

# INTRODUCTION

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# LETTER FROM CHAIR, BOARD OF SUPERVISORS



**CHAIR  
BOARD OF SUPERVISORS  
COUNTY OF SACRAMENTO**  
700 H STREET, SUITE 2450 • SACRAMENTO, CA 95814

**ROGER DICKINSON  
SUPERVISOR, FIRST DISTRICT**  
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November 1, 2010

TO THE PEOPLE OF SACRAMENTO

The Sacramento County Board of Supervisors is proud to present to you the County's Fiscal Year 2010-11 Adopted Budget. The County Budget is the financial and operating plan for the provision of services to you by the County and by the special districts governed by the Board of Supervisors.

The County budget was developed through an open and public process which assures that the community members have the opportunity to be heard and participate. The Board heard a budget forecast in February and conducted hearings in June and September. The Board adopted a balanced budget designed to continue delivering quality services to residents and businesses of the County despite the current economic downturn.

Initial budgets included service reductions in most County programs funded by the General Fund and in some departments that are self funded. The Board chose to mitigate as much of the program reductions as possible through cost reductions, using all available revenue, and transfers between funds.

Should you desire further information regarding the Fiscal Year 2010-11 Adopted Budget or the County's budget process, please contact your County Supervisor (874-5411) or the Office of the County Executive (874-5833).

Sincerely,

ROGER DICKINSON, Chair  
Supervisor, District 1

# COUNTY VISION, MISSION AND VALUES

## VISION

*A vision is a compelling conceptual image of the desired future.*

This statement describes “what we want to be” in the twenty-first century.

Our Vision is for Sacramento County to be:

- The most livable community with the highest quality public service

## MISSION

*Our mission statement defines why our organization exists.*

It describes what we want to do for the community.

Our Mission for Sacramento County is to:

- Improve quality of life in the community
- Promote individual responsibility and achievement
- Protect one another and the environment we share
- Provide innovative and cooperative quality customer service
- Recognize and seize opportunities for improvement
- Stimulate economic growth and regional cooperation

## VALUES

*These values are the basic principles and beliefs for the County of Sacramento.*

They govern the way we make and carry out our decisions.

Our Values for Sacramento County are:

- Trust
- Dignity and respect for the individual
- Customer service
- Partnership
- Empowerment
- Continuous improvement
- Personal and professional growth
- Respect for cultural and ethnic diversity

# SUMMARY OF 2010-11 ADOPTED BUDGET

The Introduction is a brief summary of Sacramento County's Annual Budget as adopted by the Board of Supervisors after legally required public hearings held in September 2010. The Introduction provides the reader with a guide to the contents of the larger document by summarizing information in the following sections:

- I. Budget Document Content
- II. Summary of the Adopted Final Budget
  - The General Fund, Programs, Financing, and Fund Balance Changes
  - Other Funds Subject to Appropriation (Other Governmental Funds)
- III. Five-Year Capital Improvement Plan
- IV. County Executive's Recommended Fiscal Year 2010-11 Budget Report

## **I. Budget Document Content**

The County's annual budget document includes fiscal and operational information on county operations and those special districts and enterprises governed by the Board of Supervisors. It consists of several general sections including:

- The Introduction summarizes the Adopted Budget and presents the County Executive's Recommended Budget. The Recommended Budget report may be viewed or downloaded at the following county Web site: <http://www.budget.saccounty.net/index.htm>
- General budget information including a summary of the budget policies/process; the basis of budgeting; information about the County, major funds, major revenue trends, a summary of authorized staffing levels, and summaries of appropriations and financing. (See section "A-General Budget Information")
- State-determined Program Areas and Revenue Summary Schedules (tables) listing the financing and requirements for county funds, and appropriations in governmental funds. (See section "B-Summary Schedules")
- Summary of Positions giving the authorized staffing levels by budget unit. (See section "C-Summary of Positions")
- Detailed information (the budget messages) on the various budget units making up the overall county budget. This information is organized into the following five sections that reflect the organizational structure of the County (see page A-3 for Organizational Chart).
  - Elected Officials
  - General Government/Administration
  - Internal Services Agency
  - Countywide Services Agency
  - Municipal Services Agency
- The Five-Year Capital Improvement Plan (CIP) is also included as part of the budget document (see Volume III). Annually, the Board of Supervisors holds a separate hearing on the Five-Year Capital Improvement Plan.

**II. Summary of the Adopted Budget**

Final Budget Hearings were held in September 2010. As part of these hearings the Board of Supervisors adopted the County Executive’s Recommended Budget totaling \$3.63 billion which did not include the impacts from the State spending plan and is reflected in the table below. The adopted budget reflects reductions of approximately 17.7 percent (\$0.78 billion) from the Fiscal Year 2009-10 Final Budget of \$4.41 billion. The largest decrease in the budget is for the Airport because of the progress of the terminal construction project at the International Airport.

Total County Budget by Fund Type

	<b>Amount</b>	<b>Percent</b>
General Fund	\$1,969,147,620	54.2
Special Revenue Funds	319,668,758	8.8
Capital Project Funds	38,337,359	1.1
Debt Service Funds	82,466,344	2.3
<b>Subtotal - Governmental Funds</b>	<b>\$2,409,620,081</b>	<b>66.4</b>
Internal Service Funds	434,351,445	12.0
Enterprise Funds	448,184,336	12.3
Special Districts and Other Agencies	338,322,383	9.3
<b>Total</b>	<b>\$3,630,478,245</b>	<b>100.0</b>

**The General Fund, Programs, Financing, and Fund Balance Changes**

The overall authorized spending for departmental programs and the contingency is approximately \$1.97 billion. As reflected in the table above the General Fund is the largest county fund. Support for the General Fund is detailed in the following table:

<b>Financing Source</b>	<b>Amount</b>
Departmental Revenue	\$1,473,267,717
General Purpose Revenue	483,137,186
Reserve Release	4,604,180
Fund Balance	8,138,537
<b>Total</b>	<b>\$1,969,147,620</b>

The General Fund supports the majority of county services and nearly three-quarters of county employees providing both countywide and municipal services. As a California county, Sacramento County provides countywide human services, and law and justice services. The human services include human assistance aid, foster care, public health, mental health, and protective services. The countywide law and justice services include prosecution, adult and juvenile detention (jails), coroner services, and legal defense.

The majority of General Fund appropriations cover employee salary and benefit costs. The following table illustrates the classification of appropriations:

<b>Appropriation Type</b>	<b>Amount (In millions)</b>	<b>Percent</b>
Salaries and Benefits	\$ 982.1	45.8
Welfare Aid Payments	378.0	17.6
Other Charges	360.9	16.9
Services and Supplies	264.3	12.3
Internal Charges	140.3	6.6
Debt Service	8.0	0.4
All Other	9.1	0.4
<b>Total</b>	<b>\$ 2,142.7</b>	<b>100.0</b>

The following tables summarize the net cost of the General Fund programs that are financed from local resources after all the reductions were adopted. It compares the Fiscal Year 2010-11 Adopted Budget for the General Fund by Agency to the Fiscal Year 2009-10 Final Adopted Budget:

**ADOPTED BUDGET NET COST COMPARISON**

(Amounts Expressed in millions)

Program	2010-11 Adopted Budget Net Cost	2009-10 Adopted Budget Net Cost	Year to Year Variance
<b>Elected Officials</b>			
Assessor	9.4	6.1	3.3
Board of Supervisors	3.1	3.6	(0.5)
District Attorney	41.5	40.9	0.6
Sheriff	164.7	153.9	10.8
Correctional Health Services	16.5	17.2	(0.7)
<b>Subtotal</b>	<b>235.2</b>	<b>221.7</b>	<b>13.5</b>
<b>Countywide Services</b>			
Child Support Services	0.0	(0.1)	0.1
Health and Human Services	31.6	30.1	1.5
Health Treatment Account	24.1	24.2	(0.1)
Human Assistance-Admin.	8.9	13.8	(4.9)
Human Assistance-Payments	38.6	35.4	3.2
IHSS Provider Payments	9.8	17.1	(7.3)
Probation	57.5	58.6	(1.1)
Public Defender	27.1	26.5	0.6
Other	61.8	69.2	(7.4)
<b>Subtotal</b>	<b>259.4</b>	<b>274.8</b>	<b>(15.4)</b>
<b>General Government/COO</b>	23.1	25.5	(2.4)
<b>Internal Services</b>	0.6	1.5	(0.9)
<b>Municipal Services</b>	6.8	6.9	(0.1)
<b>Contingencies</b>	2.0	1.7	0.3
<b>Reserve Increases</b>	0.3	(1.7)	(2.6)
<b>Total</b>	<b>527.4</b>	<b>530.4</b>	<b>(7.6)</b>

There have been increases for the Assessor, District Attorney, and Sheriff’s Department in line with the Board’s priorities and the recognition of contractually obligated labor cost increases. Generally, all other departments have had their recommended appropriations either reduced or increased only slightly to offset mandated costs.

Countywide Services consume approximately half the local revenue resources, primarily for mandated services. Municipal Services, Internal Services, and General Government are allocated together at only 5.8 percent of the local revenue resources, although this picture is skewed by the mixed services (Municipal and Countywide) provided by Assessor, District Attorney, and the Sheriff. The Board, Assessor, and District Attorney Offices’ provide countywide services, but much of the allocation to the Sheriff’s Department is for municipal services.

**General Purpose Financing**

General Purpose Financing is the source used to fund the net cost of the various programs. The following table details the year-to-year recommended changes in general purpose revenues:

<b>General Purpose Revenues (Amounts Expressed In Millions)</b>			
	<b>2010-11 Adopted Budget</b>	<b>2009-10 Adopted Budget</b>	<b>Year to Year Decrease / (Increase)</b>
Property Taxes *	\$ 205.6	\$ 215.6	\$ 10.0
Property Tax In Lieu of Vehicle License Fees	130.4	132.5	2.1
Sales Tax & In Lieu Sales Tax	58.7	59.2	0.5
Utility Tax	15.8	16.7	0.9
Fines & Penalties	17.0	14.2	(2.8)
Property Transfer Tax	6.0	8.0	2.0
Franchises	5.0	3.8	(1.2)
Revenue Neutrality & Transition	16.8	17.5	0.7
Operating Transfer In	18.0	11.4	(6.6)
Other Revenues & Costs	9.8	13.2	3.4
<b>Total</b>	<b>\$ 483.1</b>	<b>\$ 492.1</b>	<b>\$9.0</b>

\*Includes all sources of property tax revenue (i.e. Secured, Unsecured, Supplemental, Delinquent, Unitary)

Property Tax Revenues currently constitute the second largest source of General Fund financing and account for 42.3 percent of the total financing. Property Taxes is a 1.0 percent tax on real property.

The housing market decline has caused the County Assessor to decrease the assessed value for approximately 162,000 properties in 2010-11, slightly less than the 172,500 in 2009-10. This will reduce secured property taxes for Fiscal Year 2010-11 by approximately 1.3 percent.

Property Tax In Lieu of Vehicle License Fees is the third largest source of General Fund financing with 24.7 percent of the total financing. This revenue source emerged as a result of the State’s “swap” deal.

Sales Taxes account for 8.6 percent of the total General Fund financing. With minimal growth anticipated, sales tax is expected to reach approximately \$45.3 million. In Lieu Sales Taxes emerged as a result of the State's "Triple Flip" provision which reduces the County's Sales and Use Taxes by 25.0 percent. The State backfills this 25.0 percent reduction with Educational Revenue Augmentation Fund (ERAF) revenues. In Lieu Sales Tax is budgeted at \$13.4 million, 2.6 percent of the General Fund financing.

The department carryover is that portion of the fund balance which is, by Board of Supervisors' policy, allocated directly back to General Fund budget units generating the carryover. This policy was established in 2010 to provide an incentive for departments to take actions to maximize fund balance and minimize budget funding gaps in lean budget years.

**Recent Changes in Fund Balance of General Fund**

The following table reflects the beginning total fund balance (both Departmental carryover and Non-Departmental fund balance) of each fiscal year since Fiscal Year 2004-05 and the change in available fund balance from the prior-year fiscal year:

<b>Fiscal Year</b>	<b>Fund Balance</b>	<b>Variance</b>
2004-05	67,952,967	5,087,391
2005-06	102,560,476	34,607,509
2006-07	140,718,398	38,157,922
2007-08	74,532,227	(66,186,171)
2008-09	23,357,256	(51,174,971)
2009-10	11,645,815	(11,711,441)
2010-11	\$ 8,138,537	\$ (3,507,278)

- In Fiscal Year 2004-05 and Fiscal Year 2005-06 there was an unanticipated increase in property tax revenues associated with the strong local real estate market. The actual growth in major revenues such as sales tax and vehicle license fees also met budgetary expectations.
- The beginning fund balance for Fiscal Year 2006-07 exceeded budgeted estimates by \$55.7 million largely because of the continued strong local real estate market (Property Tax collections exceeded budget estimates by \$55.7 million). Because collections were so much higher than anticipated, the County took the opportunity to increase general reserves by \$57.0 million.
- In Fiscal Year 2007-08 the beginning fund balance declined because Property Tax collections were more in line with budgeted estimates.
- In Fiscal Years 2008-09 through 2010-11 the true impact of the economic downturn can be seen with the drop in fund balance which is predominately the result of a decrease in growth rates for both property taxes and sales related taxes and transfers in form other funds.

