

**COUNTY OF SACRAMENTO
CALIFORNIA**

For the Agenda of:
November 12, 2008
2:00 P.M.

To: Board of Supervisors

From: Terry Schutten
County Executive

Subject: Recommended Fiscal Year 2008-09 Final Budget Adjustments

Supervisory
District: All

Contact: Navdeep S. Gill, Chief Operations Officer, 874-5803
Linda Foster-Hall, County Budget Officer, 874-2453

RECOMMENDATIONS:

1. Approve the attached Schedules changing the Fiscal Year 2008-09 Recommended Final Budget and constituting approval of the Final Budget for Fiscal Year 2008-09. (Attachment 1)
2. Conduct a Beilensen 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. Approve the attached report from the Probation Department to reallocate various Information Technology positions within the Probation Department. (Attachment 3)
4. Direct the Department of Personnel Services to prepare an administrative Salary Resolution Amendment to reflect the positions as adopted by the Board in the Fiscal Year 2008-09 Final Budget.
5. Direct the Department of Finance to prepare the Fiscal Year 2008-09 Budget Resolutions for Board consideration on Tuesday, November 18, 2008.

BACKGROUND:

The Board of Supervisors adopted the County's preliminary budget in June 2008. On September 3, 2008 the Board was presented an update on the County's budget and extended final budget hearings until the State adopted its budget, which it did on September 23, 2008.

DISCUSSION:

State Budget Impact

The State budget includes reductions in funding for various programs administered by the County. Consistent with Board direction, State reductions and/or decreases in cost sharing formulas are not being recommended to be funded by the County. Below is a table summarizing the State budget impact by department. Each department is absorbing position reductions by reassigning staff within their respective departments.

| General Fund (001A) | | Reduction | |
|---|---|---------------------|-------------|
| Department | Program | Amount | FTE |
| Health and Human Services | Mental Health Children's Services | \$514,000 | 0.0 |
| | Mental Health Treatment Center (CalWORKS) | \$282,842 | 0.0 |
| | Mental Health Adults (CalWORKS) | \$157,345 | 2.0 |
| | Mental Health Children's Services - Youth Intervention | \$130,695 | 0.0 |
| | Mental Health Adults - Long Term Care | \$90,000 | 0.0 |
| | Mental Health Adults - Homeless Services | \$220,000 | 0.0 |
| | Mental Health Adults - Wellness Recovery, Training and Advocacy | \$335,783 | 0.0 |
| | Alcohol and Drug Services (CalWORKS) | \$439,996 | 0.0 |
| | Alcohol and Drug Services (Proposition 36) | \$1,493,927 | 0.0 |
| | California Children's Services | \$1,171,058 | 10.0 |
| | Health Officer - Public Health Programs | \$30,000 | 0.0 |
| | Health Officer - Communicable Disease Control | \$12,588 | 0.0 |
| Subtotal Health and Human Services | | \$4,878,234 | 12.0 |
| Human Assistance | CalWORKS & Employee Services - Welfare to Work | \$4,000,000 | 0.0 |
| | Medi-Cal & Medical Assistance | \$3,000,000 | 0.0 |
| Subtotal Human Assistance | | \$7,000,000 | 0.0 |
| Probation | Juvenile Mentally III Offender Crime Reduction | \$1,350,000 | 5.0 |
| | Mentally III Offender Crime Reduction Grant | \$305,560 | 2.0 |
| | California Multi-jurisdictional Methamphetamine Enforcement Team (CAL-MMET) | \$144,000 | 1.0 |
| | Substance Abuse and Crime Prevention Act (Proposition 36) | \$484,785 | 4.0 |
| Subtotal Probation | | \$2,284,345 | 12.0 |
| Sheriff | Mentally III Offender Crime Reduction Grant | \$701,234 | 1.0 |
| Total General Fund Reduction Impacts | | \$14,863,813 | 25.0 |

The State budget does include the below increased funding for local road maintenance.

| Road Fund (005A) | | Increase | |
|-------------------------|---------------------------------------|-----------------|------------|
| Department | Program | Amount | FTE |
| Transportation | Pavement Maintenance (Proposition 1B) | \$2,500,000 | 0.0 |

Attachment 2 further describes the impacts of the State budget to department programs.

Beilensen Hearing

County is required by State law to conduct a Bielensen hearing when eliminations or reductions are recommended for medical care services to indigents. State reductions to California Children's Services will eliminate or reduce services to the medical indigent population of the County.

- Closure of Oak Park Health Center – Department of Health & Human Services (DHHS) is proposing to close this clinic which provides pediatric health care, family planning, and public health services to its clients one day a week. The closure of the clinic would necessitate a small number of patients to access services at other County clinics.
- Pediatric health care will be relocated to the County's South City Health Center site, which is closer to the homes of patients formerly seen at Oak Park Health Center. Only a small percentage of the children residing in Sacramento County are eligible for the mandated County Medically Indigent Services Program provided at the Oak Park Health Center, and the majority of these children reside in the southern part of Sacramento County.
- Oak Park clinic staff will be transferred to the Northeast Health Center to provide an additional one day a week of family planning, other women's health services and treatment for sexually transmitted diseases.

Report From The Probation Department Reallocating Various Information Technology Positions In The Probation Department

The proposed reallocation (detailed in Attachment 3) of information technology positions will allow the Probation Department to manage, support and enhance the department's technological needs. The cost of these reallocations will be offset by a reduction in contract computer consultant staffing.

Potential Mid Year Budget Issues

Current growth estimates from two budget units have not been accepted on the basis that they are, at this time, too speculative.

- In-Home Supportive Services – DHHS had projected an 11 percent growth in program hours. If this projection were to prove accurate, then this program would require an additional \$9.4 million.
- Criminal Conflict Defenders Office (CCD) – CCD has indicated that its case load may grow at a rate that would require additional funding of \$4.0 million.

We are monitoring these and other programs. Should we receive information that budget overruns are, in fact, threatened, we will make recommendations for adjustments regarding these programs.

CONCLUSION

It is recommended that the Board direct the Department of Finance to prepare the annual budget resolutions for adoption. The Department of Finance will return on November 18, 2008, with the final resolutions for the Board's approval.

Respectfully submitted,

TERRY SCHUTTEN

County Executive

Attachments

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|--------------|---|
| Attachment 1 | Revised Schedules 1 and 7 |
| Attachment 2 | Department Program Impact Statements |
| Attachment 3 | Report Reallocating Information Technology positions in the Probation Department |
| Attachment 4 | Final Budget Schedules for Departments with Changes |