

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS  
ACTION AGENDA SUMMARY

DEPT: Chief Executive Office

BOARD AGENDA # B-4

Urgent  Routine

AGENDA DATE October 7, 2008

CEO Concurs with Recommendation YES  NO   
(Information Attached)

4/5 Vote Required YES  NO

SUBJECT:

Report on Estimated Local Impact of the 2008-2009 State Budget on Stanislaus County Programs

STAFF RECOMMENDATIONS:

Accept the report on the estimated local impact of the 2008-2009 State Budget on Stanislaus County programs.

FISCAL IMPACT:

The Stanislaus County Final Budget for Fiscal Year 2008-2009, adopted on September 9, 2008, totaled \$966,539,057. This budget while extremely conservative included only a few estimated impacts from the impending State Budget. After the adoption of the County's Final Budget, on September 23, 2008 the Governor signed the State Budget for Fiscal Year 2008-2009. Since that time, County Departments have been identifying areas of impact on local programs, as trailer bill provisions become clear.

Continued on Page 2

BOARD ACTION AS FOLLOWS:

No. 2008-702

On motion of Supervisor Grover, Seconded by Supervisor Monteith  
and approved by the following vote,

Ayes: Supervisors: O'Brien, Grover, Monteith, and Vice-Chairman DeMartini

Noes: Supervisors: None

Excused or Absent: Supervisors: Mayfield

Abstaining: Supervisor: None

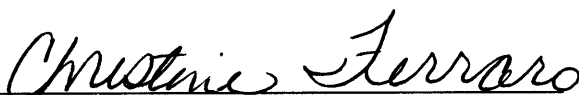
1) X Approved as recommended

2) \_\_\_\_\_ Denied

3) \_\_\_\_\_ Approved as amended

4) \_\_\_\_\_ Other:

MOTION:



ATTEST: CHRISTINE FERRARO TALLMAN, Clerk

File No.

**FISCAL IMPACT (Continued):**

Although not all impacts have been fully identified, it is estimated that approximately \$4.2 million in program reductions will be required by the County as a result of the State budget. Additionally, a cash shortfall of \$2.4 million is projected due to the delay of payments of SB90 State mandate claims.

**DISCUSSION:**

On September 9, 2008, the Board of Supervisors adopted the Stanislaus County Final Budget for the 2008-2009 Fiscal Year. At that time, the State had not yet adopted a budget. Although deep cuts were anticipated in many programs, including safety and public protection, and health and human services, few were included in the County's Final Budget of \$966,539,057 due to the uncertainty of the State Budget approval.

On September 23, 2008, 85 days into the fiscal year, the Governor signed the 2008-2009 State Budget, which included \$510 million in line-item vetoes that impacted numerous State and local programs. County Department Heads are reviewing the State Budget documents and associated trailer bills to determine the likely impact to local programs and operations. Although some details have not been supplied, it is estimated that County budget reductions of over \$4.2 million will be necessary to comply with the new State Budget requirements. These reductions affect the Board priorities as follows:

- A safe community \$1,031,987
- A healthy community \$2,476,500
- A strong local economy \$582,529
- Efficient delivery of public services \$147,000

Additionally, a cash shortfall of approximately \$2.4 million is anticipated due to the delay of payment on SB90 State mandate claims.

At this time, Departments are preparing their submissions for the First Quarter Financial Report. It is anticipated that most of the adjustments resulting from the State Budget will be included in that report, which is scheduled to be presented to the Board on November 4, 2008.

Attached is an analysis of the estimated impact of the State Budget on the County. At the time of the Board meeting presentations will be made to discuss program level impacts.

**POLICY ISSUES:**

Approval of this item will support the Board of Supervisors' priority of *Efficient delivery of public services* within available resources, based on the Board of Supervisors' priorities

*of A safe community, A healthy community, A strong local economy, Effective partnerships, A strong agricultural economy/heritage, A well-planned infrastructure system, and Efficient delivery of public services.*

**STAFFING IMPACT:**

This report was prepared by existing Departmental and Chief Executive Office staff. This staff will also be responsible for any further analysis and the development of recommendations on the action that needs to be taken as a result of these cuts.

**STANISLAUS COUNTY**  
**PRELIMINARY ESTIMATED LOCAL IMPACT OF 2008-2009 STATE BUDGET**  
**BY PRIORITY**

ISSUE AREA	DESCRIPTION	ESTIMATED LOCAL BUDGET IMPACT
<b>A Safe Community</b>		
Citizens' Option for Public Safety (COPS)/Juvenile Justice Crime Prevention (JJCPA)	Reduces funding by 10%	Probation: \$212,257, contracts reduced by 10%
Mentally II Offender Crime Reduction grant (MIOCR)	Eliminates funding for Mentally III Offender Crime Reduction grant programs	Probation: \$105,000, funding for one DPO I/II and one Legal Clerk III
Juvenile Probation Camp Funding	Reduces funding by 10%	Probation: \$89,000
Substance Abuse Crime Prevention Act (Prop 36)	Reduces funding by 10%	Probation: \$54,501, funding for one DPO I/II
Mentally III Offender Crime Reduction grant (MIOCR)	Eliminates funding for Mentally III Offender Crime Reduction grant programs	Sheriff: Eliminates Deputy Sheriff-Custodial position \$112,453
Jail Booking Fees	Reduces funding by 10%	Sheriff: \$83,000
Citizens' Option for Public Safety (COPS)/Juvenile Justice Crime Prevention (JJCPA)	Reduces funding by 10%	Sheriff: COPS - Reduces funding 10%-approximately \$39,000 for partial funding of two Sergeant positions, one at the Men's Jail, the other in Patrol JJCPA – Reduces funding received from Probation by 10% or \$10,152 for a Deputy Sheriff
Dept of Justice	Spousal Abuser Prosecution program funding completely eliminated	DA: \$102,000 from grant, funds one position fully and one position partially.
Dept of Insurance	Decrease in funding for Auto Ins;  Loss of Workers Comp Ins Fraud program	DA: No impact to budget for Auto Insurance;  DA: \$76,586, funding for 50% of DDA and 25% of paralegal positions
Adult Protective Services	Reduction of \$11.4 million for a 10% cut to the program.	DA: Decrease in revenue to DA for Elder Abuse prosecution/investigation

ISSUE AREA	DESCRIPTION	ESTIMATED LOCAL BUDGET IMPACT
		\$63,944 (funds 50% of Criminal Investigator)
Child Support	Extends the suspension of the 5% incentive payment for local child support collections through 2011-2012, and extends the suspension of health coverage incentive payments to LCSAs through 2011-2012	DA: Decrease in revenue of \$54,455 from DCSS (Criminal Investigator positions); additional cost of paralegal transferring from DCSS to DA: \$25,000
Office of Emergency Services (OES)	10% overall cut to agency	DA: Unknown, anticipate 10% cut to Vertical Prosecution (\$31,500) and another 10% to Victim Services (\$15,200)
Office of Emergency Services (OES)/other granting agencies	Loss of revenue for Victims Services (including federal pass-through) and insufficient revenue for Victims Compensation Board paralegal.	DA: \$22,813 from Victims of Violent Crime Act (VOVCA)
Stanislaus Drug Enforcement Agency (SDEA)	Decrease in funding to SDEA	DA: \$6,826 (partially funds paralegal position)
<b>A Healthy Community</b>		
Mentally II Offender Crime Reduction grant (MIOCR)	Eliminates funding for Mentally III Offender Crime Reduction grant programs	BHRS: \$346,000
County Purchase of State Mental Hospital Beds	Eliminates \$9.8 million that assists counties with purchase of State Mental Hospital beds	BHRS: \$200,000
CalWORKS	\$9.5 million reduction to MHT/SAT;	BHRS: \$184,000
Mental Health Managed Care	Reduces funding by \$10.7 million	BHRS: \$100,000
Mental Health Services Act (Prop 63)	Language allows State to take loans from Prop 63 funds	BHRS: Not known, rumored to affect only State reserves, non-allocated to Counties
Adult Protective Services	Reduction of \$11.4 million for a 10% cut to the program.	CSA: A local reduction of approximately \$174,000
County Administration of In-Home Supportive Services (IHSS)	Reduction of 5%, or \$15 million	CSA: A reduction of approximately \$102,000 to the CSA Final Budget is required
CalWORKS	Reduction of \$30 million in Pay for Performance funding for employment services, Sweep of all county incentives	CSA: No changes required to the County budget related to the loss of

ISSUE AREA	DESCRIPTION	ESTIMATED LOCAL BUDGET IMPACT
	<p>funding which is a reduction of \$20.6 million,</p> <p>\$70 million reduction to the Single Allocation;</p> <p>\$9.5 million reduction to MHT/SAT;</p> <p>CalWORKS COLA suspended for 2008-2009; Temporary Assistance Program postponed until April 1, 2010</p>	<p>performance funding as they were never budgeted.</p> <p>CSA: Loss of the county incentive funding and the reduction to Single allocation equate to a reduction of approximately \$1.3 million.</p> <p>CSA: The MHT/SAT reduction equates to approximately \$184,000 which was already factored into the CSA Final Budget and the related contract with BHRS.</p> <p>CSA did not factor a COLA into CalWORKs for 08/09; no further adjustments are necessary to Public Assistance programs.</p>
County Administration of Food Stamps	Reduction of 3%, or \$20.9 million	CSA: No changes to the County budget; this reduction is offset by other caseload growth funding
County Administration of Medi-Cal	Reduction of \$64.6 million to withhold cost-of-doing business COLA and \$42.2 million cut to caseload growth (a combined overall 7% reduction)	CSA: No changes to the County budget; these reductions have already been factored in the CSA estimates submitted at Final Budget
Supplemental Security Income/State Supplemental Payment (SSI/SSP)	Suspends COLAs for 2008 and 2009 calendar years; resets COLA adjustment date for subsequent years	CSA: No adjustments required at the local level; SSI/SSP payments are made directly by the State.
Child Support	Extends the suspension of the 5% incentive payment for local child support collections through 2011-2012, and extends the suspension of health coverage incentive payments to LCSAs through 2011-2012	DCSS: No change to County budget
Medi-Cal Provider Rates	10% provider rate reductions remain in effect until March 1, 2009	HSA: No change from budget anticipated

ISSUE AREA	DESCRIPTION	ESTIMATED LOCAL BUDGET IMPACT
Medi-Cal Semi-Annual reporting	Requires semi-annual status reporting for children enrolled in program	HSA: Unknown impact resulting from potential loss of enrollees
California Children's Services (CCS)	Reduction of 4% to Medical Therapy	HSA: some impact included in Final budget, unknown if additional impact will occur
Child Health & Disability Prevention Program (CHDP)	Reduction of 10% for outreach, education and case management	HSA: some impact included in Final budget, unknown if additional impact will occur
AIDS/HIV Education and Prevention programs	Reduction of \$5.5 million to local health jurisdictions	HSA: Unknown, may be absorbed by existing budget
State Pandemic Flu funds for local health jurisdictions	Reduction of \$6.9 million	HSA: Unknown how reduction will impact locally
Prop 10	Language allows State to take loans from Prop 10 funds	Children & Families Commission: unknown, worst case \$6.9 million in 2008-2009 (full year allocation)
Department of Aging	Reduction of \$13 million for local assistance programs in nutrition, senior community employment, supportive services and centers, and special projects	AAA: Reduction of \$15,500 in Title III-B programs, \$40,000 from Ombudsman program contracts, and \$15,000 from Senior Employment Program operated through the Alliance Worknet
<b>A Well Planned Infrastructure</b>		
Redevelopment funds	Dedicated funds for redevelopment agencies decreased by \$350 million	Planning: \$582,529
<b>Efficient Delivery of Public Services</b>		
California Multijurisdictional Methamphetamine Enforcement Team (Cal-MMET) Program	Loss of 1 <sup>st</sup> quarter funding	General Fund impact: \$250,000 for Sheriff and DA
Williamson Act	Reduces funding by 10%	Discretionary Revenue: \$147,000
State Mandates (SB	Delay 3 <sup>rd</sup> payment of prior year	\$2.4 million

ISSUE AREA	DESCRIPTION	ESTIMATED LOCAL BUDGET IMPACT
90)	reimbursement claims for a savings of \$75 million	

Total estimated impact to Stanislaus County (not included in Final Budget): over \$4.2 million

A safe community:	\$1,031,987
A healthy community:	\$2,476,500
A strong local economy:	\$582,529
Efficient delivery of public services:	\$147,000

