES	\$18,932	\$0	\$0	\$0	\$0
OTHR FINANCING SOURCES TRAN IN	\$432,515	\$433,494	\$433,813	\$433,813	\$433,813
<b>Total Revenues:</b>	<b>\$500,896</b>	<b>\$5,843,958</b>	<b>\$5,883,619</b>	<b>\$5,883,619</b>	<b>\$5,883,619</b>
SERVICES AND SUPPLIES	\$111,371	\$62,414	\$178,690	\$178,690	\$178,690
OTHER CHARGES	\$379,823	\$5,742,535	\$5,743,676	\$5,743,676	\$5,743,676
INTRAFUND TRANSFERS	(\$73,047)	\$0	(\$76,997)	(\$76,997)	(\$76,997)
APPROP FOR CONTINGENCY	\$0	\$0	\$30,000	\$30,000	\$30,000
<b>Total Expenditures/Appropriations:</b>	<b>\$418,147</b>	<b>\$5,804,949</b>	<b>\$5,875,369</b>	<b>\$5,875,369</b>	<b>\$5,875,369</b>
<b>Net Cost:</b>	<b>(\$82,749)</b>	<b>(\$39,008)</b>	<b>(\$8,250)</b>	<b>(\$8,250)</b>	<b>(\$8,250)</b>

**PROGRAM DESCRIPTION**

This 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 budget request includes the cost of the SSV-EMS contract of \$87,000, consistent with the FY 2012-13 actual cost of this contract. The budget includes the costs of operating and maintaining EMS communication system equipment along with offsetting fee revenue. Estimated revenues in excess of projected expenditures in the amounts of \$12,768 (FY 2012-13) and \$8,250 (FY 2013-14) will be held in reserve for future EMS-related equipment replacement.

The budget includes a CMSP obligation of \$5.4 million, which is automatically deducted in 1/10th increments from 1991 health realignment vehicle license fees. The CMSP participation fee is set in

statute and is supported entirely by a statutory County General Fund contribution of \$294,369. The remaining \$139,444 General Fund contribution is for the SSV-EMS services, maintaining county hospital records, and providing a reserve for payment of indigent health claims that fall within Shasta County indigent aid and care standards. Also included is \$30,000 in a Contingency Reserve account for health care claims for medically indigent adults that are not CMSP-eligible but fall within the County's Welfare and Institutions Code §17000 obligation. No claims have been processed for these costs in FY 2012-13, however claims can arise without warning, and the County must be prepared to pay them.

**SUMMARY OF RECOMMENDATIONS**

Net zero adjustments are needed to correctly reflect the storage rent charged to the Social Services budget (501) and to modify the account numbers for the General Fund contribution.

**PENDING ISSUES AND POLICY CONSIDERATIONS**

From January 1, 2012 to December 31, 2013, Shasta County is participating in the CMSP Path2Health, a low income health program (LIHP) authorized by the State's 1115 waiver and considered a "bridge to health care reform." This program is funded by a combination of CMSP revenue provided by the counties and 50% matching federal Medicaid funds. With the commencement of the Patient Protection and Affordable Care Act (ACA) in January 2014, many clients who are considered "medically indigent" and covered under Path2Health will qualify for Medi-Cal coverage reimbursed 100 percent by the federal government.

Discussions are occurring between the State and counties regarding how to optimally implement Medi-Cal expansion. It is anticipated that the State will provide the network of services and cover the majority of CMSP's current beneficiaries; however, a residual population of individuals would remain the responsibility of CMSP. To fund this residual population, the State proposes to divert some 1991 health realignment funds to support its costs. However, during the first three years of the ACA expansion, the federal government reimburses for 100 percent of the cost of services to the expanded population. Therefore, the State would be diverting funds to pay for other State obligations. Discussions on this matter continue at the State and County level.

**DEPARTMENT HEAD CONCURRENCE OR APPEAL**

The department head concurs with the recommended budget.

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**FINAL BOARD ACTION**

Adopted as presented in the proposed budget.