**Other Funds Subject to Appropriation (Other Governmental Funds)**

The overall financing and requirement for the Other Governmental Funds, or those other funds subject to appropriation is found in Schedule 1 – Summary of County Budget, in the Summary Schedules portion of this document. An analysis of fund balances is reflected in Schedule 2 – Analysis of Fund Balance Unreserved/Undesignated. Reserve change detail is reflected in Schedule 3- Detail of Provisions for Reserves/Designations. All other Summary Schedules are reflected in Section B – Summary Schedules. Following is a brief description of the Other Governmental Funds, the major financing sources, and the Fiscal Year 2010-11 requirement and financing.

**SPECIAL REVENUE FUNDS****Building Inspection Fund -- \$11,533,451****0.0 Positions**

Primary financing comes from building inspection charges. The County is responsible for building inspection in the Unincorporated Area.

**County Library -- \$10,156,497****0.0 Positions**

The primary source of financing for this fund comes from a dedicated share of property taxes collected in the Unincorporated Area and the cities of Sacramento, Elk Grove, Citrus Heights, Galt, Rancho Cordova, and Isleton. Library services are provided by a City of Sacramento – Sacramento County Joint Powers Authority with a separate Authority Board. Funding allocated to this fund is transferred to the Library Authority for services and materials.

**Economic Development and Intergovernmental Affairs -- \$50,626,536****17.8 Positions**

County economic development activities are financed from this fund. Major projects include the conversion of two former air force bases from military to mixed private and public use. Funding comes from the sale of land and facilities, grants, and a contribution from the General Fund. Requirements include reserve increase of \$3,500,000.

**Environmental Management Fund -- \$20,586,187****127.8 Positions**

Environmental Management provides countywide regulatory services that protect public health and the environment. The primary source of financing for this fund comes from fees and contracts associated with the various regulatory activities of the Environmental Health, Hazardous Materials, and Water Protection Divisions. Requirements include reserve increase of \$2,070,538.

**First 5 Sacramento Commission Fund -- \$44,606,757****21.0 Positions**

Funding comes from the State of California under the terms of a voter-approved statewide initiative. The funding is restricted to services to youths and may not be used for basic county operations. Allocations are approved by a Commission consisting of elected officials and appointed members.

**Fish and Game Fund -- \$10,456****0.0 Positions**

Financing for this fund comes from fish and game fines. The funds are used for education programs.

**Golf Fund -- \$8,071,935****8.0 Positions**

The operations and maintenance of three county golf courses is financed from this fund. Major financing sources include user fees and concession charges.

**Health Care for the Uninsured Fund -- \$155,153****0.0 Positions**

Funding came from Tobacco Litigation Settlement Revenue received before the securitization of this revenue stream. Projected use of this fund is to provide seed funding for the extension of health benefits to that portion of the population currently uninsured.

**Road Fund -- \$101,541,970****0.0 Positions**

Gas tax and restricted state road funding accrue to this fund. Street and road acquisition, construction, and maintenance are financed from this fund. The purpose of this fund is to segregate the gas tax revenue.

**Roadways Fund -- \$25,929,561****0.0 Positions**

This fund is used to segregate development impact and special assessment revenue dedicated to street and road acquisition, construction, and maintenance. Requirements include reserve increase of \$2,087,565.

**Rural Transit Fund -- \$1,192,378****0.0 Positions**

This fund provides transit services to the rural areas of the Unincorporated Area of the county. Funding comes from various sources including the Transportation Development Act, Federal Transit Administration, grants and fare box revenues.

**Tobacco Litigation Settlement Fund -- \$8,564,819****0.0 Positions**

Financing for this fund comes from the proceeds of the tobacco revenue bond sale (securitization). Included in the bond sale was an amount that, together with interest earnings, could provide \$6.3 million in funding for health, youth, and community programs. The Board of Supervisors approves allocations to community based organizations on a competitive basis and on a three-year funding cycle.

**Transient-Occupancy Tax Fund -- \$9,864,741****0.0 Positions**

This fund is a subset of the General Fund. The county's hotel tax accrues to this fund, and this revenue is general purpose financing and may be expended on any county activity. The Board of Supervisors holds special hearings to allocate financing from this fund to community organizations, facilities and programs jointly funded with the City of Sacramento, and County Departments.

**Transportation-Sales Tax Fund -- \$26,828,317****0.0 Positions**

In Sacramento County the voters have approved a one half cent increase in the sales tax to be dedicated to transportation capital projects and operations. Revenue is shared by the County, cities, and the Regional Transit System (bus and train service). This fund is used to segregate the county's share of the special sales tax revenue.

**CAPITAL PROJECT FUNDS****Capital Construction Fund -- \$33,643,740****0.0 Positions**

Financing comes from a use allocations charge to the departments occupying county owned facilities, debt financing, and grants. The acquisition, construction, and major maintenance of county facilities are financed from this fund.

**Park Construction Fund -- \$4,693,619****0.0 Positions**

Funding comes from grants, donations, state bond sales, and contributions from the County Transient-Occupancy Tax Fund. Parks acquisition, development, and rehabilitation projects are financed from this fund.

**DEBT SERVICE FUNDS****Teeter Plan -- \$82,466,344****0.0 Positions**

The County utilizes the Teeter Plan of property tax distribution. All secured tax delinquencies are advanced to those public agencies in the County which receive property taxes. The County borrows the funds to advance the delinquent taxes from the Treasury Pool in an annual five-year note. The borrowed funds are repaid with delinquent tax principal, redemption charges, and interest (18.0 percent per year).

**INTERNAL SERVICE FUNDS**

The following Internal Service Funds are used to accumulate and allocate costs internally among the county's various functions and special services.

<b>Department</b>	<b>Fiscal Year 2010-11</b>	<b>Positions</b>
Architectural Services	\$ 2,880,500	13.8
Board of Retirement	7,153,397	44.5
Consolidated Utilities Billing Services	11,650,767	52.8
Construction Management and Inspection	32,132,345	191.3
Development and Surveyor Services	9,673,234	41.0
General Services	99,755,471	370.5
Interagency Procurement	51,103,821	0.0
Liability/Property Insurance	17,486,184	0.0
Municipal Services Agency-Administrative Services	9,871,951	77.0
Office of Communications & Information Technology	40,432,425	189.0
Real Estate	48,881,366	27.0
Regional Radio Communications System	4,692,410	9.0
Transportation	55,130,371	303.6
Unemployment Insurance	15,513,496	0.0
Workers' Compensation Insurance	27,993,707	0.0
<b>Total</b>	<b>\$ 434,351,445</b>	<b>1,319.5</b>

**ENTERPRISE FUNDS**

The following Enterprise Funds are established to account for county operations financed and operated in a manner similar to private business enterprises (e.g., utilities, airports, parking garages). The costs of these activities are financed or recovered primarily through user charges.

<b>Department</b>	<b>Fiscal Year 2010-11</b>	<b>Positions</b>
Airport System	\$ 233,265,071	387.0
Airport-Capital Outlay	38,672,976	0.0
Parking Enterprise	3,053,973	7.0
Solid Waste Enterprise	76,404,421	265.6
Solid Waste Enterprise Capital Outlay	5,168,481	0.0
Water Agency Enterprise	91,619,414	106.8
<b>Total</b>	<b>\$ 448,184,336</b>	<b>766.4</b>

## SPECIAL DISTRICTS AND OTHER AGENCIES

The following Special Districts and Other Agencies Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for those specific purposes.

<b>Department</b>	<b>Fiscal Year 2010-11</b>	<b>Positions</b>
1997-Public Facilities Debt Service	\$ 268,311	0.0
1997-Public Facilities-Construction	1,314,691	0.0
1997-Refunding Public Facilities Debt Service	385,864	0.0
2003 Public Facilities-Debt Service	29,842	0.0
2004 Pension Obligation Bonds	2,866,109	0.0
2006 Public Facilities-Debt Service	3,666,868	0.0
2007 Public Facilities Projects-Construction	4,899,072	0.0
2007 Public Facilities Projects-Debt Service	938,962	0.0
2010 Refunding COPs-Debt Service	283	0.0
Antelope Assessment	889,402	0.0
Antelope Public Facilities Financing Plan	2,889,302	0.0
Bradshaw/US 50 Financing District	204,558	0.0
Carmichael Recreation and Park District	6,020,214	18.0
Connector Joint Powers Authority	579,234	4.0
County Parks Community Facilities District 2006-1	11,467	0.0
County Service Area No. 1	3,362,773	0.0
County Service Area No. 10	28,047	0.0
County Service Area No.4B-(Wilton-Cosumnes)	59,528	0.0
County Service Area No.4C-(Delta)	125,259	0.0
County Service Area No.4D-(Herald)	10,671	0.0
Del Norte Oaks Park District	5,802	0.0
Department of Flood Management	410,762	3.0
Fixed Asset Revolving	45,280,908	0.0
Florin Road Capital Project	430,511	0.0
Fulton Avenue Capital Project	39,575	0.0
Gold River Station No. 7	66,673	0.0
Juvenile Courthouse-Debt Service	27,497	0.0
Laguna Community Facility District	1,279,488	0.0
Laguna Creek/Elliott Ranch Community Facilities District No. 1	2,968,998	0.0
Laguna Stonelake Community Facilities District	233,382	0.0
Landscape Maintenance District	872,236	0.0
Mather Landscape Maintenance Community Facilities District	427,100	0.0
Mather Public Facilities Financing Plan	2,056,001	0.0
McClellan Park Community Facilities District	11,502,016	0.0
Metro Air Park	20,524,849	0.0
Metro Air Park Service Tax	969,530	0.0
Mission Oaks Maintenance/Improvement District	1,586,172	0.0
Mission Oaks Recreation and Park District	3,884,945	15.0
Natomas Fire District	3,323,212	0.0
North Vineyard Station Specific Plan (NVSSP)	2,180,812	0.0
NVSSP Community Facilities District	1,675,711	0.0
Park Meadows Community Facilities District-Bond Proceeds	197,975	0.0
Pension Obligation Bond-Debt Service	5,900,227	0.0
Pension Obligation Bond-Interest Rate Stabilization	211,509	0.0
Regional Sanitation District-Operating	51,625,940	423.0
Sacramento Area Sewer District	35,631,625	310.0
Sacramento County Landscape Maintenance	339,357	0.0
Sunrise Recreation and Park District	9,823,737	30.0
Tobacco Litigation Settlement-Capital Projects	26,531,209	0.0
Vineyard Public Facilities Financing Plan - Roadway	7,846,133	0.0
Water Agency Zone 11-Drainage Infrastructure	21,598,200	10.6
Water Agency-Zone 13	4,162,814	0.0
Water Resources	46,157,020	139.4
<b>Total</b>	<b>\$ 338,322,383</b>	<b>953.0</b>

**III. Five-Year Capital Improvement Plan (Volume III)**

The Fiscal Year 2010-11 Adopted Budget includes a Five-Year Capital Improvement Plan (CIP) for Sacramento County. The Capital Improvement Plan lists both the approved and proposed capital improvements to be acquired or constructed through the 2014-15 Fiscal Year. The approved and proposed capital projects are broken into three major categories: Airports, County Facilities, and Regional Parks. The funding needs are summarized below:

<b>Category</b>	<b>Prior Years and Five Year Costs</b>
Airports	\$ 1,255,594,795
County Facilities	839,478,979
Regional Parks	11,506,621
<b>Total</b>	<b>\$ 2,106,580,395</b>

Funding has not been obtained for all the projects, particularly those in the later years of the five-year plan. Following the Five-Year CIP will result in additional operating and debt service expenditures in the present and future years. The levels of new expenditures will depend upon factors such as the timing of the facility development, operating offsets from current facilities, and interest rates. All operating and debt service costs relating to the budget year are included in the budget. The multiyear modeling is used to estimate the impact of new facilities on the operating budget.

# FISCAL YEAR 2010-11 ADOPTED BUDGET LETTER

## COUNTY OF SACRAMENTO CALIFORNIA

For the Agenda of:  
September 8, 2010  
2:00 P.M.