Shortfall in cash is projected at \$2.4 million

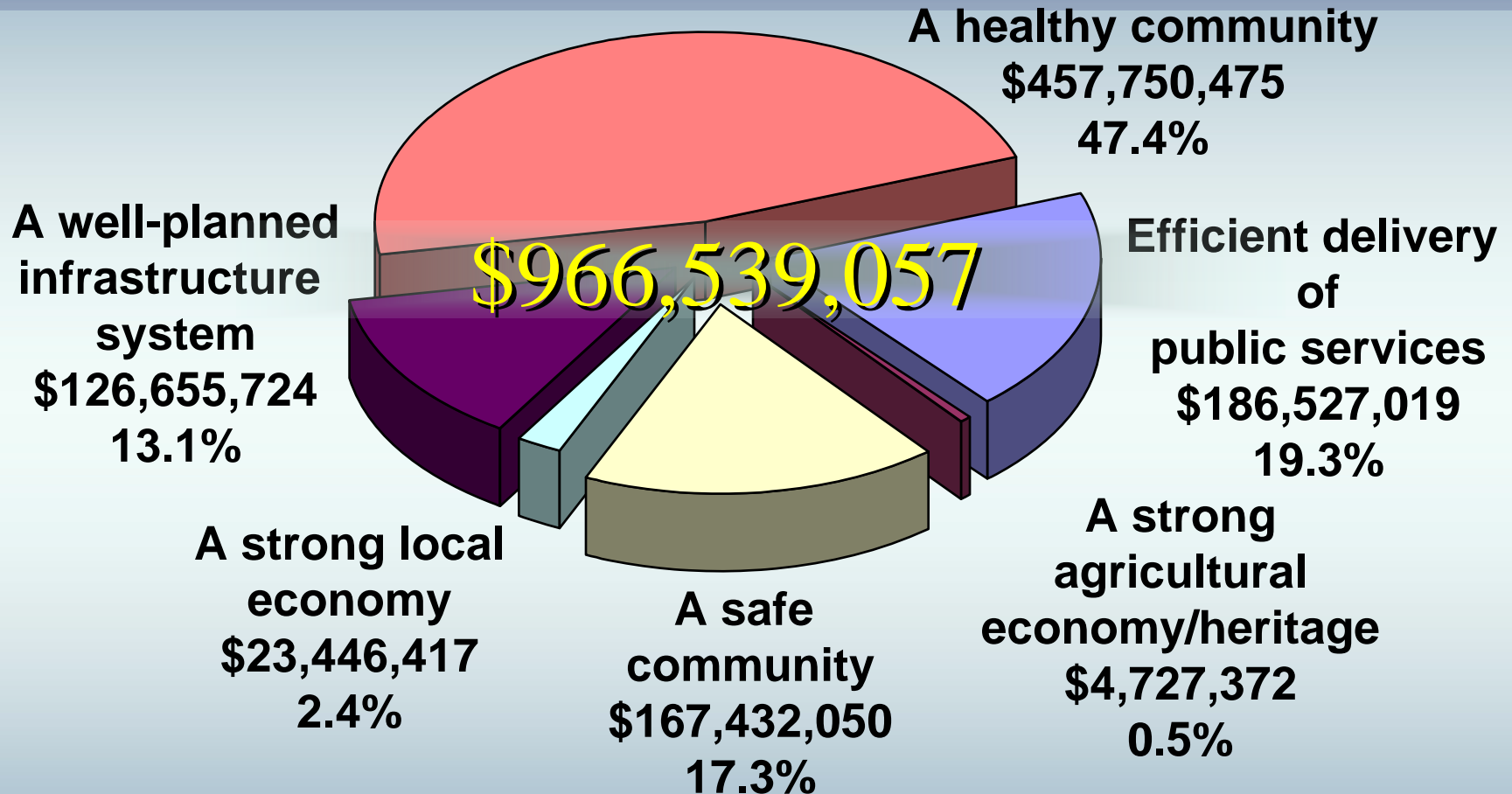




## **STATE BUDGET 2008-09**

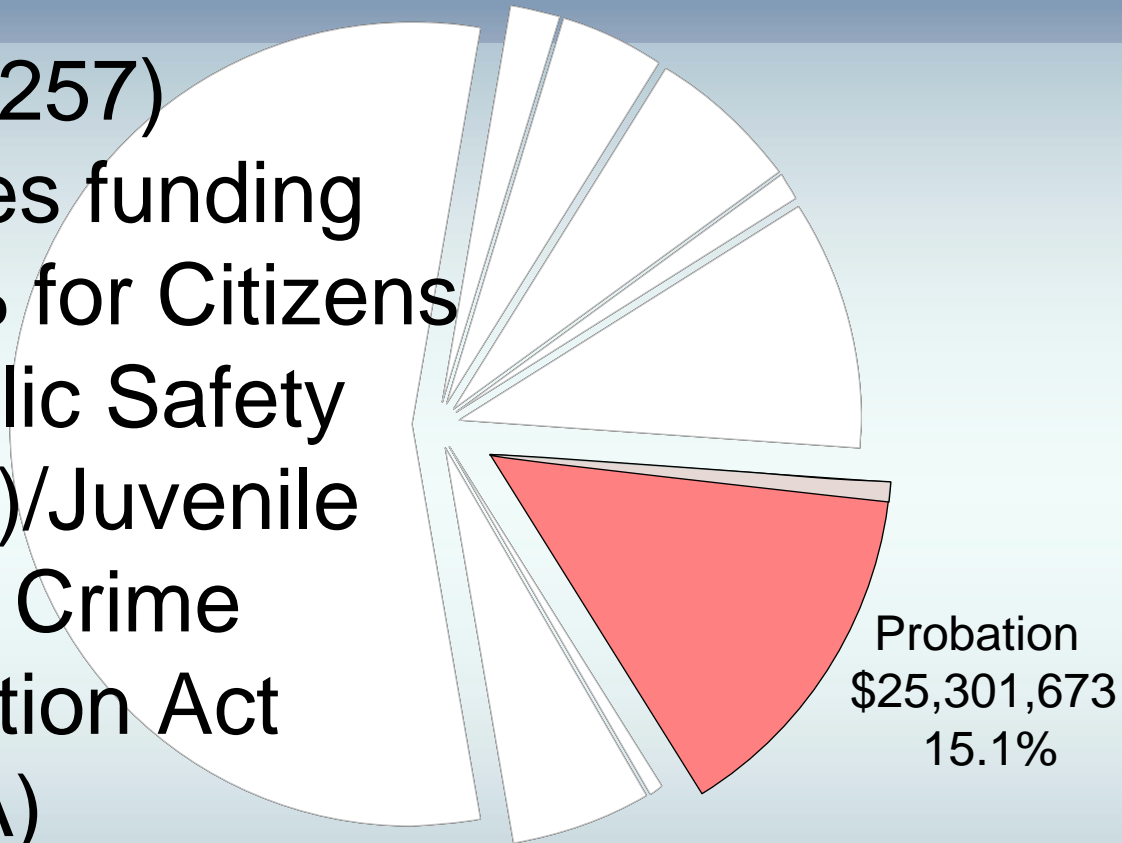
# **Impacts on Stanislaus County**

# Final Budget by Board of Supervisors Priorities



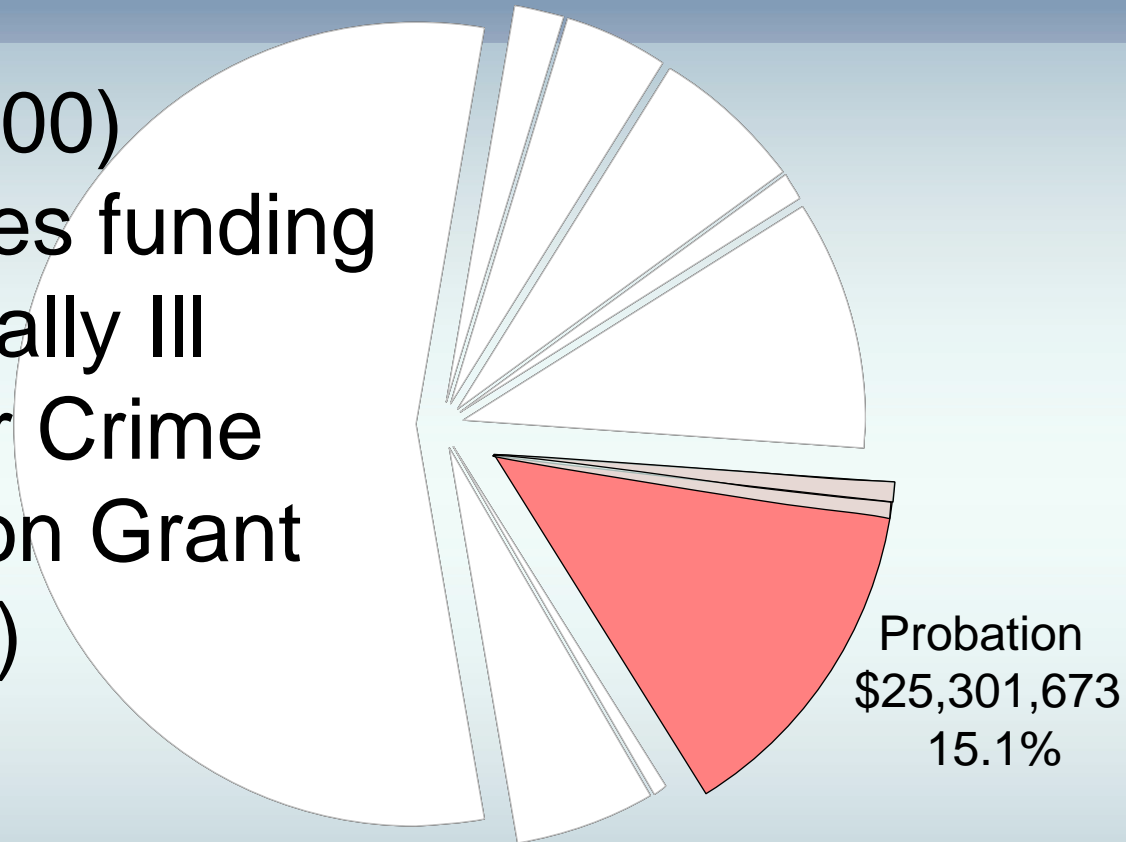
# Probation

•(\$212,257)  
Reduces funding  
by 10% for Citizens  
for Public Safety  
(COPS)/Juvenile  
Justice Crime  
Prevention Act  
(JJCPA)



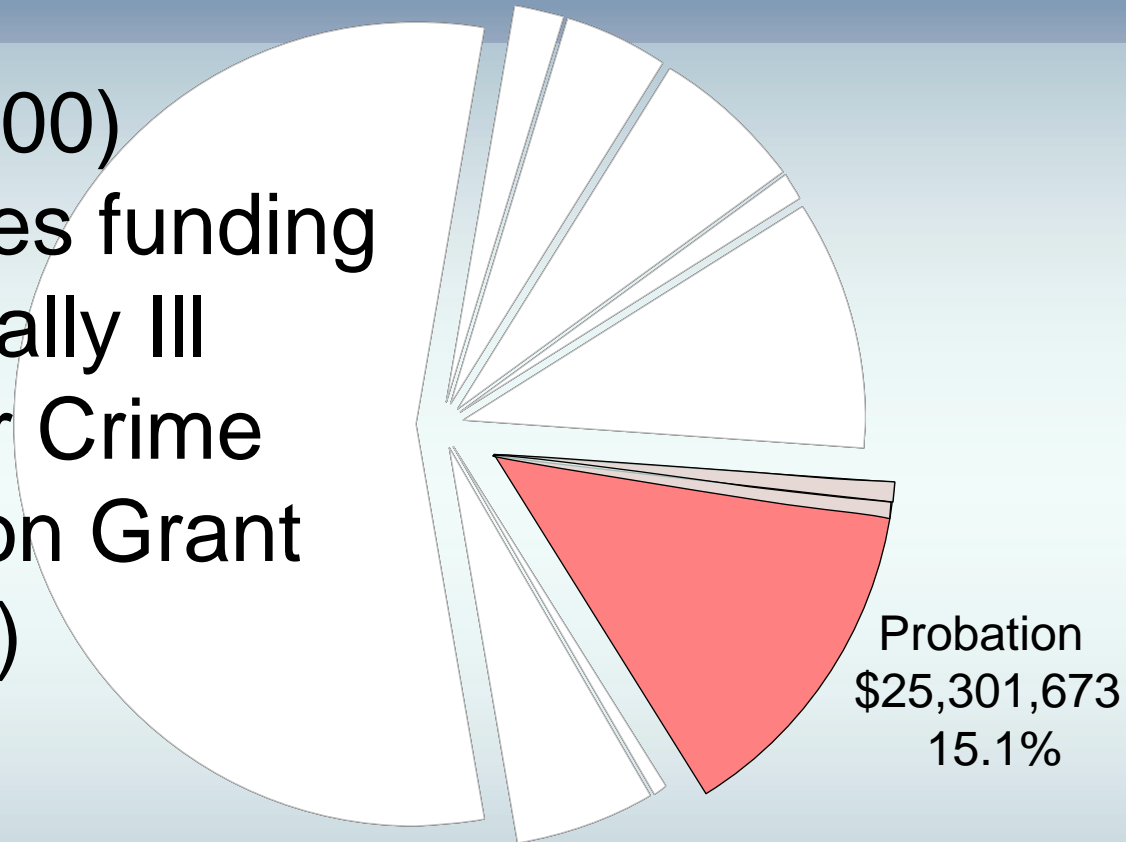
# Probation

•(\$105,000)  
Eliminates funding  
for Mentally Ill  
Offender Crime  
Reduction Grant  
(MIOCR)



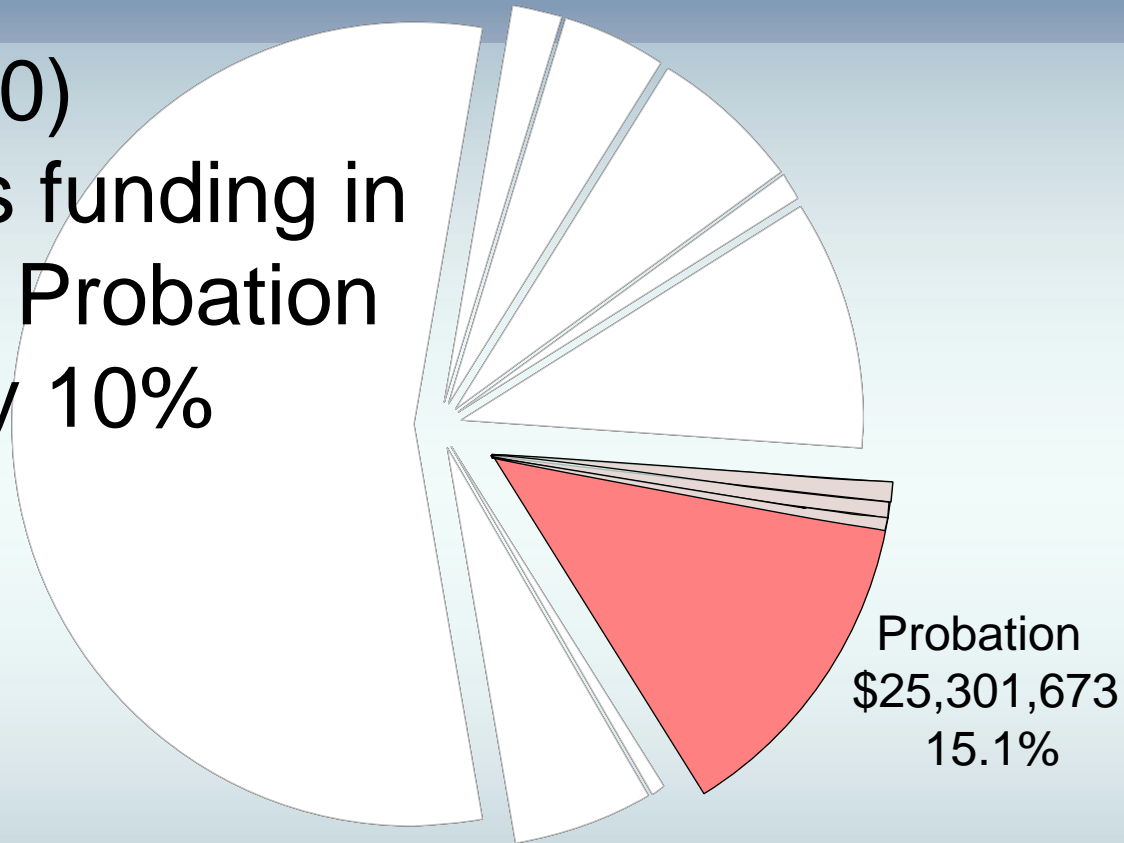
# Probation

•(\$105,000)  
Eliminates funding  
for Mentally Ill  
Offender Crime  
Reduction Grant  
(MIOCR)



