



Health Care

**HEALTH CARE
SUMMARY**

GENERAL FUND	Page #	Appropriation	Departmental Revenue	Local Cost
HEALTH CARE ADMINISTRATION SUMMARY	232			
HEALTH CARE ADMINISTRATION	233	73,908,023	58,908,023	15,000,000
BEHAVIORAL HEALTH SUMMARY	257			
BEHAVIORAL HEALTH	259	209,555,393	207,712,640	1,842,753
ALCOHOL AND DRUG SERVICES	264	22,888,424	22,738,966	149,458
PUBLIC HEALTH SUMMARY	277			
PUBLIC HEALTH	279	83,092,275	79,820,646	3,271,629
CALIFORNIA CHILDREN'S SERVICES	283	18,031,236	13,421,503	4,609,733
INDIGENT AMBULANCE	287	472,501	-	472,501
TOTAL GENERAL FUND		<u>407,947,852</u>	<u>382,601,778</u>	<u>25,346,074</u>

SPECIAL REVENUE FUNDS	Page #	Appropriation	Departmental Revenue	Fund Balance
HEALTH CARE:				
AMBULANCE PERFORMANCE BASED FINES	237	-	-	-
PEDIATRIC TRAUMA	239	-	-	-
HOSPITAL PREPAREDNESS	241	-	-	-
MASTER SETTLEMENT AGREEMENT	245	21,230,071	18,600,000	2,630,071
ARROWHEAD REGIONAL MEDICAL CENTER:				
TOBACCO TAX FUNDS	253	1,733,080	879,697	853,383
ARCHSTONE FOUNDATION GRANT	255	-	-	-
BEHAVIORAL HEALTH:				
MENTAL HEALTH SERVICES ACT	267	104,896,234	65,891,200	39,005,034
DRIVING UNDER THE INFLUENCE PROGRAMS	269	458,444	263,673	194,771
BLOCK GRANT CARRYOVER PROGRAM	271	14,317,646	11,022,760	3,294,886
COURT ALCOHOL AND DRUG PROGRAM	273	1,248,299	441,243	807,056
PROPOSITION 36	275	4,454,143	4,228,142	226,001
PUBLIC HEALTH:				
BIO-TERRORISM PREPAREDNESS	289	3,095,535	2,576,813	518,722
TOBACCO USE REDUCTION NOW	291	422,480	403,760	18,720
VITAL STATISTICS STATE FEES	293	726,967	150,752	576,215
VECTOR CONTROL ASSESSMENTS	295	3,582,526	1,634,436	1,948,090
TOTAL SPECIAL REVENUE FUNDS		<u>156,165,425</u>	<u>106,092,476</u>	<u>50,072,949</u>

ENTERPRISE FUNDS	Page #	Appropriation	Departmental Revenue	Revenue Over (Under) Exp
HEALTH CARE:				
MEDICAL CENTER LEASE PAYMENTS	243	43,218,264	42,416,443	(801,821)
ARROWHEAD REGIONAL MEDICAL CENTER SUMMARY	247			
ARROWHEAD REGIONAL MEDICAL CENTER	249	372,909,039	373,079,834	170,795
TOTAL ENTERPRISE FUNDS		<u>416,127,303</u>	<u>415,496,277</u>	<u>(631,026)</u>

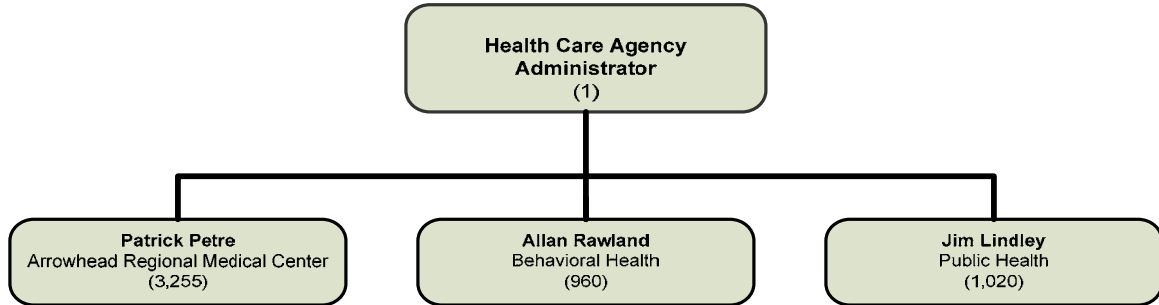


HEALTH CARE ADMINISTRATION

MISSION STATEMENT

To develop and coordinate budgets, policies, and procedures for the county's health care departments in accordance with the strategic goals adopted by the Board of Supervisors, the County Charter, and general laws.

ORGANIZATIONAL CHART



SUMMARY OF BUDGET UNITS

	2009-10					
	Operating Exp/ Appropriation	Revenue	Local Cost	Fund Balance	Revenue Over/ (Under) Exp	Staffing
General Fund						
Health Care Administration	73,908,023	58,908,023	15,000,000			1
Behavioral Health (BH)	209,555,393	207,712,640	1,842,753			899
BH - Alcohol and Drug Services	22,888,424	22,738,966	149,458			61
Public Health (PH)	83,092,275	79,820,646	3,271,629			863
PH - California Children's Services	18,031,236	13,421,503	4,609,733			157
PH - Indigent Ambulance	472,501	-	472,501			-
Total General Fund	407,947,852	382,601,778	25,346,074			1,981
Special Revenue Funds						
Master Settlement Agreement	21,230,071	18,600,000		2,630,071		-
ARMC - Tobacco Tax	1,733,080	879,697		853,383		-
BH - Mental Health Services Act	104,896,234	65,891,200		39,005,034		-
BH - Driving Under the Influence Programs	458,444	263,673		194,771		-
BH - Block Grant Carryover Program	14,317,646	11,022,760		3,294,886		-
BH - Court Alcohol and Drug Program	1,248,299	441,243		807,056		-
BH - Proposition 36	4,454,143	4,228,142		226,001		-
PH - Bio-Terrorism Preparedness	3,095,535	2,576,813		518,722		-
PH - Tobacco Use Reduction Now	422,480	403,760		18,720		-
PH - Vital Statistics State Fees	726,967	150,752		576,215		-
PH - Vector Control Assessments	3,582,526	1,634,436		1,948,090		-
Total Special Revenue Funds	156,165,425	106,092,476		50,072,949		-
Enterprise Funds						
Arrowhead Regional Medical Center (ARMC)	372,909,039	373,079,834			170,795	3,255
Medical Center Lease Payments	43,218,264	42,416,443			(801,821)	-
Total Enterprise Funds	416,127,303	415,496,277			(631,026)	3,255
Total - All Funds	980,240,580	904,190,531	25,346,074	50,072,949	(631,026)	5,236

Detailed information for each departmental budget unit follows, along with a description of the services provided, budget unit history and analysis of the budget unit.



Health Care Administration

DESCRIPTION OF MAJOR SERVICES

The role of the Health Care Administration budget unit is to seek and support opportunities to foster collaboration among the Department of Public Health (DPH), Department of Behavioral Health (DBH), and the Arrowhead Regional Medical Center (ARMC). The administration provides regular fiscal and policy analysis relating to the operations of these departments. Additionally, this administration manages the \$73.9 million Health Care Administration budget unit, which includes funding for ARMC debt service, health related maintenance of effort costs, and transfers required to obtain federal health care funding.

Health care related transactions represented by this budget unit include the Disproportionate Share Hospital (DSH) Supplemental Payments, Realignment AB 8 match, and the county's contribution for ARMC debt service payments.

Intergovernmental Transfers for Medi-Cal Managed Care Capitation Rates

For 2009-10, this budget unit also includes Intergovernmental Transfers (IGT) to the State to fund increased Medi-Cal managed care capitation rate payments to managed care plans that contract with their respective counties. These IGT's are to be used as the non-federal share of the Medi-Cal managed care capitation rate increases. The IGT Proposal became effective for the rate year October 1, 2008 through September 30, 2009. As with the Disproportionate Share Hospital Funds transfers, the IGT matching contributions to the state, as well as the return of that initial investment is reported within this budget unit.

California Medi-Cal Hospital/Uninsured Care Demonstration Project (SB 1100)

Effective July 1, 2005, funding from SB 855 and SB 1255 for the Disproportionate Share Hospital Programs was replaced by SB 1100, California's Medi-Cal Hospital/Uninsured Care Demonstration Project. The prior SB 855 and SB 1255 programs provided supplemental payments to hospitals serving a disproportionate number of low-income individuals, as well as those licensed to provide emergency medical services and contract with the California Medical Assistance Commission (CMAC) to serve Medi-Cal patients under the Selective Provider Contracting Program.

The new funding system, SB 1100, was designed under a Medicaid (Medi-Cal in California) waiver to fund public and private safety-net hospitals providing care to Medi-Cal and uninsured patients. The hospital financing waiver under SB 1100 is comprised of three elements:

- Medi-Cal Fee for Service, which represents federal funds accounted for directly in the Arrowhead Regional Medical Center (ARMC) budget unit, for services provided to Medi-Cal patients;
- Safety Net Care Pool Funds, which provide a fixed amount of federal dollars, also accounted for directly in the ARMC budget unit, to cover uncompensated health care costs, and
- Disproportionate Share Hospital Funds, which continue to be reflected as a matching contribution to the state, and a return of that initial investment, within this budget unit.

Realignment and General Fund Support

General fund support and realignment funds are used to pay for the ARMC debt service lease payments, Realignment AB 8 match and administrative costs related to this budget unit. To qualify for receipt of Health Realignment funding from the state, the county must contribute a "match" of local funds. The county's match for 2009-10 is \$4.3 million, which is based on a formula established through AB 8 in 1979. This amount has remained constant throughout the years.

Realignment funds support this budget as follows:

- Mental Health at 3.5% (which covers half of administrative costs).
- Health at 96.5% (which covers half of administrative costs plus debt service payments).

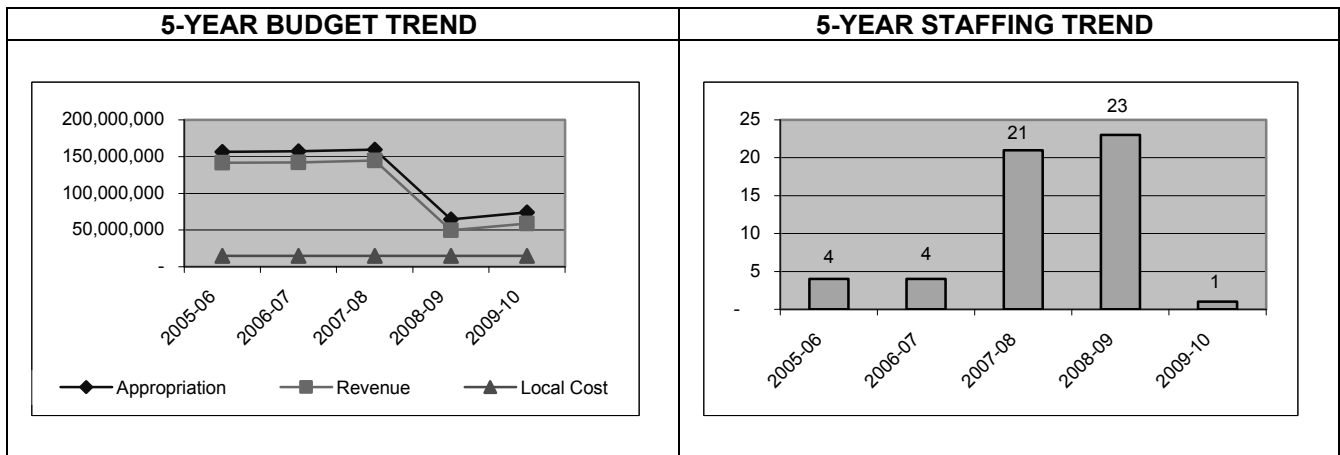
Inland Counties Emergency Medical Agency

The Inland Counties Emergency Medical Agency (ICEMA) was developed under a Joint Powers Agreement with San Bernardino, Inyo and Mono Counties. ICEMA is responsible for ensuring effective emergency medical services for the three county area. Specifically, they are charged with the coordination, evaluation and monitoring of emergency medical services within public and private pre-hospital providers, specialty hospitals, paramedic base hospitals, as well as the effectiveness of Emergency Medical Services (EMS) educational programs and medical disaster preparedness.



In February 2007, the Board of Supervisors approved the separation of ICEMA from the Public Health budget unit, to be included as a separate organization within the Health Care Administration Division and administered directly by the County Administrative Office. After careful discussion with staff from ICEMA and the Auditor-Controller/Recorders Office, it was determined, that by virtue of being a Joint Powers Authority, and as such, a separate agency, the most appropriate method for its accounting would be as a distinct and separate budget unit. Therefore, for 2009-10, ICEMA staff and all corresponding expenditures and revenues are reflected under a new Special Revenue Fund (SMI-ICM), and will be presented in a separate budget document.

BUDGET HISTORY



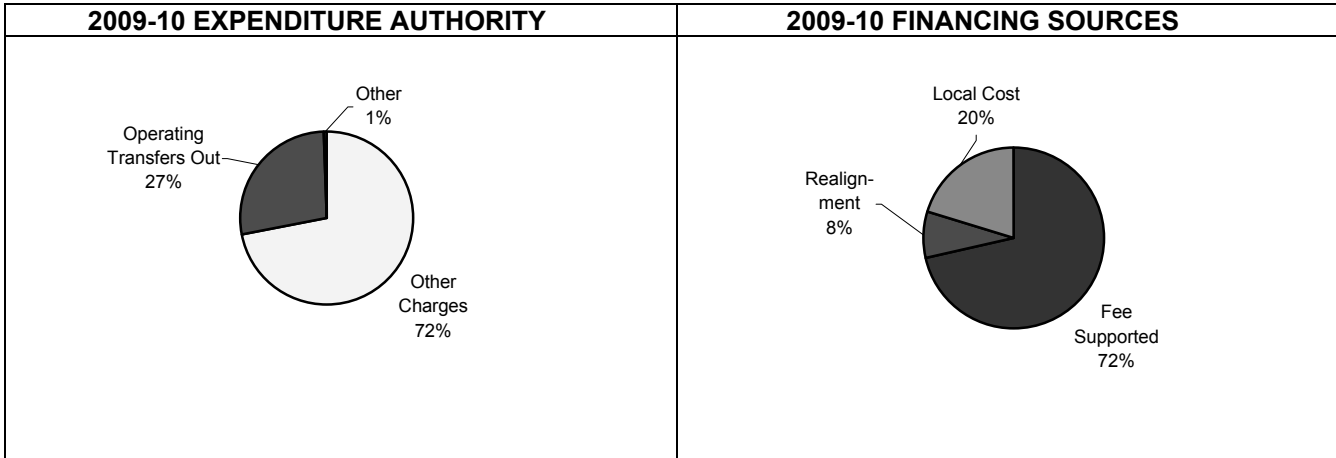
PERFORMANCE HISTORY

	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Modified Budget	2008-09 Actual
Appropriation	53,624,875	61,720,187	54,582,493	65,693,239	61,210,663
Departmental Revenue	38,732,875	46,720,187	39,582,493	50,693,239	46,210,663
Local Cost	14,892,000	15,000,000	15,000,000	15,000,000	15,000,000
Budgeted Staffing				23	

Actual appropriation and departmental revenue for 2008-09 is less than modified budget as a result of lower than anticipated matching transfers and corresponding receipts for SB 1100.