To: Board of Supervisors

From: Steven C. Szalay  
Interim County Executive

Subject: Fiscal Year 2010-11 Budget Adoption

Supervisory  
District: All

Contact: Navdeep S. Gill, Chief Operations Officer, 874-5803  
Thomas R. Burkart, County Budget Officer, 874-4627

### **BACKGROUND:**

The Board of Supervisors approved the County Executive's Recommended Budget in June 2010. All substantive local items regarding the Fiscal Year 2010-11 Budget were resolved at those hearings. These budget hearings address year end issues, State budget issues and any necessary adjustments to the Approved Recommended Budget. The Board will adopt the County's Fiscal Year 2010-11 Budget at the conclusion of these hearings.

The State has not yet adopted a budget therefore no County budget adjustments have been identified. Once adopted, the State budget will be thoroughly analyzed for local program impacts. The County Executive will return to the Board with recommended adjustments to the Adopted Budget as soon as this analysis is completed.

### **DISCUSSION:**

#### **I. GENERAL FUND**

Since the June budget hearings, the County Executive's Office has identified necessary budget adjustments due to reevaluated local revenue estimates, Fiscal Year 2009-10 fund balances, Court orders related to program reductions approved by the Board in June, and cost increases in some County programs.

#### **Property Tax Adjustment**

The local housing market has continued to deteriorate, reducing assessed property values and associated property tax revenues. As a result, the County Executive recommends reducing estimated property tax revenue from \$355.7 million to \$352.8 million, a reduction of \$2.9 million.

Fiscal Year 2010-11 Budget Adoption  
Page 2

### Teeter Fund

The Teeter Fund transfers excess earnings to the General Fund after reserve requirements have been met. Delinquent property taxes were lower than expected in Fiscal Year 2009-10, reducing the transfer of excess earnings in Fiscal Year 2010-11 from \$19.6 million to \$17.5 million, a reduction of \$2.1 million. However, Fiscal Year 2010-11 reserve requirements are \$4.6 million less than expected. The net benefit to the General Fund is \$2.5 million.

### Transient Occupancy Tax

The Transient Occupancy Tax (TOT) transfer to the General Fund increased from \$1.0 million to \$1.2 million, an increase of \$0.2 million. Additionally, the \$4.2 million TOT transfer for Fiscal Year 2009-10 was not processed by year end. Therefore the estimated transfer for Fiscal Year 2010-11 has increased by \$4.4 million.

### Health and Human Services

Health and Human Services (DHHS) has responsibility for multiple budget units and programs. Budget adjustments within DHHS are summarized in the following table (in millions):

Budget Unit/ Program	Use of Funds	Source of Funds	Net Cost Increase
Medically Indigent Medical Program (CMISP) increased costs (Attachment II)	\$4.3		
Mental Health Redesign costs (Attachment III)	3.2		
Mental Health hospital contracts (Attachment IV)	1.0		
Increased lease costs	0.2		
Mental Health carryover	9.0		
Health Medical Treatment Payments carryover	0.9		
DHHS carryover		1.6	
Juvenile Health carryover		0.9	
In-Home Supportive Services Provider Payments carryover		4.4	
Voter Registration carryover		2.6	
<b>Total DHHS adjustments</b>	<b>\$18.6</b>	<b>\$9.5</b>	<b>\$9.1</b>

Program redesign for CMISP and Mental Health are discussed in detail in attached staff reports. DHHS proposes to eliminate 16.7 positions, of which 3.0 are currently filled, add 2.0 positions, and reallocate 1.0 position as part of the program redesign.

### Capital Construction Fund

The Capital Construction Fund (CCF) collects a 2% use allowance from occupants of County owned facilities to fund capital improvement projects. During Fiscal Year 2009-10, CCF was able to charge certain expenses to specific revenue sources, thereby freeing 2% use allowance revenues resulting in an increased of \$6.2 million in available funds. The CEO recommends using these funds during Fiscal Year 2010-11 to support \$5.2 million in debt service payments for various departments, \$0.6 million for the Fair Oaks Library repairs, and \$0.4 million to reduce the 2% use allowance charged to the new Juvenile Hall.

Fiscal Year 2010-11 Budget Adoption  
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### Fund Balance

Fund Balance for the General Fund was projected at Recommended Budget to be \$10.4 million. Actual Fund Balance is \$8.1 million, a reduction of \$2.3 million. The following chart illustrates the reduced Fund Balance between Adopted Proposed and Recommended Final Budget:

Budget Unit	Increase	Decrease	Net Decrease
Sheriff		\$4.0	
Behavioral Health		9.0	
Correctional Health		0.8	
Voter Registration	3.1		
Non- Departmental Revenue	4.2		
Non-Departmental Costs	0.8		
IHSS Provider Payments	4.4		
Health Medical Treatment Payments		0.9	
Health and Human Services	1.6		
Juvenile Medical Services	0.9		
Human Assistance (DHA) Aid Payments		2.8	
County Funded Court Programs		0.6	
All Other Budget Units	0.8		
<b>Net Decrease</b>	\$15.8	\$18.1	\$2.3

Fund Balance decreases are the responsibility of the individual departments. In some cases, additional General Fund was allocated to departments that could not absorb decreases in Fund Balance without significant program reductions.

Fund Balance increases are subject to the Board's new adopted Carryover Policy. Increases may be used at the department's discretion to fund current year operations or to create a reserve to be used for future projects.

### Departmental Cost Increases

Several General Fund departments have unavoidable cost increases recommended for funding, as displayed in the following chart:

Department	Amount	Explanation
Department of Personnel Services (DPS) move to 799 G St.	\$275,000	DPS is vacating leased facilities as part of the effort to consolidate operations in County owned facilities
Retiree Health Subsidy	94,733	Addresses PERB ruling requiring additional payment to certain retirees
Labor Relations	35,000	Unattainable salary savings, no vacant positions anticipated during Fiscal Year 2010-11
Clerk of the Board	21,000	Cost of part-time assistance to the Chair of the Board.
<b>Total</b>	\$425,733	

Fiscal Year 2010-11 Budget Adoption

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### **Contingency Appropriation**

The CEO recommends that the balance available in the General Fund be budgeted in contingencies to assist in meeting potential midyear cost issues. Potential midyear cost issues include changes in federal FMAP support due to step down percentages in the second half of the fiscal year, Mental Health AB 3632 claims in excess of available funding, Conflict Criminal Defense costs, In-Home Supportive Services provider payments and medical treatment payments.

The Contingency budget currently is at the same level as last year, \$1.7 million. The addition of \$0.3 million will bring the total Contingency budget to \$2.0 million.

### **Agricultural Commission**

The Agricultural Commission has received additional funding for the Pierce's Disease Control/Glassy-Winged Sharpshooter Program. The increased contract amount is included in the budget presented for adoption. Attachment I explains the program and includes recommendations required to effect this action.

### **County Engineering**

The Department of County Engineering proposes to eliminate 29.0 positions in various divisions, of which 23.0 are currently filled. The positions will be maintained as long as sufficient workload and funding exist. The bulk of those will be eliminated in October with the balance in the following two months.

## **II. FISCAL YEAR 2009-10 YEAR-END RESULTS FOR MUNICIPAL SERVICES AGENCY (MSA) GOVERNMENTAL/ENTERPRISE FUNDS**

### **Transportation Funds**

Transportation Funds, including County Roads, Roadways, and Transportation Sales Tax, increased by \$14.0 million. Many of these funds involve a construction program that is adopted as a long-range plan (five to seven years) and are managed through a series of approved annual expenditure plans. Due to the multiple-year demands of the projects, the annual budget represents the portion of the five to seven year construction plan that can reasonably be accomplished in the current fiscal year. Actual project expenditures generally differ from the budget due to many factors affecting project life cycles, i.e. environmental issues, public discussion, legal opinions, right-of-way acquisitions, availability of consultants and contractors, and weather. Consequently, adjustments are almost entirely due to the necessity of rebudgeting for work that was planned, but could not be accomplished, in Fiscal Year 2009-10.

### **Solid Waste Enterprise**

Solid Waste Enterprise fund balance increased by \$7.1 million, primarily due to lower than anticipated operating expenditures and the shifting of project timelines affecting expenditures and modifications to proposed capital projects.

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### **Department of Water Resources**

- Water Resources fund balance has increased \$4,154,282 due to shifts in project timelines, reduction in construction projects and other cost saving measures.
- Water Agency Zone 11 fund balance has increased \$3,647,729 due to less than anticipated developer reimbursement payments and credits, decreases in labor, engineering and other professional services related to lack of development activity in Zone 11.
- Water Agency Zone 13 fund balance has increased \$519,547 due to less than anticipated prior year expenditures.

### **Special Districts**

Special district budgets administered by the Infrastructure and Finance Section have decreased \$7.5 million due to shifts in activity levels in the various districts.

### **County Engineering**

Appropriations for the Department of County Engineering decreased \$5.9 million due to the continuing economic decline and lack of building activity resulting in reductions in staff and other costs.

## **III. OTHER FUNDS**

### **Transient Occupancy Tax (TOT)**

Fund balance increased by \$4,536,067, primarily due to (1) a transfer of \$4,166,709 to the General Fund that was expected to take place during Fiscal Year 2009-10, but will now take place during Fiscal Year 2010-11, (2) an increase of \$245,934 in funding projected to be available for transfer to the General Fund in Fiscal Year 2010-11, and (3) \$114,524 of funding allocated in Fiscal Year 2009-10 for Sacramento Metropolitan Arts Commission Cultural Arts Awards and County Neighborhood Program grants that will be awarded during Fiscal Year 2010-11.

### **Economic Development and Intergovernmental Affairs Fund**

Fund balance has increased by \$131,273 due to a combination of lower than anticipated expenditures and revenues in Fiscal Year 2009-10.

### **Teeter Reserve**

At the end of Fiscal Year 2009-10, the secured and unsecured property tax delinquencies were lower than anticipated. As a result, pursuant to statutory requirements, the Teeter Tax Loss Reserve was decreased by \$4,596,749 to \$11,868,280 for Fiscal Year 2010-11. The Tax Loss Reserve is a statutory prerequisite of the Teeter Plan and has no relationship to the borrowing through the Treasurer's Pooled Fund.

### **Teeter Fund**

The Teeter Plan of Tax Apportionment fund balance was \$446,631 or \$1.30 million lower than anticipated. The significant decrease in available fund balance is due to lower than anticipated delinquent tax collection at year end. The fund balance will be used to finance Fiscal Year 2010-11 debt service payments on July 1, 2010.

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**Community Services Fund**

Effective July 1, 2010, the Department of Human Assistance (DHA) is incorporating the Community Services budget into the DHA Administration budget, which resides in the County General Fund. This action will have no impact on the County General Fund.

**Environmental Management Fund**

Fund balance increased by \$819,177 and the Reserve Provision increased by \$957,427 due to an increase in enforcement revenue. Appropriations decreased by \$138,250 due to reductions in allocated costs.

**Golf Fund**

Fund balance decreased by \$818,034 due to lower than anticipated revenues. An appropriation decrease of \$68,392 reflects a reduction in various allocated costs. An appropriation decrease of \$461,596 reflects reductions to various expenditures at each of the three County golf courses. A revenue increase of \$288,046 reflects an increase in green fees effective June 2009.

**Insurance Funds**

The County utilizes three separate Internal Service Funds to accumulate charges and payments for Workers' Compensation Insurance, Liability/Property Insurance, and Unemployment Insurance. The County is basically self-insured for Workers' Compensation Insurance and Liability/Property Insurance; however, the County does purchase additional coverage above the self-insured retention levels of \$3.0 million for Workers' Compensation Insurance and \$2.0 million for Liability/Property Insurance. All three insurance funds are financed through charges to county departments.

Charges to county departments for all three insurance funds are determined on the basis of each department's claims experiences and exposure. The County has several higher risk services, particularly in the provision of municipal services to the Unincorporated Area. The following table reflects the Approved Recommended Budget and the Budget recommended for adoption for insurance funds for the 2010-11 Fiscal Year:

<b>Insurance Funds</b>			
	<b>Approved Recommended 2010-11</b>	<b>Recommended For Adoption 2010-11</b>	<b>Variance</b>
Workers' Compensation	\$27,983,248	\$27,983,248	\$0
Liability/Property	17,483,863	17,483,863	0
Unemployment	<u>15,513,104</u>	<u>15,513,104</u>	<u>0</u>
<b>TOTAL</b>	<b>\$60,980,215</b>	<b>\$60,980,215</b>	<b>\$0</b>

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### **Capital Construction Fund**

The Capital Construction Fund (CCF) typically budgets projects based on anticipated expenditures. Often the design, engineering and construction are not completed within the fiscal year in which a project is authorized, or, on occasion, the succeeding fiscal year. Those encumbered funds have a significant effect on the fund balance. When a large project is financed, CCF typically provides the financing for the expense and receives reimbursement for those expenses. Since the revenue is received in arrears, the revenue is not listed as a balancing entry for the encumbrance. This also has an effect on the fund balance.