**PUBLIC HEALTH-CALIFORNIA CHILDREN'S SERVICES**  
 Fund 0196 Public Health, Budget Unit 417  
 Donnell Ewert, M.P.H., Health and Human Services Agency Director

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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	2011-12 Actuals	2012-13		2013-14 Recommended	2013-14 Adopted by the Board of Supervisors
		Actual <input checked="" type="checkbox"/>	Estimated <input type="checkbox"/>		
1	2	3	4	5	
INTERGOVERNMENTAL REVENUES	\$1,513,051	\$1,815,384		\$1,922,618	\$1,922,618
CHARGES FOR SERVICES	\$45	\$2,794		\$200	\$200
MISCELLANEOUS REVENUES	\$1,897	\$199		\$1,000	\$1,000
OTHR FINANCING SOURCES TRAN IN	\$131,171	\$131,171		\$131,171	\$131,171
<b>Total Revenues:</b>	<b>\$1,646,164</b>	<b>\$1,949,550</b>		<b>\$2,054,989</b>	<b>\$2,054,989</b>
SALARIES AND BENEFITS	\$1,240,641	\$1,312,546		\$1,579,707	\$1,579,707
SERVICES AND SUPPLIES	\$312,076	\$287,522		\$351,007	\$351,007
OTHER CHARGES	\$210,058	\$126,716		\$358,991	\$358,991
<b>Total Expenditures/Appropriations:</b>	<b>\$1,762,776</b>	<b>\$1,726,785</b>		<b>\$2,289,705</b>	<b>\$2,289,705</b>
<b>Net Cost:</b>	<b>\$116,611</b>	<b>(\$222,764)</b>		<b>\$234,716</b>	<b>\$234,716</b>

**PROGRAM DESCRIPTION**

California Children's Services (CCS) is a state-mandated program which provides diagnostic, treatment, case management, and therapy services for children and young adults 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. 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.

**BUDGET REQUESTS**

The FY 2013-14 expenditure request represents an increase of approximately \$146,724 from the FY 2012-13 adjusted budget, primarily due to an increase in salaries from filling positions previously held vacant. The FY 2013-14 revenues have been projected based on the current FY 2012-13 state allocation. This program is funded by Social Services realignment revenue, categorical state funding, Medi-Cal fee for service, Public Health reserves, and a County General Fund contribution of \$131,171, the same level as previous years. The county share of cost in this program continues to outpace available Social Services realignment funding for this program, and Public Health is currently using fund balance reserves to fund the increased county cost to operate the CCS program.

**SUMMARY OF RECOMMENDATIONS**

The CEO concurs with the requested budget.

**PENDING ISSUES AND POLICY CONSIDERATIONS**

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

**DEPARTMENT HEAD CONCURRENCE OR APPEAL**

The department head concurs with the recommended budget.

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**FINAL BOARD ACTION**

Adopted as presented in the proposed budget.

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

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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	2011-12 Actuals	2012-13		2013-14 Recommended	2013-14 Adopted by the Board of Supervisors
		Actual <input checked="" type="checkbox"/>	Estimated <input type="checkbox"/>		
1	2	3	4	5	
FINES, FORFEITURES & PENALTIES	\$23,737	\$22,802	\$28,300	\$28,300	\$28,300
REVENUE FROM MONEY & PROPERTY	\$0	\$86	\$0	\$0	\$0
INTERGOVERNMENTAL REVENUES	\$2,411,122	\$2,263,213	\$2,394,447	\$2,394,447	\$2,394,447
CHARGES FOR SERVICES	\$22,821	\$16,824	\$22,652	\$22,652	\$22,652
MISCELLANEOUS REVENUES	\$81,800	\$0	\$10,000	\$10,000	\$10,000
OTHR FINANCING SOURCES TRAN IN	\$3,195	\$3,195	\$3,195	\$3,195	\$3,195
OTHER FINANCING SRCS SALE C/A	\$0	\$525	\$0	\$0	\$0
<b>Total Revenues:</b>	<b>\$2,542,676</b>	<b>\$2,306,646</b>	<b>\$2,458,594</b>	<b>\$2,458,594</b>	<b>\$2,458,594</b>
SALARIES AND BENEFITS	\$1,135,435	\$1,056,707	\$1,014,167	\$1,014,167	\$1,014,167
SERVICES AND SUPPLIES	\$854,425	\$972,087	\$924,938	\$924,938	\$924,938
OTHER CHARGES	\$438,078	\$605,483	\$770,393	\$770,393	\$770,393
INTRAFUND TRANSFERS	(\$13,124)	(\$1,344)	(\$1,000)	(\$1,000)	(\$1,000)
<b>Total Expenditures/Appropriations:</b>	<b>\$2,414,814</b>	<b>\$2,632,934</b>	<b>\$2,708,498</b>	<b>\$2,708,498</b>	<b>\$2,708,498</b>
<b>Net Cost:</b>	<b>(\$127,861)</b>	<b>\$326,287</b>	<b>\$249,904</b>	<b>\$249,904</b>	<b>\$249,904</b>

