

**Governor's Budget Impacts**

Department	State Budget Proposals with known impacts to Sacramento County	2007-08		2008-09		Service Impact
		Statewide Impact (Expressed in Billions)	County Impact (Expressed in Millions)	Statewide Impact (Expressed in Billions)	County Impact (Expressed in Millions)	
<b>General Fund Impacts</b>						
Sheriff	Growth Factor Increase - Trial Courts - Governor's Budget proposes augmentation based on year-over-year change in State Appropriations Limit			\$ 0.1262	\$ -	Possible augmentation of budget for Court security services as new judges come on-board in Fiscal year 2008-09
Sheriff	Reduction in OES' local criminal justice grant programs such as Domestic Violence, High-Tech Theft Apprehension and Sexual Assault Felony Enforcement Task Force, Anti-Drug Abuse Enforcement Program			\$ (0.0081)	\$ (0.6219)	Proposed reduction in various programs. Unknown which grants it will affect or how much. This represents maximum exposure.
Sheriff	Citizens Option for Public Safety (COPS)			\$ (0.0238)	\$ (0.1537)	Proposed ten percent reduction to last year's allocations
Sheriff	Booking Fees - Reduce reimbursements in Local Government Financing - Sheriff's Departments may increase by a commensurate amount in the fees they charge			\$ (0.0035)	\$ -	No change if additional fee is charged to outside law enforcement agencies to make up funds cut.
Sheriff	Mandates - Reimbursement of claims - \$139 M for claims prior to 07/1/07 which includes \$75 M for third payment of reimbursement costs prior to 07/01/04.			\$ 0.1390	Unknown	Unknown which claims they will pay. No estimated reimbursements will be received only full payments. Payment date switch from June to August after fiscal year
District Attorney	\$23.8 million in 2008-09 from the Citizens Option for Public Safety/Juvenile Justice Crime Prevention Act Program in Local Government Financing. This proposal, which does not require legislation, would reduce local law enforcement discretionary grant amounts by 10 percent. The funds are distributed on a population basis to police and sheriffs departments, and county district attorney offices.			\$ (0.0238)	\$ (0.0450)	Proposed ten percent reduction to last year's allocations
District Attorney	Workers' Compensation Insurance Fraud—The Governor's Budget includes \$4 million Insurance Fund for the Department of Insurance (DOI) to provide increased local assistance to district attorneys to aid in the prosecution of workers' compensation fraud.			\$ 0.0400	\$ -	Program is budgeted at net 0.
Realignment	Reduction by 10 percent of the Trailer Vehicle License Fee Backfill Program. Governor's Budget indicates a reduction of \$1.2m (\$0.0436m County reduction) and correspondence with the State Controllers Office indicates the amount may be as large as \$11m (\$0.3996m County reduction). Will reduce realignment revenues if legislation is passed.			\$ (0.0110)	\$ (0.3996)	Could reduce services provided with realignment funding
Voter Reg & Elections	February 2008 Election Reimbursement not included. Reimbursement may not occur until 2009-10.		\$ (4.0000)		\$ (4.0000)	None - Mandated
Public Defender and Conflict Criminal Defenders	The Division of Juvenile Justice will be funded to provide juvenile parole hearings.	\$ 0.0020	Unknown	\$ 0.0045	Unknown	A new caseload/workload would be created for our Juvenile Division attorneys who would be charged with defending the juvenile parole violations on an expedited timeline, pursuant to new case law.
Public Defender and Conflict Criminal Defenders	Planned new judgeships for Sacramento County	\$ 0.0465	Unknown		Unknown	This will result in increased workload for our staff.
Public Defender and Conflict Criminal Defenders	Gang Suppression Enforcement Teams	\$ 0.0053	Unknown		Unknown	Increased gang prosecutions would result in an increased workload for staff.
Non-Dept Revenues/GF	10 percent reduction for the Subventions for Open Space (Williamson Act) Program			\$ (0.0039)	\$ (0.0527)	Reduces General Fund allocations to various departments.

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DHA	4% reduction for Food Stamp Administration			\$ (0.0149)	\$ (0.5100)	Mandated federal program. Services must be maintained regardless of funding.
DHA	Medi-Cal Administration Base			\$ (0.0306)	Unknown	It is difficult to estimate Sacramento County's share of the reduction because Medi-Cal's base funding information is not easily accessible. However, even though funding is being reduced, DHA will still be required to provide the mandated eligibility services for this program.