Encumbrances to be carried forward to Fiscal Year 2010-11 for projects were lower than anticipated which increased the available fund balance by \$8.0 million. The Fiscal Year 2010-11 Recommended Budget has been adjusted to account for the increased fund balance and includes \$5.2 million to pay debt service for Main Jail, Carol Miller Justice Center, Juvenile Hall, Rio Cosumnes Correctional Center, Sheriff's North Area Station and 799 G Street, \$2.4 million to fund capital improvement projects, including 0.6 million for the Fair Oaks Library repairs, and \$0.4 million to reduce the 2% use allowance charged to Probation for the new Juvenile Hall.

### **Special Districts**

- **CSA 4B**

Fund balance decreased by \$218 due to lower than anticipated revenues.

- **CSA 4C**

Fund balance increased by \$11,498 due to lower than anticipated maintenance and capital expenditures and greater than anticipated revenues.

- **CSA 4D**

Fund balance decreased by \$215 due to lower than anticipated revenues.

- **Del Norte Oaks Park Maintenance District**

Fund balance decreased by \$186 due to greater than anticipated maintenance costs.

- **Fish and Game Propagation**

Fund balance decreased by \$9,544 due to reduced revenue from fines.

- **Carmichael Recreation and Park District**

Fund balance increased by \$73,175 due to lower than anticipated salary and benefit costs and capital improvements.

- **Mission Oaks Recreation and Park District**

Fund balance increased by \$146,734 due to lower than anticipated services and supplies, interest expense, and lease obligation retirement costs.

- **Mission Oaks Maintenance/Improvement District**

Fund balance increased by \$372,747 due to lower than anticipated services and supplies and maintenance and improvement costs.

Fiscal Year 2010-11 Budget Adoption  
Page 8

- **Sunrise Recreation and Park District**

Fund balance decreased by \$166,684 due to lower than anticipated expenditures for various park improvement projects.

- **Antelope Assessment District**

Fund balance decreased by \$7,808 due to lower than anticipated Special Assessment revenues.

#### **IV. BEILENSON HEARING**

The County is required by State law to conduct a Beilenson hearing when eliminations or reductions are recommended for medical care services to indigents. Local reductions will eliminate or reduce services to the medical indigent population of the County. Program reductions are proposed for Clinic Services, the Pharmacy, and Public Health Services. A Beilenson Hearing will be conducted on September 8, 2010 at 2:00 P.M.

#### **VI. CONSTRUCTION IN PROGRESS**

The County's Five Year Capital Improvement Plan will be brought to the Board as a separate item giving the Board an opportunity to review construction plans and equipment purchases for county programs. Current year costs are included in the Recommended Final Budget.

#### **RECOMMENDATIONS:**

1. Approve the attached Schedules changing the Fiscal Year 2010-11 Approved Recommended Budget and constituting adoption of the budget for Fiscal Year 2010-11 (Attachment V).
2. Conduct a Beilenson hearing pursuant to Section 1442.5 of the California Health and Safety Code (Beilenson Act) on the elimination or reduction of medical care services to indigents provided by the County of Sacramento.
3. Direct the Department of Personnel Services to prepare an administrative Salary Resolution Amendment (SRA) and to issue layoff notices where necessary to reflect the positions approved by the Board in the Fiscal Year 2010-11 Adopted Budget, including deletion of certain positions in order to reduce program expenditures. Finalized position reduction list will be brought back to the Board.
4. Authorize the Director of the Department of Personnel Services to administratively establish or extend positions otherwise slated for deletion in those cases where resources have been identified through labor cost concessions or other funding sources. These extensions will be brought back to the Board at the earliest available Board date.
5. Authorize the County Executive to reduce or terminate contracts subject to Section 71J or make other adjustments in order to reduce positions recommended for deletion.

Fiscal Year 2010-11 Budget Adoption

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6. Direct the Department of Finance to prepare the Fiscal Year 2010-11 Budget Resolutions for Board consideration on Tuesday, September 28, 2010.
7. Adopt the Recommendations contained in the attached Agricultural Commission's report on Pierce's Disease Control/Glassy Winged Sharpshooter Program (Attachment I)
8. Adopt the Recommendations in the attached Department of Health and Human Services Primary Health Proposed Reductions (Attachment II)
9. Adopt the Recommendations in the attached Behavioral Health Services Division report on retroactive authorization to execute contracts for the provision of the County's Adult Outpatient Mental Health Services (Attachment III)
10. Adopt the Recommendations in the attached Behavioral Health Services Division report on contracts with hospital for the provision of Inpatient Mental Health Services for Medi-Cal recipients (Attachment IV)
11. Adopt a policy regarding provision of emergency room care to County Medically Indigent Services Program (CMISP) eligible persons at non-contracted hospitals located in Sacramento County.

Respectfully submitted,

STEVEN C. SZALAY  
Interim County Executive

Attachments:

- I Pierce's Disease Control/Glassy Winged Sharpshooter Program, Retroactive Contract Renewal 10-0344 For The Period Of July 1, 2010 To June 30, 2012
- II Department of Health and Human Services Primary Health Proposed Reductions
- III Retroactive Authorization To Execute Contracts For The Provision Of The County's Adult Outpatient Mental Health Services
- IV Authority To Contract With Sutter Health Sacramento Sierra Region DBA Sutter Center For Psychiatry; and Retroactive Authority To Contract With BHC Heritage Oaks Hospital and BHC Sierra Vista Hospital For The Provision Of Inpatient Mental Health Services For Medi-Cal Recipients
- V Budget Schedules

Attachment I

**COUNTY OF SACRAMENTO  
CALIFORNIA**For the Agenda of:  
September 8, 2010

To: Board of Supervisors

From: Agricultural Commissioner/Sealer of Weights and Measures

Subject: Pierce's Disease Control/Glassy Winged Sharpshooter Program, Retroactive Contract Renewal 10-0344 For The Period Of July 1, 2010 To June 30, 2012

Supervisorial District: ALL

Contact: Frank E. Carl, Agricultural Commissioner/Sealer of Weights & Measures, 875-6348

**Overview**

The Pierce's Disease Control/Glassy-Winged Sharpshooter Program is a multi-faceted program to exclude, detect, and suppress populations of glassy-winged sharpshooter throughout the state and to seek remedies for the disease it vectors. This program was initiated in 2000 and has proven its effectiveness through the successful eradication of QWSS in Sacramento County.

**Recommendations**

Adopt the attached Resolution which:

1. Designates the Sacramento County Agricultural Commissioner/Sealer of Weights and Measures as the local public entity to conduct the Pierce's Disease Control Program in Sacramento County and;
2. Authorizes the Agricultural Commissioner/Sealer of Weights and Measures to retroactively sign agreement 10-0355 with the California Department of Food and Agriculture for the reimbursement of county expenditures for glassy-winged sharpshooter exclusion, detection and control efforts through June 30, 2012 and;
3. Ratifies the Agricultural Commissioner/Sealer of Weights and Measures' decision to continue to carry out the terms of the agreement negotiated with the State of California for the 2010-11 Fiscal Year un-interrupted.

**Measures/Evaluation**

Regular quality assurance is conducted by the program supervisor and the State Department of Food and Agriculture plants the traps with target species to regularly test trappers for effectiveness. Annual program evaluations and needs assessment helps to establish future year contract needs.

**Fiscal Impact**

The California Department of Food and Agriculture will reimburse the entire cost of the Pierce's Disease Control Program, including those costs incurred since the beginning of the current fiscal year. The contract provides for reimbursement of \$387,326.06 per year, a very small decrease from the previous. The contract amount is included in Fiscal Year 2010-11 budget.

Attachment I

Pierce's Disease Control/Glassy Winged Sharpshooter Program, Retroactive Contract Renewal  
10-0355 For The Period Of July 1, 2010 To June 30, 2012

Page 2

**BACKGROUND:**

We are now in the eleventh year of the Glassy Winged Sharpshooter (GWSS) program in Sacramento County. Sacramento County's program has been assessed as an efficient and effective program that resulted in the eradication of two separate infestations of glassy winged sharpshooter. After many years of pesticide treatments in the Rancho Cordova area near Highway 50 and Sunrise Blvd. and in the Foothill Farms area near Madison Ave. and Highway 80 eradication was declared last year. While the infested areas have been eradicated, the program continues in its exclusion and detection aspects in order to prevent future infestations of this troublesome pest.

As a result of recent legislation (SB2, 2009) the scope of the program has been expanded to include "other designated pests and disease". This addition was as a result of recent infestations impacting table and wine grapes, such as, but not limited to, Vine mealy bug and European Grape Vine Moth. Because funding is available from the grape industry to fight these pests and finance research in their control and eradication, the language was changed to expand the contract beyond glassy winged sharpshooter exclusively.

**DISCUSSION:**

The focus of our efforts locally is on the exclusion and detection of GWSS, the focus of the statewide program includes efforts to find a cure for the disease that impacts a wide variety of agricultural crops and is spread by the sharpshooter. We continue to inspect incoming nursery shipments from infested counties in Southern California as well as performing trapping and visual inspections throughout the County. At \$387,326.56 annually, the program budget is slightly decreased from the previous year as a result of the pesticide treatment budget being eliminated. Funding for other aspects of the program remain stable.

The threat to our local wine grape industry remains very real. Wine grapes are one of the few crops locally that have continued to be profitable for most producers. Local wine grape values are near \$100 million dollars annually. If the GWSS was to go unchecked, Pierce's Disease could easily wipe out this industry in just a few years. This loss would have a significant impact on the local economy. The pest risk remains a concern throughout the state with a new infestation being detected in Madera County just last month.

As is the case with many of the Department of Food and Agriculture Contracts in recent years, development of this contract was delayed due to budget negotiations and other complications at the State and Federal levels. Upon verbal assurances provided by Food and Agriculture that contracts would be renewed at approximately the same levels as in the previous year, the Commissioner agreed to continue the Pierce's Disease Program in Sacramento County without interruption pending the issuance of the new contract. Approval of the attached resolution will ratify the Commissioner's decision to continue the program. This contract will provide assurances of reimbursement for this year and next year. Should there be a new detection of

Attachment I

Pierce's Disease Control/Glassy Winged Sharpshooter Program, Retroactive Contract Renewal  
10-0355 For The Period Of July 1, 2010 To June 30, 2012

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glassy winged sharpshooter in the county, there are funds available at the state level to address the issue through an amended contract.

**MEASURES AND EVALUATION:**

Regular quality assurance is conducted by the program supervisor and the State Department of Food and Agriculture plants the traps with glassy winged sharpshooters to regularly test trapper's alertness and ability to identify the target species. Annual program evaluations and needs assessment helps to establish future year contract needs. The measure of success in this program

is the confinement of existing infestations to the established quarantine areas and the absence of new infestations in Sacramento County with a goal of total eradication.

**FINANCIAL ANALYSIS:**

The California Department of Food and Agriculture will reimburse the County for the full cost of the Pierce's Disease Control Program including those costs incurred since the beginning of the current fiscal year. The contract for reimbursement for Fiscal Year 2010-11 will provide \$387,326.56 and is included in the department's budget. The contract amount will remain the same next year for a total two year amount of \$774,653.12. We expect to remain within budget and for our costs to be fully reimbursed. Any significant change in pest conditions which would result in increased costs would also trigger an amendment to the proposed contract to provide full reimbursement of county expenses. The State has retained a contingency fund for this program in the event that individual counties require additional financing. The contract amount has been included in the Fiscal Year 2010-11 budget.

Respectfully submitted,

APPROVED:  
STEVEN C. SZALAY  
Interim County Executive

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FRANK E. CARL, Director  
Agricultural Commissioner/  
Sealer of Weights and Measures

By: \_\_\_\_\_  
BRUCE WAGSTAFF, Administrator  
Countywide Services Agency

Attachment I

RESOLUTION NO. \_\_\_\_\_

**BE IT RESOLVED AND ORDERED** that the Sacramento County Agricultural Commissioner/Sealer of Weights and Measures is hereby designated as local entity to receive funds allocated by the Department of Food and Agriculture for local assistance in regard to Pierce's Disease and its vectors and other designated pests and disease and is authorized and directed to execute AGREEMENT 10-0355, on behalf of the County of Sacramento, a political subdivision of the State of California, with the CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURAL to conduct the Pierce's Disease Control Program in Sacramento County; and,

**BE IT FURTHER RESOLVED** that the Board of Supervisors for the County Of Sacramento hereby ratifies the decision of Agricultural Commissioner/Sealer of Weights and Measures to continue to conduct the Pierce's Disease Control Program uninterrupted while awaiting processing of this Agreement and encourages the Commissioner to do and perform everything necessary to carry out the purpose of this Resolution.