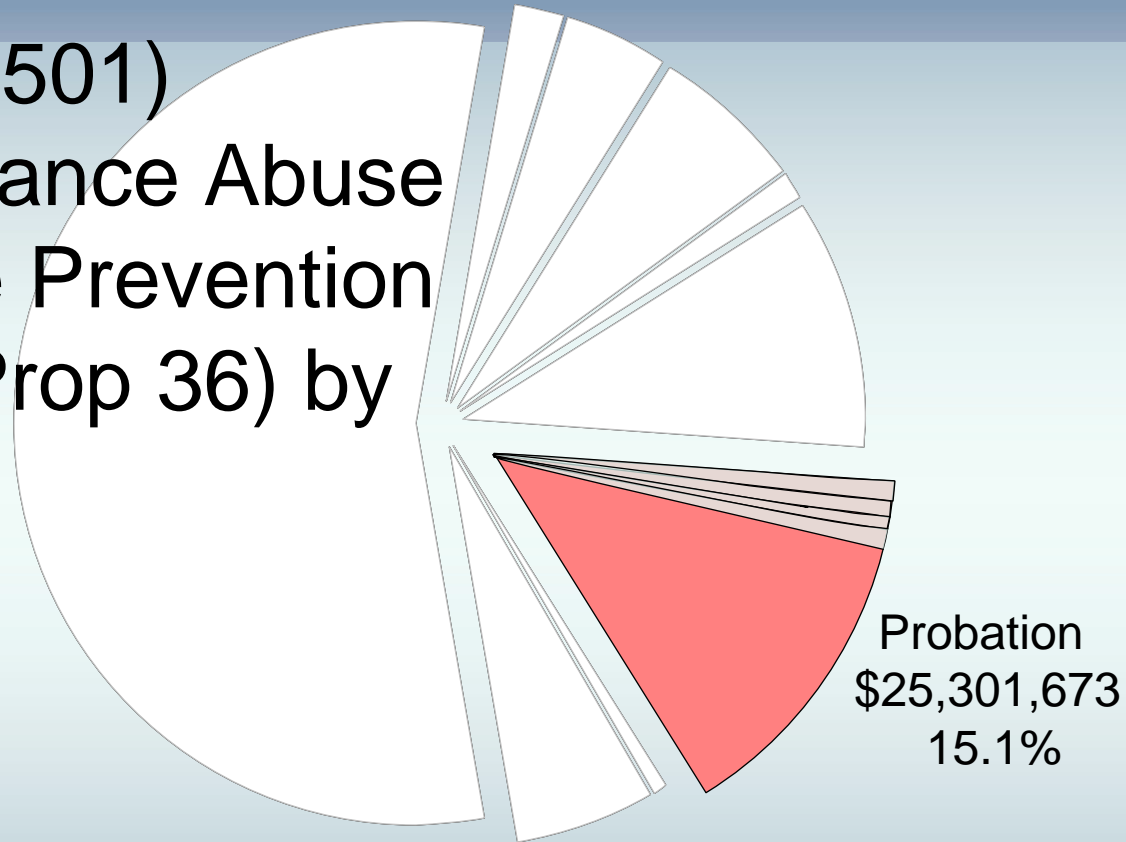
# Probation

- (\$89,000)  
Reduces funding in  
Juvenile Probation  
Camp by 10%

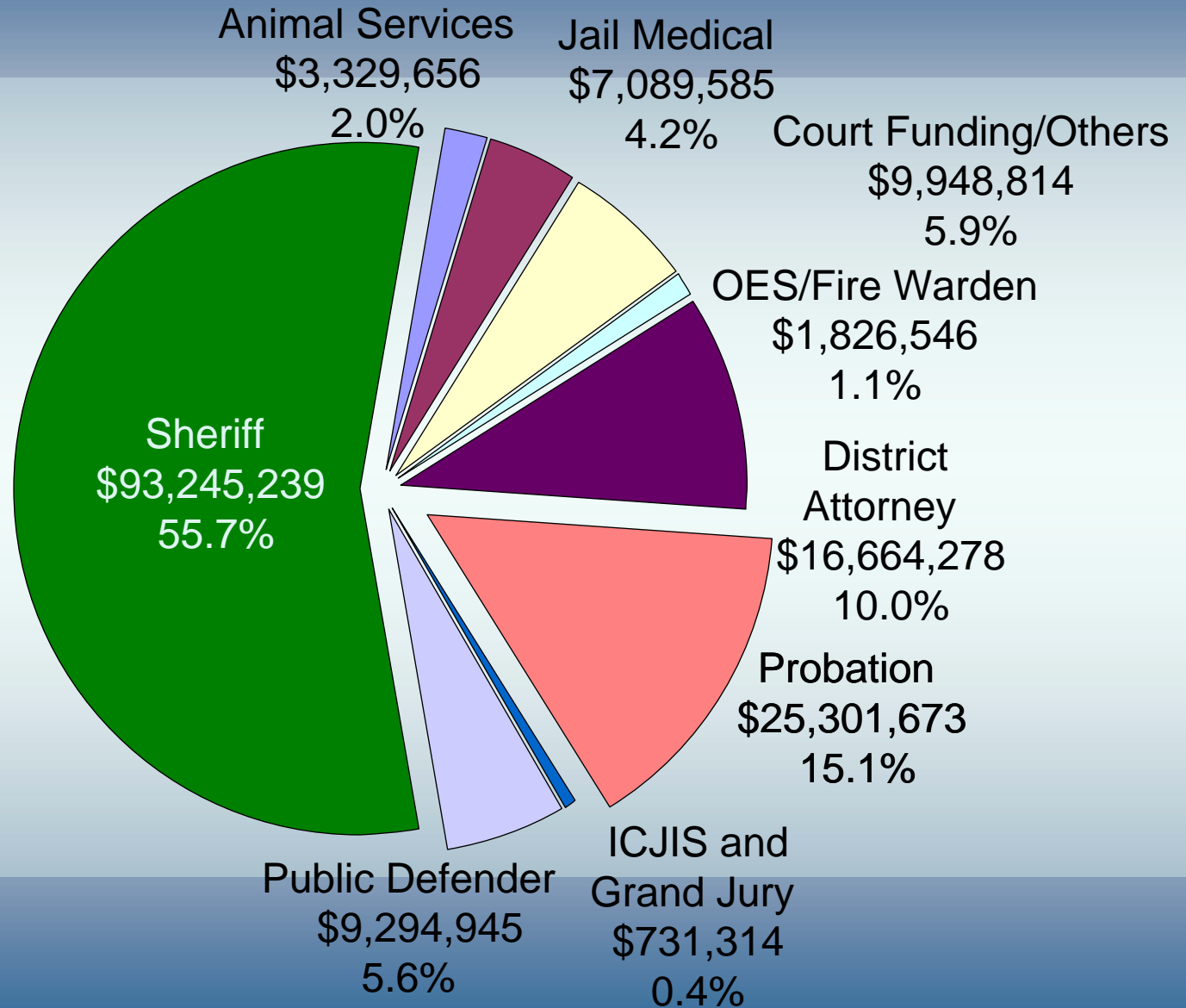


# Probation

- (\$54,501)  
Substance Abuse  
Crime Prevention  
Act (Prop 36) by  
10%

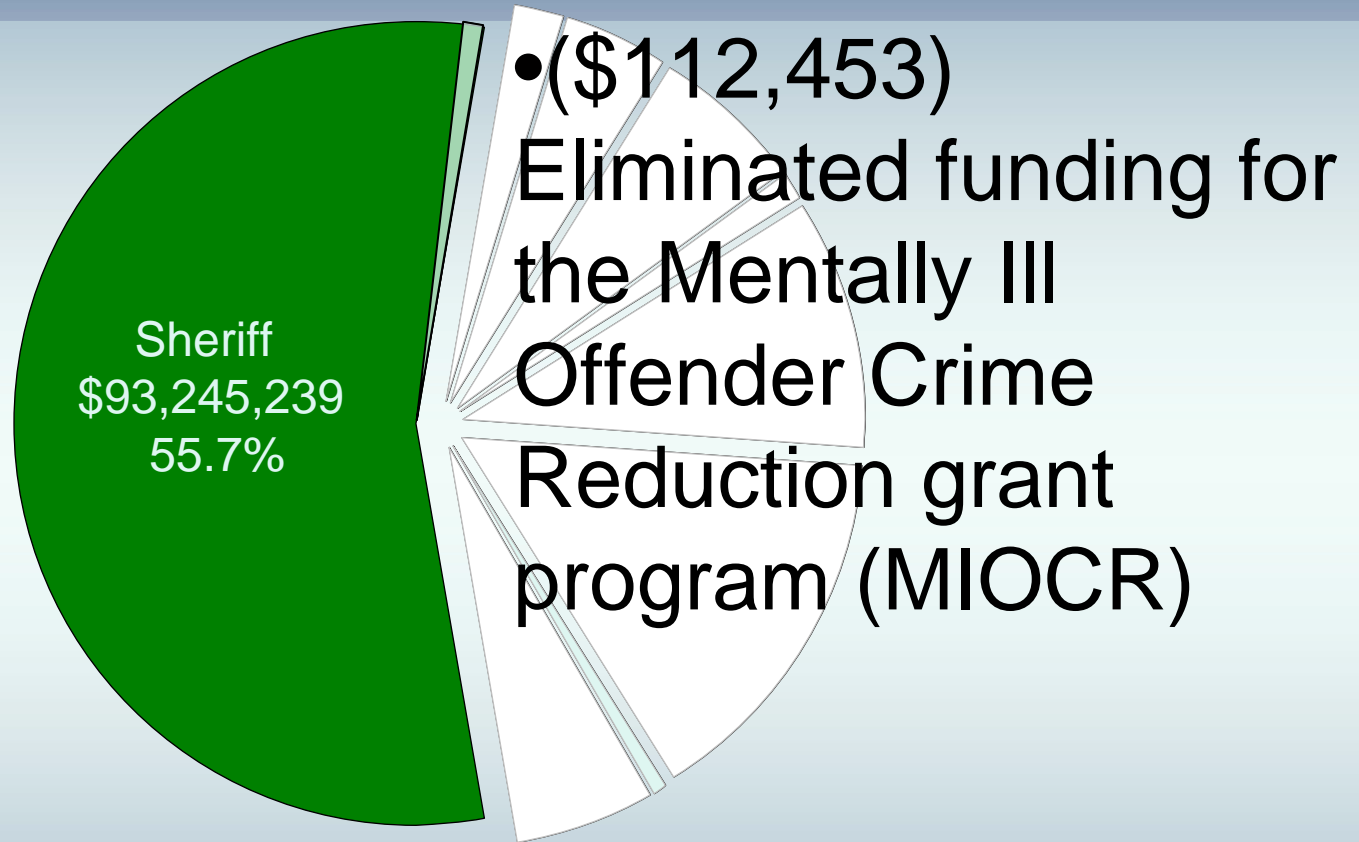


# A safe community

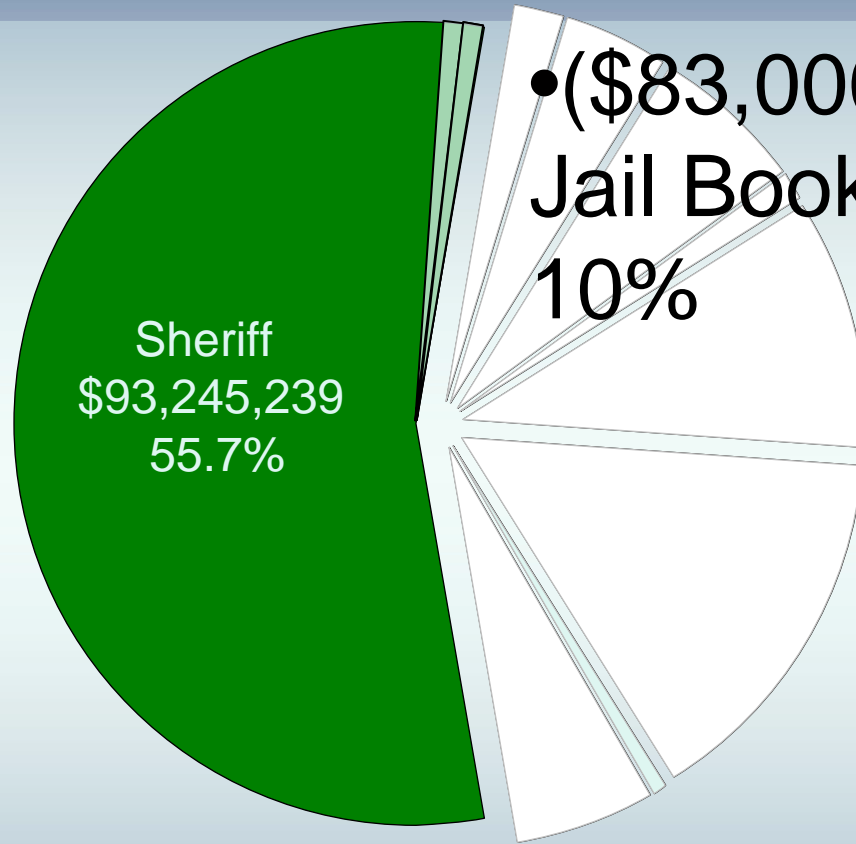




# Sheriff

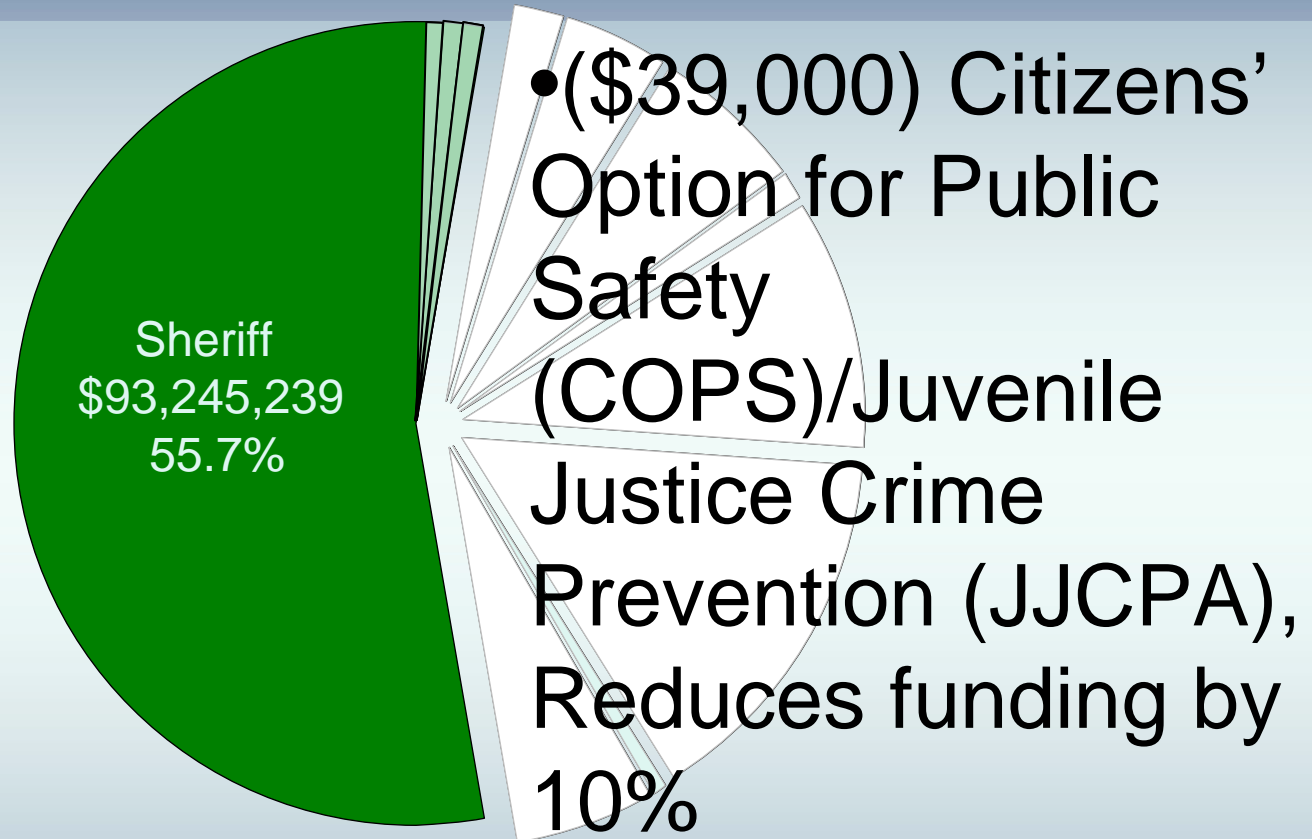