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

**BUDGET REQUESTS**

The FY 2013-14 appropriation request is \$2.7 million, an increase of \$71,049 from the FY 2012-13 budget. The increase is attributed to increases in services and supplies and residential alcohol and drug treatment contracted services offset by a \$263,821 reduction in salaries and benefits from the FY 2012-13 budget, reflecting the redirection of staff to other HHSA programs. HHSA is reducing direct treatment activities to adults in order to provide more resources for community-based treatment programs which are Medi-Cal certified.

Revenue in this cost center is expected to be \$2.5 million, an increase of \$53,041 from the FY 2012-13 budget. ADP contains several programs that were realigned in 2011 through the state budget process. State funding for Drug Medi-Cal, Drug Court, non Medi-Cal Alcohol and Drug Services, and Perinatal Drug services was eliminated and replaced with dedicated sales tax revenues. A General Fund

contribution of \$3,195 is requested at the FY 2012-13 level, which combines with realigned funds to draw down the federal revenues. Realignment funding appears to be flowing consistent with the State funding it replaced. The HHSA staff will continue to monitor this revenue closely to ensure that it is sufficient to fund planned activities and make expenditure adjustments if necessary. A budget deficit in this program of \$249,904 is proposed to be absorbed by fund balance reserves, which are sufficient to sustain this level of fund balance draw.

**SUMMARY OF RECOMMENDATIONS**

The CEO concurs with the requested budget.

**PENDING ISSUES AND POLICY CONSIDERATIONS**

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

**DEPARTMENT HEAD CONCURRENCE OR APPEAL**

The department head concurs with the recommended budget.

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**FINAL BOARD ACTION**

Adopted as presented in the proposed budget.

# MENTAL HEALTH-SUBSTANCE ABUSE & CRIME PREVENTION PROGRAM

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

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

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

Detail By Revenue Category and Expenditure Object	2011-12 Actuals	2012-13		2013-14 Recommended	2013-14 Adopted by the Board of Supervisors
		Actual <input checked="" type="checkbox"/>	Estimated <input type="checkbox"/>		
1	2	3	4	5	
REVENUE FROM MONEY & PROPERTY	\$598	(\$179)		\$0	\$0
MISCELLANEOUS REVENUES	\$91,679	\$0		\$0	\$0
<b>Total Revenues:</b>	<b>\$92,277</b>	<b>(\$179)</b>		<b>\$0</b>	<b>\$0</b>
SERVICES AND SUPPLIES	\$130,019	\$0		\$0	\$0
OTHER CHARGES	\$58,004	\$0		\$0	\$0
<b>Total Expenditures/Appropriations:</b>	<b>\$188,024</b>	<b>\$0</b>		<b>\$0</b>	<b>\$0</b>
<b>Net Cost:</b>	<b>\$95,746</b>	<b>\$179</b>		<b>\$0</b>	<b>\$0</b>

## PROGRAM DESCRIPTION

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

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 the state failed to fund this program, and funding is not projected to be restored since the state considered this unfunded program realigned to counties in 2011.