On a motion by Supervisor\_\_\_\_\_, seconded by Supervisor\_\_\_\_\_, the foregoing Resolution was passed and adopted by the Board of Supervisors of the County of Sacramento, State of California, this 8th day of September 2010, by the following vote, to wit:

- AYES: Supervisors,
- NOES: Supervisors,
- ABSTAIN: Supervisors,
- ABSENT: Supervisors,

\_\_\_\_\_  
Chair of the Board of Supervisors  
of Sacramento County, California

(SEAL)

ATTEST: \_\_\_\_\_  
Clerk, Board of Supervisors

## Attachment II

COUNTY OF SACRAMENTO  
CALIFORNIAFor the Agenda of:  
September 8, 2010

To: Board of Supervisors

From: Department of Health and Human Services

Subject: Department of Health and Human Services Primary Health Proposed Reductions

Supervisory District: All

Contact: Ann Edwards-Buckley, Director, Health and Human Services, 875-2002  
Sandy Damiano, PhD, Deputy Director, Primary Health Services, 876-7179

**Overview**

In June 2010, as part of annual budget action, the Department of Health and Human Services (DHHS) proposed and the County Board of Supervisors approved reductions to indigent health care services.

In June 2010, the County was served with legal action regarding budget and program reductions to the County's Medically Indigent Services Program (CMISP). The Superior Court subsequently issued an order blocking implementation of the proposed program reductions. Thus, the County was required to continue to provide the CMISP services provided in Fiscal Year 2009-10 until further order of the court.

As a result of the Court's order, the Primary Health Division's staff positions previously approved for reduction that was subject to the court's order were retained. All layoff notices issued to staff affected by the Court's order were rescinded.

In early 2010, Primary Health began working on restructuring to improve service provision and efficiency. Staff reviewed the CMISP primary health care service delivery system and data to identify reductions which could be made and continue to meet the Section 17000 requirements. Areas of focus were: restructuring clinic operations to achieve better overall access for urgent medical needs, adding new positions to increase efficient operations, and centralizing primary care services at the main Primary Care Clinic where clients receive medical and ancillary services.

Department of Health and Human Services Primary Health Proposed Reductions  
Page 2

As a result of these various staffing and operational changes, coupled with the policies implemented addressing patient care, the capacity of the primary care services will not be reduced in Fiscal Year 2010-11 from the prior fiscal year. Because the new service delivery system maintains the current levels of service, the Department is recommending proposed budget reductions in Primary Health Services.

**Recommendation**

1. Approve the revised reduction in services for the County's Medically Indigent Services Program as contained in the Beilenson Hearing Notice for final budget.
2. Approve the additional costs associated with the temporary restraining order restoring CMISP services eliminated in the Fiscal Year 2010-11 Adopted Recommended Budget and the difference between the revised reductions and adopted reductions for the remaining eight months of the fiscal year.
3. Approve the creation of a 1.0 Clerical Supervisor II to be included in final budget Salary Resolution Amendment.

**Measures/Evaluation**

The above recommendations support the County Strategic Objective to ensure that needy families and senior citizens have adequate food, shelter, and health care.

**Fiscal Impact**

The Fiscal Year 2010-11 Adopted Recommended Budget for the Primary Health Services Division includes \$30,304,102 in appropriations and \$19,687,134 in revenues for the current programs. A temporary restraining order restored CMISP reductions in Primary Health Services Division. Total additional costs for restoration of CMISP reductions for four months total \$2,604,306.

The current proposed budget reductions and cost savings total \$5,302,757 (annualized) and are comprised of \$4,066,878 in Clinic Services, \$1,192,358 in Pharmacy, and \$43,521 in CMISP – Case Management. The revised reductions for the final eight months of Fiscal Year 2010-11 are less than the original reductions adopted in June 2010 for the recommended budget. The difference in the reductions adds costs of \$1,673,440.

Approval of the recommendations will increase Net County Cost in the amount of \$4,277,746.

**BACKGROUND****Introduction**

CMISP provides primary health care services to Sacramento County residents who are medically indigent, not eligible for Medi-Cal or other healthcare programs, and meet the County's eligibility standards. This is done in fulfillment of the County's statutory and legal obligations under Welfare & Institutions 17000 to act as provider of last resort for the medically indigent.

Department of Health and Human Services Primary Health Proposed Reductions  
Page 3

Section 17000 of the California Welfare and Institutions Code requires the County to provide medical care to medically indigent adults who do not qualify for the categorical Medi-Cal program but have no resources to pay for necessary medical care. In addition, the County is required to provide medical services to juveniles and adults incarcerated in Sacramento County detention facilities.

The County is the medical care provider of last resort for indigent residents who have no other means of obtaining care. (See, *Co. of San Diego v. State of Calif.* (1997) 15 Cal.4th 68, 98.) The contours of the County's responsibilities to provide medical services under section 17000 are not precisely defined. Section 17000 medical benefits generally consist of "subsistence medical care," i.e. medical services at a level which does not lead to unnecessary suffering or endanger life and health. (*Tailfeather v. Bd. of Supervisors* (1996) 48 Cal.App.4th 1223.) Section 17000 medical services include those "necessary to alleviate substantial pain, to treat infection, to maintain basic function, to maintain adequate nutrition and to care for [medical] conditions which present a serious health risk." (*Cooke v. Superior Court* (1989) 213 Cal.App.3d 401, 416.) The County must also provide medical services "necessary for the treatment of acute life-and-limb-threatening conditions and emergency medical services" to its medically indigent residents. (*Hunt v. Superior Court* (1999) 21 Cal.4th 984, 1014.) None of these services have been objectively quantified by case law or statute.

In June 2010, as part of annual budget action, DHHS proposed, and the County Board of Supervisors approved, several reductions to indigent health care services.

On July 1, 2010, Superior Court Judge Allen Sumner issued an order blocking implementation of reductions to CMISP. Under the ruling, the County is prohibited from implementing reductions to CMISP levels, as contained in the Beilenson Notice the Board of Supervisors adopted during the proposed Fiscal Year 2010-11 budget hearings. Thus, the County is required to continue to provide the CMISP services provided in Fiscal Year 2009-10 until further order of the court.

Following the Court's ruling, staff reviewed the CMISP primary health care service delivery system to identify those reductions which could be made consistent with the County's Section 17000 mandates. In conducting this review, staff analyzed data for Fiscal Year 2009-10, as well as examined the staffing composition of the primary care system. Some of the restructuring changes to Clinic Services have been in the planning stage since early 2010. It is staff's opinion that the recommended reductions will not adversely affect the number of physician visits provided. Clinic Services will continue to provide the same number of physician visits and will, with the restructuring of the service delivery process, be able to more effectively and efficiently serve those CMISP patients who have urgent and chronic conditions.

#### **CMISP Primary Care Clinics Fiscal Year 2009-10**

During Fiscal Year 2009-10, primary care services were delivered to patients meeting CMISP eligibility criteria at the County's Primary Care Center (PCC), the Del Paso Health Clinic and the

Department of Health and Human Services Primary Health Proposed Reductions  
Page 4

South City Clinic. Del Paso and South City have been open for one day per week utilizing a team deployed from the main PCC.

#### June Beilenson Hearing

In June, 2010, reductions and cost savings in the amount of \$7,812,917 were proposed by reducing several programs within the Primary Health Services Division: CMISP Case Management, County Pharmacy and Supportive Services. CMISP Case Management's reductions totaled \$363,093, including the reduction of 3.0 FTE staff positions (\$319,572) and other operating expenses (\$43,521).

In addition, staff recommended County Pharmacy and Support Services reductions totaling \$669,194. The primary reduction was a reflection of cost savings in pharmaceuticals (\$585,700) and reductions in overtime expenses (\$83,494).

Finally, staff recommended Clinic Services reductions totaling \$7,757,465, including the Dental (\$160,848), Radiology Clinics (\$346,644) and Chest Clinic (669,764). Reductions to Clinic Services also proposed the reduction of 22.5 FTE staff positions (\$2,823,900), pharmacy - pharmaceuticals and operations changes (\$2,333,776), allocated and facility costs for the South City and Del Paso Clinics (422,533), and other operating expenses, registry and contracts (\$253,742).

#### September Beilenson Hearing

As mentioned above, staff analyzed the impact of the Court's order and redesigned the proposed reductions to the CMISP program in order to comply with the court's order. The reductions proposed in June, 2010, have been modified to the present proposal. Reductions and cost savings totaling \$5,302,757 are now proposed in the following budget units within the Primary Health Services Division: CMISP Case Management, County Pharmacy and Supportive Services, and Clinic Services.

The September 8, 2010 Beilenson notice contains only budget reductions. It does not include budget adjustments due to cost savings, including cost savings in County Pharmacy and CMISP Case Management. Cost savings decreases will not result in program impacts. Reductions included in the Beilenson Notice are detailed below:

County Pharmacy and Support Services reductions total \$217,998. Reductions include 1.0 FTE staff (\$73,162), overtime (\$60,000) Pharmacy Registry (\$30,000) and miscellaneous operating expenses (\$54,836).

Clinic Services reductions total \$1,392,202. Reductions include 3.4 FTE staff (\$809,860), one contract reduction of (\$100,000), and allocated and facility costs (\$482,342). Service capacity is not affected by the reduction of the physicians as currently only one .6 FTE is filled, all other positions

Department of Health and Human Services Primary Health Proposed Reductions  
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are vacant. Based on current staffing and Physician vacancies, staff has determined that the impacted employee currently in the .6 FTE will be reassigned to a vacant position.

Service targets for Fiscal Year 2010-11 capacity is 40,000 physician visits for all of clinic services. This number conforms to the number of physician visits provided in Fiscal Year 2009-10 at all county clinic locations. Service capacity is not affected by the reduction of a contract providing housing for TB patients as this reduction reflects the portion of the contract that was not utilized in the previous fiscal year.

The table below compares the staffing reductions that were initially proposed in June 2010, and those that are now proposed in September, 2010. Staff positions are significantly spared from reduction in the September Beilenson.

#### Reduction Changes – Staffing

<b>Comparison: Fiscal Year 2010-11 Proposed Staffing Deletions</b>		
<b>Program</b>	<b>June Beilenson</b>	<b>September Beilenson</b>
Dental	On-Call: Dentist Registry: Dental Assistant	None
Radiology	Permanent Positions: 2.5 FTE Registry: Radiology Technician	None
Primary Care Clinic	Permanent Positions: 22.5 FTE On-Call: Physician	3.4 FTE (vacant except .6 FTE)
Pharmacy	None	Permanent Position: 1.0 FTE
CMISP Case Management	Permanent Positions: 3.0 FTE	None

#### DISCUSSION

##### Overview of Restructuring

The capacity of primary care services will not be reduced in Fiscal Year 2010-11. Target for Fiscal Year 2010-11 capacity is 40,000 physician visits for all of clinic services. This number conforms to the number of physician visits provided in Fiscal Year 2009-10 at all of the clinics, including Del Paso and South Center. This level will be maintained despite the reduction of 3.4 FTE physicians. All except one .6 FTE Physician position recommended for reduction are recently vacant. Based on current staffing and Physician vacancies, staff has determined that the impacted employee currently in the .6 FTE will be reassigned to a vacant position.

The reason primary care services will not be reduced from the prior fiscal year despite the reduction in physician FTE, is that clinic operations have been restructured to achieve better overall access.

Department of Health and Human Services Primary Health Proposed Reductions  
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New Policies and Procedures implemented since June 2010 include Urgent Services Policy, Medication Refill Policy, and Controlled Substances Policy. Moreover, new positions, such as Registered Nurses (for urgent services triage), Mental Health Counselors (to assist physicians treat clients with behavioral health conditions) and additional office staff (to improve telephone access and business operations) have been added to improve patient care. Detail about these positions is provided in the following pages. Staff reductions were mitigated by labor concessions as well as centralizing primary care services at the main clinic where clients already receive pharmacy, lab and radiology services.

Clinic operations have several key areas that must function smoothly so that patients get the health care they need at the right time and place. Most patients need treatment of a medical condition (needs may be urgent or chronic), diagnosis of the illness, injury or information about their condition. Patients with chronic medical conditions, such as cancer or diabetes, require ongoing service provision to ensure such conditions do not deteriorate and trigger the need for urgent or emergent care. Some of the patient needs must be met by a physician face to face visit; other needs may be addressed by a nurse or other support staff. A clinic system that responds quickly to the various types of client needs, by fully utilizing appropriate staff, is most effective in meeting the County's 17000 mandate.