ANALYSIS OF FINAL BUDGET



GROUP: Health Care
DEPARTMENT: Health Care Administration
FUND: General

BUDGET UNIT: AAA HCC
FUNCTION: Health and Sanitation
ACTIVITY: Hospital Care

	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Actual	2008-09 Final Budget	2009-10 Final Budget	Change From 2008-09 Final Budget
Appropriation							
Salaries and Benefits	489,206	550,109	1,691,080	1,813,167	1,882,208	160,774	(1,721,434)
Services and Supplies	92,390	133,826	624,706	781,933	380,283	51,198	(329,085)
Central Computer	2,673	4,604	16,222	18,970	18,970	-	(18,970)
Travel	-	-	-	40,314	58,820	6,000	(52,820)
Other Charges	24,759,402	31,577,091	26,359,118	35,150,833	40,250,000	53,063,500	12,813,500
Equipment	-	-	-	131,520	-	-	-
Transfers	807	170,650	757,462	475,307	737,349	499,813	(237,536)
Total Exp Authority	25,344,478	32,436,280	29,448,588	38,412,044	43,327,630	53,781,285	10,453,655
Reimbursements	-	-	(20,660)	-	-	-	-
Total Appropriation	25,344,478	32,436,280	29,427,928	38,412,044	43,327,630	53,781,285	10,453,655
Operating Transfers Out	28,280,397	29,283,907	25,154,565	22,798,619	21,375,774	20,126,738	(1,249,036)
Total Requirements	53,624,875	61,720,187	54,582,493	61,210,663	64,703,404	73,908,023	9,204,619
Departmental Revenue							
Licenses & Permits	-	-	173,611	194,771	171,808	-	(171,808)
Fines and Forfeitures	-	-	783,197	693,402	470,093	-	(470,093)
Realignment	14,223,473	6,913,310	11,357,710	8,940,756	7,667,942	6,158,023	(1,509,919)
State, Fed or Gov't Aid	-	-	319,295	804,792	254,125	-	(254,125)
Current Services	24,509,402	31,327,091	26,520,777	35,042,912	40,498,000	52,750,000	12,252,000
Other Revenue	-	-	12,620	114,552	9,280	-	(9,280)
Total Revenue	38,732,875	38,240,401	39,167,210	45,791,184	49,071,248	58,908,023	9,836,775
Operating Transfers In	-	8,479,786	415,283	419,479	632,156	-	(632,156)
Total Financing Sources	38,732,875	46,720,187	39,582,493	46,210,663	49,703,404	58,908,023	9,204,619
Local Cost	14,892,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	-
Budgeted Staffing					23	1	(22)

Salaries and benefits of \$160,774 fund one budgeted position, and are decreasing by \$1,721,434. This decrease is the result of the transfer of 22 budgeted positions for the Inland Counties Emergency Medical Agency (ICEMA) to a new special revenue fund.

Services and supplies of \$51,198 and travel of \$6,000 represent anticipated costs for supplies, training, memberships, and travel for Health Care Administration activities. The decrease of \$329,085 for services and supplies, and decrease of \$52,820 for travel are directly related to the transfer of ICEMA to a new budget unit for 2009-10.

Other charges of \$53,063,500 are increasing by \$12,813,500 primarily as a result of the approved Intergovernmental Transfer Proposal to fund Medi-Cal Managed Care capitation rate increases. The increase also reflects anticipated increases in SB 1100 matching contribution transfers to the state.



Transfers of \$499,813 reflect payment to the County Administrative Office for administrative and program support, and to the Information Services Department for the Health Care Division Chief.

Operating transfers out of \$20,126,738 fund \$4.3 million of realignment local match, which must be transferred into trust, before Health Realignment monies can be directed toward the Public Health and Arrowhead Regional Medical Center budget units to fund health programs, and \$15.8 million of net debt service lease payment for Arrowhead Regional Medical Center. This net debt service lease payment is funded by \$15.0 million of Tobacco Master Settlement Agreement monies and an additional \$0.8 million of realignment.

Realignment revenue of \$6,158,023 is decreasing by \$1,509,919 primarily as a result of decreases in net debt service lease payment for Arrowhead Regional Medical Center.

Current services revenue of \$52,750,000 are increasing by \$12,252,000 to reflect anticipated increased revenues associated with SB1100 as well as Medi-Cal managed care capitation rate payment enhancements.



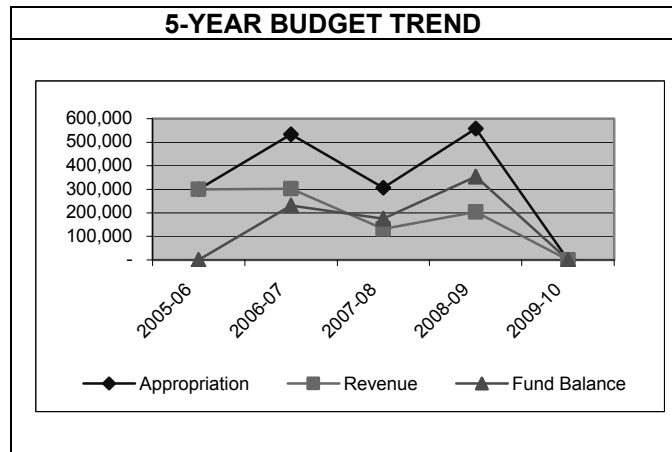
Ambulance Performance Based Fines

DESCRIPTION OF MAJOR SERVICES

This budget unit is set up to collect revenue (fines) associated with ambulance companies' failure to meet contractual response time standards. Fines collected per the terms of the contracts are transferred out as needed to the Inland Counties Emergency Medical Agency (ICEMA). Funds that are transferred are earmarked for the enhancement of the Emergency Medical System.

This is financing budget unit only with fines being transferred from this special revenue fund to reimburse ICEMA for expenditures. There is no staffing associated with this budget unit.

BUDGET HISTORY



PERFORMANCE HISTORY

	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Modified Budget	2008-09 Actual
Appropriation	-	229,597	-	561,972	514,626
Departmental Revenue	231,411	173,637	179,521	207,000	161,958
Fund Balance				354,972	

In accordance with Section 29009 of the California Government Code, the entire unreserved fund balance must be appropriated each year. Accordingly, actual appropriation in this budget unit is typically less than modified budget. The amount not expended is carried over to the subsequent year's budget.

Additionally, actual departmental revenue for 2008-09 is less than modified budget as a result of improved response times on the part of the ambulance providers.

HEALTH CARE



ANALYSIS OF FINAL BUDGET

GROUP: Health Care
DEPARTMENT: Health Care Administration
FUND: Ambulance Performance Based Fines

BUDGET UNIT: SDS HCC
FUNCTION: Health and Sanitation
ACTIVITY: Hospital Care

	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Actual	2008-09 Final Budget	2009-10 Final Budget	Change From 2008-09 Final Budget
Appropriation							
Contingencies	-	-	-	-	461,687	-	(461,687)
Total Appropriation	-	-	-	-	461,687	-	(461,687)
Operating Transfers Out	-	229,597	-	514,626	96,285	-	(96,285)
Total Requirements	-	229,597	-	514,626	557,972	-	(557,972)
Departmental Revenue							
Fines and Forfeitures	227,756	161,068	167,942	150,402	195,000	-	(195,000)
Use of Money and Prop	3,655	12,569	11,579	11,556	8,000	-	(8,000)
Total Revenue	231,411	173,637	179,521	161,958	203,000	-	(203,000)
				Fund Balance	354,972	-	(354,972)

For 2009-10, this special revenue fund has been converted to an agency trust. This new trust will no longer be reflected as a separate budget unit, but will continue to collect the fines previously associated with this special revenue fund. Accordingly, revenues will be recognized and budgeted directly within the new ICEMA special revenue budget unit to cover anticipated program expenditures.



Pediatric Trauma

DESCRIPTION OF MAJOR SERVICES

This budget unit is set up to collect revenue (fines) associated with implementation of SB1773. Chapter 841 of the statutes of 2006, which allows counties to collect an additional two dollars (\$2) for every ten dollars (\$10) or fraction thereof upon various fines, penalties, forfeitures and primary moving violations collected by the San Bernardino Court and deposited into the Maddy Fund.

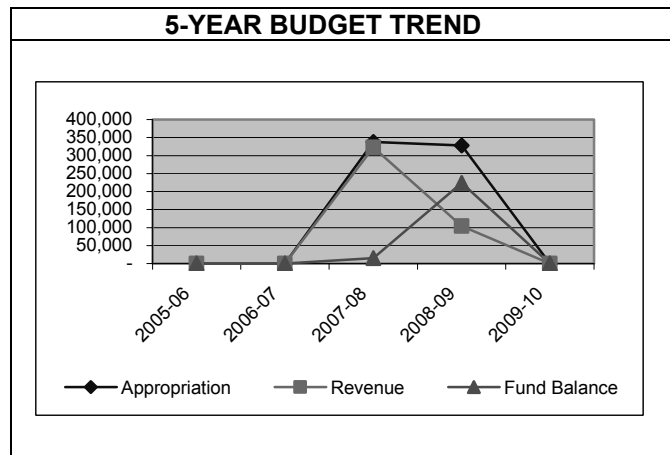
The additional fines collected will be distributed as follows:

- A. 10% for Administration
- B. 15% of the remaining funds to deposited into the Pediatric Trauma Fund; with the remaining 75% of funds further allocated as follows:
 - a. 58% for physician reimbursement
 - b. 25% for hospital reimbursement (Disproportionate Hospitals)
 - c. 17% for Emergency Medical (EMS) Programs

Funds collected are transferred out as needed to the Inland Counties Emergency Medical Agency (ICEMA).

This is a financing budget unit only with funds being transferred from this special revenue fund account to reimburse ICEMA. There is no staffing associated with this budget unit.

BUDGET HISTORY



PERFORMANCE HISTORY

	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Modified Budget	2008-09 Actual
Appropriation	-	-	-	534,312	534,311
Departmental Revenue	-	14,768	209,256	310,288	312,478
Fund Balance				224,024	



ANALYSIS OF FINAL BUDGET

GROUP: Health Care
 DEPARTMENT: Health Care Administration
 FUND: Pediatric Trauma

BUDGET UNIT: SZA HCC
 FUNCTION: Health and Sanitation
 ACTIVITY: Hospital Care

	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Actual	2008-09 Final Budget	2009-10 Final Budget	Change From 2008-09 Final Budget
Appropriation							
Contingencies	-	-	-	-	328,024	-	(328,024)
Total Appropriation	-	-	-	-	328,024	-	(328,024)
Operating Transfers Out	-	-	-	534,311	-	-	-
Total Requirements	-	-	-	534,311	328,024	-	(328,024)
Departmental Revenue							
Fines and Forfeitures	-	-	-	303,096	102,000	-	(102,000)
Use of Money and Prop	-	-	3,412	9,382	2,000	-	(2,000)
Other Revenue	-	14,768	205,844	-	-	-	-
Total Revenue	-	14,768	209,256	312,478	104,000	-	(104,000)
				Fund Balance	224,024	-	(224,024)

For 2009-10, this special revenue fund has been converted to an agency trust. This new trust will no longer be reflected as a separate budget unit, but will continue to collect the fines previously associated with this special revenue fund. Accordingly, revenues will be recognized and budgeted directly within the new ICEMA special revenue budget unit to cover anticipated program expenditures.

HEALTH CARE



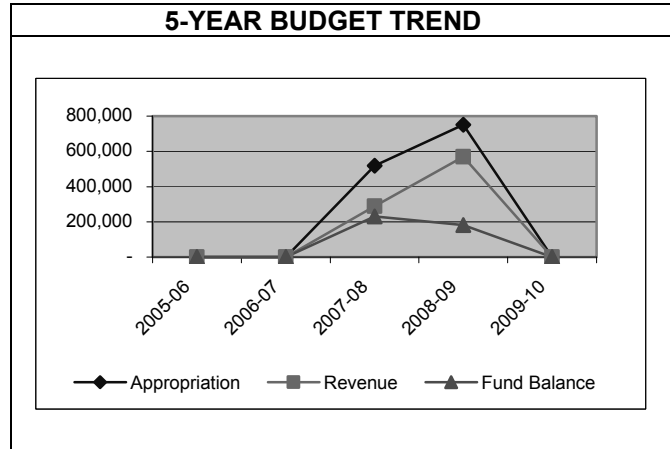
Hospital Preparedness

DESCRIPTION OF MAJOR SERVICES

State bioterrorism funds are received and transferred as needed to the Inland Counties Emergency Medical Agency (ICEMA) as reimbursement for actual preparedness, response and training of hospital staff as it relates to bioterrorism events.

This is a financing budget unit only with funds being transferred from this special revenue fund account to reimburse ICEMA. There is no staffing associated with this budget unit.

BUDGET HISTORY



PERFORMANCE HISTORY

	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Modified Budget	2008-09 Actual
Appropriation	-	-	293,786	1,385,954	412,210
Departmental Revenue	-	230,047	244,667	1,205,025	232,950
Fund Balance				180,929	

In accordance with Section 29009 of the California Government Code, the entire unreserved fund balance must be appropriated each year. Accordingly, actual appropriation in this budget unit is typically less than modified budget. The amount not expended is carried over to the subsequent year's budget.

Additionally, actual appropriation and departmental revenue for 2008-09 is less than modified budget as a result of under-expenditure and reimbursement of Hospital Preparedness grant funds.

HEALTH CARE



ANALYSIS OF FINAL BUDGET

GROUP: Health Care
DEPARTMENT: Health Care Administration
FUND: Hospital Preparedness

BUDGET UNIT: SZB HCC
FUNCTION: Health and Sanitation
ACTIVITY: Hospital Care

	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Actual	2008-09 Final Budget	2009-10 Final Budget	Change From 2008-09 Final Budget
<u>Appropriation</u>							
Contingencies	-	-	-	-	215,147	-	(215,147)
Total Appropriation	-	-	-	-	215,147	-	(215,147)
Operating Transfers Out	-	-	293,786	412,210	535,871	-	(535,871)
Total Requirements	-	-	293,786	412,210	751,018	-	(751,018)
<u>Departmental Revenue</u>							
Use of Money and Prop	-	546	11,313	7,138	10,200	-	(10,200)
State, Fed or Gov't Aid	-	229,501	233,354	225,812	559,889	-	(559,889)
Total Revenue	-	230,047	244,667	232,950	570,089	-	(570,089)
				Fund Balance	180,929	-	(180,929)

For 2009-10, this special revenue fund has been converted to an agency trust. This new trust will no longer be reflected as a separate budget unit, but will continue to collect the revenues previously associated with this special revenue fund. Accordingly, revenues will be recognized and budgeted directly within the new ICEMA special revenue budget unit to cover anticipated program expenditures.