# Sheriff

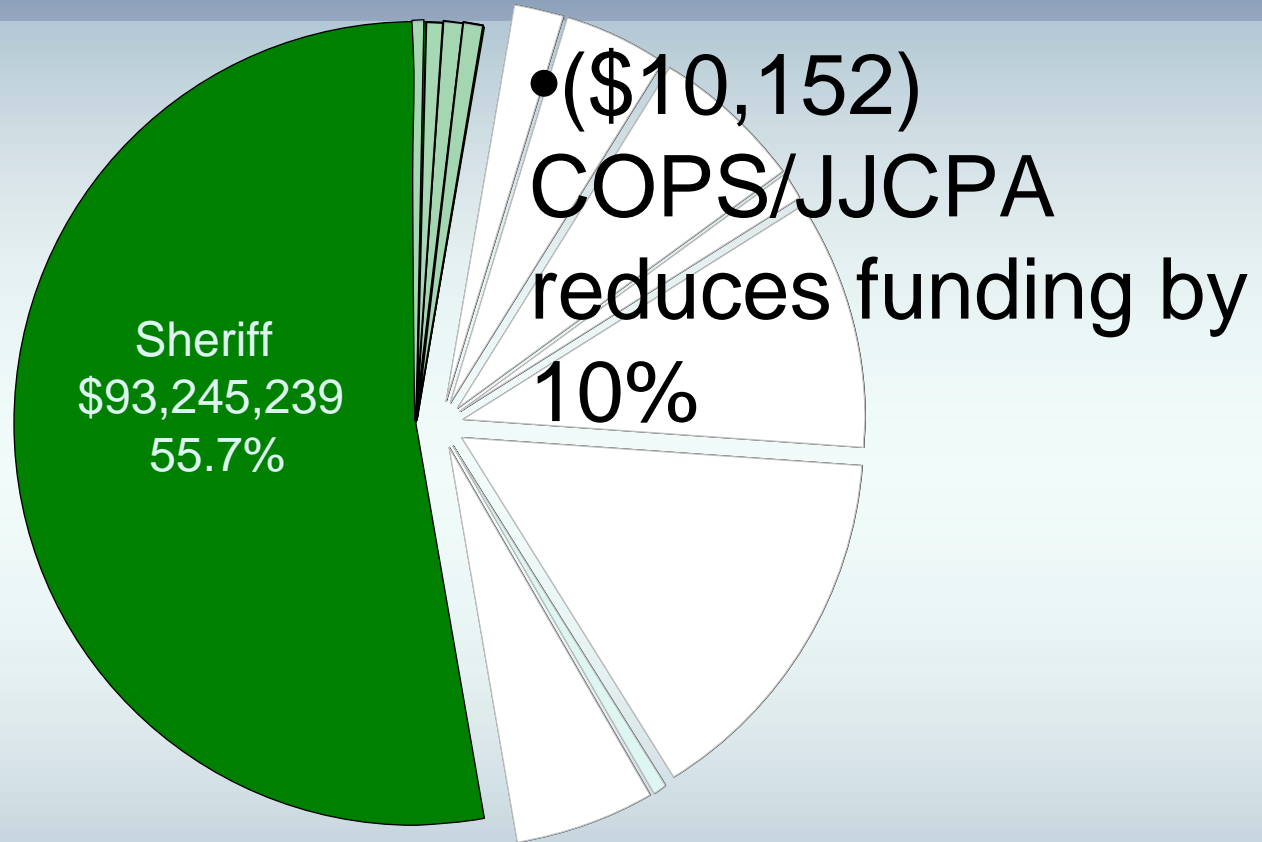


- (\$83,000) Reduces Jail Booking fees by 10%

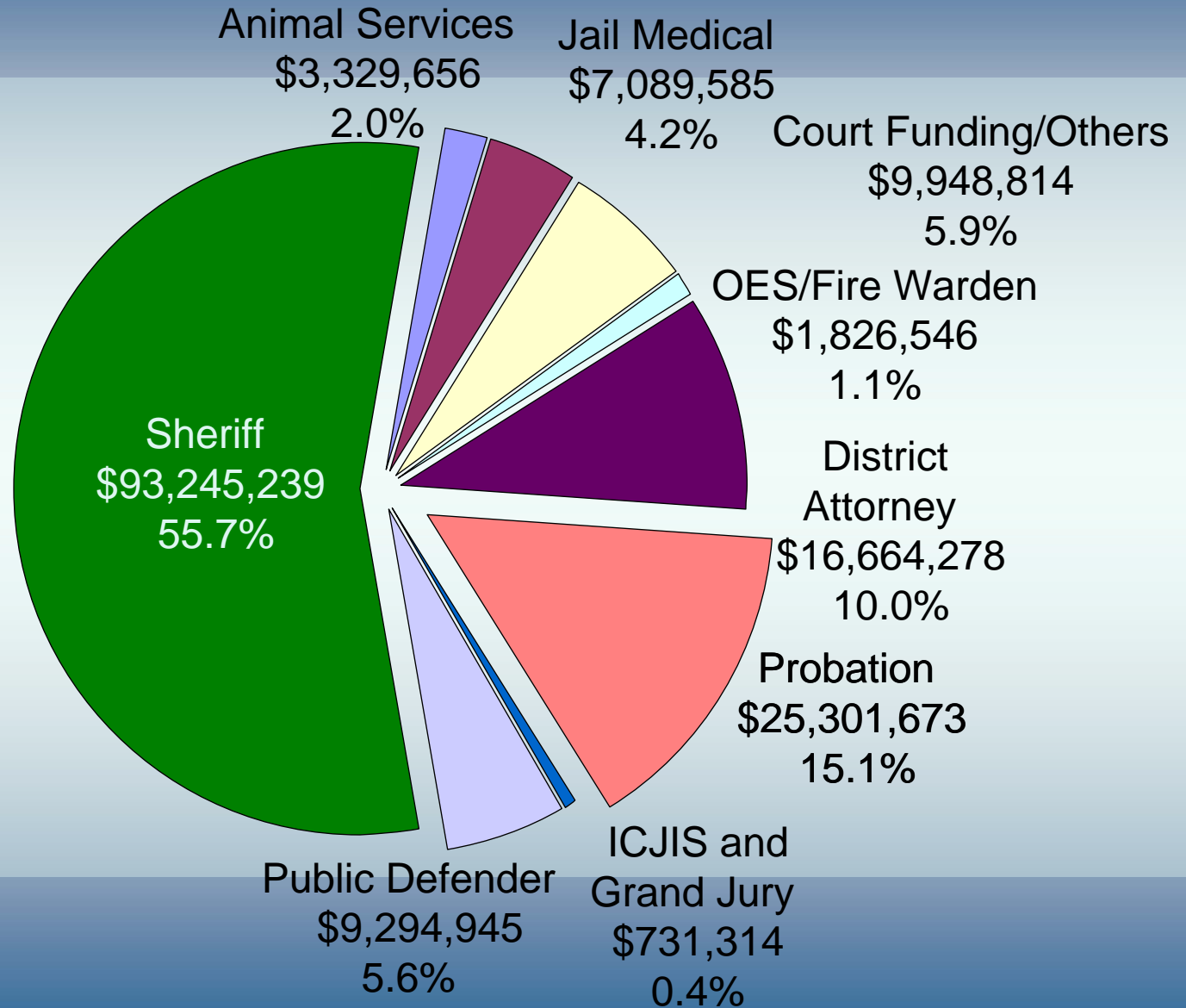
# Sheriff



# Sheriff

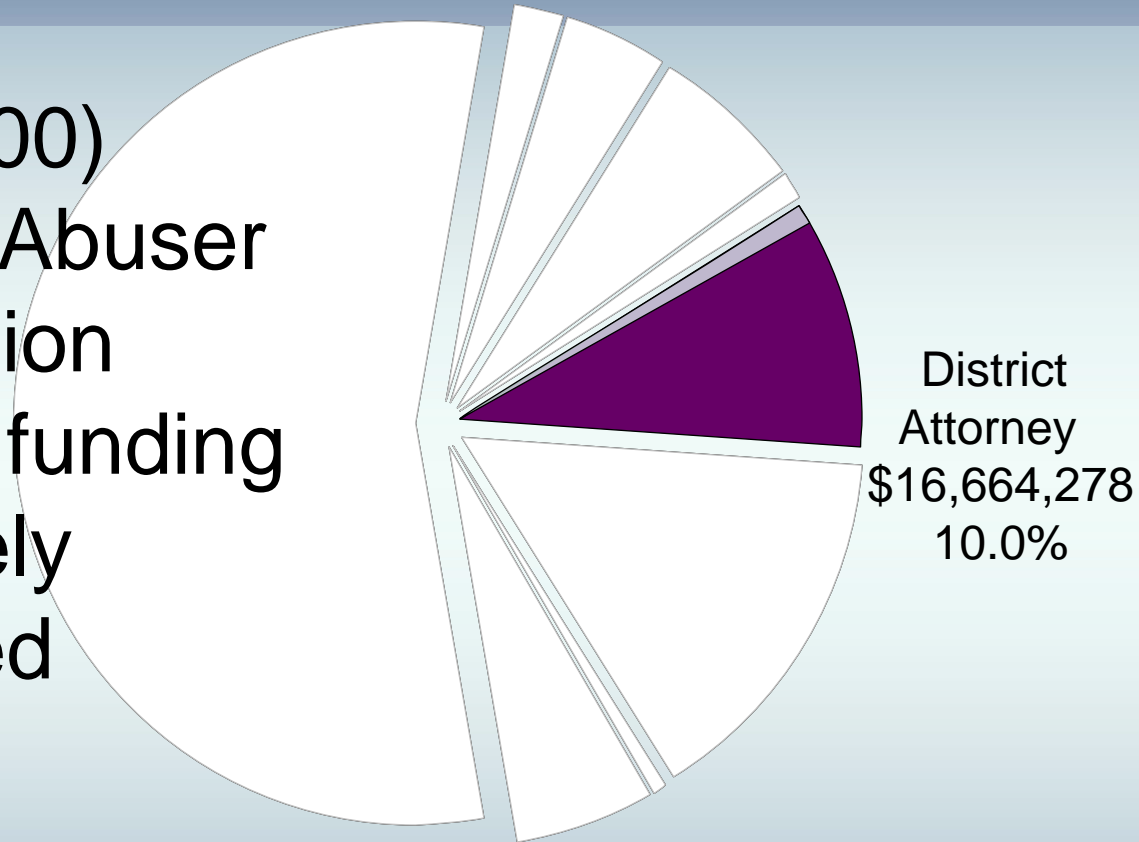


# A safe community



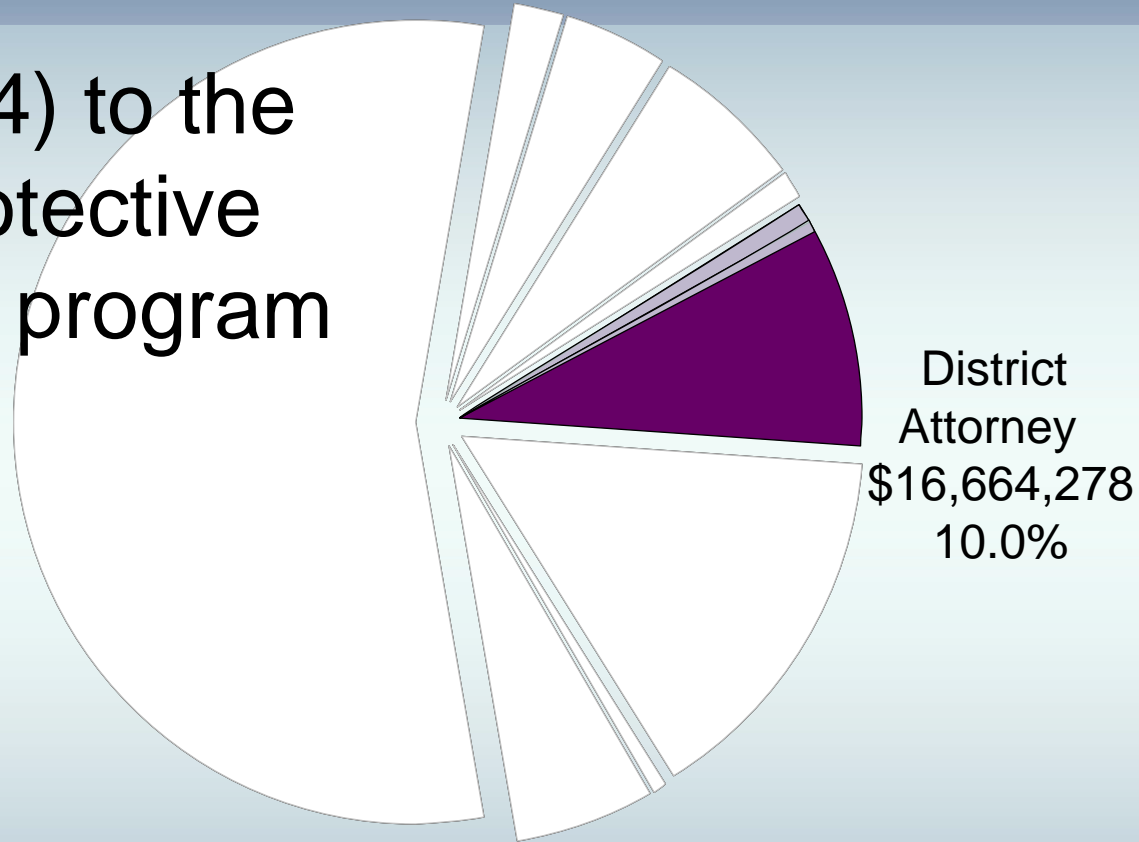
# District Attorney

•(\$102,000)  
Spousal Abuser  
Prosecution  
program funding  
completely  
eliminated