In order to adequately plan for restructuring, staff utilized the following guidelines:

- Target for Fiscal Year 2010-11 capacity is 40,000 physician visits for all of clinic services. This number conforms to the number of patient visits provided in Fiscal Year 2009-10 at all of the clinics, including Del Paso and South Center.
- Highest priority is placed on the availability of urgent services (in person and phone triage including same day/next day appointment availability).
- Capacity for routine appointments is considered vital in order to prevent chronic conditions from becoming acute.

Additionally, restructuring was governed by recognition that medical assistants and clerical staff provide essential support to patient care and clinic operations. Examples of their tasks are noted below:

To prepare a client for a physician's visit requires:

- Registration and computer update of client demographic and financial status information.
- Preparation of the medical chart with lab results, pharmacy history, and consult reports.
- Case management including phone calls to the lab, radiology, etc.
- Preparation of the fiscal encounter form used to record the visit for charges and claims.
- Document pre-exam history, determine reason for visits (i.e., exam, procedure, consultation) and take vital signs.

After the physician exam, the following is required:

- Ensure patient understands physician plan for treatment.

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Page 7

- If lab tests are required, prepare lab requisition slips.
- Provide patient information regarding any referral services.
- If specialty care required, route referral and/or clinical information to the specialty care services team.
- Assist patient to obtain medications.
- If patient requires follow up exam, schedule with physician.

Ancillary services not related to the immediate physician's visit include:

- Telephone and reception services.
- Re-file charts, labs slips.
- Schedule specialty appointments.
- Ensure results from specialty services and labs are available promptly for MD review.
- Respond to requests for medical records.

As a result of our analysis, we designed clinic services on a team structure that promotes delivery of high quality care at reasonable cost. The concept is that physicians will be assigned a full time Medical Assistant. When necessary, medical teams will be able to utilize the services of 2.0 Registered Nurse and 1.0 Mental Health Counselor. This team will take responsibility for the urgent, routine, and specialty needs of the physician's patients. The goal, while not always achievable, is that patients see the same physician for the duration of their care at the clinic. The proposed plan is for 7 teams of staff physicians.

#### **Prior Clinic Structure Fiscal Year 2009-10**

Prior budget reductions for the medically indigent clinic focused on preserving physician hours, considering these the most critical component of service provision. While physicians are vital to health care service delivery, the reduction of nurses, medical assistants, office assistants and managers/supervisory staff have led to unanticipated inefficiencies for physicians and difficulties for patients trying to get services. For example:

- Physician schedules contained 18 appointment slots per physician. The slots did not distinguish appointment type. Walk-ins would be seen in "no show" or "cancellation" slots. There was no systematic process for urgent care or new patients. No productivity standards were in place for physician visits.
- Patients found it difficult to reach the clinic by telephone. Due to the construction of the physician schedules, the number of appointments offered was limited. Patients who could not reach the clinic easily by telephone and often presented to the clinic early in the morning to request a doctor visit.

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- Clients were not triaged but rather were seen largely on a “first come first serve” basis. Due to lack of medical assistant personnel and office staff, the preparation of the client prior to the physician’s exam was inefficient.
- Physician resources were not maximized. Physicians were assigned to a resource role for four hours per day in addition to their patient appointments. They were asked to review charts of walk in patients and either assign a “stand by status” on the waiting list or redirect the patient to wait for their scheduled time. This practice was inconsistent and physicians did not think this was practical given a full patient schedule.
- Other safety net systems, such as county mental health services, reduced their capacity and additional pressure was placed on primary care services.

#### **New Clinic Structure Fiscal Year 2010-11**

In the restructured environment, clinic services are moving away from a “walk-in” system to an “appointment based” system which offers access to appointments and information both by telephone and in person. New efficiencies already implemented will improve telephone access/response, medication refill services, and appointment capacity to meet the urgent and follow-up needs of patients.

These new efficiencies, implemented over the past several months, include:

- Increased ratio of medical support staff to physicians to achieve productivity goals. The prior model of care did not establish productivity goals for physicians. The current expectation is for physicians to see 3 patients an hour. The Federal Bureau of Primary Care and California Department of Health Services standard for clinic services is based on enrollees per provider. This equates to approximately 3.4 patients per hour. Phone surveys of two local hospital systems cite four patients per hour for physician outpatient care.
- Rationale for a standard of 3 per hour rather than a higher standard assumes that County patients have multiple chronic conditions including behavioral health conditions.
- Within the revised schedules, a minimum of 40 same day/next day urgent appointments will be available every day for patients with serious medical needs.(In the past appointments were not set aside for Urgent Services and as a result clients had to drop in and wait until there was an opportunity to be seen. Data indicates that physicians provided 40,000 visits in Fiscal Year 2009-10 and the new restructured system is maintaining this capacity. However, we expect that the nature of the visits will change when urgent services are provided promptly, when routine follow up visits are scheduled in the future, and when patients who do not need to see a doctor are not required to see one. Each physician has a schedule template that includes the following type of

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appointments new patient (2), urgent (3), procedure (1) with the remainder of appointments notes as “return follow-up.” This process began in late May and recent analysis indicates that the “no show” rate is higher than anticipated. Thus the Medical Director is considering how to book more appointments per day per physician.

- Service design is crafted around a core physician team model of (1) Medical Assistant to (1) Physician. The Medical Assistant’s job is focused on ensuring that patients are properly prepared for the physician exam and that post-exam follow-up tasks are completed. Additional Medical Assistant staff has been added to assist with case management, medical records, benefits/resource linkage and assistance to residency/on-call/volunteer physicians. This support is critical if we are to achieve our productivity standards.
- Registered Nurses are now part of the medical team so that the urgent medical needs for clients either walking in or phoning in can be professionally assessed and triaged for physician services.
- A licensed behavioral health clinician is now part of the medical team. This clinician will assist physicians to assess and intervene with clients who have mental health or substance use disorders as well as assist with clients who are upset about their diagnosis, treatment plan, or related circumstances. This clinician will provide intervention brief treatment and referral as needed.
- A Clerical Supervisor will be assigned to oversee clerical operations including phone access, front and back office functions, and medical record systems. These are crucial to clinic flow.
- A Medication Refills Policy ensures that patients who have a medical concern about their medication can see a physician, but those simply needing refill services can go directly to the pharmacy. If the pharmacist has a question about the medication refill, that pharmacist can reach the physician through a back-office line, expediting the patient’s medication refill. If patients are out of refills, and have a medication concern, a doctor appointment will be scheduled. The number of daily appointments (as noted above) is more than sufficient to meet the needs of medication only clients who want a physician consultation.
- A Controlled Substances Policy assists patients in learning to manage their pain and be responsible users of their medications.
- **New staff added to assist with more effective clinic services operations:**
- Effective July 2010 – 2.0 FTE Registered Nurse, 1.0 FTE Senior Mental Health Counselor (Behavioral Health Clinician). The Registered Nurses will assist with triage

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(phone and face-to-face of new and returning patients). The Behavioral Health Clinician will provide triage, assessment and intervention with mental health or substance use disorders. These positions will assist physicians by providing prompt intervention, assessment and treatment for behavioral health conditions.

- Effective September 2010 – 2.0 FTE Office Assistant, 1.0 FTE Clerical Supervisor 2: The Office Assistant will assist with front and back office support for physician visits. A Clerical Supervisor will provide oversight and monitoring of clerical operations including phone access, front and back office clerical support duties that are crucial to clinic flow.

**Labor Mitigation**

- American Federation of State, County and Municipal Employees (AFSCME) 146 reached an agreement with the County to defer COLA and equities until July 1, 2012. Due to the agreement, the division was able to rescind layoff notices to (8) FTE Medical Assistants. Physicians are each assigned a Medical Assistant to assist with physician visits. Additionally some Medical Assistants complete other tasks. These are outlined in the Proposed Clinic Structure section. These positions provide for more efficient patient services because Medical Assistants perform many duties which allow physicians to focus on the physician exam, procedures, clinical consultation and documentation. As noted above, support staffs are critical if we are to achieve our productivity standards.

**Centralization of Primary Care Services**

The primary rationale for consolidating services into one central location is that all patients currently obtain their medications at the County Pharmacy located in the PCC. Clients have always traveled to obtain their prescriptions. The pharmacy fills an average of 1,272 prescriptions with approximately 600 patient visits to the Pharmacy daily.

Additionally, lab services, radiology services, and Department of Human Assistance (DHA) CMISP eligibility are centralized at PCC. Therefore, even though the Del Paso and South City Clinics may provide medical services to patients proximately located to them, those patients must to go to the PCC for medication, lab services and radiology. Therefore, provision of services at the two clinics does not eliminate the need to seek other services at PCC.

Another consideration is that the continuation of two satellite clinics adversely impacts efficient services at PCC. South City and Del Paso Clinics are currently operational one day per week at each site. These clinics only served up to 14 and 18 patients, respectively, for the one day they were open each week. On these days, one Physician, one Medical Assistant and one Clerical staff is deployed from Primary Care Clinic. This is not efficient use of staff for the satellite site, as it leaves little flexibility in the event of staff absence, needs for interpreter service, or utilizing staff if the show rate for patients is particularly low. Data for the two sites are shown below:

<b>Total Visits</b>	<b>Del Paso</b>	<b>South City</b>
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	* One PCC team 1 day per week	* One PCC team 1 day per week
Annualized count	916	710
Per Month	76	59
Per Week	18	14

\* One team is deployed from PCC on Tuesday/Thursday to Del Paso/South City.

Staff evaluated data for the Fiscal Year 2008-09 period that indicated that as services declined at the satellite clinics due to reduced hours offered, there was a commensurate increase in visits at the main PCC clinic site. It appears that if a client accustomed to services at one of the satellite had a medical need on a day when that office was not open, they accessed services at the main site. Overall the number of visits diminished at the satellites while numbers increased at PCC. Cost savings can be achieved by elimination of the fixed costs (i.e. rent, utilities) associated with operating the two satellite sites.

DHHS also proposes eliminating the evening clinic at PCC so that appointments after 5 PM would no longer be available. All specialty providers, except one, have either moved to the regular business hours or completed their fellowship obligation. This has been an inefficient service for primary care for the same reason that the satellite clinics created inefficiencies. The evening physician visits (16 per week) can be accommodated within the new physician schedules, and patients may find the daytime hours more convenient since the public transit is easier to access.

**Pharmacy Operations**

The Primary Care Pharmacy is the main pharmacy for CMISP clients in the County. The pharmacy fills an average of 1,272 prescriptions with approximately 600 patient visits to the Pharmacy daily. Data indicates that the Pharmacy serves about 22,000 unduplicated CMISP patients annually at the PCC pharmacy. The unduplicated patient count is for patients seen in primary care, specialty care and post hospitalization. The prescriptions are approximately evenly split between new and refill prescription – 51% refill and 49% new prescriptions.

The pharmacy is open from 8am to 5pm weekdays and closed on weekends and holidays. Refill prescriptions are largely managed by a telephone system, referred to as the Call IVR (call interactive voice recognition) system that allows patients to call in their refills thereby directly cued into the pharmacy’s computer system. The program can inform the patient of the status of their refill request and if it is ready to pick up. Patients can call the refill line from any location. There are also direct refill lines located in the Pharmacy lobby. In mid-June, additional direct refill lines were added to Lobby A and B of the PCC. A server was also recently upgraded for Call IVR to enhance the capacity and speed of the system. Phone wait times vary with the volume of calls; however, most calls are handled in approximately 5 minutes.

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On average, new prescriptions are ready in 2 - 4 hours unless there is some problem with the prescription that requires physician contact. Examples of problems requiring pharmacy contact with the provider include pharmacological issues such as allergy, interactions with other medications, or dosing problems. Pharmacists also contact the physician if the prescription is for a medication currently not on the County's Formulary. Refills are generally ready in 2 - 4 days if refills exist for the current prescription. If no refills exist, the pharmacy automatically faxes a refill request authorization to the provider to authorize additional refills.

- Access issues for the pharmacy surround the patient's ability to contact their provider in the event that they are out of medications with no refills. This is particularly an issue if it is for a schedule II narcotic (controlled substance), as these prescriptions are not refillable and require a special new prescription from their provider on a secure prescription. New policies and procedures for Medication Refill Prescriptions and refills for Controlled Substances have been recently put into practice. These will enhance the communication between physicians, patients and the pharmacy to streamline the refill process because clients who do not need physician consultation can go directly to pharmacy and this leaves very adequate capacity for patients who do require a physician consultation in order to proceed with their treatment. The number of daily appointments (as noted above) is more than sufficient to meet the needs of medication only clients who want a physician consultation.

The Primary Care Clinics are currently in the process of implementing an Electronic Medical Record (EMR) system. This EMR has the potential of interfacing with the Pharmacy's computer system which would allow electronic prescribing of most medications and also allow for an even smoother process for refill renewal authorization by the providers. The installation is currently on target for implementation this calendar year.