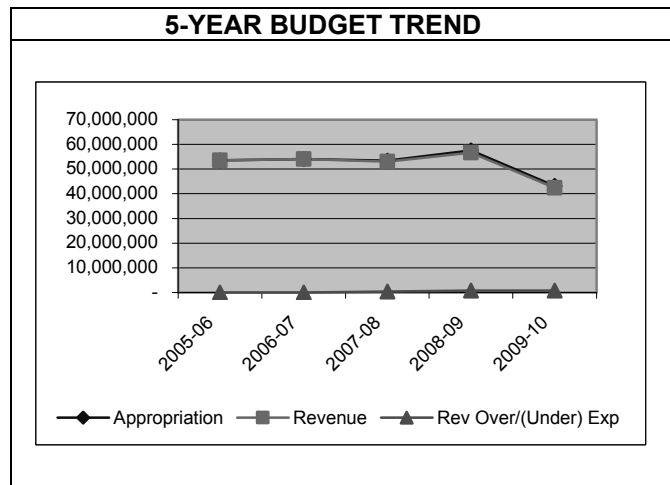
Medical Center Lease Payments

DESCRIPTION OF MAJOR SERVICES

This budget unit finances the cost of long-term lease payments to the Inland Empire Public Facilities Corporation for the Arrowhead Regional Medical Center (ARMC) facility. Funding sources include state revenues from the SB 1732 – Construction Renovation/Reimbursement Program that provides supplemental reimbursement for construction, renovation, or replacement of medical facilities or fixed equipment, operating transfers from ARMC representing Medicare and fee for service revenues, and operating transfers from the general fund backed by Health Realignment revenues and tobacco settlement proceeds.

There is no staffing associated with this budget unit.

BUDGET HISTORY



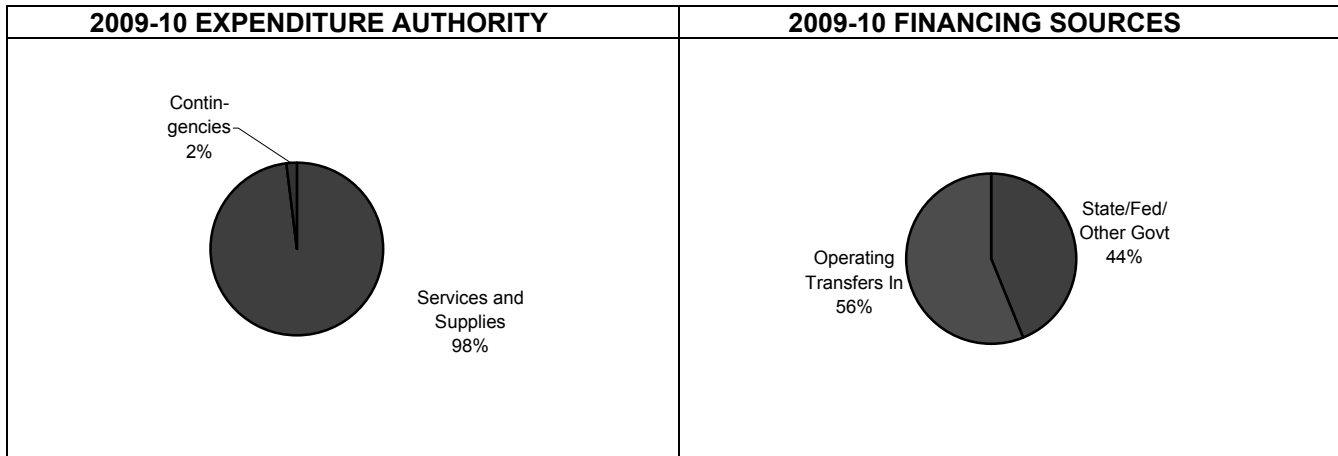
PERFORMANCE HISTORY

	2005-06	2006-07	2007-08	2008-09	2008-09
	Actual	Actual	Actual	Modified Budget	Actual
Appropriation	53,485,019	52,143,704	51,876,528	57,492,452	46,928,209
Departmental Revenue	53,485,019	52,554,589	52,267,464	56,690,631	46,928,209
Rev Over/(Under) Exp	-	410,885	390,936	(801,821)	-

Actual appropriation for 2008-09 is less than modified budget primarily as a result of the final maturity of the 1997 Medical Center equipment bonds, and their associated fees.



ANALYSIS OF FINAL BUDGET



GROUP: Health Care
 DEPARTMENT: Health Care Administration
 FUND: Medical Center Lease Payments

BUDGET UNIT: EMD JPL
 FUNCTION: General
 ACTIVITY: Property Management

	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Actual	2008-09 Final Budget	2009-10 Final Budget	Change From 2008-09 Final Budget
Appropriation							
Services and Supplies	53,485,019	52,143,704	51,876,528	46,928,209	56,690,631	42,416,443	(14,274,188)
Contingencies	-	-	-	-	801,821	801,821	-
Total Appropriation	53,485,019	52,143,704	51,876,528	46,928,209	57,492,452	43,218,264	(14,274,188)
Departmental Revenue							
State, Fed or Govt Aid	21,521,301	26,594,189	23,429,578	19,544,148	19,522,036	18,606,384	(915,652)
Other Revenue	-	-	-	971,000	-	-	-
Total Revenue	21,521,301	26,594,189	23,429,578	20,515,148	19,522,036	18,606,384	(915,652)
Operating Transfers In	31,963,718	25,960,400	28,837,886	26,413,060	37,168,595	23,810,059	(13,358,536)
Total Financing Sources	53,485,019	52,554,589	52,267,464	46,928,209	56,690,631	42,416,443	(14,274,188)
Rev Over/(Under) Exp	-	410,885	390,936	(0)	(801,821)	(801,821)	-

Services and supplies of \$42,416,443 reflect lease payments and associated fees and are decreasing by \$14,274,188 as a result of the final maturity of the 1997 Medical Center equipment bonds.

Contingencies of \$801,821 reflect total monies set aside as a result of interest rate swap agreements, and are retained to offset the county's share of any future increases in debt service caused by the swap agreement.

State aid revenue of \$18,606,384 is decreased by \$915,652 due to a decrease in SB 1732 reimbursement resulting from the final maturity of the 1997 Medical Center equipment bonds. A portion of the medical center lease payments is reimbursed by the state through the Construction Renovation/Reimbursement Program (SB 1732). The amount reimbursed by the state depends on the allowable lease payments multiplied by a rate that is calculated by the state every year. The rate fluctuates up or down based on the actual Medi-Cal inpatient days paid to Arrowhead Regional Medical Center.

Operating transfers in of \$23,810,059 are funded by \$10.7 million of Tobacco Master Settlement Agreement monies and \$5.1 million of Health Realignment. The remaining \$8.0 million represents revenues anticipated to be generated by Arrowhead Regional Medical Center and transferred to finance the remaining debt service lease payment.



Master Settlement Agreement

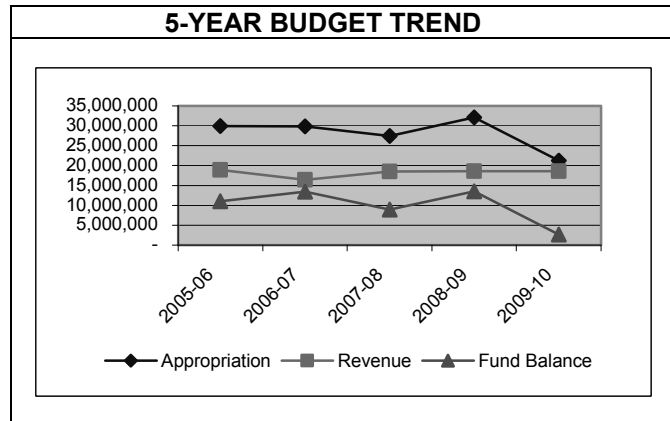
DESCRIPTION OF MAJOR SERVICES

This budget unit accounts for proceeds received from the tobacco lawsuit Master Settlement Agreement (MSA). In late 1998 a settlement was reached in a lawsuit filed by states against the tobacco industry. In California, the proceeds of the settlement are to be divided equally between the state and local governments who partnered in the lawsuit. Payments to local governments are based on a formula involving total tobacco sales and each local entity's population.

A majority of the county's total proceeds are used each year to finance a portion of the Arrowhead Regional Medical Center debt.

There is no staffing associated with this budget unit.

BUDGET HISTORY



PERFORMANCE HISTORY

	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Modified Budget	2008-09 Actual
Appropriation	15,000,000	19,000,000	15,000,000	32,084,079	32,084,079
Departmental Revenue	17,438,142	18,440,431	19,549,193	18,600,000	21,230,071
Fund Balance				13,484,079	

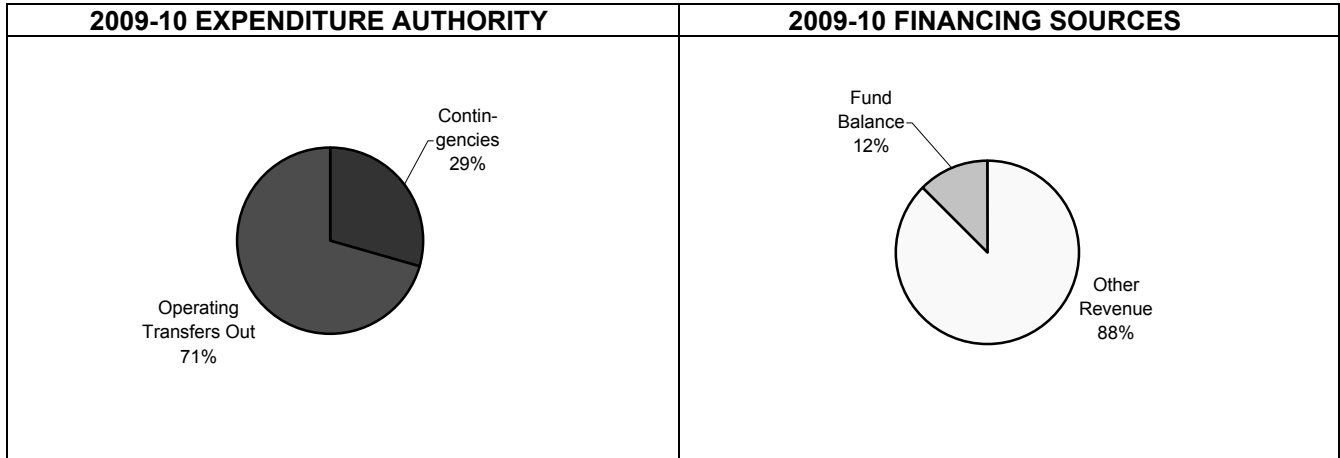
On March 17, 2009, the Board of Supervisors authorized the use of Master Settlement Agreement Contingencies, in the amount of \$17,084,079 to help fund the Arrowhead Regional Medical Center, Medical Office Building Project (ARMC-MOB). It was originally intended that Health Realignment fund balances be used to fund the ARMC-MOB. However, due to the significant decline in vehicle license fees and sales tax, the two sources of Realignment funding, it was recommended that the available balance within the Master Settlement Agreement budget unit be utilized for the project. At such time as Realignment revenues become available again, Realignment funds will be substituted for Master Settlement Agreement expenditures, where allowable, to offset the usage of Master Settlement Agreement fund balance.

Additionally, in 2008-09, approximately \$1.5 million of the total amount received was related to distributions from a Disputed Payments Account. These payments are distributions of monies that had previously been held in escrow. Certain participating manufacturers of the Master Settlement Agreement dispute that their share of the annual payments made between 2003 and 2007 should have been reduced as a result of loss of market share. As such, the companies placed monies into a Disputed Payments Account until such time as the courts resolved the issue. The monies distributed during 2008-09 were related to sales year 2005.

It should be noted, however, that the distribution does not signify that a resolution was reached regarding 2005 sales and ensuing payments. The money is still under dispute, but was simply released in an effort to advance resolution of the dispute. Should the tobacco manufacturers prevail, the monies will be returned to the manufacturers, via reduced settlement payments in the future.



ANALYSIS OF FINAL BUDGET



GROUP: Health Care
DEPARTMENT: Health Care Administration
FUND: Master Settlement Agreement

BUDGET UNIT: RSM MSA
FUNCTION: Health and Sanitation
ACTIVITY: Hospital Care

	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Actual	2008-09 Final Budget	2009-10 Final Budget	Change From 2008-09 Final Budget
Appropriation							
Other Charges	-	4,000,000	-	-	-	-	-
Contingencies	-	-	-	-	17,084,079	6,230,071	(10,854,008)
Total Appropriation	-	4,000,000	-	-	17,084,079	6,230,071	(10,854,008)
Operating Transfers Out	15,000,000	15,000,000	15,000,000	32,084,079	15,000,000	15,000,000	-
Total Requirements	15,000,000	19,000,000	15,000,000	32,084,079	32,084,079	21,230,071	(10,854,008)
Departmental Revenue							
Use of Money and Prop	479,359	689,674	651,795	464,787	600,000	600,000	-
Other Revenue	16,958,783	17,750,757	18,897,398	20,765,284	18,000,000	18,000,000	-
Total Revenue	17,438,142	18,440,431	19,549,193	21,230,071	18,600,000	18,600,000	-
				Fund Balance:	13,484,079	2,630,071	(10,854,008)

Contingencies of \$6,230,071 are decreased by \$10,854,008 based on available fund balance.

Operating transfers out of \$15.0 million reflect a transfer to the General Fund which is then used to fund the local cost within the Health Care Administration budget unit. Health Care Administration uses that local cost to fund the \$4.3 million realignment local match requirement and \$10.7 million of net debt service lease payment for Arrowhead Regional Medical Center.

Other revenue of \$18.0 million reflects anticipated revenue received from the major tobacco companies to the Master Settlement Agreement budget unit.



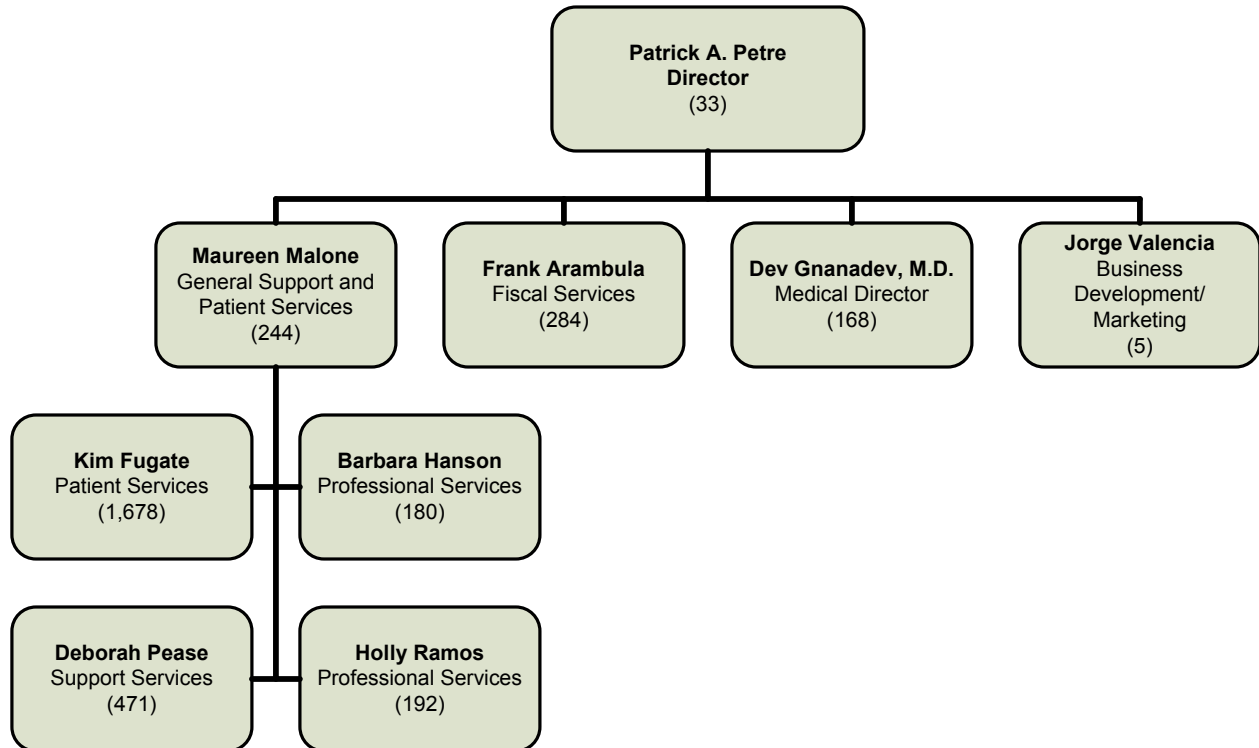
ARROWHEAD REGIONAL MEDICAL CENTER

Patrick A. Petre

MISSION STATEMENT

The San Bernardino County “Arrowhead Regional Medical Center” (ARMC) is a safety net hospital with the primary mission of providing quality healthcare, a basic necessity of humankind, to the residents of San Bernardino County. We continuously strive to improve the health of the communities we serve and become the provider of choice for healthcare delivery and education.