## BUDGET REQUESTS

Reserves in the SACPA fund (fund 0189) were anticipated to be depleted by the end of FY 2011-12, however, a slight carryover in funding to FY 2012-13 occurred. All funding will be depleted by the end of FY 2012-13, with no appropriation request made for FY 2013-14.

## SUMMARY OF RECOMMENDATIONS

The CEO concurs with the requested budget.

**PENDING ISSUES AND POLICY CONSIDERATIONS**

While this program was adopted by the voters, funding for this program was completely eliminated in FY 2009-10. 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.

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**FINAL BOARD ACTION**

Adopted as presented in the proposed budget.

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

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

Detail By Revenue Category and Expenditure Object	2011-12 Actuals	2012-13		2013-14 Recommended	2013-14 Adopted by the Board of Supervisors
		Actual <input checked="" type="checkbox"/>	Estimated <input type="checkbox"/>		
1	2	3	4	5	
INTERGOVERNMENTAL REVENUES	\$383,906	\$616,121	\$575,767	\$575,767	
CHARGES FOR SERVICES	\$116	\$0	\$0	\$0	
MISCELLANEOUS REVENUES	\$49,418	\$157,944	\$0	\$0	
OTHR FINANCING SOURCES TRAN IN	\$15,017	\$15,017	\$15,017	\$15,017	
<b>Total Revenues:</b>	<b>\$448,457</b>	<b>\$789,082</b>	<b>\$590,784</b>	<b>\$590,784</b>	
SALARIES AND BENEFITS	\$393,859	\$438,261	\$496,757	\$496,757	
SERVICES AND SUPPLIES	\$156,947	\$124,088	\$149,908	\$149,908	
OTHER CHARGES	\$97,826	\$47,298	\$91,550	\$91,550	
INTRAFUND TRANSFERS	(\$31,111)	(\$33,115)	(\$38,000)	(\$38,000)	
<b>Total Expenditures/Appropriations:</b>	<b>\$617,522</b>	<b>\$576,532</b>	<b>\$700,215</b>	<b>\$700,215</b>	
<b>Net Cost:</b>	<b>\$169,064</b>	<b>(\$212,549)</b>	<b>\$109,431</b>	<b>\$109,431</b>	

**PROGRAM DESCRIPTION**

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

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

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

**BUDGET REQUESTS**

Overall expenditures are projected at \$700,215, an increase of \$43,175 from the FY 2012-13 adjusted budget. The change is mainly attributed to salaries and benefit increases due to a reallocation of staff from different budget units.

County General Fund support is requested at \$15,017 as a continuing County Maintenance of Effort match cost. State general fund contribution for this program was realigned to counties as part of

2011 Public Safety Realignment, and it appears that realignment revenue remains consistent with previous state funding. Overall, a deficit of \$109,431 in the budget year is projected.

**SUMMARY OF RECOMMENDATIONS**

A net zero adjustment is needed to correct amounts inadvertently included in the incorrect account.

**PENDING ISSUES AND POLICY CONSIDERATIONS**

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

**DEPARTMENT HEAD CONCURRENCE OR APPEAL**

The department head concurs with the recommended budget.

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**FINAL BOARD ACTION**

Adopted as presented in the proposed budget.