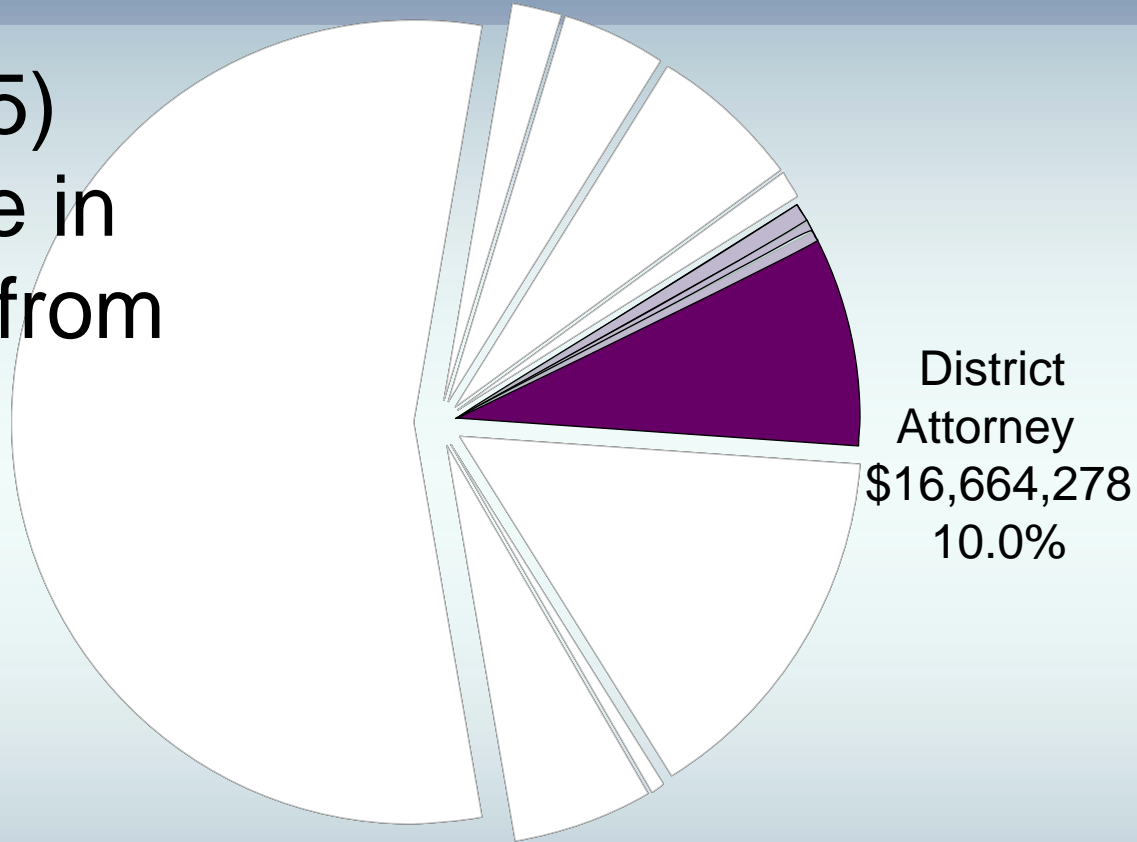
# District Attorney

- (\$63,944) to the Adult Protective Services program



# District Attorney

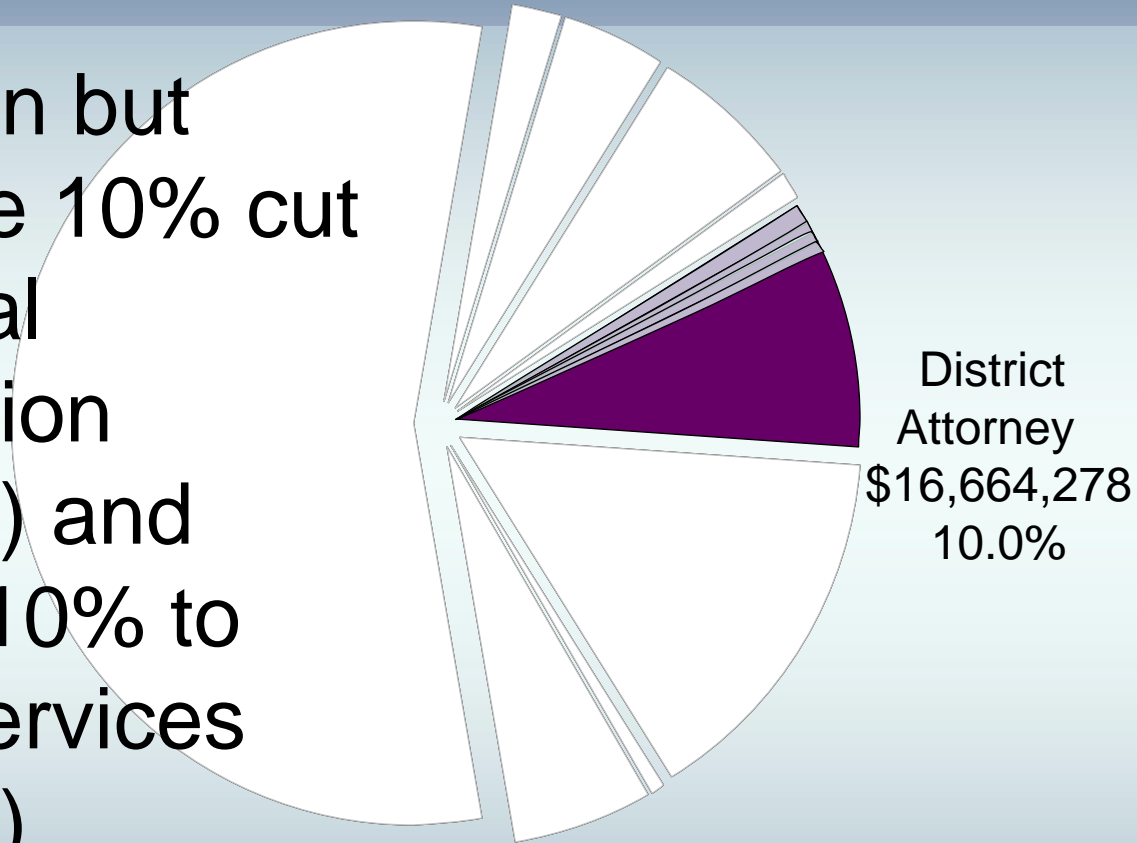
•(\$54,455)  
Decrease in  
revenue from  
DCSS





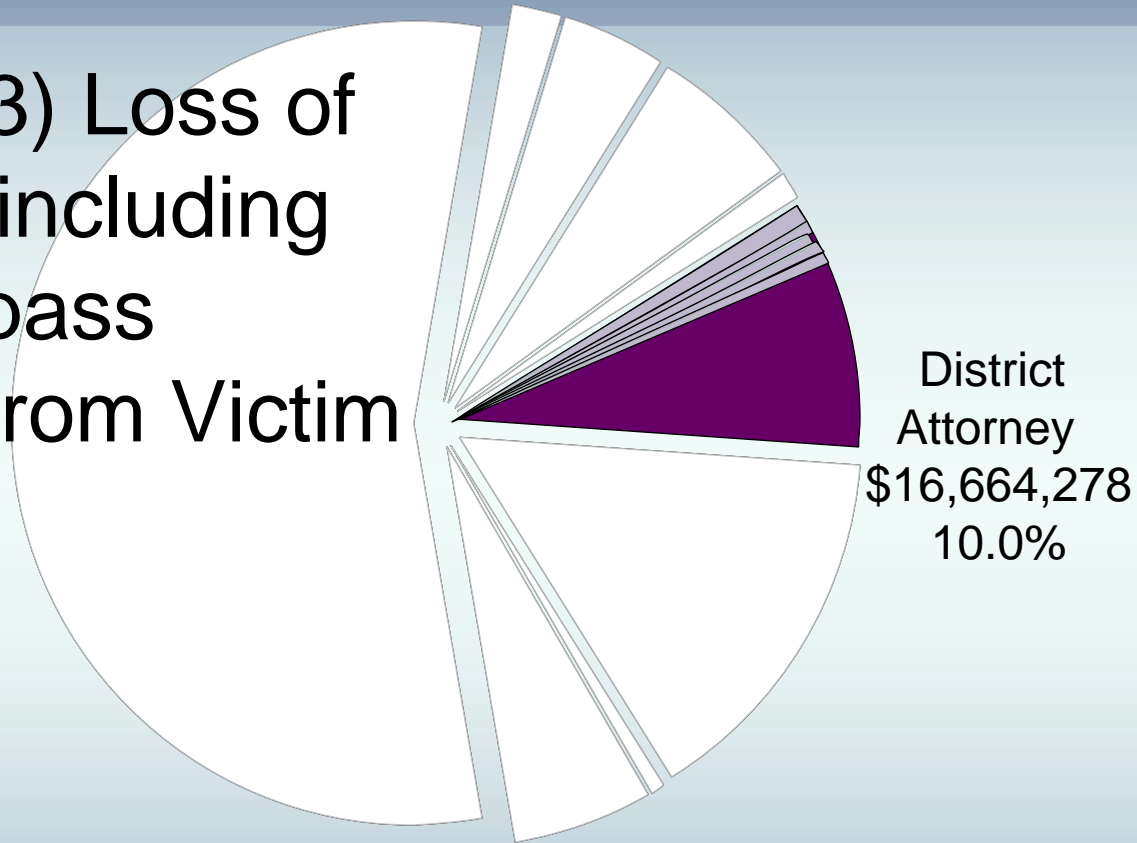
# District Attorney

- Unknown but anticipate 10% cut to Vertical Prosecution (\$31,500) and another 10% to Victim Services (\$15,200)



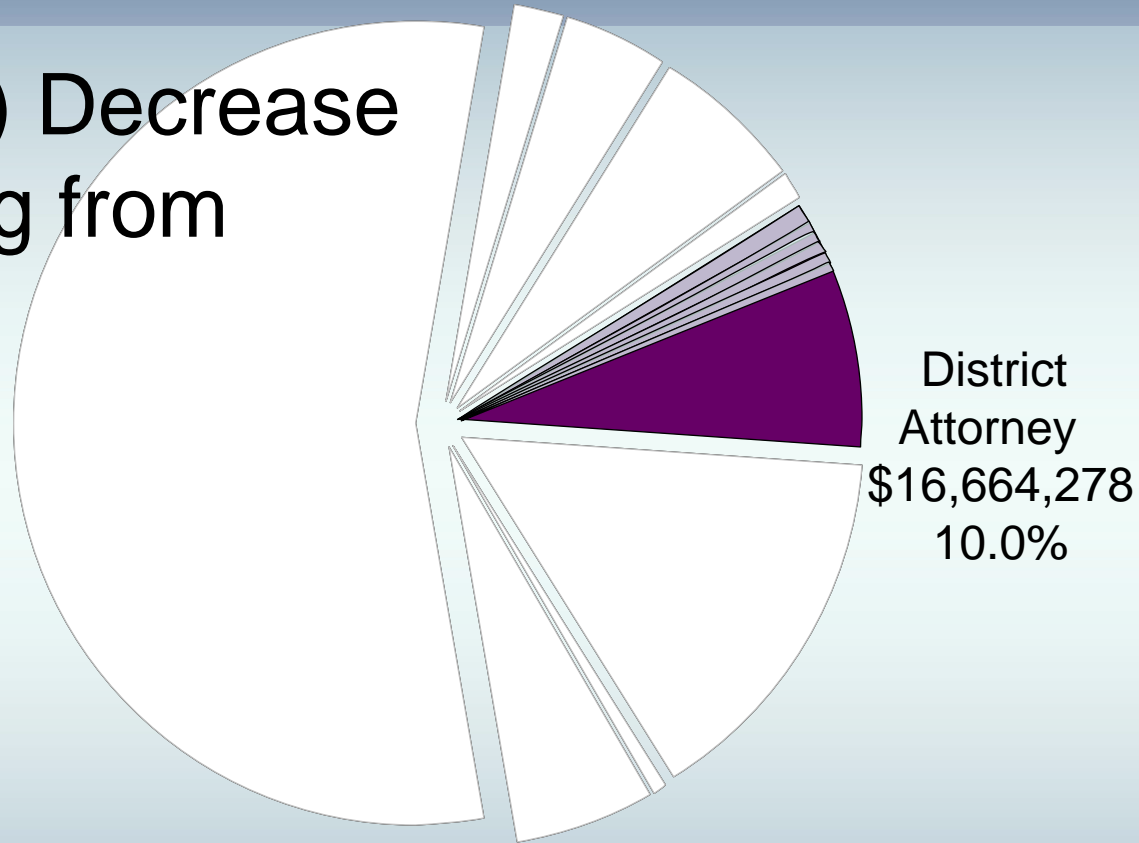
# District Attorney

- (\$22,813) Loss of revenue including Federal pass through from Victim Services

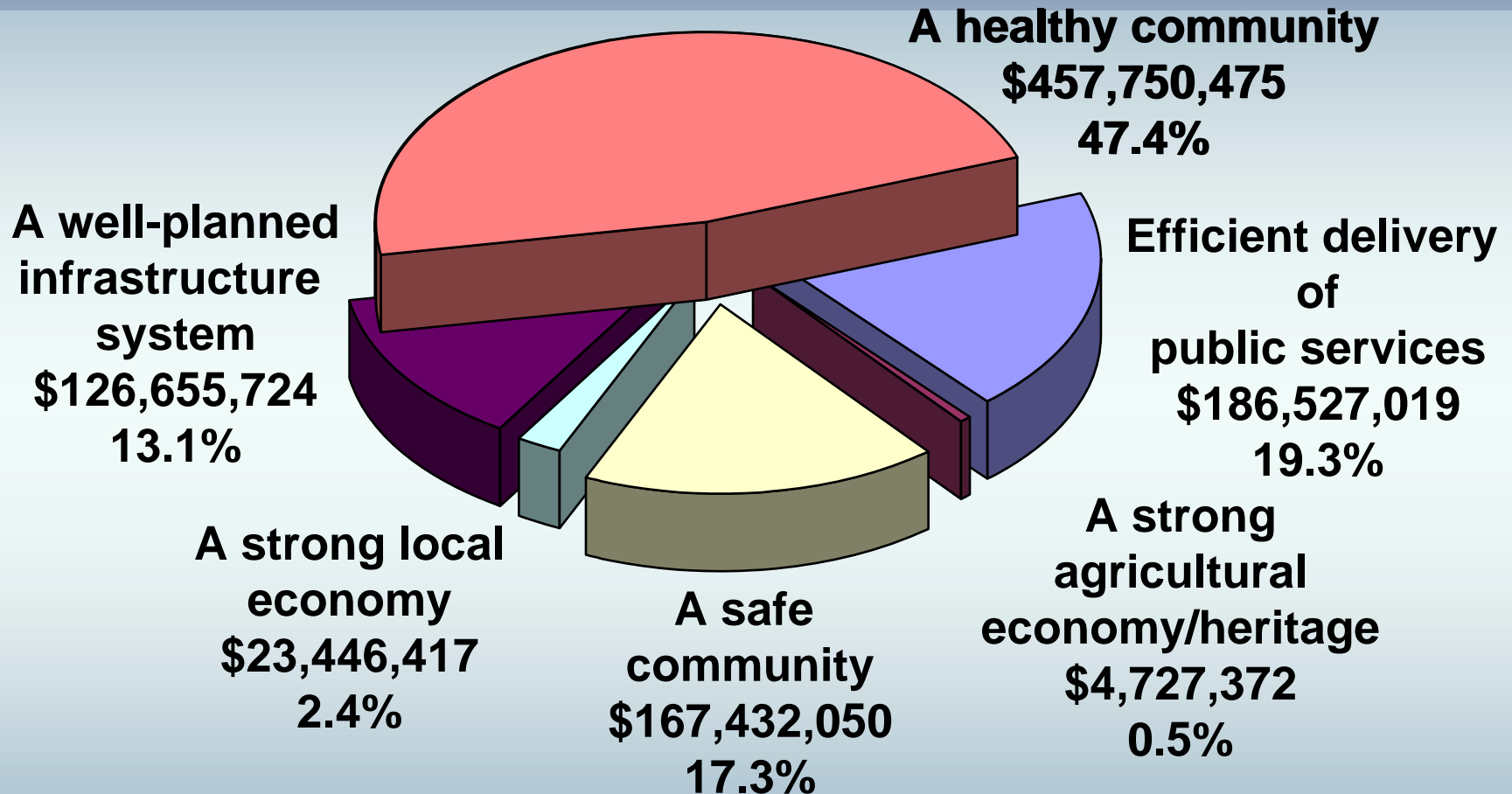


# District Attorney

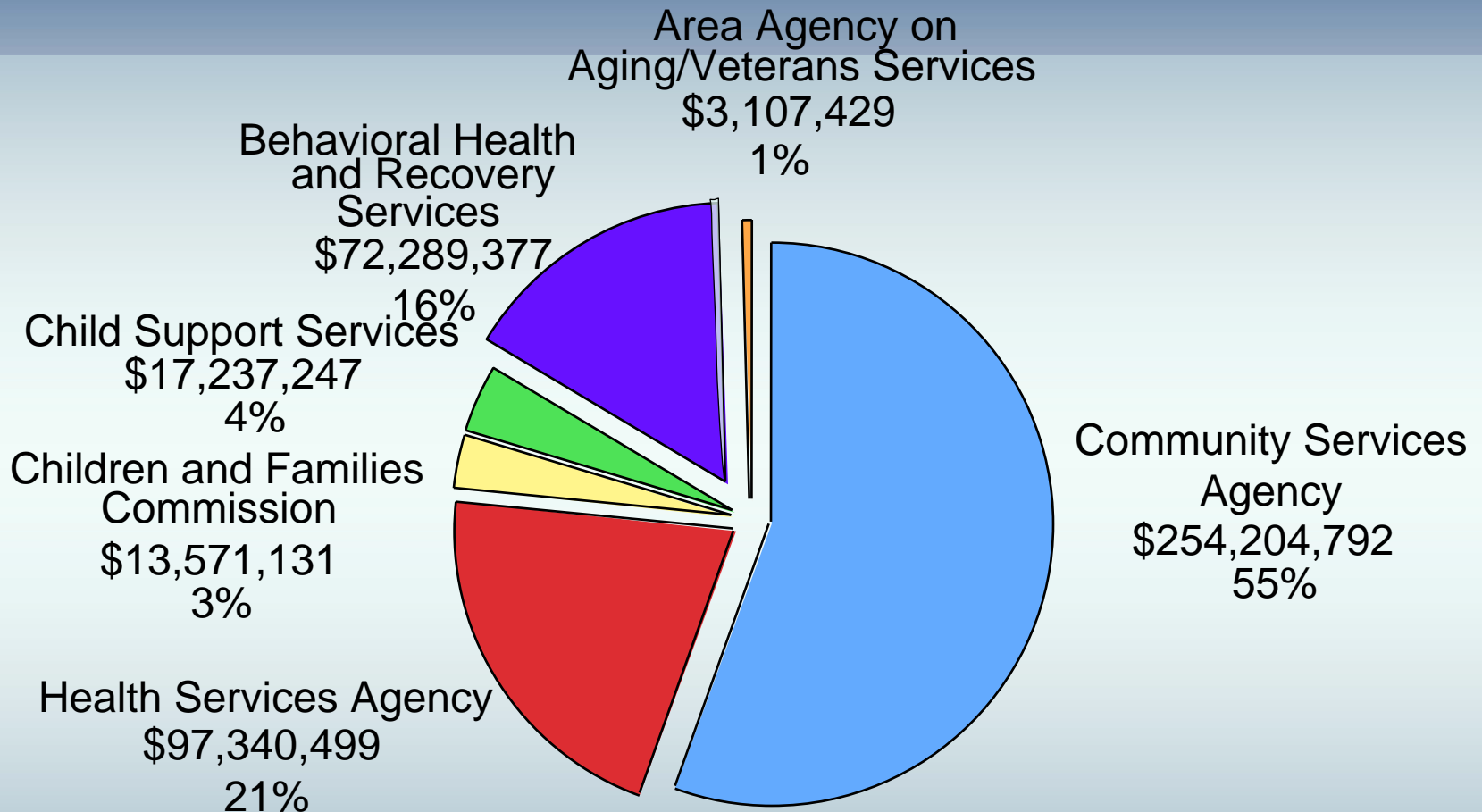
- (\$6,826) Decrease in funding from SDEA