ORGANIZATIONAL CHART



STRATEGIC GOALS

1. Increase selected medical center volumes.
2. Enhance reimbursement and other revenue streams.
3. Develop integrated countywide community clinical services.
4. Develop/implement sound cost containment strategies.
5. Ensure a quality focus in the provision of patient care services.

HEALTH CARE



PERFORMANCE MEASURES				
Description of Performance Measure	2007-08 Actual	2008-09 Target	2008-09 Actual	2009-10 Target
Percentage change of Inpatient bed days thru: - 24 additional beds, 7,884 Inpatient Days, - Lap band Surgeries, 150 inpatient days, - Open heart Surgeries, 600 inpatient days.	(9.2%) (106,276 bed days)	3%	0.2%	8%
Contract Compliance. Percentage of contracts utilized under the UHC Novation contracts.	80%	89%	93%	95%
Product standardization. Dollar savings realized from consolidating product vendors.	N/A	150,000	708,000	600,000
Achieve and maintain Core Measures Compliance at 100% for all the Core Measures by June 2010. #2. Chronic Heart Failure (CHF)	83%	90%	98%	100%
Achieve and maintain Core Measures Compliance at 100% for all the Core Measures by June 2010. #3. Pneumonia	87%	90%	91%	100%
Achieve and maintain Core Measures Compliance at 100% for all the Core Measures by June 2010. #4. Surgical Care Improvement Project (SCIP)	96%	90%	97%	100%
Number of Occupational Employee Injuries.	420	430	280	210

SUMMARY OF BUDGET UNITS

	2009-10				
	Operating Exp/ Appropriation	Revenue	Fund Balance	Revenue Over/ (Under) Exp	Staffing
<u>Special Revenue Fund</u>					
Tobacco Tax	1,733,080	879,697	853,383		-
Total Special Revenue Fund	1,733,080	879,697	853,383		-
<u>Enterprise Fund</u>					
Arrowhead Regional Medical Center	372,909,039	373,079,834		170,795	3,255
Total Enterprise Fund	372,909,039	373,079,834		170,795	3,255
Total - All Funds	374,642,119	373,959,531	853,383	170,795	3,255

Detailed information for each departmental budget unit follows, along with a description of the services provided, budget unit history and analysis of the budget unit.



Arrowhead Regional Medical Center

DESCRIPTION OF MAJOR SERVICES

Arrowhead Regional Medical Center (ARMC) is a state-of-the-art acute care facility embracing advanced technology in all patient and support areas. ARMC offers the latest in patient care by providing a full range of inpatient and outpatient services, three off campus community health centers, Department of Behavioral Health's inpatient activities and numerous specialty services. Freeway access, shuttle service and close proximity to an Omni-trans bus hub make ARMC convenient to county residents.

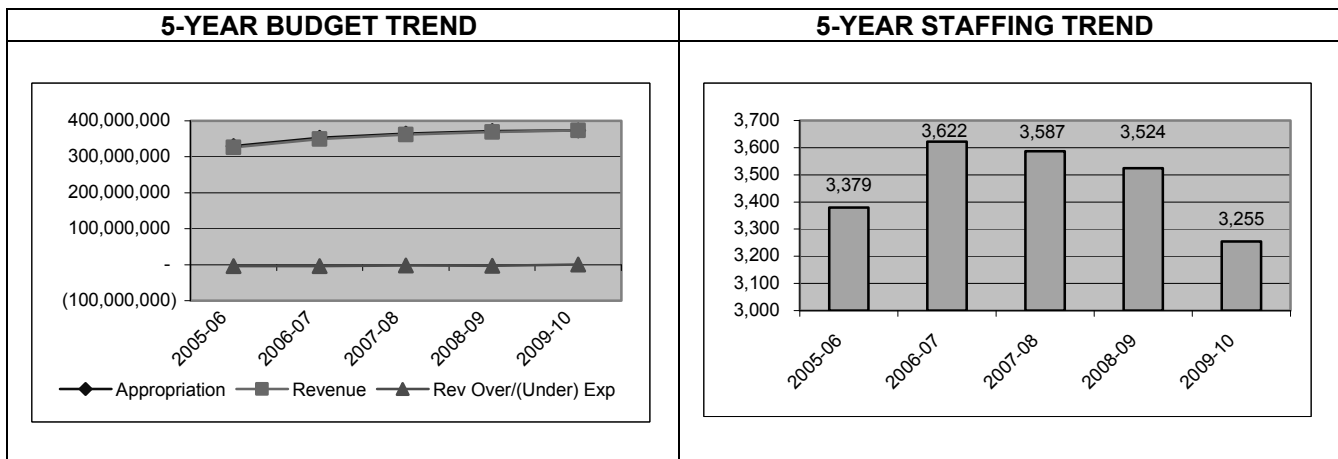
ARMC and Behavioral Health facilities are comprised of 373 (90 in Behavioral Health and 283 in ARMC) inpatient rooms, most of which are private. The Emergency Department is a Level II Trauma Center and consists of 15 observation rooms, 8 treatment rooms, 3 law enforcement holding rooms, 8 trauma rooms and a 9 bay Rapid Medical Emergent Treatment area to expedite treatment and improve throughput. The helicopter landing area can accommodate both standard Medi-Vac helicopters and military helicopters. The outpatient care center consists of 109 examination rooms and 8 procedure rooms.

The campus houses five buildings which also serve to outline the definitive services/medical center functions: Behavioral Health, Hospital, Outpatient Care Center, Diagnostic & Treatment and the Central Plant. This year, nine temporary modular buildings were added to the Northwest corner of the campus. This is temporary housing for departments and accompanying staff displaced during the current hospital expansion project. This project started in early 2008 when we began the process of demolishing the sixth floor in order to renovate it for an additional 83 medical/surgical beds. These beds will be separated into three distinct units that will become operational on a phased-in schedule beginning approximately October 2009. This expansion will bring total bed capacity to 456.

Inpatient Care: Inpatient services provide curative, preventative, restorative and supportive care for general and specialty units within the General Acute Care Hospital, Behavioral Health Hospital and Home Health. Care is coordinated among multiple care providers responsible for patient care twenty-four hours a day. Nursing functions as a primary interface with patients, families and others and is often the interpreter for the hospital experience and treatment plan. Education is a primary focus and ARMC offers numerous Residency Programs for the training of physicians in Family Practice, Emergency Medicine, Surgery, Neurosurgery, Women's Health, and Internal Medicine.

Outpatient Services: Outpatient Care is an integral part of our multifaceted healthcare delivery system offering a wide range of emergency, primary, preventive, chronic, follow-up and specialty care in an ambulatory care setting. Visits have exceeded 250,000 annually exclusive of the Emergency Room volume. Mobile services have been expanded to one Mobile Clinic and two Breath mobile units for a total of three. This will allow clinical services to be delivered in outlying areas and county emergencies when it is needed.

BUDGET HISTORY



PERFORMANCE HISTORY

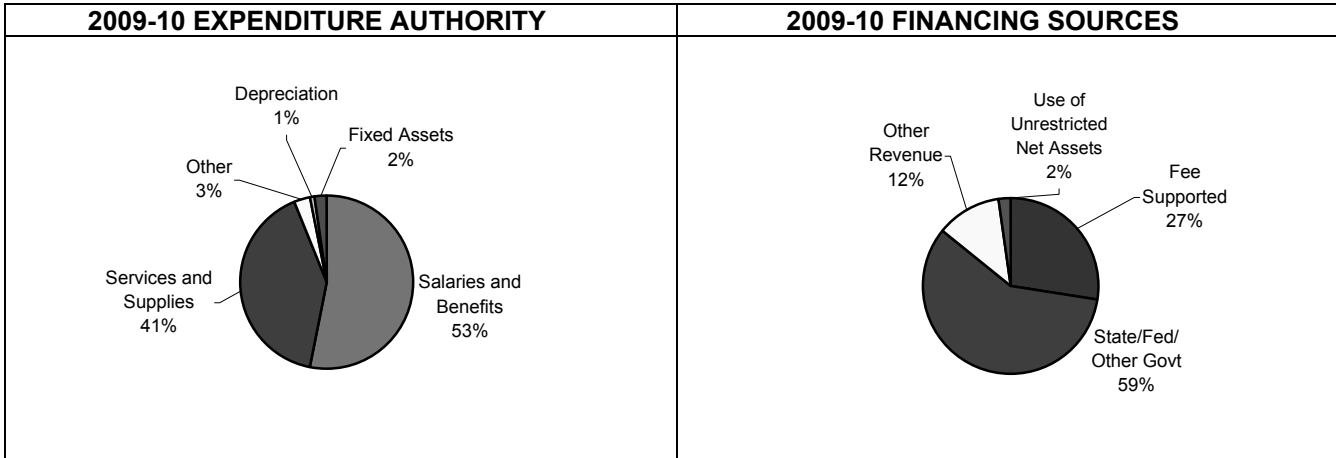
	2005-06	2006-07	2007-08	2008-09	2008-09
	Actual	Actual	Actual	Modified	Actual
				Budget	
Appropriation	338,756,350	360,589,659	374,386,386	371,327,218	384,635,546
Departmental Revenue	325,302,143	352,805,258	374,171,464	368,673,065	389,351,068
Revenue Over/(Under) Exp	(13,454,207)	(7,784,401)	(214,922)	(2,654,153)	4,715,522
Budgeted Staffing				3,524	
Fixed Assets	1,539,482	2,468,254	10,892,792	15,255,023	7,270,737
Unrestricted Net Assets Available at Year End	-	-	-	-	-

Actual appropriation for 2008-09 is \$384,629,655 versus a modified budget of \$371,327,218. This is an unfavorable variance of \$13,302,437 and is related to items in all expense categories. Variances are related to overages in staffing and overtime expense caused by employee turnover/replacement, pharmacy drug expenses related to patient acuity, and selected vendor expenses that were incurred during the year to address specific needs within the medical records and patient billing departments. These cost variances, however, have been addressed in the 2009-10 budget.

Actual departmental revenue for 2008-09 reflects an increase of \$20,678,003 over modified budget primarily due to the unanticipated prior year settlements in SB 1100 Medi-Cal funding.



ANALYSIS OF FINAL BUDGET



GROUP: Health Care
DEPARTMENT: Arrowhead Regional Medical Center
FUND: Medical Center

BUDGET UNIT: EAD MCR
FUNCTION: Health and Sanitation
ACTIVITY: Hospital Care

	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Actual	2008-09 Final Budget	2009-10 Final Budget	Change From 2008-09 Final Budget
Appropriation							
Salaries and Benefits	175,477,648	191,107,523	197,245,389	203,139,752	204,249,747	202,163,889	(2,085,858)
Services and Supplies	146,463,897	151,305,402	158,945,121	160,891,305	148,991,816	154,009,765	5,017,949
Central Computer	910,103	1,075,193	1,283,275	1,655,854	1,416,972	1,680,881	263,909
Travel	-	-	-	281,134	505,926	498,694	(7,232)
Other Charges	1,026,124	1,023,734	938,124	1,229,469	790,681	978,852	188,171
Transfers	974,489	1,144,292	1,355,969	1,845,348	1,383,219	1,533,726	150,507
Total Exp Authority	324,852,261	345,656,144	359,767,878	369,042,862	357,338,361	360,865,807	3,527,446
Reimbursements	-	(5,000)	(144,325)	(10,000)	53,000	-	(53,000)
Total Appropriation	324,852,261	345,651,144	359,623,553	369,032,862	357,391,361	360,865,807	3,474,446
Depreciation	5,904,089	5,927,187	6,437,443	7,123,217	5,935,857	3,593,232	(2,342,625)
Operating Transfers Out	8,000,000	9,011,328	8,325,390	8,479,467	8,000,000	8,450,000	450,000
Total Requirements	338,756,350	360,589,659	374,386,386	384,635,546	371,327,218	372,909,039	1,581,821
Departmental Revenue							
Licenses & Permits	-	-	-	(20)	-	-	-
Use of Money and Prop	126	(125)	44,597	-	-	-	-
State, Fed or Gov't Aid	181,560,624	201,726,300	217,227,157	228,968,665	197,358,613	222,707,589	25,348,976
Current Services	93,242,062	99,837,741	117,437,087	114,095,052	124,369,846	104,445,185	(19,924,661)
Other Revenue	10,814,880	4,854,160	1,081,538	6,260,931	4,461,688	6,178,291	1,716,603
Total Revenue	285,617,692	306,418,076	335,790,379	349,324,628	326,190,147	333,331,065	7,140,918
Operating Transfers In	39,684,451	46,387,182	38,381,085	40,026,440	42,482,918	39,748,769	(2,734,149)
Total Financing Sources	325,302,143	352,805,258	374,171,464	389,351,068	368,673,065	373,079,834	4,406,769
Rev Over/(Under) Exp	(13,454,207)	(7,784,401)	(214,922)	4,715,522	(2,654,153)	170,795	2,824,948
				Budgeted Staffing	3,524	3,255	(269)
Fixed Assets							
Equipment	1,039,732	1,126,356	9,227,997	5,850,781	13,824,915	7,428,769	(6,396,146)
L/P Equipment	499,750	1,341,898	1,664,795	1,419,956	1,430,108	827,474	(602,634)
Total Fixed Assets	1,539,482	2,468,254	10,892,792	7,270,737	15,255,023	8,256,243	(6,998,780)

Salaries and benefits of \$202,163,889 fund 3,255 budgeted positions and are decreasing by \$2,085,858. Budgeted staffing decreased by 269 positions. This reduction is comprised of the deletion of vacant regular positions, and the elimination of various extra-help and contract positions. ARMC conducted a comprehensive review of all departmental positions and revised its staffing structure for 2009-10 with the intent of becoming more efficient. State mandated staffing ratios, however, were ensured and are continued and budgeted for 2009-10.

Services and supplies of \$154,009,765 is increasing by \$5,017,949. This increase of 3.3% is primarily driven by price/inflationary increases per contract and the planned opening of one of the sixth floor nursing units as part of the sixth floor patient room expansion.