# SOCIAL SERVICES

Fund 0140 Social Services, Budget Unit 501

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

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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	2011-12 Actuals	2012-13		2013-14 Recommended	2013-14 Adopted by the Board of Supervisors
		Actual <input checked="" type="checkbox"/>	Estimated <input type="checkbox"/>		
1	2	3	4	5	
REVENUE FROM MONEY & PROPERTY	\$9,603	\$3,140		\$10,000	\$10,000
INTERGOVERNMENTAL REVENUES	\$40,178,262	\$47,155,699		\$48,831,126	\$48,831,126
CHARGES FOR SERVICES	\$63,469	\$54,656		\$60,534	\$60,534
MISCELLANEOUS REVENUES	\$32,002	\$498,913		\$15,800	\$15,800
OTHR FINANCING SOURCES TRAN IN	\$1,180,968	\$1,180,968		\$1,191,232	\$1,191,232
OTHER FINANCING SRCS SALE C/A	\$2,062	\$9,829		\$0	\$0
<b>Total Revenues:</b>	<b>\$41,466,368</b>	<b>\$48,903,208</b>		<b>\$50,108,692</b>	<b>\$50,108,692</b>
SALARIES AND BENEFITS	\$24,999,828	\$25,850,313		\$30,365,367	\$30,365,367
SERVICES AND SUPPLIES	\$13,054,070	\$13,670,237		\$15,884,337	\$15,884,337
OTHER CHARGES	\$5,131,553	\$4,794,060		\$6,672,388	\$6,672,388
CAPITAL ASSETS	\$73,843	\$48,215		\$225,000	\$225,000
INTRAFUND TRANSFERS	(\$748,644)	(\$818,171)		(\$920,111)	(\$920,111)
OTHER FINANCING USES	\$30,088	\$1,237,254		\$0	\$0
<b>Total Expenditures/Appropriations:</b>	<b>\$42,540,740</b>	<b>\$44,781,911</b>		<b>\$52,226,981</b>	<b>\$52,226,981</b>
<b>Net Cost:</b>	<b>\$1,074,371</b>	<b>(\$4,121,296)</b>		<b>\$2,118,288</b>	<b>\$2,118,288</b>

## PROGRAM DESCRIPTION

Through its Social Services budget, the HHS 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, County Medical Services Program, and Path2Health
- Child Protective Services
- Adoptions
- Foster Home Licensing & Placement
- Adult Protective Services
- In-Home Supportive Services

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

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

## **BUDGET REQUESTS**

The FY 2013-14 requested budget includes implementation of eligibility functions necessary to effectuate the Patient Protection and Affordable Care Act (ACA) in January 2014, expanding Medi-Cal coverage to those clients who were previously considered “medically indigent,” and creating an interface with Covered California, the health benefit exchange. The FY 2013-14 budget includes a total expenditure request of \$52.2 million, which is an increase of approximately \$7.4 million from the FY 2012-13 adjusted budget. Salaries and Benefits are projected at a net amount of \$30.4 million, which includes increased costs of \$3.6 million for additional staffing as well as health insurance and other post-employment benefit increases.

A request is included to extend the sunset date from June 30, 2013 to June 30, 2015, for 33 positions previously approved by the Board in 2010 and 2011 to assist with the expanded caseloads due to the economic downturn. It is requested that the sunset date be extended as these positions are needed to support the implementation of the Affordable Care Act and expanding Medi-Cal coverage to additional recipients. The positions are:

- 26 Eligibility Worker I/II
- 2 Eligibility Worker III
- 2 Office Assistant I/II
- 3 Eligibility Supervisors

In addition, HHSA is making the following requests, which will be funded through the CalFresh and CalWORKs allocations:

- Add one Employment and Training Worker I/II position: In order to develop and monitor CalFresh client employment and training plans to allow participants to continue receiving CalFresh benefits.
- Add one Employment & Training Worker III position: This is to improve subsidized employment opportunities for CalWORKs customers by interfacing and promoting employment opportunities with employers in the local community.
- Extend the sunset date for one Employment and Training Worker I/II position: Previously set to sunset June 30, 2013, is requested to have the sunset date extended to June 30, 2015, to improve Shasta County’s CalWORKs client work participation rate in employment activities, which is currently below required levels.

Three additional Social Worker (Assistant Social Worker / Social Worker) positions are requested in the FY 2013-14 budget to assist the Adult Services In-Home Supportive Services program to provide more effective service and comply with the mandated regulation time lines. Timely intervention can result in a reduction of out of home placement for Shasta County seniors and dependent adults which result in a lower quality of life, institutionalization, and a higher overall cost of care. These positions will be fully supported with state and federal funds once the County meets its IHSS maintenance of effort level.