DHA	Medi-Cal Caseload Growth Funding			\$ (0.0668)	Unknown	In the past, counties have been funded for caseload growth. Elimination of this funding will impact the number of staff the department can hire and may result in clients waiting longer for eligibility determination appointments.
DHA	Medi-Cal CODB (Cost of Doing Business)			\$ (0.0448)	Unknown	Elimination of CODB adjustment (additional annual funding) will limit the number of staff positions in this program and negatively impact the department's ability to provide eligibility services to Medi-Cal clients in a timely and efficient manner.
DHA	Cal LEARN (Part of CalWORKs Single Allocation)				\$ (0.0050)	Mandated federal program. Services must be maintained regardless of funding.
DHA	CalWORKs Eligibility (Part of CalWORKs Single Allocation)			\$ (0.0340)	\$ (2.2100)	Mandated federal program. Services must be maintained regardless of funding.
DHA	CalWORKs "Pay for Performance"	\$ (0.0400)	None	\$ 0.0400	Unknown	Performance incentive, no immediate service impact. In the original FY 2007-08 budget, this amount (\$40 million) was budgeted to be paid for this fiscal year; however, it has been removed and the incentive will be postponed one year.
DHHS	Alcohol and Drug Services: Non-Drug/Medi-Cal-Perinatal	\$ (0.0008)	\$ (0.0000)	\$ (0.0023)	\$ (0.0876)	Services reduced approximately ten percent.
DHHS	Alcohol and Drug Services: Drug Courts	\$ (0.0010)	\$ (0.0019)	\$ (0.0031)	\$ (0.1135)	Services reduced approximately ten percent.
DHHS	Alcohol and Drug Services: Parolee Services Network			\$ 0.0250	\$ 0.9338	Services increased approximately 300 percent.
DHHS	Alcohol and Drug Services: Offender Treatment Program	\$ (0.0007)	\$ (0.0000)	\$ (0.0020)	\$ (0.0738)	Services reduced approximately ten percent.
DHHS	Alcohol and Drug Services: Drug Medi-Cal-Regular	\$ (0.0036)	\$ (0.1326)	\$ (0.0119)	\$ (0.4450)	Services reduced approximately ten percent.
DHHS	Alcohol and Drug Services: Drug Medi-Cal-Perinatal	\$ (0.0004)	\$ (0.0168)	\$ (0.0093)	\$ (0.0349)	Services reduced approximately ten percent.
DHHS	Child Welfare Services: Reduced total allocation by 11.4 percent, as part of its deficit reduction package.			\$ (0.1296)	Unknown	Statewide reduction of \$129.6 million (\$83.7 million State General Funds). \$45.9 M difference is Fed money.
DHHS	Day Care Licensing : Reduced total funding by 8.7 percent.			\$ (0.0002)	\$ (0.1650)	Reduction of \$0.2 million to reduce random inspection protocol from 30 percent to 14 percent.
DHHS	Early Mental Health Initiative			\$ (0.0016)	\$ (0.1000)	Potential reduction in Early Mental Health Intervention Program
DHHS	Mentally Ill Offender Crime Reduction			\$ (0.0045)	\$ (0.1125)	Dependent on Probation - if MOU is revised based on a reduction in grant funding, potential loss of 1.0 FTE.
DHHS	AB2034 Homeless Mentally Ill	\$ (0.0047)	\$ (3.2240)			Elimination of AB2034 Homeless Mentally Ill funding in 2007-08 of \$4,716,936, results in net loss of \$3,223,967 of realignment trust funds for transition of program clients into mental health programs.
DHHS	AIDS programs			\$ (0.0110)	\$ (0.1060)	Impact could be more if the State cuts some programs more than others to reach the target. Education & Prevention reduction would result in 400 people not receiving HIV prevention education and testing information; and over 100,000 not receive education and testing messages due to no media promotion for HIV/STD testing
DHHS	Family Health programs			\$ (0.0054)	\$ (0.0490)	Community Challenge Grant -Teen Pregnancy Prevention Program, Maternal Child Health and Black Infant Health services will be reduced.
DHHS	Public Health Lab 10% reduction to MediCal reimbursement			\$ (0.7209)	\$ (0.0485)	Higher net County Cost to pay for mandated testing for STDs and Tuberculosis.

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DHHS	California Children Services (CCS) Proposal to reduce Department of Health Care Services Gen Fund reimbursement for CCS Program by 10 %				\$ (0.4572)	State proposal is to reduce the State reimbursement on our quarterly claim by 10% (\$457,209). They have indicated they will not allow counties to reduce their budgets to achieve the 10% reduction. However, because of the Federal match that may be affected it could potentially result in a reduction of \$905,964 in total revenue.