Travel of \$498,694 reflects anticipated travel costs in the areas of private mileage, air travel, hotel, car rental and conference fees for this budget unit. These costs are based on departmental analysis of prior year travel related expenses.

Other charges of \$978,852 reflect expenses related to the county medically indigent program and interest on lease agreements.

Transfers of \$1,533,726 are increasing by \$150,507 and include payment to other departments for Human Resources employee relations, the Employee Health and Productivity (EHaP) program, and lease costs.

Depreciation of \$3,593,232 decreasing by \$2,342,625 per department's depreciation schedule.

Operating transfers out of \$8,450,000 is for the Medical Center Debt Service and represents ARMC's contribution from operations. A detailed description of the Medical Center Debt Service is available in the County Administrative Office's Medical Center Lease Payments budget unit.

Revenue of \$333,331,065 is increasing by \$7,140,918, or 2.2% over prior year. This amount includes \$222,707,589 in state and federal aid primarily from Medi-Cal and Medicare, \$104,445,185 in current services from private pay patients and insurance, and \$6,178,291 in other revenue from cafeteria sales, miscellaneous grants, and services provided to other county departments and hospitals. ARMC finance administration continues to improve the revenue cycle systems to maximize collections.

Operating transfers in of \$39,748,769 reflects the Realignment contribution to the operations of the hospital and includes \$34,820,000 for operations, \$2,550,000 for the Medically Indigent program, \$577,671 of remaining one-time funding for the purchase of a linear accelerator, and \$1,801,098 in one-time funding for the purchase of an open MRI.

Currently, ARMC has an operating surplus of \$170,795. This accomplishment is a combination of maximizing revenues and expense containment initiatives.

Fixed assets of \$8,256,243 include \$7,428,769 for equipment and \$827,474 for lease purchase equipment. Equipment includes \$477,671 for the remaining amount due for the linear accelerator, \$1,451,098 for the purchase of an open MRI, and \$5,500,000 to replace aging equipment.

Tobacco Tax Funds

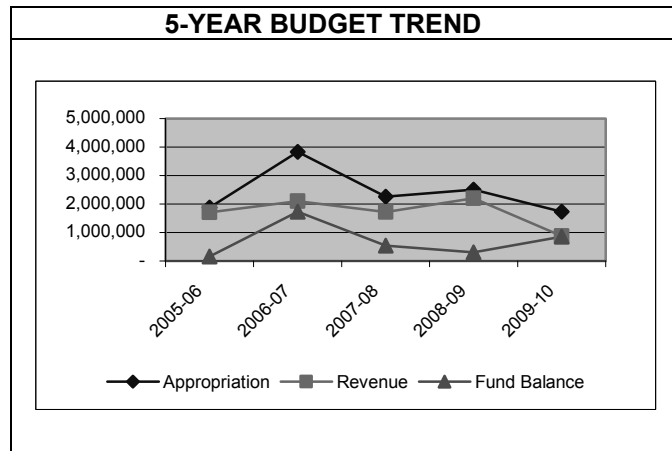
DESCRIPTION OF MAJOR SERVICES

In November 1988, California Voters approved the California Tobacco Health Protection Act of 1988, also known as Proposition 99. This referendum increased the state cigarette tax by 25 cents per pack and added an equivalent amount on other tobacco products. The new revenues were earmarked for programs to reduce smoking, to provide health care services to indigents, to support tobacco-related research, and to fund resource programs for the environment.

Arrowhead Regional Medical Center (ARMC) established the county tobacco tax funds in 1989-90 to facilitate the transfer of Tobacco Tax monies to the county hospital, non-county hospitals, and physicians, when notified and as required by the State.

There is no staffing associated with this budget unit.

BUDGET HISTORY



PERFORMANCE HISTORY

	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Modified Budget	2008-09 Actual
Appropriation	1,409,364	2,885,810	2,027,408	2,507,991	322,521
Departmental Revenue	2,976,274	1,695,595	1,792,619	2,202,553	870,103
Fund Balance				305,438	

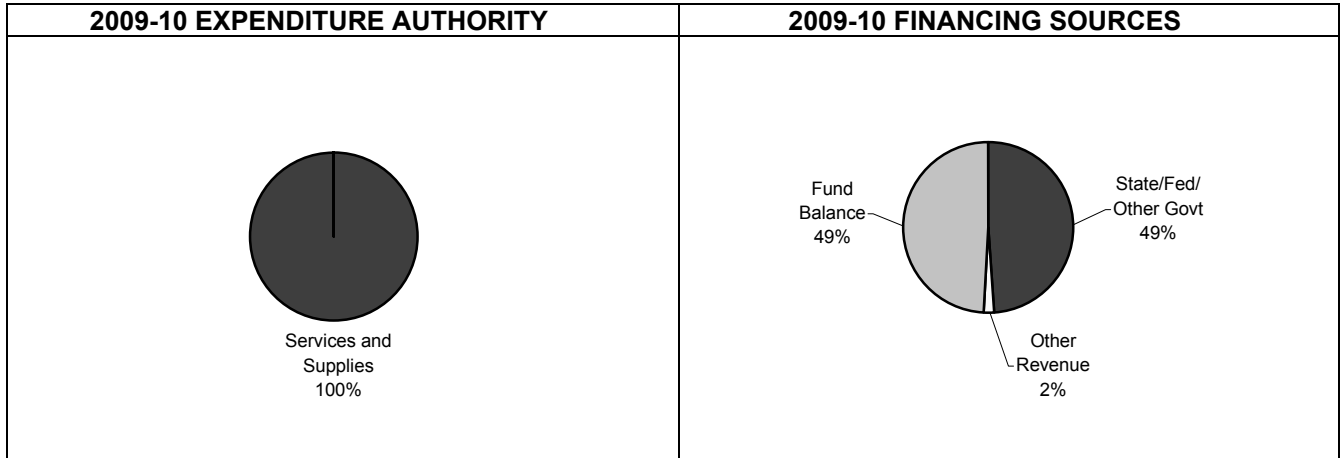
In accordance with Section 29009 of the State Government Code, the entire unreserved fund balance must be appropriated each year. Accordingly, actual appropriation in this budget unit is typically less than modified budget. The amount not expended is carried over to the subsequent year's budget.

Additionally, actual appropriation and departmental revenue for 2008-09 is less than modified budget due to the state failing to appropriate allocations for the County Hospitals, Non-County Hospitals and Physicians Funds.

HEALTH CARE



ANALYSIS OF FINAL BUDGET



GROUP: Health Care
DEPARTMENT: Arrowhead Regional Medical Center
FUND: Tobacco Tax Funds

BUDGET UNIT: RGA through RGR, and RHB
FUNCTION: Health and Sanitation
ACTIVITY: Hospital Care

	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Actual	2008-09 Final Budget	2009-10 Final Budget	Change From 2008-09 Final Budget
Appropriation							
Services and Supplies	1,407,500	2,885,810	2,027,408	322,521	2,505,072	1,733,080	(771,992)
Transfers	1,864	-	-	-	-	-	-
Total Appropriation	1,409,364	2,885,810	2,027,408	322,521	2,505,072	1,733,080	(771,992)
Operating Transfers Out	-	-	-	-	2,919	-	(2,919)
Total Requirements	1,409,364	2,885,810	2,027,408	322,521	2,507,991	1,733,080	(774,911)
Departmental Revenue							
Use of Money and Prop	20,673	53,142	22,438	5,593	64,573	32,000	(32,573)
State, Fed or Gov't Aid	2,955,601	1,642,453	1,770,181	864,018	2,137,980	847,697	(1,290,283)
Other Revenue	-	-	-	492	-	-	-
Total Revenue	2,976,274	1,695,595	1,792,619	870,103	2,202,553	879,697	(1,322,856)
				Fund Balance	305,438	853,383	547,945

Services and supplies of \$1,733,080 represent anticipated allocation amounts determined by the state and allocated to contracted hospitals and physicians for 2009-10. Additionally, it includes the allocation of funding from prior years.

Departmental revenue of \$879,697 includes \$847,697 from the state and \$32,000 in interest. The decrease of \$1,322,856 is primarily due to the anticipation that the state will again fail to appropriate allocations for the County Hospitals, Non-County Hospitals and Physicians Funds, and decreased interest.



Archstone Foundation Grant

HEALTH CARE

MISSION STATEMENT

The medical staff of Arrowhead Regional Medical Center (ARMC), developed and operate ARMC's Dependent Adult and Elder Abuse Program that is funded with Archstone Foundation grant monies.

STRATEGIC GOALS

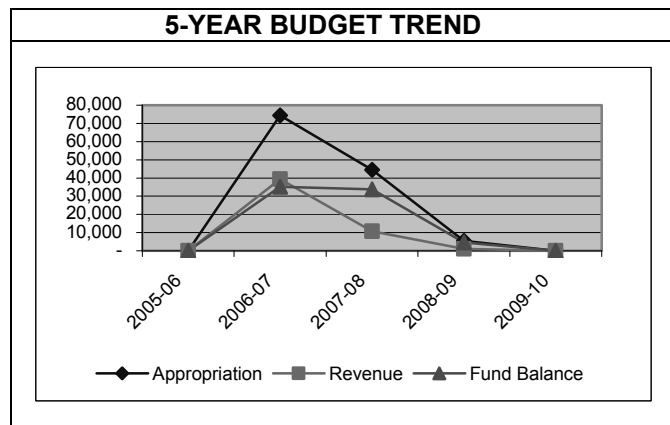
1. Establish a coordinating body representing leadership from ARMC, Department of Aging and Adult Services, and the District Attorney Elder Abuse Unit.
2. Develop internal and external training for program professionals and key members of an interdisciplinary team.
3. Develop a mechanism for ongoing referral of dependent adults and elders suspected of being mistreated from local protective agencies to ARMC medical team for the purpose of assessment and treatment.
4. Establish a multidisciplinary team meeting schedule.

DESCRIPTION OF MAJOR SERVICES

Arrowhead Regional Medical Center (ARMC) established this budget unit in 2005-06 to facilitate the receipt of grant funds from the Archstone Foundation. The Archstone Foundation is a private grant-making organization, whose mission is to contribute towards the preparation of society in meeting the needs of an aging population. The grant was issued to provide ARMC with the resources necessary to incorporate a medical consultation element into existing county efforts in the area of elder abuse and neglect. The funds are required to be deposited into interest-bearing accounts, with all proceeds to be spent on prevention and detection of elder abuse and neglect. The grant cycle ended June 30, 2008. Therefore, this budget unit was closed out during 2008-09.

There is no staffing associated with this budget unit.

BUDGET HISTORY



PERFORMANCE HISTORY

	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Modified Budget	2008-09 Actual
Appropriation	-	41,791	34,147	5,534	4,645
Departmental Revenue	35,105	40,393	4,975	1,000	111
Fund Balance				4,534	

As this grant termed on June 30, 2008, all residual monies received during 2008-09 have been distributed.



ANALYSIS OF FINAL BUDGET

GROUP: Health Care
 DEPARTMENT: Arrowhead Regional Medical Center
 FUND: Archstone Foundation Grant

BUDGET UNIT: RMT MCR
 FUNCTION: Health and Sanitation
 ACTIVITY: Hospital Care

	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Actual	2008-09 Final Budget	2009-10 Final Budget	Change From 2008-09 Final Budget
Appropriation							
Services and Supplies	-	41,791	34,147	4,645	5,534	-	(5,534)
Total Appropriation	-	41,791	34,147	4,645	5,534	-	(5,534)
Departmental Revenue							
Use of Money and Prop	-	1,387	1,074	111	1,000	-	(1,000)
Other Revenue	35,105	39,006	3,901	-	-	-	-
Total Revenue	35,105	40,393	4,975	111	1,000	-	(1,000)
				Fund Balance	4,534	-	(4,534)

As this grant termed on June 30, 2008, no budget is being presented for 2009-10.

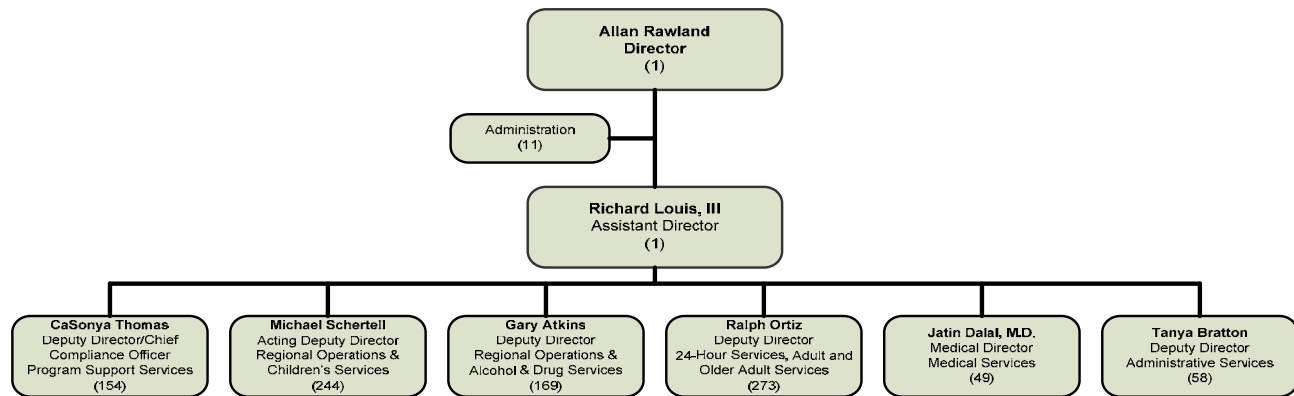


BEHAVIORAL HEALTH Allan Rawland

MISSION STATEMENT

The Department of Behavioral Health (DBH) will help individuals living with the problems of mental illness and substance abuse to find solutions to challenges they face so that they may function well within their families and the community. The DBH staff will be sensitive to and respectful of all clients, their families, culture and languages. The DBH will use the taxpayers' money wisely to meet its goals while following all governmental guidelines and requirements. The DBH will provide a pleasant workplace for its staff members so that they may be creative and effective in their jobs. The DBH will provide a pleasant environment for clients in which to receive services.

ORGANIZATIONAL CHART



STRATEGIC GOALS

1. Increase access to individuals that are underserved or who are receiving a limited level of services.
2. Develop integrated countywide community clinical services.
3. Increase access and reduce disparities among the diverse racial, ethnic and cultural communities.
4. Develop an integrated plan for system transformation in accordance with the MHSa framework.
5. Implement strategies for successful quality improvement in behavioral health.