Within Children’s Services, one additional Social Worker (Assistant Social Worker / Social Worker / Senior Social Worker) and two additional Social Service Aide positions are requested in the FY 2013-14 budget to increase family finding and engagement efforts, facilitating the location of relatives as a placement option for children who are not currently placed with relatives upon entry into foster care and establishing strong familial connections for youth non-relative placements approaching emancipation. These additional staff will also allow for increased home visiting work with families to prevent out of home placements and increased visitation services to facilitate timely reunification.

Further, implementation of AB12, Extended Foster Care for youth, has increased overall caseload and mandated service requirements. One additional Eligibility Worker I/II is requested to increase access to

expanded Medi-Cal benefits for adults whose children are served in the Child Welfare System. These Children's Services positions are proposed to be funded through the Child Welfare Base Restoration under 2011 realignment with matching federal Medicaid funding, where applicable. Beginning in FY 2013-14, the majority of sales tax collected in excess of base allocations will be directed to a \$200 million statewide restoration of funding for child welfare services. With increased resources for program services, more emphasis can be placed on services to decrease the number of children placed in foster care and/or adoptive homes while continuing to maintain their safety.

Services and Supplies is projected at \$15.9 million, which is nearly \$2.4 million higher than the FY 2012-13 adjusted budget. The increase is due to expenses necessary to implement expansion of the customer service center for regionalization and additional professional services related to nursing staff and costs associated with administering the additional staffing.

Other charges, which includes many of the contracts maintained to provide services to clients as well as county A-87 charges, is projected at \$6.7 million, an increase of approximately \$1.2 million from the adjusted FY 2012-13 budget. This increase is predominantly due to restoration of child care and Welfare to Work activities previously reduced in FY 2012-13 as part of state budget reductions. Other contracted services are being held relatively stable as they provide services directly to clients to meet program mandates and court orders, and eliminating contracts for beneficial but non-mandated services has occurred during previous fiscal years as part of the HHSAs' cost control measures.

The Social Services FY 2013-14 budget request includes the purchase of nine new vehicles. Social Services vehicles are not part of the County's replacement program due to funding requirements. As vehicles age, newer vehicles are purchased and older vehicles are taken out of service. The vehicles being replaced have extremely high mileage and have not previously been replaced due to fiscal constraints. As the fleet ages, it is no longer feasible to continue the delay of purchases, and nine new vehicles were anticipated to be the minimum necessary request.

Overall revenues are projected at \$50 million, an increase of approximately \$7.7 million from the FY 2012-13 adjusted budget. The increase is attributed to a projected increase in 2011 realignment revenue as part of the restoration of child welfare services funding, and additional federal and state funding associated with the expansion of Medi-Cal under the Patient Protection and Affordable Care Act (ACA). If state funding is not provided to fund the expansion population services, this budget will be evaluated for necessary reductions.

The General Fund transfer into this budget is requested at \$1.18 million, consistent with the amount included in FY 2012-13. Combined General Fund in this budget and in the Cash Aid budget (BU 541) has remained flat over the past several years. The proposed budget deficit of \$2.1 million in this budget unit will reduce fund balance reserves.

### SUMMARY OF RECOMMENDATIONS

Minor adjustments are needed to address Salaries and Benefits calculations. A transfer from Probation of \$10,264 to support Assembly Bill 109 (AB 109) costs has been added. A net zero adjustment is included to adjust the description for the capital asset request of three vans. Another net zero adjustment will move the charges to reimburse HHSAs Administration (502) to another account code.

### PENDING ISSUES AND POLICY CONSIDERATIONS

As a result of State budget solutions, the Social Services fund continues to have cash flow issues. With implementation of 2011 realignment, which eliminated State funding to a number of programs and replaced funds with dedicated sales tax revenues, counties were left with two months of previously State

expenditures to support while waiting for sales tax revenue to arrive. State funding was previously received in advance to assist counties with the extreme nature of entitlement payments. With this policy change, counties are now 'floating' costs until revenue is received, resulting in cash shortages in the Social Services fund that may persist into the future.

**DEPARTMENT HEAD CONCURRENCE OR APPEAL**

The department head concurs with the recommended budget.

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**FINAL BOARD ACTION**

Adopted as presented in the proposed budget.