DHHS	CCS Treatment Proposal to reduce provider reimbursements by 10%.				\$ 0.0950	County would benefit by a reduction of 10% in the treatment account since the State and County share the treatment costs 50/50. May result in savings to County Treatment Account of approximately \$95,000.
DHHS	Children's Dental Program Proposal to Reduce grant by 10%			\$ (0.3260)	\$ (0.0228)	2,793 children will not receive oral health education, dental screenings and referrals, dental sealants, and fluoride treatments than during the current year.
DHHS	Immunizations Proposal to Reduce grant by 10%			\$ (0.9700)	\$ (0.0054)	The reduction in funding will impact the Perinatal Hepatitis B Outreach Program by reducing the timeliness of the case management follow-up as well as reduce the number of provider immunization trainings conducted. Also the number of flu clinics will need to be reduced due to less licensed staff available to provide service delivery.
DHHS	California Health & Disability Prevention (CHDP) Case Management County CHDP Case management 10% Reduction			\$ (0.0030)	\$ (0.0674)	Increased caseloads and less service to children (currently Foster Care nurses already average 200-400 cases each). Decrease services in provider trainings and provider audits. See Below Federal Match Impact
DHHS	CHDP Provider Payment Reduction 10%			\$ (1.2120)		The current low rate of reimbursement makes it difficult to maintain CHDP providers. A reduction will result in fewer providers participating in CHDP exams. This means less health care access for children as well as increasing the need for County Clinics to care for children.
DHHS	Childhood Lead Poisoning Prevention Program (LEAD) 10% reduction			Unknown	\$ (0.0300)	Reduction in case management Services and Possible reduction of MOU with Environmental Mgmt Department.
DHHS	CHDP - Dental Services to Adults					While not a service of CHDP the reduction in dental services to adults will result in increased periodontal disease, which is contagious to children and will result in higher rates of periodontal disease in children.
DHHS	In Home Support Services (IHSS) Administration: 10% Reduction			\$ (0.0287)	\$ (1.5626)	Loss of State funding (\$627,600) would result in loss of matching federal funds (\$925,100). Premise of reduction is to change reassessment from 12 months to 18 months with Waiver cases (6%) excluded. W&I Code 12301.1 allows 18 month reassessments based on very limited criteria on a case-by-case basis. The time needed to determine whether a case qualifies for an 18 month reassessment may exceed time needed to complete the 12 month reassessment. Impact is compounded by annual case growth rates of 8% to 10%. Impacts the health and safety of IHSS recipients. Service delivery to IHSS recipients will be reduced and additional federal funding jeopardized.

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DHHS	IHSS Services: 18% Reduction in Provider Hours for Domestic and Related Services (effective 7/1/08) with 4.6% growth			\$ (0.3366)	Unknown	1. Reinstating quarterly Medi-Cal status reports may cause IHSS recipients to lose eligibility for not returning a report even though they are eligible. The County will lose state and federal funding for non-Medi-Cal eligibility. 2. No cuts are proposed to IHSS worker wages and benefits. Major Health Care Reform Bill, ABX 11, will increase state and county costs for IHSS providers. 3. 16% cut for Domestic and Related Service Hours will reduce annual County costs by an estimated \$1,000,000 based on current case counts. This amount will be offset by increasing annual case growth between 8% to 10%.
DHHS	Adult Protective Services (APS): 10% Reduction			\$ (0.1198)	\$ (0.7020)	Loss of State funding (\$289,000) would result in loss of matching federal funds (\$413,000). A decrease in APS funding will eliminate all emergency service contracts, the APS Financial Abuse Investigative Team, clients will no longer be assessed for identified health concerns in a timely manner or consistent with client health needs and APS regulations.
DHHS	Medi-Cal rate reduction 10%	\$ (0.0668)		\$ (1.8144)	Unknown	The effect of reducing Medi-Cal rates to providers might indirectly affect Primary Health Services. Should the County follow the States lead and reduce the rates it currently pays specialty providers to match the proposed, reduced Medi-Cal rate, then the County Medically Indigent Services Program (CMISP) would lose many of its specialty providers, necessitating the use of more expensive referrals to acute care facilities for services. This is an unknown.
<b>GENERAL FUND TOTAL</b>		<b>\$ (0.0642)</b>	<b>\$ (7.3754)</b>	<b>\$ (5.6030)</b>	<b>\$ (11.1524)</b>	
<b>Categorical Impacts</b>						
Sheriff	CAL-MMET - Continuation of program in addition to \$9.5 M existing funding. Funding to be permanent.			\$ 0.0296	Unknown	Continued funding of grant program with possible increases.