PERFORMANCE MEASURES				
Description of Performance Measure	2007-08 Actual	2008-09 Target	2008-09 Actual	2009-10 Target
Percentage increase in clients served by crisis and early response programs (Juvenile Diversion Program, Crisis Walk-In Centers, Forensic Assertive Community Treatment, Assertive Community Treatment for Frequent Users of Hospital Care and Diversion Team at ARMC). (4,870 clients served in 2007-08)	N/A	15%	119%	25%
Produce individual plans detailing patient demographics, site locations, systems integration, fiscal requirements and program design for two of the proposed integrated service models in the eleven identified catchment areas throughout the county.	N/A	N/A	N/A	Complete January 2010
Medi-Cal penetration rates for underserved ethnic groups.	African-American 8.09% Asian 4.3% Hispanic 3.3%	African-American 8.2% Asian 4.4% Hispanic 3.5%	African-American 8.2% Asian 4.4% Hispanic 4.4%	African-American 8.3% Asian 4.5% Hispanic 4%
Percentage completion of approved MHSa components and Integrated Plan.	25%	75%	63%	100%
Percentage reduction of service disallowances in Medi-Cal reviews conducted by the Quality Management Division.	N/A	10%	8%	10%



SUMMARY OF BUDGET UNITS

	2009-10				
	Appropriation	Revenue	Local Cost	Fund Balance	Staffing
<u>General Fund</u>					
Behavioral Health	209,555,393	207,712,640	1,842,753		899
Alcohol and Drug Services	22,888,424	22,738,966	149,458		61
Total General Fund	232,443,817	230,451,606	1,992,211		960
<u>Special Revenue Funds</u>					
Mental Health Services Act	104,896,234	65,891,200		39,005,034	-
Driving Under the Influence Programs	458,444	263,673		194,771	-
Block Grant Carryover Program	14,317,646	11,022,760		3,294,886	-
Court Alcohol and Drug Program	1,248,299	441,243		807,056	-
Proposition 36	4,454,143	4,228,142		226,001	-
Total Special Revenue Funds	125,374,766	81,847,018		43,527,748	-
Total - All Funds	357,818,583	312,298,624	1,992,211	43,527,748	960

Detailed information for each departmental budget unit follows, along with a description of the services provided, budget unit history and analysis of budget unit.



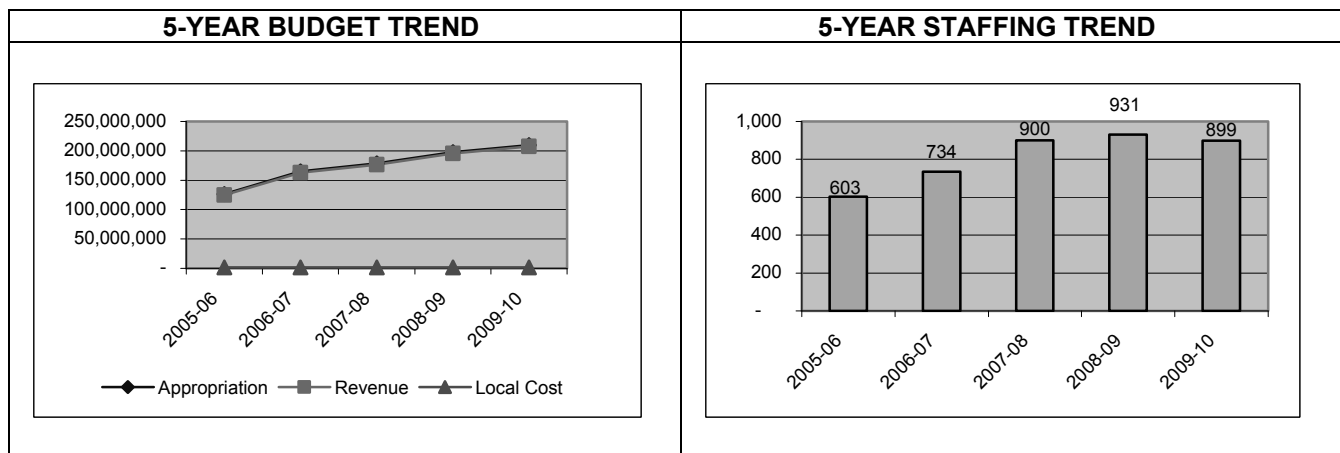
Behavioral Health

DESCRIPTION OF MAJOR SERVICES

The Department of Behavioral Health (DBH) is responsible for providing mental health services to county residents who are either unable to afford treatment or do not live in proximity to private services. Treatment is provided to all age groups, with primary emphasis placed on treating children, families and chronically mentally ill adults (in that priority). Services are delivered throughout the county via a network of department-operated clinics, community based contract providers (residential and psychiatric skilled nursing facilities and acute hospitals), public schools, and other community-based settings. Services include: information and referrals, community outreach, client self-help and support groups, a variety of children's programs, mentally ill homeless program, employment services, case management, crisis and transitional residential assistance, augmented board and care placements, conservatorship services, supportive housing services and client transportation assistance. The department also operates as a training setting by administering various internship programs and offering continuing education for licensed department and contractor staff.

The Mental Health Services Act of 2005 (MHSA), passed by the California voters in November 2004, has given San Bernardino County and the Department of Behavioral Health the opportunity to build a "system of care and treatment" that will efficiently and effectively serve all clients, especially to ensure access to behavioral health services for populations and individuals that are unserved or who are receiving a limited level of services from the present programs due to the lack of adequate funding and/or the various restrictions on the use of those funds. The particular populations include individuals who are homeless and/or incarcerated in jails or juvenile halls, and individuals who are in out-of-home and out-of-county placements, insolated in their homes, failing in school, or in other institutional care facilities. These populations also include individuals and families who are from racial and ethnic communities who are not adequately served by the behavioral health system.

BUDGET HISTORY



PERFORMANCE HISTORY

	2005-06	2006-07	2007-08	2008-09	2008-09
	Actual	Actual	Actual	Modified	Actual
				Budget	
Appropriation	119,212,075	131,188,977	164,431,502	203,070,828	179,670,325
Departmental Revenue	117,369,322	129,346,228	162,588,749	201,228,075	177,827,572
Local Cost	1,842,753	1,842,749	1,842,753	1,842,753	1,842,753
Budgeted Staffing				931	

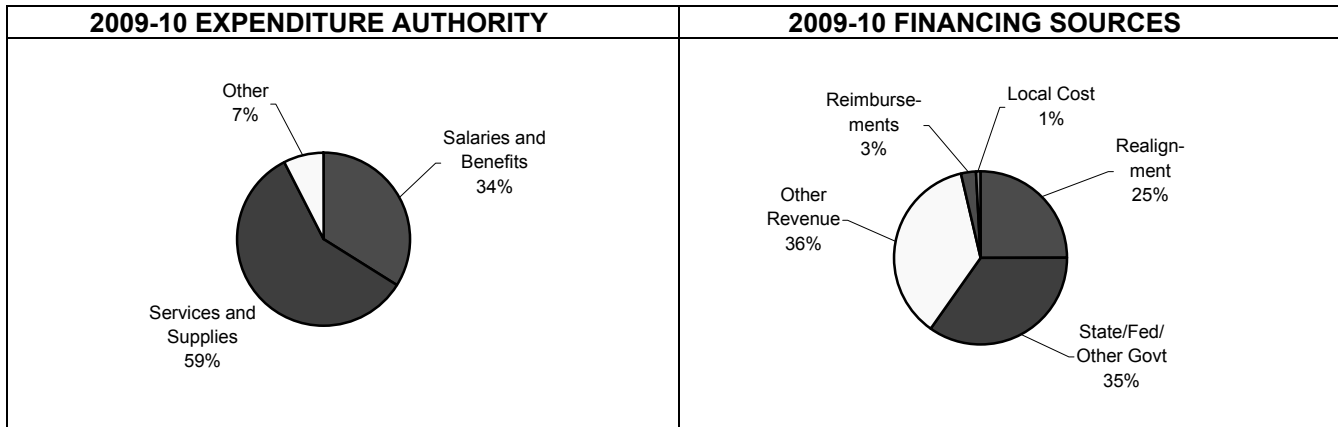
Actual appropriation for 2008-09 is less than modified budget primarily due to:

- \$23.1 million decrease in services and supplies. This is primarily due to: 1) decreases in computer software and inventoriable equipment; 2) a decrease in professional and specialized services due mainly to MHSA funded projects not implemented or completed in 2008-09; 3) a decrease in contract savings due to late start up of contract providers and reductions to provider contracts to accommodate decreased funding; and 4) a decrease in reimbursements due to Mentally Ill Offender Crime Reduction Adult and Juvenile programs and CalWORKs budget cuts.
- \$645,836 decrease in travel and related costs due to late start up of MHSA funded trainings.

Actual departmental revenue for 2008-09 is less than modified budget primarily due to the decreased need of \$11.6 million in realignment funds, and a total decrease of \$12.8 million in Early Periodic Screening Diagnosis and Treatment (EPSDT) and State Medi-Cal funds. The anticipated unrealized revenue in state Medi-Cal and EPSDT is due to the contract savings. These reductions are slightly offset by an increase of \$1.0 million in MHSA funds transferred into the DBH general fund budget unit to fund the additional staff costs.



ANALYSIS OF FINAL BUDGET



GROUP: Health Care
DEPARTMENT: Behavioral Health
FUND: General

BUDGET UNIT: AAA MLH
FUNCTION: Health and Sanitation
ACTIVITY: Hospital Care

	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Actual	2008-09 Final Budget	2009-10 Final Budget	Change From 2008-09 Final Budget
Appropriation							
Salaries and Benefits	41,926,392	49,512,735	62,496,001	67,624,382	65,082,580	72,973,822	7,891,242
Services and Supplies	66,401,328	69,193,127	94,191,845	100,283,364	123,072,416	125,298,363	2,225,947
Central Computer	520,717	640,543	677,544	941,208	934,210	915,702	(18,508)
Travel	-	-	-	465,618	1,042,922	375,855	(667,067)
Other Charges	3,806,988	3,481,153	4,575,340	5,506,330	4,458,015	4,487,076	29,061
Equipment	66,172	71,662	243,932	-	220,700	335,934	115,234
Vehicles	-	347,619	200,644	49,998	107,000	59,363	(47,637)
Capitalized Software	-	-	99,125	-	-	395,321	395,321
Transfers	4,940,050	5,824,191	6,366,026	9,350,472	7,969,210	8,830,833	861,623
Total Exp Authority	117,661,647	129,071,030	168,850,457	184,221,374	202,887,053	213,672,269	10,785,216
Reimbursements	(5,190,283)	(5,112,708)	(6,261,708)	(6,393,802)	(7,182,090)	(5,959,629)	1,222,461
Total Appropriation	112,471,364	123,958,322	162,588,749	177,827,572	195,704,963	207,712,640	12,007,677
Operating Transfers Out	6,740,711	7,230,655	1,842,753	1,842,753	1,842,753	1,842,753	-
Total Requirements	119,212,075	131,188,977	164,431,502	179,670,325	197,547,716	209,555,393	12,007,677
Departmental Revenue							
Use of Money and Prop	-	84	-	-	-	-	-
Realignment	52,080,249	60,228,662	91,932,149	59,660,268	73,375,595	53,842,753	(19,532,842)
State, Fed or Gov't Aid	63,544,174	62,989,362	48,869,411	64,825,901	79,318,278	74,619,324	(4,698,954)
Current Services	237,453	186,239	172,206	226,874	266,000	287,000	21,000
Other Revenue	568,819	663,105	907,766	2,162,789	998,000	1,556,000	558,000
Total Revenue	116,430,695	124,067,452	141,881,532	126,875,832	153,957,873	130,305,077	(23,652,796)
Operating Transfers In	938,627	5,278,776	20,707,217	50,951,740	41,747,090	77,407,563	35,660,473
Total Financing Sources	117,369,322	129,346,228	162,588,749	177,827,572	195,704,963	207,712,640	12,007,677
Local Cost	1,842,753	1,842,749	1,842,753	1,842,753	1,842,753	1,842,753	-
Budgeted Staffing					931	899	(32)

Salaries and benefits of \$72,973,822 fund 899 budgeted positions, of which \$34,311,710 or 391 positions are funded by MHSA. The increase of \$7,891,242 is primarily due to the transfer of 31 positions from the Alcohol and Drug Services (ADS) budget unit. Additionally, the following five new positions are being requested for 2009-10:

- o One Secretary I
- o One Administrative Supervisor I
- o One Administrative Manager I
- o One Staff Analyst I
- o One Staff Analyst II

The above positions are necessary in order to provide the necessary administrative support for all new MHSA funded programs, including procurement, development and monitoring of all new contracted services to be funded by MHSA, and to provide support to the Facilities Division of DBH in order to fully implement MHSA funded capital projects. Offsetting these increases is the deletion of 68 vacant positions, resulting in a net decrease of 32 positions.



Services and supplies of \$125,298,363 includes \$97,023,071 in service and provider contracts (with approximately \$38,388,601 or 40% for MHSA funded programs); \$3,100,000 for the managed care fee-for-service network; \$5,000,000 for remote pharmacy services for indigents and jail population without third party insurance; \$2,324,568 for incorporated doctor payments (with approximately \$277,957 or 12% for MHSA funded programs); \$6,896,863 in professional and specialized services (with approximately \$1,338,086 or 19% for MHSA funded programs), and the balance for professional services necessary to conduct routine departmental business.

Travel of \$375,855 reflects anticipated travel costs in the areas of private mileage, air travel, hotel, car rental and conference fees for this budget unit (with approximately 33% or \$124,512 for MHSA funded programs). Travel was a new appropriation for 2008-09 and the amount budgeted was a preliminary estimate. The 2009-10 amount is based on 2008-09 estimated expenditures.

Other charges of \$4,487,076 include \$2,472,729 for State Hospital contracts and \$992,158 for client temporary housing and transportation.

Equipment of \$335,934 is for the purchase of new and replacement servers and communication switches necessary to maintain the department's information technology functions and to implement the Virtual Desktop Infrastructure at the new Workforce Education and Training Facility. Additionally, six scanners will be purchased to continue the department's efforts in reducing paper records. Approximately \$163,793 or 49% of this amount is to be funded by MHSA programs.

Vehicles of \$59,363 is for the purchase of three vehicles for MHSA funded programs. The addition of these vehicles to improve client access is included in the approved State MHSA Plan.

Capitalized software of \$395,321 is for Data Mining Software for the Data Warehouse project and is funded by MHSA.

Transfers of \$8,830,833 includes \$4,371,805 to the Real Estate Services Department for rents and leases, \$1,082,624 to reimburse Public Guardian for administration for conservatees, \$374,385 to Human Services (HS) for Eligibility Workers at DBH clinics, \$226,975 to HS for the Homeless Partnership program, and other payments to county departments primarily for salaries and benefit associated costs. The increase of \$861,623 includes new programs for MHSA such as the Child and Youth Connection/Children's Network and Integrated New Family Opportunities (INFO). Approximately \$2.9 million, or 34%, of the total is for MHSA funded programs.

Reimbursements of \$5,959,629 consists of \$3,980,530 for costs associated with the CalWORKS program, \$1,563,071 for administrative support for ADS funded programs, and \$416,028 for costs associated with the Gateway Juvenile Justice Program. The decrease of \$1,222,461 is primarily the result of termination of the MIOCR Juvenile and Adult programs and a reduction in CalWORKS reimbursements. Additionally, for 2009-10 the cost for rents and leases for ADS facilities are now being budgeted directly in the ADS general fund budget unit.

Operating transfers out of \$1,842,753 is for the local cost (maintenance of effort) offset.

Realignment of \$53,842,753 includes a decrease of \$19,532,842 due to a reduction in available funding.