# Final Budget by Board of Supervisors Priorities

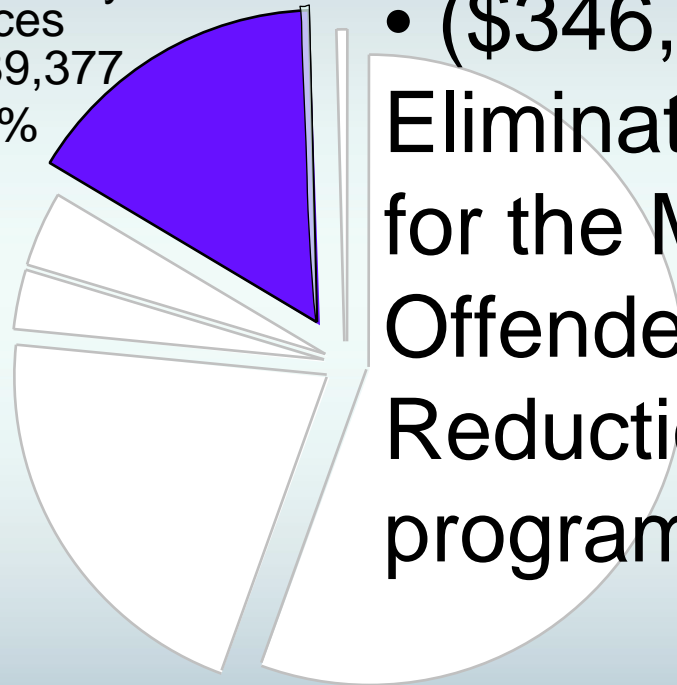


# A healthy community



# Behavioral Health and Recovery Services

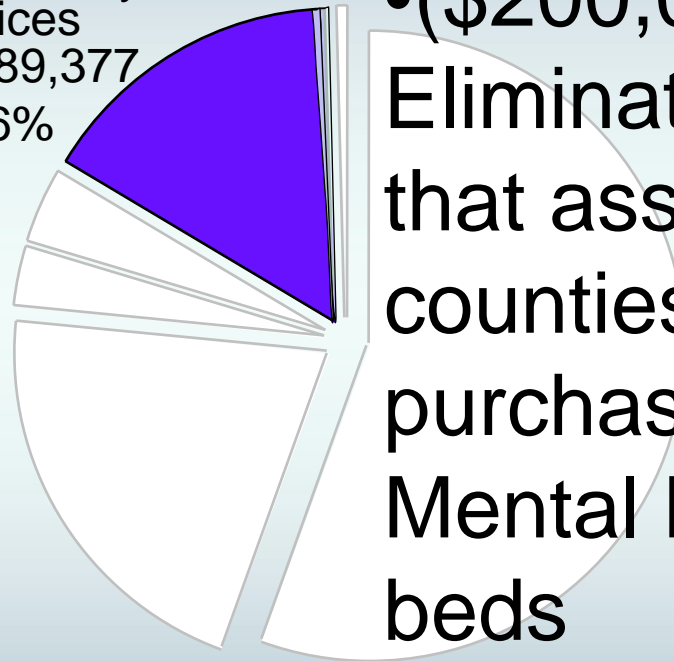
Behavioral Health  
and Recovery  
Services  
\$72,289,377  
16%



- (\$346,000)  
Eliminates funding  
for the Mentally Ill  
Offender Crime  
Reduction grant  
programs (MIOCR)

# Behavioral Health & Recovery Services

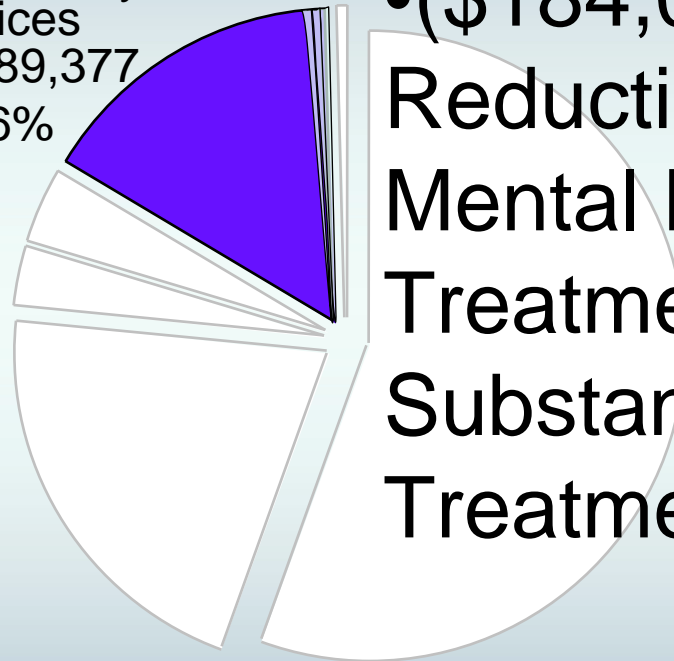
Behavioral Health  
and Recovery  
Services  
\$72,289,377  
16%



•(\$200,000)  
Eliminates funding  
that assists  
counties with  
purchase of State  
Mental Hospital  
beds

# Behavioral Health & Recovery Services

Behavioral Health  
and Recovery  
Services  
\$72,289,377  
16%

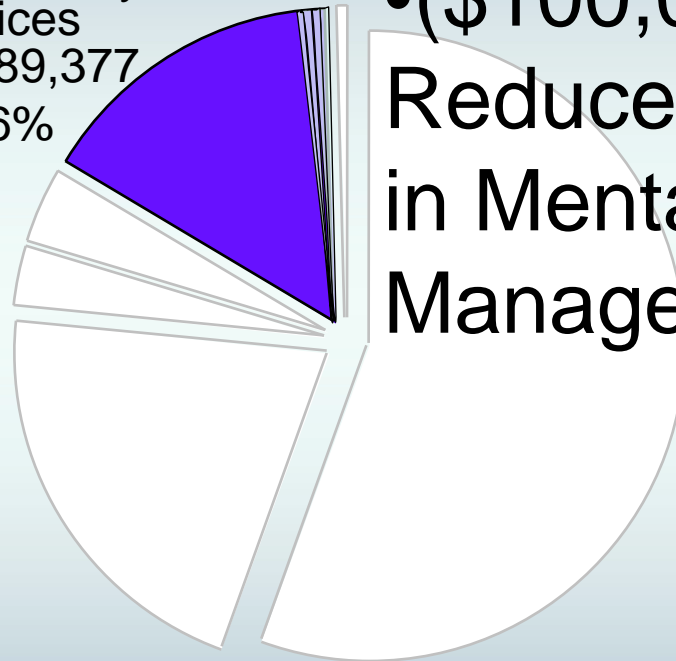


- (\$184,000)  
Reduction to  
Mental Health  
Treatment/  
Substance Abuse  
Treatment funds



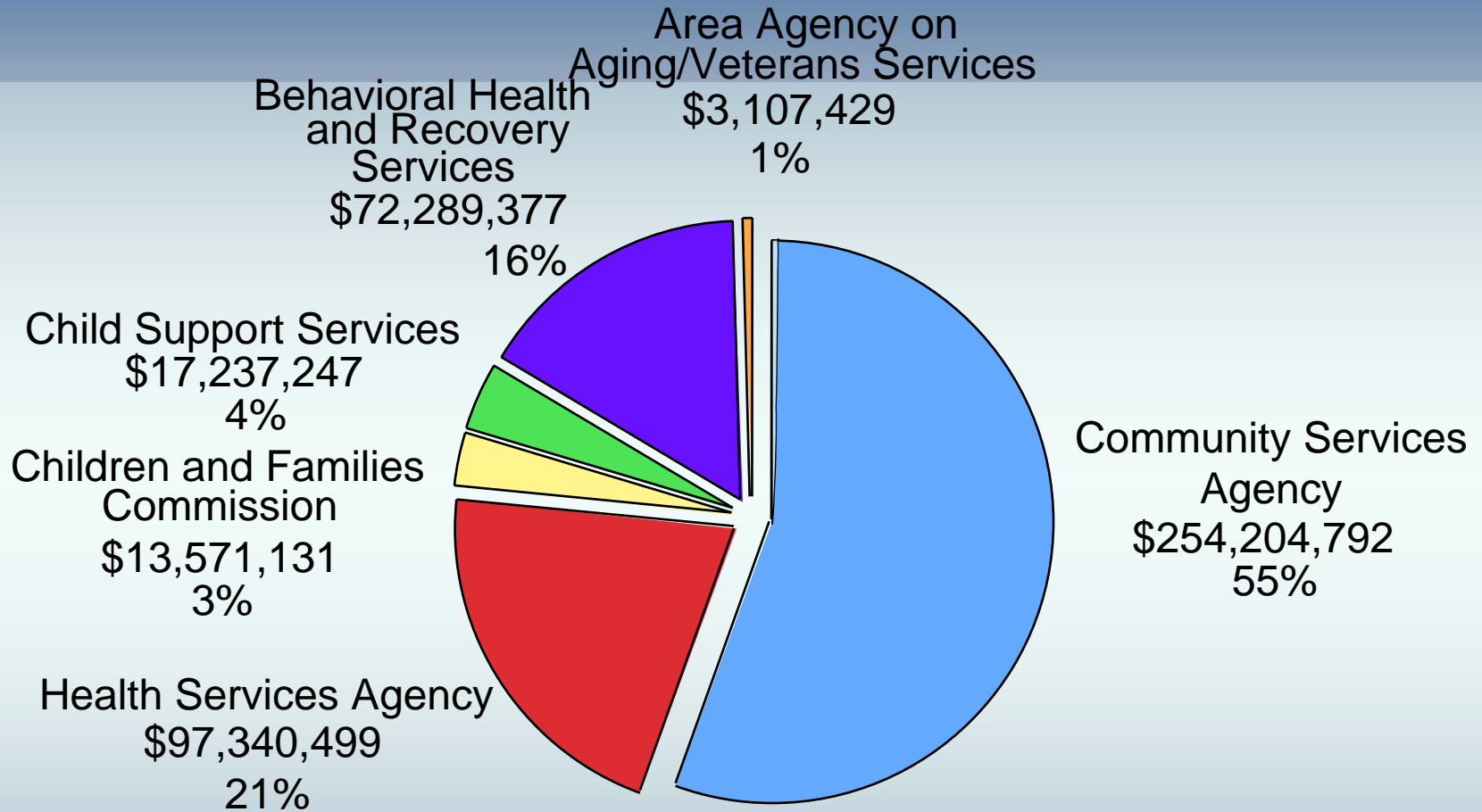
# Behavioral Health & Recovery Services

Behavioral Health  
and Recovery  
Services  
\$72,289,377  
16%



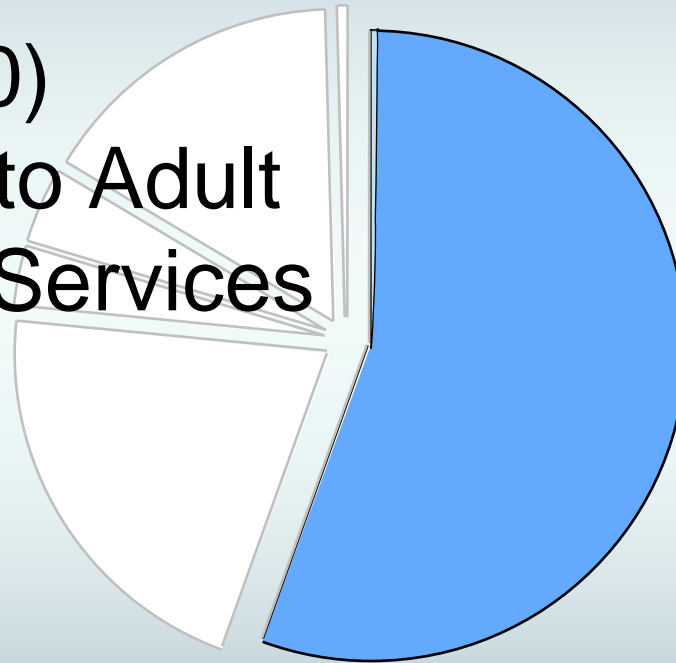
•(\$100,000)  
Reduces Funding  
in Mental Health  
Managed Care

# A healthy community



# Community Services Agency

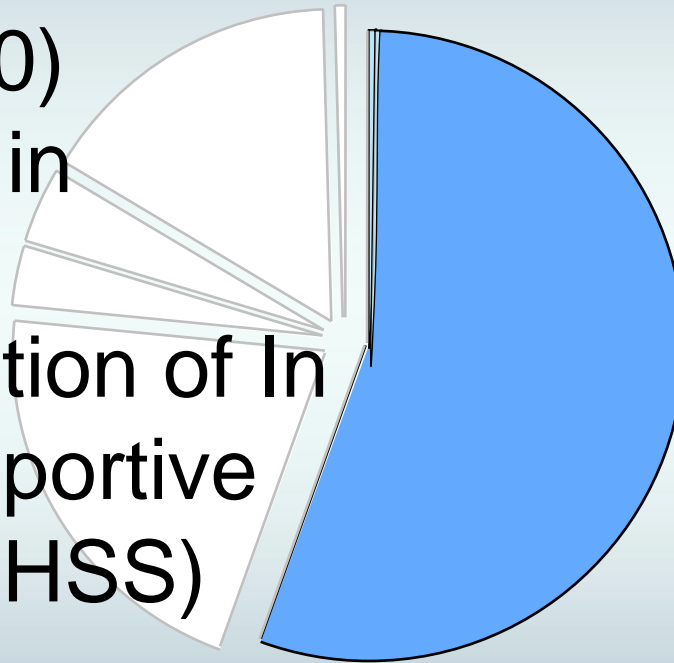
- (\$174,000)  
Reduction to Adult  
Protective Services