Child Support Services	Flat Allocation			Unknown	Unknown	Potential staffing reductions at some DHA sites where we currently co-locate DCSS staff for intake interviews. Potential impact to the Federal Performance Measures for the establishment of paternity & court orders as well as the collection of child support.
Probation	10% reduction in Juvenile Justice Crime Prevention Act funding			\$ (0.0119)	\$ (0.4435)	Possible reductions in Neighborhood Alternative Center and Day Reporting Center
Probation	10% reduction in Juvenile Probation Camps Funding			\$ (0.0201)	\$ (0.4878)	Possible reduction in Boys Ranch, WETYC, Placement, Home Supervision or CPTP
Probation	10% reduction in Prop 36			\$ (0.0100)	\$ (0.1486)	Reduction in Prop 36
Probation	10% reduction in Offender Treatment Program funding (Prop 36)			\$ (0.0020)	\$ (0.0100)	Reduction in Prop 36
Probation	10% reduction in Mentally Ill Offender Crime Reduction			\$ (0.0045)	\$ (0.1816)	Reduction in Juvenile and Adult MIOCR programs
Probation	10% reduction in CAL-MMET program			\$ (0.0030)	\$ (0.0246)	Reduction in CAL-MMET participation
Probation	10% reduction in High Tech Theft			\$ (0.0013)	\$ (0.0070)	Reduction in High Tech Theft participation
Probation	Juvenile Justice Realignment includes the returning of some minors to local jurisdiction for supervision.				\$ (2.8847)	Cost of additional workload created by the non-violent juvenile population that is now the responsibility of the local counties instead of DJJ (formerly known as CYA). Additional workload includes enhancement services, mental health, drug and alcohol, and other services to provide appropriate rehabilitative and supervision services to the above noted youthful offenders. The cost of this additional workload is offset by the estimated increase in Youthful Offender Block Grant identified below.

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Probation	Estimated increase in Youthful Offender Block Grant			\$ 0.0420	\$ 2.8847	Increase services to the Comprehensive Recidivism Intervention and Supervision Program as part of the Juvenile Justice Realignment
Sheriff	10% reduction in Mentally Ill Offender Crime Reduction Grants				\$ (0.0800)	Reduction in Adult MIOCR programs
DHHS	Alcohol and Drug Services: Substance Abuse And Crime Prev	\$ (0.0033)	\$ (0.0001)	\$ (0.0100)	\$ (0.0004)	Services reduced approximately ten percent.
DHHS	Mental Health: Early and Periodic Screening, Diagnosis and Treatment (EPSDT)	\$ (0.0134)	\$ (0.2000)	\$ (0.0926)	\$ (0.3000)	Potential reduction in contracted services.
DHHS	Mental Health Managed Care	\$ (0.0082)	\$ (0.7000)	\$ (0.0238)	\$ (2.1000)	Managed Care revenue is currently allocated to the Mental Health Treatment Center but since a cut of this size is not feasible at that site alone, services across the Division will be reduced.
DHHS	Mental Health Managed Care 3-month payment delay				\$ (0.2000)	Estimated interest earnings lost to the County at 4% rate.
DHHS	County CHDP Case management 10% Reduction			\$ (0.0030)	\$ (0.1246)	Federal Match Impact. Reduce PHN positions resulting in increased caseloads and less service to children (currently Foster Care nurses already average 200-400 cases each). Decrease services in provider trainings and provider audits.
DHHS	Family Health			\$ (0.0047)	\$ (0.0140)	Reduction in Case management services to high risk infants and mothers.
DHHS	Childhood Lead Poisoning Prevention Program (LEAD) 50% reduction in matching funds				\$ (0.0150)	Further reduction of MOU with EMD & case management.
	<b>CATEGORICAL TOTAL</b>	\$ (0.0249)	\$ (0.9001)	\$ (0.1153)	\$ (4.1370)	
<b>Non-General Fund</b>						
Transportation	<b>Proposition 42 Transfer.</b> Funding allocations to counties and cities from Proposition 42 for street and road maintenance will resume in fiscal year 2008-09.	\$ 1.5000	Unknown	\$ 1.5000	\$ 14.0000	The full funding of Proposition 42 in FY 2008-09 will provide the County with an estimated \$12 - \$14 million for road maintenance. This will help to sustain the Department of Transportation's efforts to reduce the County's current \$200 million backlog of deferred pavement maintenance projects.