State aid revenue of \$71,097,209 includes Managed Care of \$8,150,047, Medi-Cal of \$45,657,381, EPSDT of \$13,836,305, Conditional Release Program funds of \$1,519,415, and Superintendent of Schools AB2726/IDEA funds of \$914,475. The net decrease of \$2,935,874 is due primarily to a decrease of \$2,890,088 in Managed Care, a decrease of \$266,011 in Superintendent of Schools AB2726/IDEA funds, and a decrease of \$3,064,714 in EPSDT. These decreases are slightly offset by an increase of \$95,478 in Conditional Release Program funds, an increase of \$2,169,875 in Medi-Cal and an increase of \$1,019,586 in SB90 Mandated Cost Reimbursements which represents revenue for prior year claims which are expected to be received in fiscal year 2009-10. The increase in Medi-Cal reflects a rate increase of approximately 12% for the Federal Matching Assistance Percentage (FMAP) effective during the period October 1, 2008 through December 31, 2010.

Other governmental aid revenue of \$3,522,115 consists of \$3,140,660 for the Substance Abuse and Mental Health Services Act (SAMHSA) Block Grant and \$381,455 for the Projects for Assistance in Transition from Homelessness (PATH) Grant funds.

Current services revenue of \$287,000 primarily includes health fees and private pay patient funds.

Other revenue of \$1,556,000 consists of \$720,000 from the Children and Families Commission for San Bernardino County (First 5 San Bernardino) for Screening, Assessment, Referral and Treatment activities for children ages 5 and under and \$836,000 for Social Security reimbursements.

Operating transfers in of \$77,407,563 consists of transfers from the MHSA special revenue fund to cover full-year salary and benefit costs, contracts and service expansions in all DBH clinics and administrative costs. The increase of \$35,660,473 is due to MHSA program expansion, overall increases in staffing and program expenses, one time purchases of equipment and vehicles, and capitalized software costs. The increase also reflects the reassignment of existing staff from realignment funded positions into MHSA funded programs.



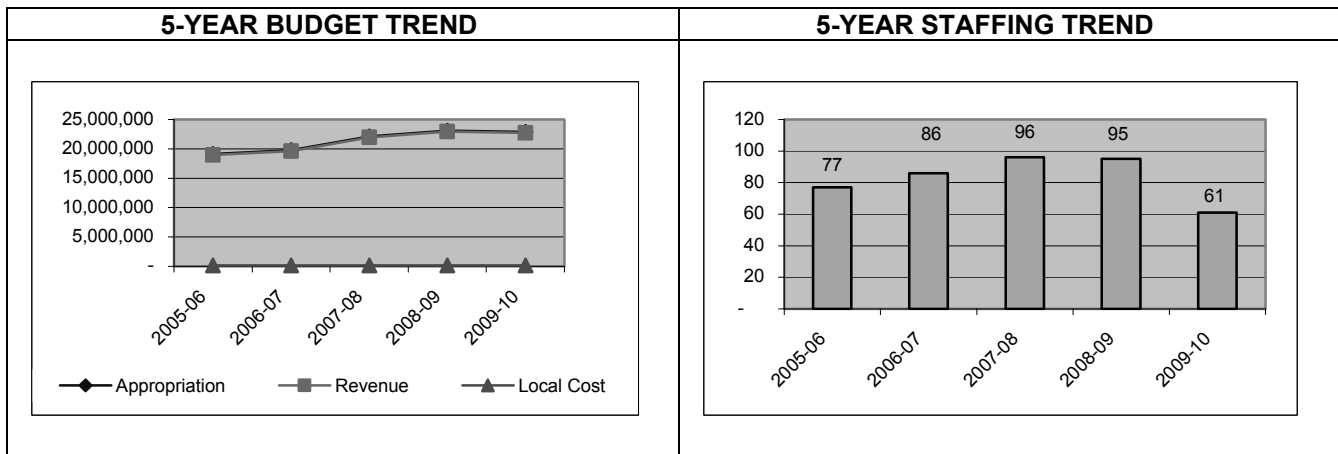
Alcohol and Drug Services

DESCRIPTION OF MAJOR SERVICES

The Department of Behavioral Health - Alcohol and Drug Services (ADS) program consists of comprehensive substance abuse prevention and treatment programs to county residents. Services are provided by three county operated clinics and approximately 20 contractors. The major components include outpatient, residential, prevention, methadone, and case management services. Annually, approximately 9,100 unduplicated clients are served and over 140,000 hours of substance abuse prevention and treatment services are performed.

Alcohol and Drug Services are primarily funded by federal block grant and state revenues. Other sources of revenue are court fines for Driving Under the Influence (DUI) offenses, fees for services, California Work Opportunities and Responsibilities to Kids (CalWORKs), Proposition 36 (Prop. 36) – Substance Abuse and Crime Prevention Act program, and Substance Abuse Offender Treatment Program (OTP). In addition, the county must fund the required maintenance of effort (MOE) for the block grant and state funds. The department's local cost of \$149,458 finances the required MOE.

BUDGET HISTORY



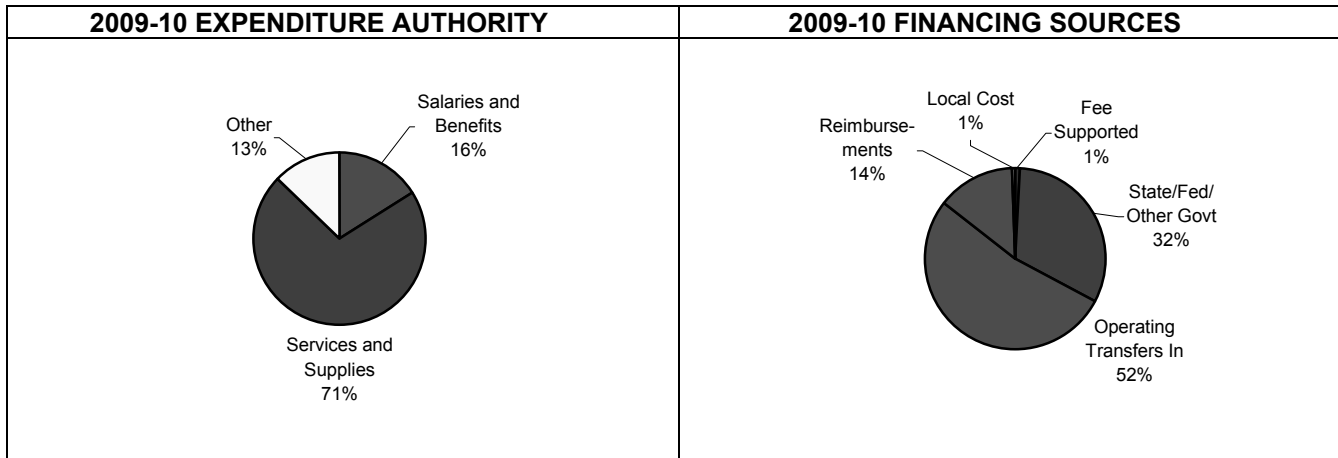
PERFORMANCE HISTORY

	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Modified Budget	2008-09 Actual
Appropriation	17,372,212	21,516,625	23,655,030	22,215,063	20,707,658
Departmental Revenue	17,222,754	21,367,167	23,505,573	22,065,605	20,558,200
Local Cost	149,458	149,458	149,457	149,458	149,458

Actual appropriation for 2008-09 is less than modified budget primarily due to salaries and benefits savings resulting from position vacancies. Contract payments were also lower due to state budget reductions.



ANALYSIS OF FINAL BUDGET



GROUP: Health Care
DEPARTMENT: Behavioral Health - Alcohol and Drug Services
FUND: General

BUDGET UNIT: AAA ADS
FUNCTION: Health and Sanitation
ACTIVITY: Hospital Care

	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Actual	2008-09 Final Budget	2009-10 Final Budget	Change From 2008-09 Final Budget
Appropriation							
Salaries and Benefits	4,366,585	5,201,388	6,217,570	3,985,216	6,389,576	4,258,021	(2,131,555)
Services and Supplies	18,133,430	19,415,952	20,839,158	19,530,279	20,029,671	18,874,840	(1,154,831)
Central Computer	-	-	64,518	81,269	89,624	50,372	(39,252)
Travel	-	-	-	36,983	42,611	44,193	1,582
Transfers	2,038,985	2,943,313	3,410,147	2,969,951	3,356,399	3,387,423	31,024
Total Exp Authority	24,539,000	27,560,653	30,531,393	26,603,698	29,907,881	26,614,849	(3,293,032)
Reimbursements	(7,166,788)	(6,044,028)	(6,876,363)	(5,896,041)	(6,802,847)	(3,726,425)	3,076,422
Total Appropriation	17,372,212	21,516,625	23,655,030	20,707,658	23,105,034	22,888,424	(216,610)
Departmental Revenue							
State, Fed or Gov't Aid	14,348,318	18,293,712	20,281,841	18,370,584	18,864,862	8,474,398	(10,390,464)
Current Services	387,089	404,283	339,434	284,993	252,500	252,500	-
Other Revenue	44,656	38,397	(184,645)	(161,591)	24,000	(176,000)	(200,000)
Total Revenue	14,780,063	18,736,392	20,436,630	18,493,986	19,141,362	8,550,898	(10,590,464)
Operating Transfers In	2,442,691	2,630,775	3,068,943	2,064,214	3,814,214	14,188,068	10,373,854
Total Financing Sources	17,222,754	21,367,167	23,505,573	20,558,200	22,955,576	22,738,966	(216,610)
Local Cost	149,458	149,458	149,457	149,458	149,458	149,458	-
Budgeted Staffing:					95	61	(34)

Alcohol and Drug Services (ADS) experienced many changes in 2008-09. State budget reductions and program clinic restructuring translated into significant budget changes for 2009-10.

Salaries and benefits of \$4,258,021 fund 61 budgeted positions. The decrease of \$2,131,555, which represents a net decrease of 34 budgeted positions, is primarily due to the ADS restructuring of clinics and state budget reductions experienced in 2008-09. Personnel, representing 31 positions from the restructured clinics as well as from programs that experienced reductions in state funding, were transferred to other funded programs within the Department of Behavioral Health. The remaining decrease reflects the deletion of 3 vacant positions.

Services and supplies of \$18,874,840 include \$17,967,072 for other professional and specialized services which includes residential, outpatient, prevention, recovery, drug court and housing contracts. The balance represents other services and supplies necessary for the operation of the ADS program. The decrease of \$1,154,831 is a result of service contract amendments, due primarily to reductions in state funding for such programs as Drug Courts, Prop 36, and the Offender Treatment Program.

Central computer of \$50,372 are for data processing usage. The decrease of \$39,252 is the result of reduced computer usage due to the restructure and transfer of ADS personnel to other Department of Behavioral Health (DBH) programs.



Transfers of \$3,387,423 include reimbursements to other county departments for services provided, facility leases, and Human Resources costs. The net increase of \$31,024 is due primarily to increased reimbursement to the DBH general fund budget unit for administrative support, offset by reductions in facility leases resulting from clinic restructuring.

Reimbursements of \$3,726,425 include transfers from other county departments for Alcohol and Drug related services. The decrease of \$3,076,422 is due to a change in the reporting of Proposition 36 funding from a reimbursement to operating transfers in.

Revenues of \$8,550,898 include \$5,480,203 in state aid, Drug Medi-Cal, Drug Court Grants, Parolee Network Services, and the Offender Treatment Program; \$2,994,195 in federal aid for Medi-Cal and the Safe and Drug Free grant; \$252,500 in charges for current services; and -\$176,000 in other revenue to recognize the abatement of prior year revenues received during 2009-10. The decrease of \$10,590,464 is primarily due to a change in accounting to recognize the Federal SAPT Block Grant funding. For 2009-10, the funding, which previously had been budgeted as revenue directly within the ADS general fund budget unit, will now be deposited directly into Behavioral Health's Block Grant Carryover Program special revenue fund to be later transferred to the ADS general fund budget unit based upon program funding needs.

Operating transfers in of \$14,188,068 includes transfers from all Behavioral Health's special revenue funds: Driving Under the Influence Programs, Court Alcohol and Drug Program, Behavioral Health's Block Grant Carryover Program and Prop 36 program, for ADS related services. The increase of \$10,373,854 is due to the accounting changes in the reporting of funds from the Prop 36 and Block Grant Carryover special revenue funds.

Mental Health Services Act

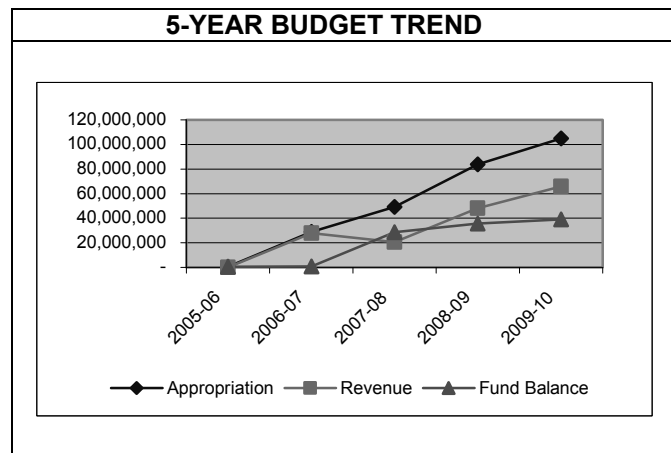
DESCRIPTION OF MAJOR SERVICES

On November 2, 2004, voters passed Proposition 63, which established a state personal income tax surcharge of one percent on the portion of taxpayers' annual taxable income that exceeds \$1 million. The proposition was enacted into law as the Mental Health Services Act (MHSA) effective January 1, 2005. The overall purpose and intent is "to reduce the long-term adverse impact on individuals, families, and state and local budgets resulting from untreated serious mental illness to insure that all funds are expended in the most cost effective manner and to ensure accountability to taxpayers and to the public".

MHSA funds received from the state are deposited into this special revenue fund, and are transferred to the Department of Behavioral Health (DBH) general fund budget unit, as needed to cover contract providers' costs, staffing and other DBH costs consistent with the plans submitted and approved by the state. In 2009-10, DBH anticipates receiving MHSA funds of \$64.8 million. The funds will be deposited into the special revenue fund and will be transferred to DBH, as needed, to fund existing, new and expanded programs outlined in the MHSA plan.

There is no staffing associated with this budget unit. This budget unit does not directly spend funds or provide services. It is strictly a financing budget unit with actual expenditures occurring within the operating general fund budget unit of Behavioral Health.