Community Services  
Agency  
\$254,204,792  
55%

# Community Services Agency

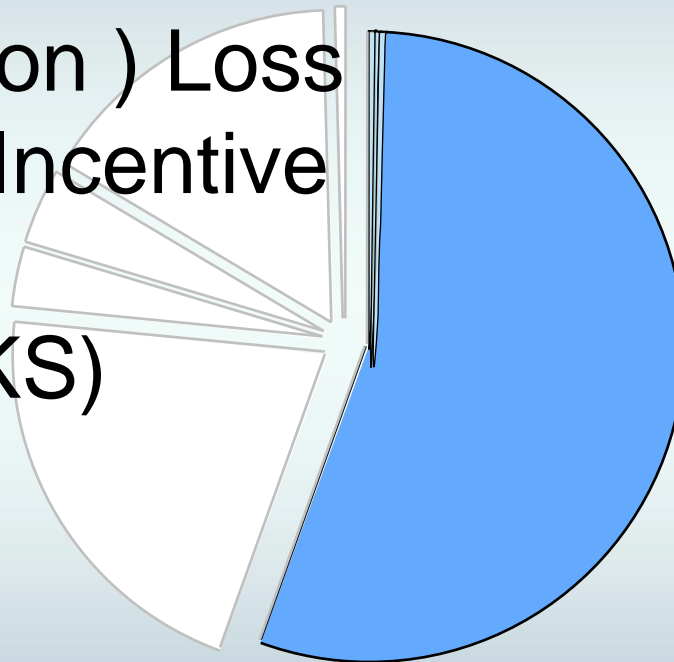
- (\$102,000)  
Reduction in  
County  
Administration of In  
Home Supportive  
Services (IHSS)



Community Services  
Agency  
\$254,204,792  
55%

# Community Services Agency

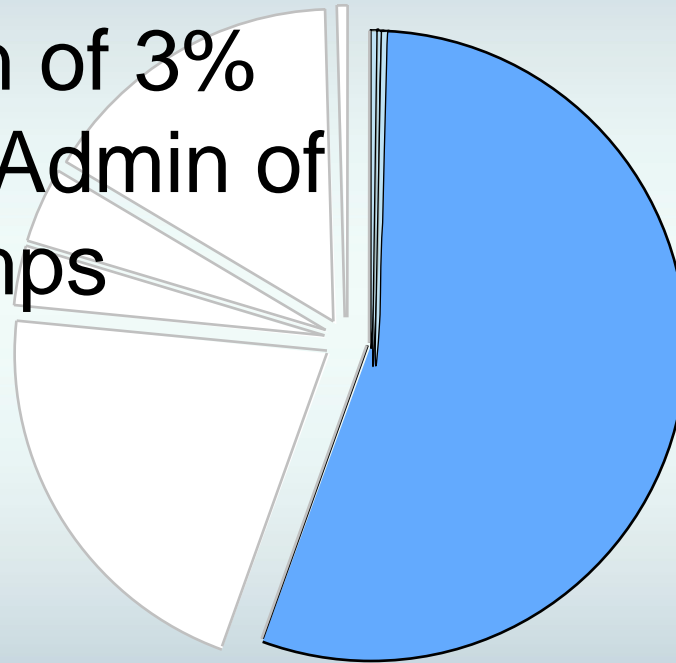
•(\$1.3 million ) Loss  
of County Incentive  
Funding  
(CalWORKS)



Community Services  
Agency  
\$254,204,792  
55%

# Community Services Agency

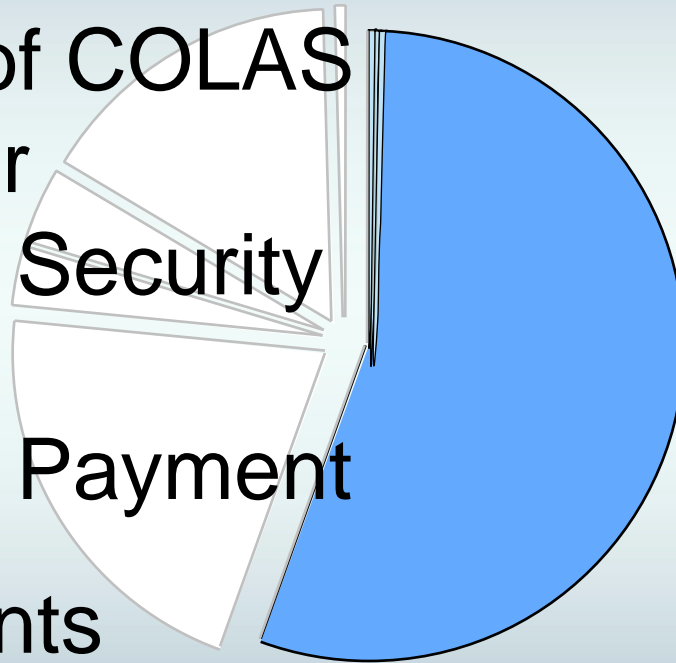
- Reduction of 3%  
to County Admin of  
Food Stamps



Community Services  
Agency  
\$254,204,792  
55%

# Community Services Agency

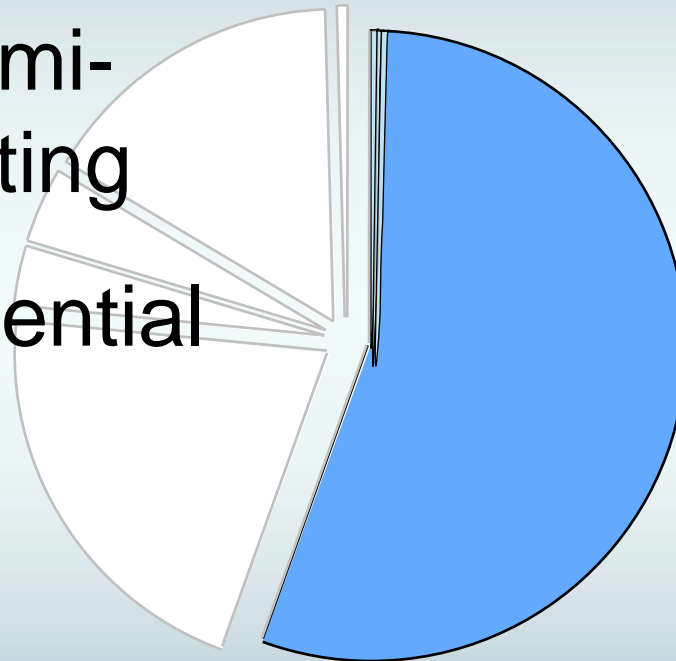
- Suspension of COLAS for 2008-09 for Supplemental Security Income/State Supplemental Payment
- No Adjustments



Community Services  
Agency  
\$254,204,792  
55%

# Community Services Agency

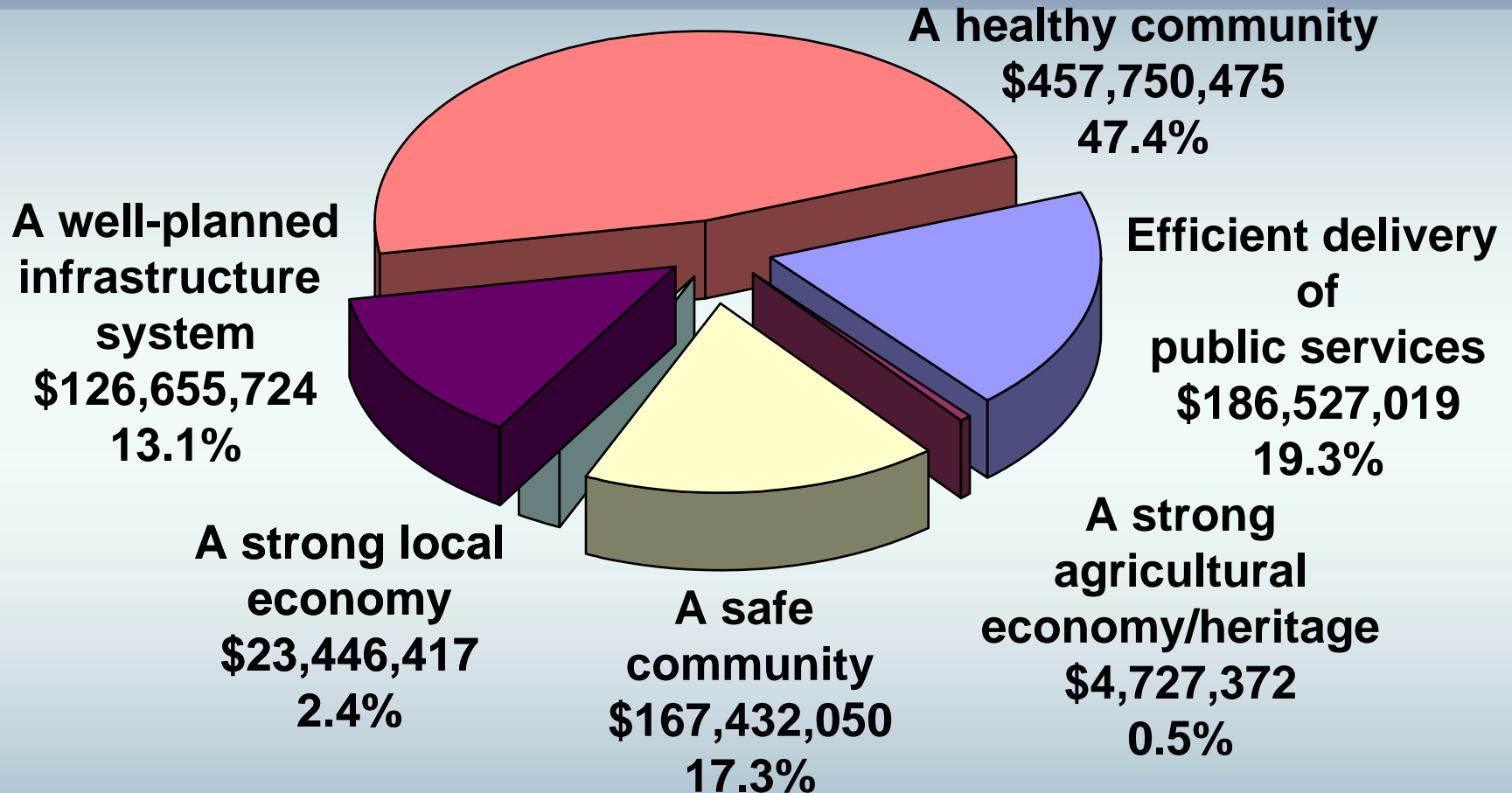
- Medi-Cal Semi-Annual Reporting
- Unknown potential impact



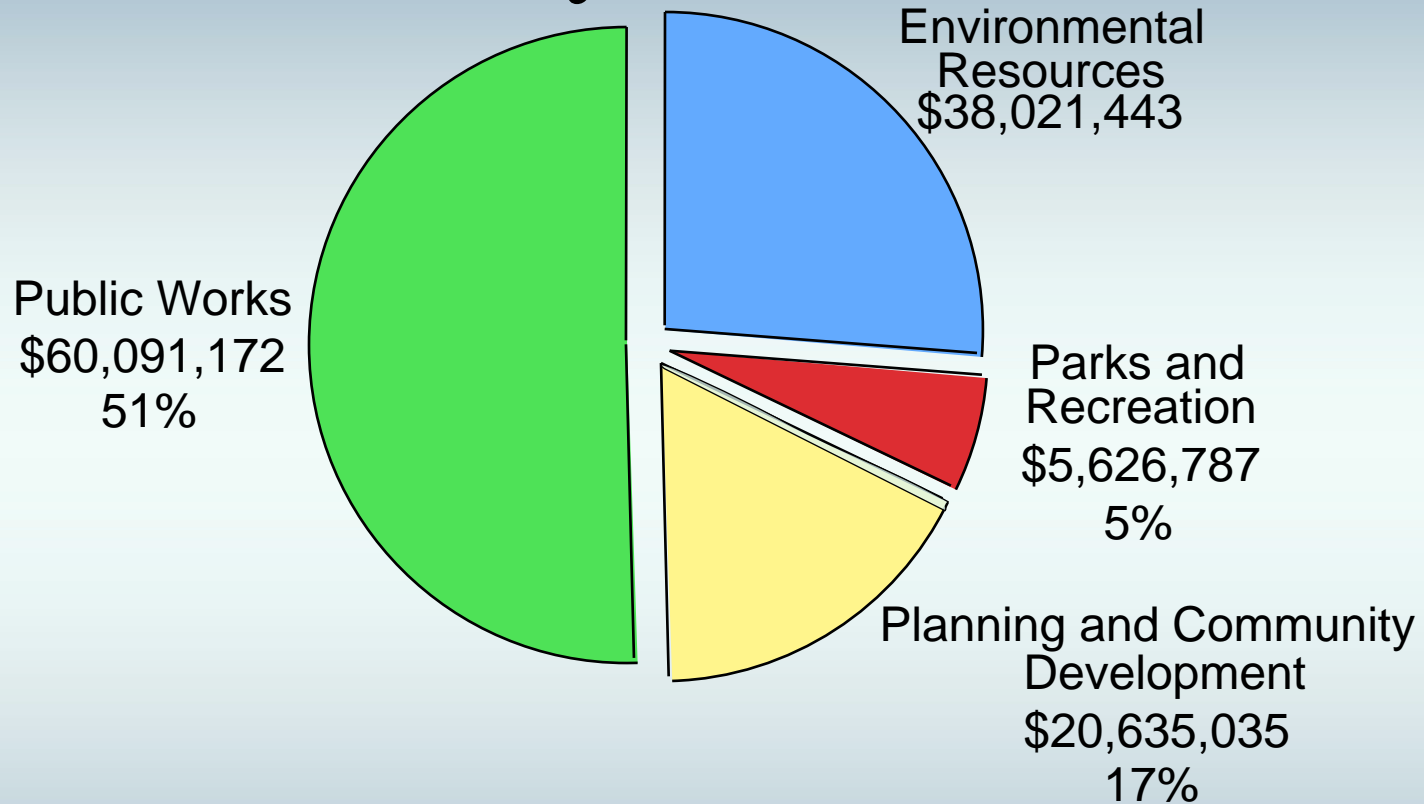
Community Services  
Agency  
\$254,204,792  
55%