Transportation	<b>Proposition 1A Debt Payment.</b> The proposal includes a partial repayment of Proposition 42 funds previously suspended in prior years. The proposed amount is the minimum annual repayment as set forth by Proposition 1A, and is the same amount committed in the 2007-08 budget. The repayment is expected to include allocations to counties and cities for street and road maintenance.	\$ 0.0830	\$ 0.5000	\$ 0.0830	\$ 0.5000	It is anticipated that the County will receive approximately \$500,000 for road maintenance if allocations are made to counties and cities from the repayment amount. While this funding has not previously been expected to be available, it is not considered "additional" revenue for road maintenance. It is actually a partial payback of funds that the County should have received in 03-04 and 04-05. During those years the County lost more than \$10 million due to the suspension of Proposition 42 revenues. This interruption of Proposition 42 revenues has impacted the Department's progress in addressing road maintenance and reducing the backlog of pavement rehabilitation needs.

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Transportation	<b>Proposition 1B Highway Transportation.</b> The bond measure provides funding for various highway and transit programs. Notable programs established by Proposition 1B include the Corridor Mobility Improvement Account (CMIA), the Highway 99 program, the State Transportation Improvement Program (STIP) augmentation, the Local Streets and Roads Program, and the State/Local Partnership Program (SLPP). The Budget Proposal includes \$4.7 billion for Proposition 1B programs including funding to meet CMIA, Highway 99 and STIP project needs during FY 2008-09, and \$200 million for the SLPP. Guidelines for the SLPP have not yet been adopted by the State. The adopted State budget for FY 2007-08 includes \$950 million for the Local Streets and Roads Program, with \$400 million to be allocated to counties and \$550 million to cities.	\$ 4.2000	\$ 20.9000	\$ 4.7000	\$ 18.3000	The County has been approved for funding under the CMIA program for the White Rock Road widening project, and has received an allocation of \$1.5 million for the environmental review and preliminary engineering phases of the project. The County has also received an allocation of \$1.45 million from the STIP augmentation for the Hazel Avenue Improvement Project. The Budget Proposal for 2008-09 would continue to support these project needs during FY 2008-09. The Local Streets and Roads Program will receive \$950 million as a result of the enacted 2007-08 State budget, which is nearly half of the total amount authorized for this program by Proposition 1B. Sacramento County will receive about \$15.3 million for roadway improvements and maintenance as a result of this appropriation.
<b>NON-GENERAL FUND TOTAL</b>		<b>\$ 5.7830</b>	<b>\$ 21.4000</b>	<b>\$ 6.2830</b>	<b>\$ 32.8000</b>	
<b>Cash Flow Delays</b>						
DHA	Cash Flow: July & August Claims will be paid in September (Paid by State Dept. of Social Services)			\$ 0.8140	Unknown	Statewide = \$814.2 million, Sacramento County = County stands to lose one month's worth of interest on approximately \$40 million.
DHA	Cash Flow: Medi-CAL administration Payment due usually in September could be delayed.			\$ 0.1640	Unknown	County = County stands to lose one-month's worth of interest on approximately \$11 million.
Voter Reg & Elections	Withholding payment of estimated SB90 claim (\$5.0 million)- Waiting for Actual Costs.	Unknown	Unknown	Unknown	Unknown	None - Mandated
Voter Reg & Elections	Commission on State Mandates proposed loss of one member in 2007-08 and one member in 2008-09.	Unknown	Unknown	Unknown	Unknown	None - Mandated New mandates not reimbursed for years.
Transportation	Gax tax revenues could be delayed from one to up to five months which could range from two million to ten million dollars.			Unknown	Unknown	According to the Legislative Analyst's Office report the delayed monies would be repaid within the same fiscal year. Therefore there is no impact to budgeted dollars but this would impact cash flows temporarily. SacDOT's solution (should there be County cash flow issues) would be to borrow money from Fund 033A with repayment to follow immediately once gas tax revenues are released.
DHHS	Delayed revenue payments			\$ 1.3070	Unknown	Impact of delaying revenue payments: Medi-Cal fee for services institutional providers (\$.35M), Mental Health Managed Care (\$20M), Medi-Cal fee for service disbursement (\$.2M), Medi-Cal Admin (\$2.515), and Early and Periodic Screening Diagnosis and Treatment Program
<b>CASH FLOW DELAYS</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2.2850</b>	<b>\$ -</b>	
<b>TOTAL IMPACT</b>		<b>\$ 5.6939</b>	<b>\$ 13.1245</b>	<b>\$ 2.8497</b>	<b>\$ 17.5106</b>	