Pharmacy cost savings were noted after a careful review of budget, operations and the needs of Clinic Services. Savings were achieved through bulk purchasing, 340b pricing, increased use of Patient Assistance Programs that provide free medications to CMISP eligible patients, and continued focused adherence to the medication formulary. A vacant position previously filled by an employee who has been unable to work for over three years also is also recommended for elimination. The elimination of the position, pharmaceuticals and operating expenses does not impact current staffing or service levels.

### **FINANCIAL ANALYSIS**

The Fiscal Year 2010-11 Adopted Recommended Budget for the Primary Health Services Division includes \$30,304,102 in appropriations and \$19,687,134 in revenues for the current programs. Total additional costs for restoration of CMISP reductions for four months due to the temporary restraining order total \$2,604,306.

Department of Health and Human Services Primary Health Proposed Reductions  
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The current proposed budget reductions and cost savings total \$5,302,757 (annualized) and are comprised of \$4,066,878 in Clinic Services, \$1,192,358 in Pharmacy, and \$43,521 in CMISP – Case Management. The revised reductions for the final eight months of Fiscal Year 2010-11 are less than the original reductions adopted in June 2010 for the recommended budget. The difference between the reductions adds costs of \$1,673,440.

Approval of the recommendations will increase Net County Cost in the amount of \$4,277,746.

Respectfully submitted,

APPROVED:  
STEVEN C. SZALAY  
Interim County Executive

\_\_\_\_\_  
ANN EDWARDS-BUCKLEY, Director  
Department of Health and Human Services

By: \_\_\_\_\_  
BRUCE WAGSTAFF, Administrator  
Countywide Services Agency

**COUNTY OF SACRAMENTO  
CALIFORNIA**

**Attachment III**

For the Agenda of:  
September 8, 2010

To: Board of Supervisors

From: Department of Health and Human Services

Subject: Retroactive Authorization To Execute Contracts For The Provision Of The County's Adult Outpatient Mental Health Services

Supervisory District: All

Contact: Ann Edwards-Buckley, Director, Health and Human Services 875-2002  
Mary Ann Bennett, Deputy Director, Behavioral Health Services 875-9904

**Overview**

Adult Outpatient Mental Health Services have been provided by the four Regional Support teams (RSTs), Human Resource Consultant / Transitional Community Opportunities for Recovery (HRC/TCORE) and Consumer Self-Help Center Wellness & Recovery Center (WRC) through contracts with the Department of Health and Human Services (DHHS). DHHS received Board authority to restructure the adult outpatient system due to budget reductions during the Fiscal Year 2010-11 Recommended Budget. Due to a Federal Court injunction, DHHS was prohibited from implementing the system restructure and continues to provide the contracted services available in Fiscal Year 2009-10. Therefore, the Department is requesting retroactive contract authority with the Fiscal Year 2009-10 providers from July 1, 2010 pending resolution of the Federal litigation. Due to the Federal Injunction, there is also an increase in transition staffing costs that requires an additional one-time general fund allocation.

**Recommendation**

1. Adopt the attached Resolution authorizing the Director or designee to retroactively execute contracts with El Hogar Community Services, Inc., Human Resources Consultants, Inc., Turning Point Community Programs, Inc., and Visions Unlimited, Inc. for a up to a maximum of \$8,737,404, and Human Resources Consultants (TCORE program) and Consumer Self Help (WRC program) for up to a maximum of \$4,954,347, for up to a one year term beginning July 1, 2010 and ending no later than June 30, 2011; and to further authorize the Director of DHHS, or her designee to amend the expenditure contracts for non-monetary changes, monetary decreases, to terminate, to assign these contracts, or to increase the total contract amounts up to 10 percent or \$400,000, whichever is less.
2. Delete 12.3 full-time equivalent positions from the Behavioral Health Services Division and reallocate 2.0 FTE to Primary Care Clinic Services. Authorize the Department of Personnel Services to issue layoff notices to the impacted classifications if necessary.

**Measures/Evaluation**

This proposed plan supports the County Strategic Objectives to minimize the impact of substance abuse and mental illness on families and communities.

Retroactive Authorization To Execute Contracts For County's Adult Outpatient Mental Health Services System

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**Fiscal Impact**

Due to the Federal Court injunction, DHHS was prohibited from implementing the system restructure and continues to provide the contracted services available in Fiscal Year 2009-10. The Department must retroactively execute contracts with the Fiscal Year 2009-10 providers totaling \$13,691,751. In its Fiscal Year 2010-11 Adopted Recommended Budget, the Department budgeted \$7,882,080, which would have originally meant a total increase of \$5,809,601. The Department must also move MHSA funding that, under the redesign was going to be used at County Wellness Centers, back to specific contracted programs as well as cover the costs of positions restored for the first three months of Fiscal Year to carry out the injunction. Although the Department has reduced costs in other mental health program areas to cover a portion of the required increase, DHHS needs a one-time General Fund allocation of \$3,244,168 to cover the total \$5,809,601 increase.

**BACKGROUND**

The County Mental Health Plan requires the provision of outpatient specialty mental health services for those clients who meet the State Department of Mental Health (DMH) medical necessity criteria for specialty services. The County has contracted with the RSTs, HRC/TCORE and WRC for these services this past year. On June 15 2010, this Board approved a "Proposal to Restructure the County's Adult Outpatient Mental Health Services System". Subsequently, the Federal Court issued a preliminary injunction which prevents the implementation of the restructure.

**DISCUSSION**

DHHS is currently working with County Counsel regarding the court ruling. The current fiscal year budget includes \$2,927,733 in realignment funding that was to be used to fund the transition plan scheduled to be completed by the end of October 2010. Due to the Federal Court preliminary injunction, the transition plan is now on hold pending Federal Court approval of the transition plan. In order for DHHS to comply with the Federal Court ruling, the Department is requesting an increase in General Fund Allocation of \$3,244,168; \$1,440,969 in one-time funding for the RST contracts for all of Fiscal Year 2010-11; \$1,429,570 in one-time transition funding for the Adult Psychiatric Services Support /Aftercare sites pending the completion of the MHSA community process and DMH approval of increased funding; and \$373,629 in one-time funding for the County staff costs for the costs from July to September 2010. The Division is also proposing to delete 12.3 full-time equivalent positions and reallocate 2.0 FTE to Primary Care Clinic Services, which would have been used to provide services in the county operated Adult Outpatient System. During the current fiscal year, the department will evaluate the need to fill vacancies as they occur and shift staff as appropriate.

**MEASURES/EVALUATION**

Minimize the impact of substance abuse and mental illness on neighborhoods and families.

**FINANCIAL ANALYSIS**

Due to the Federal Court injunction, DHHS was prohibited from implementing the system

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Retroactive Authorization To Execute Contracts For County's Adult Outpatient Mental Health Services System

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restructure and continues to provide the contracted services available in Fiscal Year 2009-10. The Department must retroactively execute contracts with the Fiscal Year 2009-10 providers. Those contracts were budgeted at \$13,691,751. In its Fiscal Year 2010-11 Adopted Recommended Budget, the Department budgeted \$7,882,080 for those contracts, which allowed six months for those contracts to phase out their programs. The difference between the 2009-10 and 2010-11 contract amounts was \$5,809,601, which was budgeted to the proposed Wellness Centers. This included moving \$2,927,733 in realignment funding and \$1,429,570 of MHSA funding.

The Department is restoring the \$5,809,601 to the contracts and has included for Final Budget, additional reductions to cover a portion of the restoration. The department is requesting an increased General Fund allocation to cover the balance necessary to complete the \$5.8 million restoration, which is \$3,244,168. The RSTs require \$1,440,969 to restore them completely.

The Department also requests funds to cover the reallocation of MHSA funding (\$1,429,570) back to the specific programs which under the redesign were going to be used at County Wellness Centers. In addition, staff positions were restored and the department needs \$373,629 in General Fund allocation to cover the first three months of Fiscal Year 2010-11.

Respectfully submitted,

APPROVED:  
STEVE SZALAY  
Interim County Executive

\_\_\_\_\_  
ANN EDWARDS-BUCKLEY, Director  
Department of Health and Human Services

By: \_\_\_\_\_  
BRUCE WAGSTAFF, Administrator  
Countywide Services Agency

Attachment: Resolution

**Attachment III**

**RESOLUTION NO. \_\_\_\_\_**

**RETROACTIVE AUTHORIZATION TO EXECUTE CONTRACTS FOR THE COUNTY'S ADULT OUTPATIENT MENTAL HEALTH SERVICES SYSTEM**

**BE IT RESOLVED AND ORDERED** that the Director of the Department of Health and Human Services or designee is authorized to execute contracts with El Hogar Community Services, Inc., Human Resources Consultants, Inc., Turning Point Community Programs, Inc., and Visions Unlimited, Inc. for a up to a maximum of \$8,737,404, and Human Resources Consultants (TCORE program) and Consumer Self Help (WRC program) for up to a maximum of \$4,954,347, for up to a one year term beginning July 1, 2010 and ending no later than June 30, 2011;

**BE IT FURTHER RESOLVED AND ORDERED** that the Director of the Department of Health and Human Services, or designee, authority to amend the expenditure contracts for non-monetary changes, monetary decreases, to terminate, to assign these contracts, and to increase the total contract amounts up to 10 percent or \$400,000, whichever is less.

**BE IT FURTHER RESOLVED AND ORDERED**

On a motion by Supervisor \_\_\_\_\_ , seconded by Supervisor \_\_\_\_\_ , the foregoing Resolution was passed and adopted by the Board of Supervisors of the County of Sacramento, State of California, this 8th day of September, 2010, by the following vote, to wit:

- AYES: Supervisors,
- NOES: Supervisors,
- ABSENT: Supervisors,
- ABSTAIN: Supervisors,

\_\_\_\_\_  
Chair of the Board of Supervisors  
of Sacramento County, California

ATTEST: \_\_\_\_\_  
Clerk, Board of Supervisors

Attachment IV

**COUNTY OF SACRAMENTO  
CALIFORNIA**

For the Agenda of:  
September 8, 2010

To: Board of Supervisors

From: Department of Health and Human Services

Subject: Authority To Contract With Sutter Health Sacramento Sierra Region DBA Sutter Center For Psychiatry; and Retroactive Authority To Contract With BHC Heritage Oaks Hospital and BHC Sierra Vista Hospital For The Provision Of Inpatient Mental Health Services For Medi-Cal Recipients

Supervisorial District: All

Contact: Ann Edwards-Buckley, Director, Health and Human Services 875-2002  
Mary Ann Bennett, Deputy Director, Behavioral Health Services 875-9904

**Overview**

The Department of Health and Human Services (DHHS) is requesting authority to contract with BHC Heritage Oaks Hospital, BHC Sierra Vista Hospital, and Sutter Health Sacramento Sierra Region dba Sutter Center for Psychiatry for Medi-Cal recipients at a rate of \$950 per day, which includes all ancillary services. This is consistent with the requirements of the Mental Health Plan.

**Recommendation**

Authorize the Director of DHHS or her designee to execute the contract with Sutter Health Sacramento Sierra Region dba Sutter Center for Psychiatry from the date approved by the Board to June 30, 2011 and retroactive authority for BHC Heritage Oaks Hospital and BHC Sierra Vista Hospital from August 16, 2010 to June 30, 2011 not to exceed a total amount of \$1,000,000 for all three contracts, and to further authorize the Director of DHHS, or her designee to amend the expenditure contracts by any amount which does not exceed a total of \$1,000,000 for the three expenditure contracts, to amend for non-monetary changes, and to terminate.

**Measures/Evaluation**

Minimize the impact of substance abuse and mental illness on neighborhoods and families.

**Fiscal Impact**

Approval of the recommendation will increase the Fiscal Year 2010-11 General Fund allocation to the Department by \$1,000,000.

**BACKGROUND**

In Fiscal Year 2009-10, the Department reduced the number of beds at the Mental Health Treatment Center from 100 to 50 and closed the Crisis Stabilization Unit due to decreased

Attachment IV

Authority To Contract With Sutter Health Sacramento Sierra Region DBA Sutter Center For Psychiatry; and Retroactive Authority To Contract With BHC Heritage Oaks Hospital and BHC Sierra Vista Hospital For The Provision Of Inpatient Mental Health Services For MediCal Recipients

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revenues from the State Managed Care funds and realignment. This reduction resulted in an impact to the hospitals in the community and ultimately to litigation.

**DISCUSSION**

Due to the litigation, the Department is requesting authorization to execute contracts with three community hospitals to provide funding for inpatient hospitalization of Medi-Cal clients, which is consistent with the requirements of the Mental Health Plan. The contracts will include a negotiated bed rate of \$950 per day which includes all ancillary services. The total anticipated cost for these services is \$1,000,000 for the remainder of the current fiscal year.