# Final Budget by Board of Supervisors Priorities

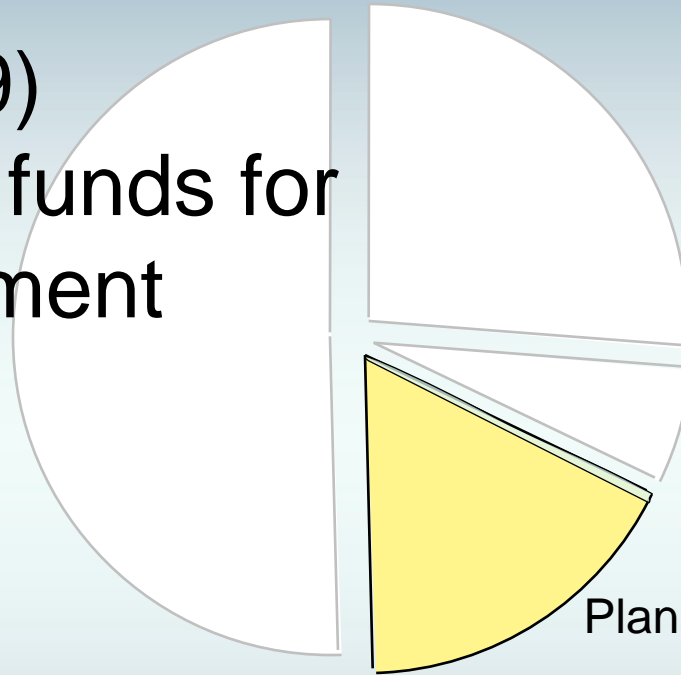


# A well-planned infrastructure system



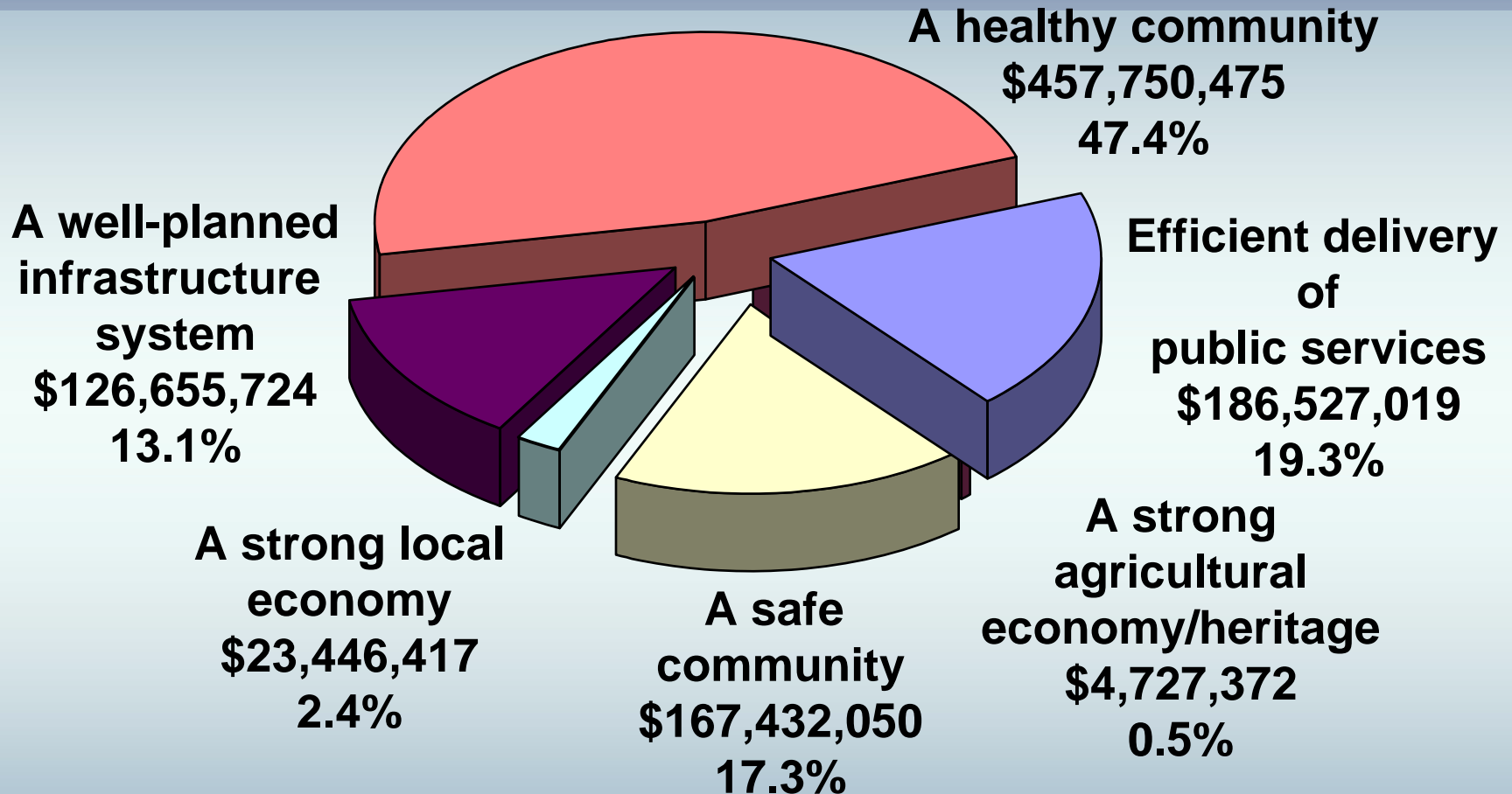
# Planning and Community Development

- (\$582,529)  
Dedicated funds for  
redevelopment  
agencies  
decreased

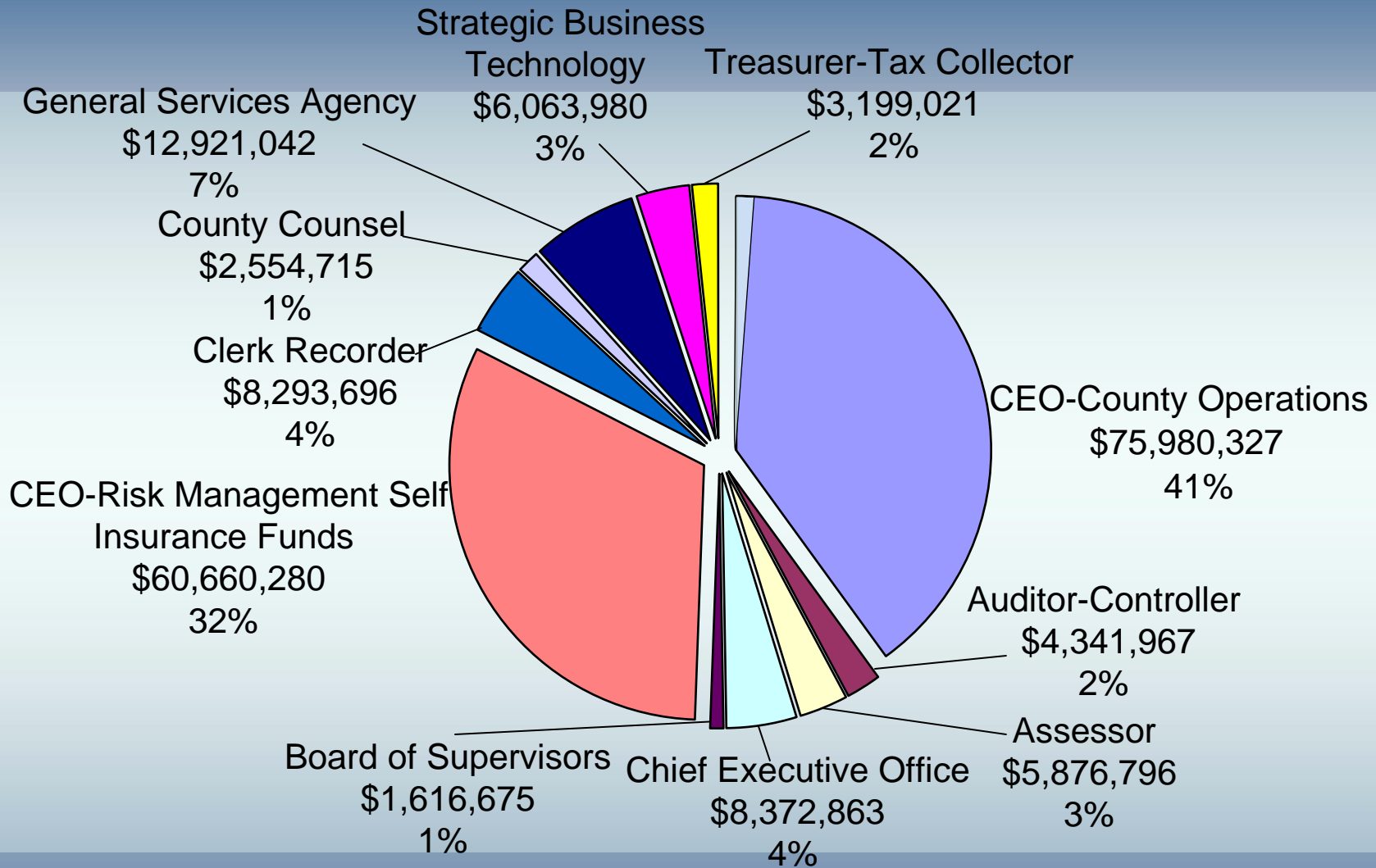


Planning and Community  
Development  
\$20,635,035  
17%

# Final Budget by Board of Supervisors Priorities

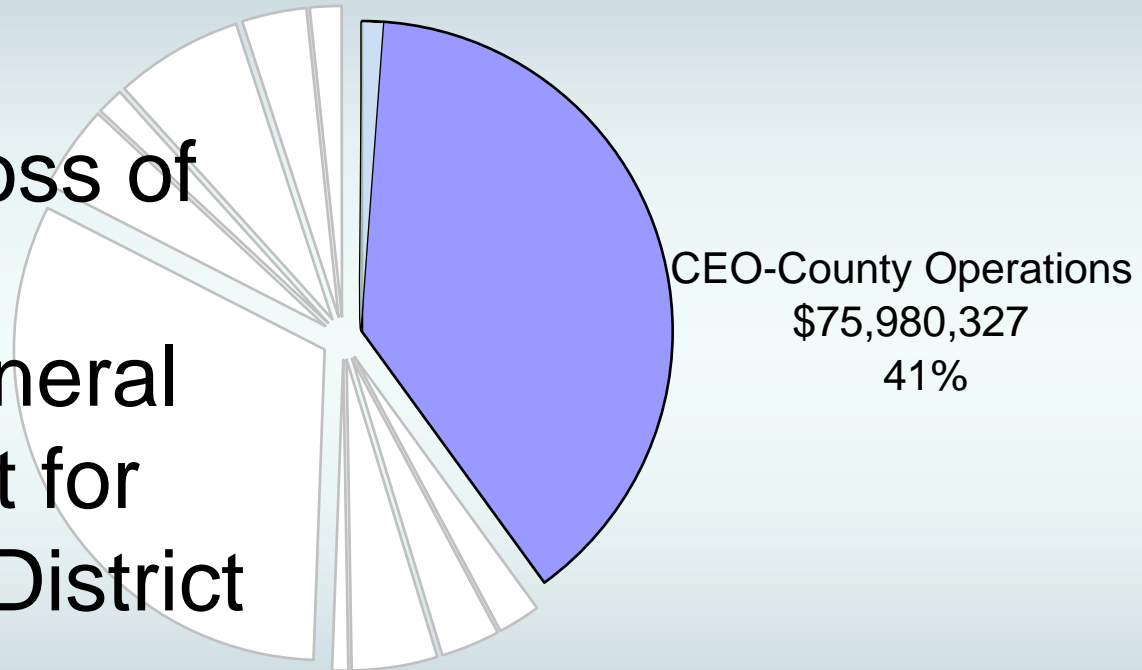


# Efficient delivery of public services



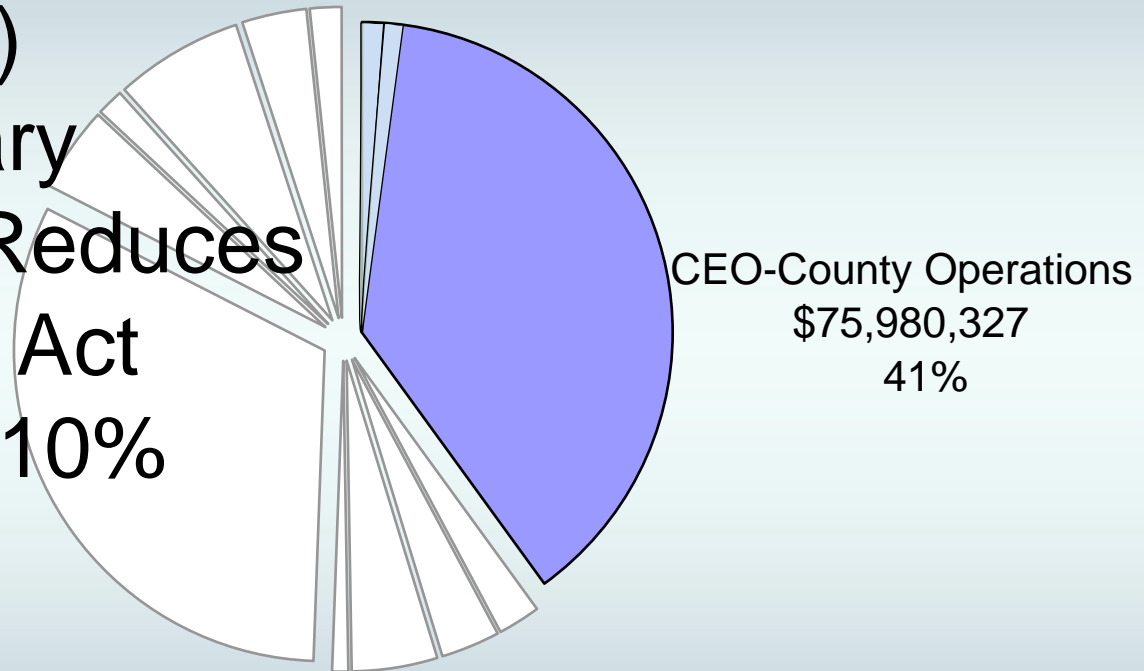
# CEO-County Operations

•(\$250,000)  
CalMMET loss of  
first quarter  
funding, General  
Fund impact for  
Sheriff and District  
Attorney



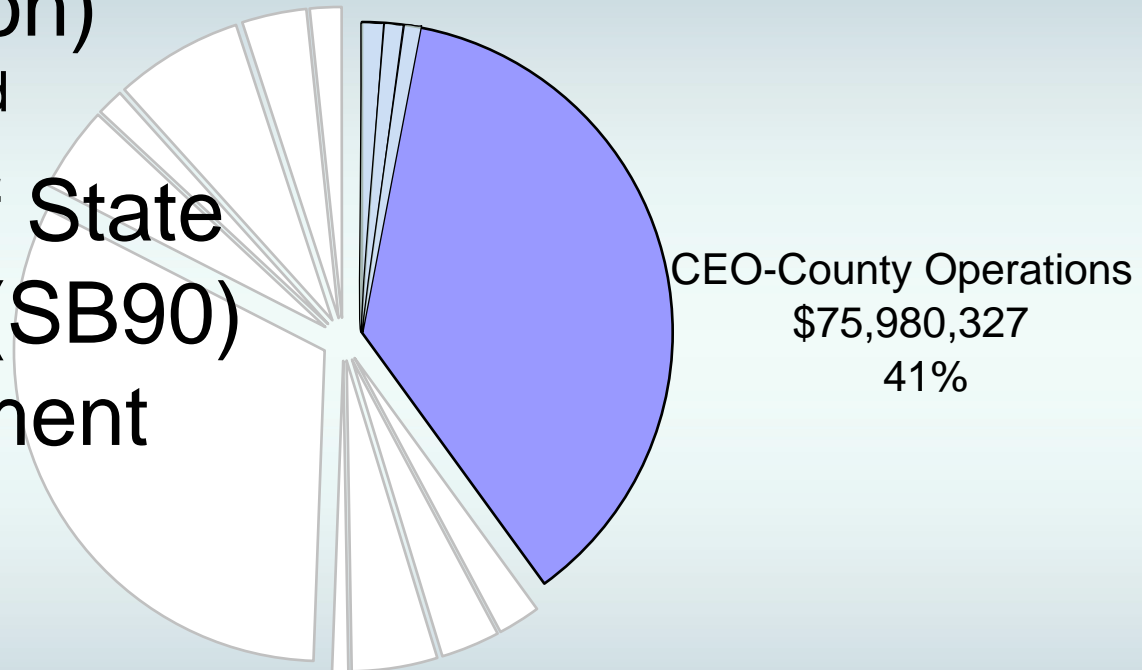
# CEO-County Operations

•(\$147,000)  
Discretionary  
Revenue, Reduces  
Williamson Act  
funding by 10%



# CEO-County Operations

- (\$2.4 million)  
Delay in 3<sup>rd</sup>  
payment of State  
Mandates (SB90)  
reimbursement  
claims





*Stanislaus*



*County*

*Striving to be the Best*