**MEASURES/EVALUATION**

Minimize the impact of substance abuse and mental illness on neighborhoods and families.

**FINANCIAL ANALYSIS**

Approval of the recommendation will increase the Fiscal Year 2010-11 General Fund allocation to the Department by \$1,000,000.

Respectfully submitted,

APPROVED:  
STEVE SZALAY  
Interim County Executive

\_\_\_\_\_  
ANN EDWARDS-BUCKLEY, Director  
Department of Health and Human Services

By: \_\_\_\_\_  
BRUCE WAGSTAFF, Administrator  
Countywide Services Agency

State Controller Schedules		County of Sacramento				Schedule 1	
County Budget Act January 2010		All Funds Summary Fiscal Year 2010-11					
Fund Name	Total Financing Sources				Total Financing Uses		
	Fund Balance Unreserved/ Undesignated June 30, 2010	Decreases to Reserves/ Designations/Net Assets	Additional Financing Sources	Total Financing Sources	Financing Uses	Increases to Reserves/ Designations/Net Assets	Total Financing Uses
1	2	3	4	5	6	7	8
<b>Governmental Funds</b>							
General Fund	\$ 8,138,537	\$ 4,604,180	\$ 1,956,404,903	\$ 1,969,147,620	\$ 1,968,823,315	\$ 324,305	\$ 1,969,147,620
Special Revenue Funds	65,411,236	20,797,468	233,460,054	319,668,758	312,010,655	7,658,103	319,668,758
Capital Projects Funds	8,252,274	994,233	29,090,852	38,337,359	38,337,359	-	38,337,359
Debt Service Funds	446,631	-	82,019,713	82,466,344	82,466,344	-	82,466,344
<b>Total Governmental Funds</b>	<b>\$ 82,248,678</b>	<b>\$ 26,395,881</b>	<b>\$ 2,300,975,522</b>	<b>\$ 2,409,620,081</b>	<b>\$ 2,401,637,673</b>	<b>\$ 7,982,408</b>	<b>\$ 2,409,620,081</b>
<b>Other Funds</b>							
Internal Service Funds	\$ -	\$ -	\$ 404,723,956	\$ 404,723,956	\$ 434,351,445	\$ -	\$ 434,351,445
Enterprise Funds	9,623,453	-	300,284,130	309,907,583	443,923,887	4,260,449	448,184,336
Special Districts and Other Agencies	110,911,159	4,233,088	223,178,136	338,322,383	336,274,157	2,048,226	338,322,383
<b>Total Other Funds</b>	<b>\$ 120,534,612</b>	<b>\$ 4,233,088</b>	<b>\$ 928,186,222</b>	<b>\$ 1,052,953,922</b>	<b>\$ 1,214,549,489</b>	<b>\$ 6,308,675</b>	<b>\$ 1,220,858,164</b>
<b>Total All Funds</b>	<b>\$ 202,783,290</b>	<b>\$ 30,628,969</b>	<b>\$ 3,229,161,744</b>	<b>\$ 3,462,574,003</b>	<b>\$ 3,616,187,162</b>	<b>\$ 14,291,083</b>	<b>\$ 3,630,478,245</b>
Arithmetic Results				COL 2+3+4			COL 6+7
Governmental Fund Totals Transferred From	SCH 2, COL 2	SCH 2, COL 3	SCH 2, COL 4	SCH 2, COL 5 COL 5 = COL 8	SCH 2, COL 6	SCH 2, COL 7	SCH 2, COL 8 COL 5 = COL 8
Internal Service Fund From			SCH 10, COL 5		SCH 10, COL 5	SCH 10, COL 5	
Enterprise Fund From		SCH 11, COL 5	SCH 11, COL 5		SCH 11, COL 5		
Special Districts From Arithmetic Results	SCH 12, COL 2	SCH 12, COL 3	SCH 12, COL 4	SCH 12, COL 5 COL 5 = COL 8	SCH 12, COL 6	SCH 12, COL 7	SCH 12, COL 8 COL 5 = COL 8

# INTRODUCTION

# FISCAL YEAR 2010-11 ADOPTED BUDGET LETTER

## Attachment V

State Controller Schedules		County of Sacramento						Schedule 2
County Budget Act January 2010		Governmental Funds summary Fiscal Year 2010-11						
Fund Name	Total Financing Sources				Total Financing Uses			
	Fund Balance Unreserved/ Undesignated June 30, 2010	Decreases to Reserves/ Designations	Additional Financing Sources	Total Financing Sources	Financing Uses	Increases to Reserves/ Designations	Total Financing Uses	
1	2	3	4	5	6	7	8	
<b>General Fund</b>								
General Fund	\$ 8,138,537	\$ 4,604,180	\$ 1,956,404,903	\$ 1,969,147,620	\$ 1,968,823,315	\$ 324,305	\$ 1,969,147,620	
<b>Total General Fund</b>	<b>\$ 8,138,537</b>	<b>\$ 4,604,180</b>	<b>\$ 1,956,404,903</b>	<b>\$ 1,969,147,620</b>	<b>\$ 1,968,823,315</b>	<b>\$ 324,305</b>	<b>\$ 1,969,147,620</b>	
<b>Special Revenue Funds</b>								
Fish and Game Propagation	\$ (9,544)	\$ 4,500	\$ 15,500	\$ 10,456	\$ 10,456	\$ -	\$ 10,456	
Health Care/Uninsured	151,153	-	4,000	155,153	155,153	-	155,153	
Roads	16,827,508	-	84,714,462	101,541,970	101,541,970	-	101,541,970	
Tobacco Litigation Settlement	1,171,500	6,671,683	721,636	8,564,819	8,564,819	-	8,564,819	
Environmental Management	1,833,766	-	18,752,421	20,586,187	18,515,649	2,070,538	20,586,187	
County Library	8,821,484	501,625	833,388	10,156,497	10,156,497	-	10,156,497	
First 5 Sacramento Commission	25,091,005	2,158,521	17,357,231	44,606,757	44,606,757	-	44,606,757	
Transient-Occupancy Tax	4,336,067	-	5,528,674	9,864,741	9,864,741	-	9,864,741	
Golf	(734,040)	200,000	8,605,975	8,071,935	8,071,935	-	8,071,935	
Economic Development and Intergovernmental Affairs	12,999,602	-	37,626,934	50,626,536	47,126,536	3,500,000	50,626,536	
Building Inspection	1,339,066	-	10,194,385	11,533,451	11,533,451	-	11,533,451	
Roadways	13,365,030	11,261,139	1,303,392	25,929,561	23,841,996	2,087,565	25,929,561	
Transportation-Sales Tax	(16,265,875)	-	43,094,192	26,828,317	26,828,317	-	26,828,317	
Rural Transit	(3,515,486)	-	4,707,864	1,192,378	1,192,378	-	1,192,378	
<b>Total Special Revenue Funds</b>	<b>\$ 65,411,236</b>	<b>\$ 20,797,468</b>	<b>\$ 233,480,054</b>	<b>\$ 319,688,758</b>	<b>\$ 312,010,655</b>	<b>\$ 7,658,103</b>	<b>\$ 319,688,758</b>	
<b>Capital Project Funds</b>								
Park Construction	\$ (81,042)	\$ 994,233	\$ 3,780,428	\$ 4,693,619	\$ 4,693,619	\$ -	\$ 4,693,619	
Capital Construction	\$ 8,333,316	\$ -	\$ 25,310,424	\$ 33,643,740	\$ 33,643,740	\$ -	\$ 33,643,740	
<b>Total Capital Project Funds</b>	<b>\$ 8,252,274</b>	<b>\$ 994,233</b>	<b>\$ 29,090,852</b>	<b>\$ 38,337,359</b>	<b>\$ 38,337,359</b>	<b>\$ -</b>	<b>\$ 38,337,359</b>	
<b>Debt Service Funds</b>								
Teeter Plan	\$ 446,631	\$ -	\$ 82,019,713	\$ 82,466,344	\$ 82,466,344	\$ -	\$ 82,466,344	
<b>Total Debt Service Funds</b>	<b>\$ 446,631</b>	<b>\$ -</b>	<b>\$ 82,019,713</b>	<b>\$ 82,466,344</b>	<b>\$ 82,466,344</b>	<b>\$ -</b>	<b>\$ 82,466,344</b>	
<b>Total Governmental Funds</b>	<b>\$ 82,248,678</b>	<b>\$ 26,395,881</b>	<b>\$ 2,300,975,522</b>	<b>\$ 2,409,620,081</b>	<b>\$ 2,401,637,673</b>	<b>\$ 7,982,408</b>	<b>\$ 2,409,620,081</b>	
Arithmetic Results				COL 2+3+4 COL 5 = COL 8			COL 6+7 COL 5 = COL 8	
Totals Transferred From	SCH 3, COL 6	SCH 4, COL 4	SCH 5, COL 5		SCH 7, COL 5	SCH 4, COL 6	SCH 7, COL 5	
Totals Transferred To	SCH 1, COL 2	SCH 1, COL 3	SCH 1, COL 4	SCH 1, COL 5	SCH 1, COL 6	SCH 1, COL 7	SCH 1, COL 8	

State Controller Schedules		County of Sacramento				Schedule 3
County Budget Act		Fund Balance - Governmental Funds				
January 2010		Fiscal Year 2010-11				
					Actual <input checked="" type="checkbox"/>	
					Estimated <input type="checkbox"/>	
Fund Name	Total Fund Balance June 30, 2010	Less: Fund Balance-Reserved/Designated			Fund Balance Unreserved/Undesignated June 30, 2010	
		Encumbrances	General & Other Reserves	Designations		
1	2	3	4	5	6	
<b>General Fund</b>						
General Fund	\$ 95,535,031	\$ 25,005,063	\$ 62,391,431	\$ -	\$ 8,138,537	
<b>Total General Fund</b>	<b>\$ 95,535,031</b>	<b>\$ 25,005,063</b>	<b>\$ 62,391,431</b>	<b>\$ -</b>	<b>\$ 8,138,537</b>	
<b>Special Revenue Funds</b>						
Fish and Game Propagation	\$ 15,292	\$ -	\$ 24,836	\$ -	\$ (9,544)	
Health Care/Uninsured	151,153	-	-	-	151,153	
Roads	29,513,486	9,483,128	3,202,850	-	16,827,508	
Tobacco Litigation Settlement	30,035,490	230,650	28,633,340	-	1,171,500	
Environmental Management	8,985,092	46,895	7,104,431	-	1,833,766	
County Library	9,323,109	-	501,625	-	8,821,484	
Community Services	15,357	15,007	350	-	-	
First 5 Sacramento Commission	99,227,126	1,737,367	72,398,754	-	25,091,005	
Transient-Occupancy Tax	4,712,631	323,906	52,658	-	4,336,067	
Golf	(413,437)	4,475	316,128	-	(734,040)	
Economic Development and Intergovernmental Affairs	14,611,167	1,611,265	300	-	12,999,602	
Building Inspection	1,578,639	-	239,573	-	1,339,066	
Roadways	27,699,563	-	14,334,533	-	13,365,030	
Transportation-Sales Tax	4,058,512	20,324,387	-	-	(16,265,875)	
Rural Transit	(80,204)	3,435,282	-	-	(3,515,486)	
<b>Total Special Revenue Funds</b>	<b>\$ 229,432,976</b>	<b>\$ 37,212,362</b>	<b>\$ 126,809,378</b>	<b>\$ -</b>	<b>\$ 65,411,236</b>	
<b>Capital Project Funds</b>						
Park Construction	\$ 1,211,101	\$ 285,559	\$ 1,006,584	\$ -	\$ (81,042)	
Capital Construction	14,240,752	5,907,336	100	-	8,333,316	
<b>Total Capital Project Funds</b>	<b>\$ 15,451,853</b>	<b>\$ 6,192,895</b>	<b>\$ 1,006,684</b>	<b>\$ -</b>	<b>\$ 8,252,274</b>	
<b>Debt Service Funds</b>						
Teeter Plan	\$ 446,631	\$ -	\$ -	\$ -	\$ 446,631	
<b>Total Debt Service Funds</b>	<b>\$ 446,631</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 446,631</b>	
<b>Total Governmental Funds</b>	<b>\$ 340,866,490</b>	<b>\$ 68,410,319</b>	<b>\$ 190,207,493</b>	<b>\$ -</b>	<b>\$ 82,248,678</b>	
Arithmetic Results					COL 2 - 3 - 4 - 5	
Totals Transferred From			COL 4 + 5 = SCH 4, COL	COL 4 + 5 = SCH 4, COL 2		
Totals Transferred To					SCH 2, COL 2	