BUDGET HISTORY

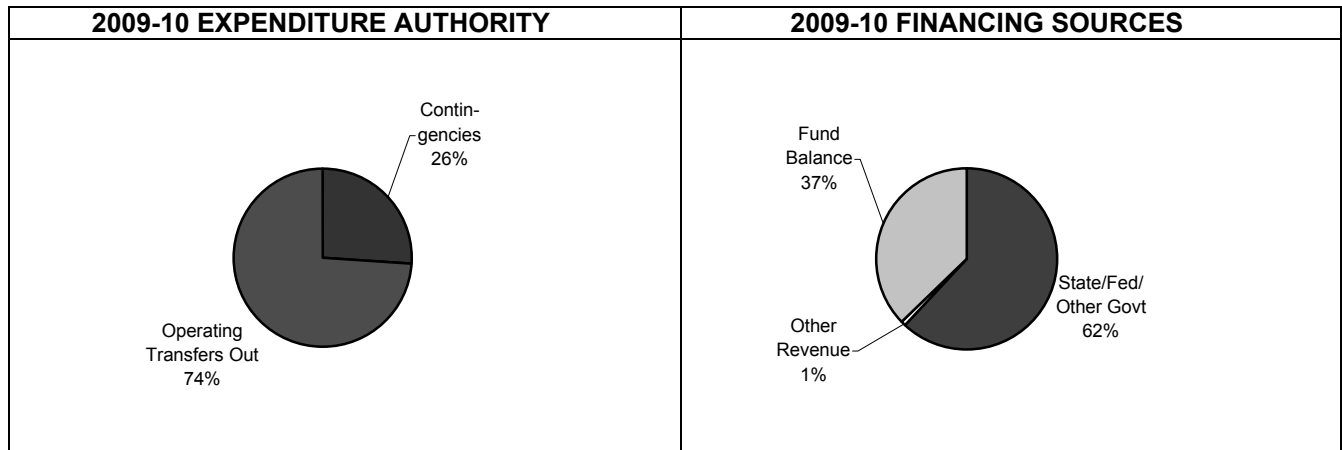


PERFORMANCE HISTORY

	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Modified Budget	2008-09 Actual
Appropriation	938,627	5,278,776	20,707,217	92,066,380	50,951,740
Departmental Revenue	1,287,155	32,910,045	27,960,044	72,405,595	66,176,857
Fund Balance				19,660,785	

In accordance with Section 29009 of the State Government Code, the entire unreserved fund balance must be appropriated each year. Accordingly, actual appropriation in this budget unit is typically less than modified budget. Any amounts not expended are carried over to the subsequent year's budget.

ANALYSIS OF FINAL BUDGET



GROUP: Health Care
DEPARTMENT: Behavioral Health
FUND: Mental Health Services Act

BUDGET UNIT: RCT MLH
FUNCTION: Health and Sanitation
ACTIVITY: Hospital Care

	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Actual	2008-09 Final Budget	2009-10 Final Budget	Change From 2008-09 Final Budget
Appropriation							
Contingencies	-	-	-	-	38,342,452	27,488,671	(10,853,781)
Total Appropriation	-	-	-	-	38,342,452	27,488,671	(10,853,781)
Operating Transfers Out	938,627	5,278,776	20,707,217	50,951,740	45,536,858	77,407,563	31,870,705
Total Requirements	938,627	5,278,776	20,707,217	50,951,740	83,879,310	104,896,234	21,016,924
Departmental Revenue							
Use of Money and Prop	19,844	620,745	1,462,406	1,386,116	774,482	1,000,000	225,518
State, Fed or Gov't Aid	1,267,311	32,289,300	26,497,638	64,790,741	47,335,000	64,891,200	17,556,200
Total Revenue	1,287,155	32,910,045	27,960,044	66,176,857	48,109,482	65,891,200	17,781,718
				Fund Balance	35,769,828	39,005,034	3,235,206

Contingencies of \$27,488,671 are decreased by \$10,853,781 based on less financing sources available. Additionally, during 2008-09, an additional \$5,107,439 was reclassified as designated fund balance for the purposes of increasing the existing prudent reserve.

Operating transfers out of \$77,407,563 includes transfers to the Behavioral Health general fund budget unit to cover contract providers' costs, staffing and other costs associated with MHSA activities. The increase of \$31,870,705 represents full year cost of the MHSA program and includes new components added to the MHSA, including Prevention and Early Intervention, Work Force Education and Training and other new programs incorporated into Community Service and Support.

Departmental revenue of \$65,891,200 includes anticipated revenues from the state for the MHSA program and interest revenue. The total increase of \$17,781,718 is due primarily to the increase of funds in the Community Service and Support program and Prevention Early Intervention.

HEALTH CARE



Driving Under the Influence Programs

DESCRIPTION OF MAJOR SERVICES

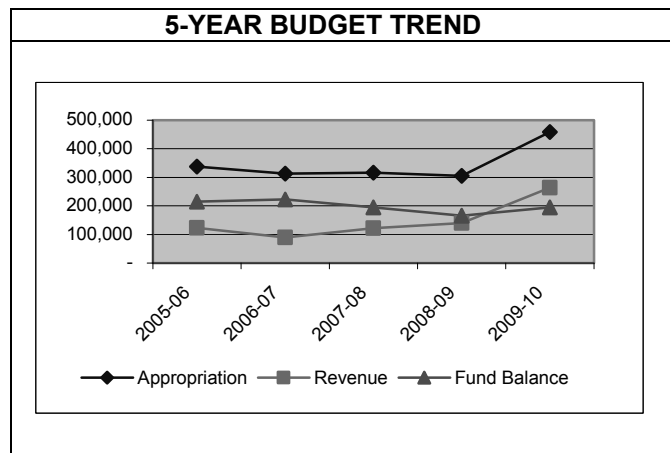
As per Title 9, Division 4, Chapter 3, 9878 (m) of the State regulations and Health and Safety Code 11837.8 (a), the Department of Behavioral Health charges fees to privately owned and operated vendors for monitoring Penal Code (PC) 1000 and Driving Under the Influence (DUI) programs. Supervision of these programs resides with the county as indicated by Vehicle Code Section 1660.7, which states that the supervision and regulation of the first offender program resides with the county.

Fees collected from privately owned and operated DUI programs within the county are deposited into this fund. Funds are then transferred to the Alcohol and Drug Services (ADS) general fund budget unit, as needed, to meet the costs of staff assigned to this function. These funds can only be used for the cost of monitoring PC 1000 and DUI programs.

At the end of 2001-02, this budget unit was converted from a trust fund to a special revenue fund due to an accounting change (GASB 34). This budget unit does not directly spend funds or provide services. It is strictly a financing budget unit with actual expenditures occurring within the operating budget unit of ADS.

There is no staffing associated with this budget unit.

BUDGET HISTORY



PERFORMANCE HISTORY

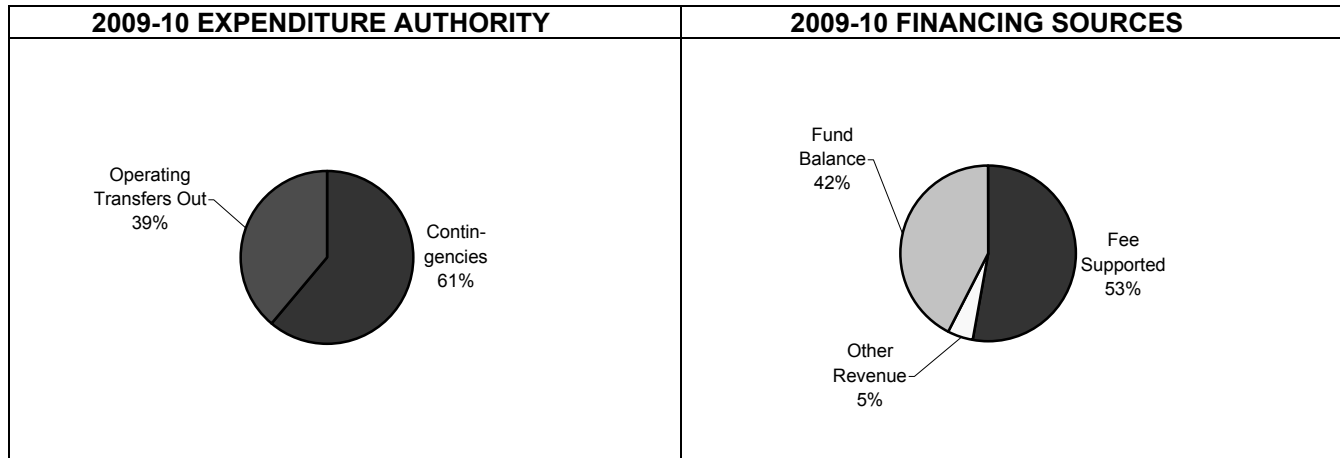
	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Modified Budget	2008-09 Actual
Appropriation	130,000	156,245	161,943	305,489	157,214
Departmental Revenue	137,730	128,217	133,217	139,554	186,050
Fund Balance				165,935	

In accordance with Section 29009 of the State Government Code, the entire unreserved fund balance must be appropriated each year. Accordingly, actual appropriation in this budget unit is typically less than modified budget. The amount not expended is carried over to the subsequent year's budget.

HEALTH CARE



ANALYSIS OF FINAL BUDGET



GROUP: Health Care
DEPARTMENT: Behavioral Health
FUND: Driving Under the Influence Programs

BUDGET UNIT: SDC MLH
FUNCTION: Health and Sanitation
ACTIVITY: Hospital Care

	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Actual	2008-09 Final Budget	2009-10 Final Budget	Change From 2008-09 Final Budget
Appropriation							
Contingencies	-	-	-	-	148,275	280,254	131,979
Total Appropriation	-	-	-	-	148,275	280,254	131,979
Operating Transfers Out	130,000	156,245	161,943	157,214	157,214	178,190	20,976
Total Requirements	130,000	156,245	161,943	157,214	305,489	458,444	152,955
Departmental Revenue							
Use of Money and Prop	10,319	13,272	12,401	6,798	12,418	21,612	9,194
Current Services	127,411	114,945	120,816	179,252	127,136	242,061	114,925
Total Revenue	137,730	128,217	133,217	186,050	139,554	263,673	124,119
				Fund Balance:	165,935	194,771	28,836

Contingencies of \$280,254 include an increase of \$131,979 based on an anticipated increase in departmental revenue and increased available fund balance.

Operating transfers out of \$178,190 includes transfers to the Alcohol and Drug Services budget unit to cover salaries and benefits for DUI related activities. The increase of \$20,976 is due to the costs for auditing and fiscal monitoring of the DUI programs.

Departmental revenue of \$263,673 includes DUI fees paid by program providers and interest revenue. The increase of \$124,119 is primarily due to an anticipated increase in fees collected by DUI providers.



Block Grant Carryover Program

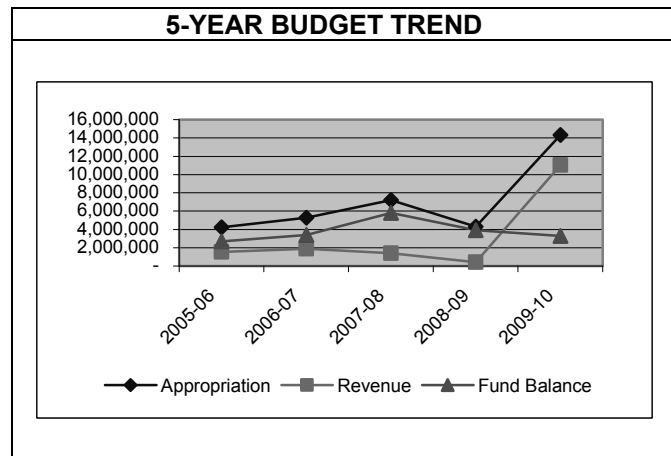
DESCRIPTION OF MAJOR SERVICES

Alcohol and Drug Services (ADS) utilizes this special revenue fund to hold money received from the State Department of Alcohol and Drug Programs (ADP) under a multi-year cost reimbursement contract that allows the county to retain unused federal Substance Abuse Prevention and Treatment (SAPT) funds for use in the next fiscal year. These funds are to be spent on alcohol abuse prevention, education, and treatment in schools and the community as described in the annual update to the contract between county and the state. Funds are transferred to ADS based on the needs of the program.

At the end of 2001-02, this budget unit was converted from a trust fund to a special revenue fund due to an accounting change (GASB 34). This budget unit does not directly spend funds or provide services. It is strictly a financing budget unit with the actual expenditures occurring within the operating budget unit of ADS.

There is no staffing associated with this budget unit.

BUDGET HISTORY

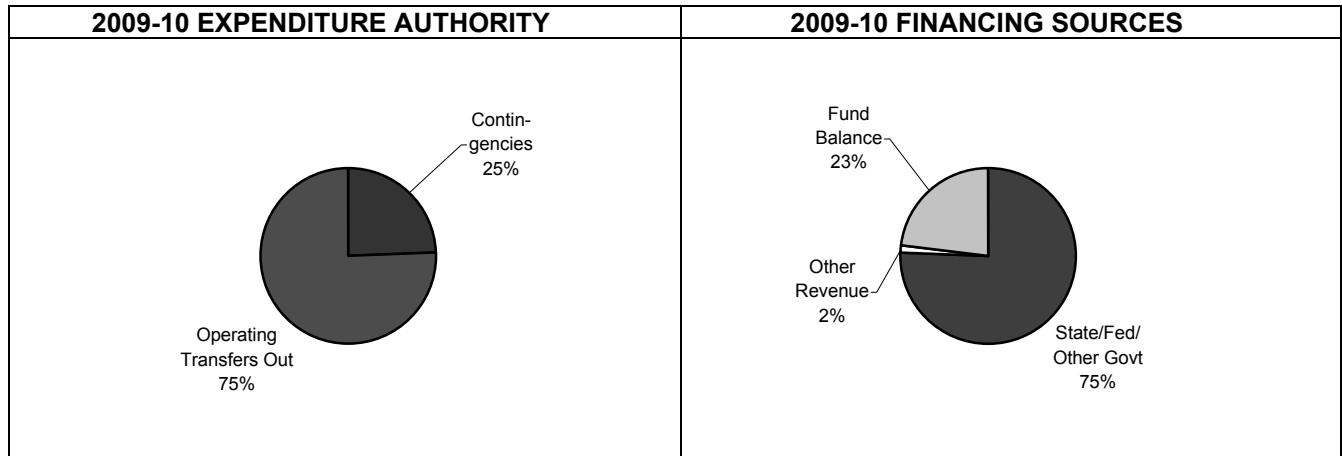


PERFORMANCE HISTORY

	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Modified Budget	2008-09 Actual
Appropriation	1,897,894	2,037,530	2,500,000	4,310,198	1,500,000
Departmental Revenue	2,580,932	(396,906)	601,653	406,995	891,684
Fund Balance				3,903,203	

In accordance with Section 29009 of the State Government Code, the entire unreserved fund balance must be appropriated each year. Accordingly, actual appropriation in this budget unit is typically less than modified budget. The amount not expended is carried over to the subsequent year's budget.

ANALYSIS OF FINAL BUDGET



GROUP: Health Care
DEPARTMENT: Behavioral Health
FUND: Block Grant Carryover Program

BUDGET UNIT: SDH MLH
FUNCTION: Health and Sanitation
ACTIVITY: Hospital Care

	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Actual	2008-09 Final Budget	2009-10 Final Budget	Change From 2008-09 Final Budget
Appropriation							
Contingencies	-	-	-	-	1,060,198	3,515,156	2,454,958
Total Appropriation	-	-	-	-	1,060,198	3,515,156	2,454,958
Operating Transfers Out	1,897,894	2,037,530	2,500,000	1,500,000	3,250,000	10,802,490	7,552,490
Total Requirements	1,897,894	2,037,530	2,500,000	1,500,000	4,310,198	14,317,646	10,007,448
Departmental Revenue							
Use of Money and Prop	94,027	303,332	336,058	115,401	220,000	220,270	270
State, Fed or Gov't Aid	2,486,905	(700,238)	265,595	776,282	186,995	10,802,490	10,615,495
Total Revenue	2,580,932	(396,906)	601,653	891,684	406,995	11,022,760	10,615,765
				Fund Balance	3,903,203	3,294,886	(608,317)

Contingencies of \$3,515,156 include an increase of \$2,454,958 based on anticipated departmental revenue.

Operating transfers out of \$10,802,490 includes transfers to the Department of Behavioral Health's ADS general fund budget unit for salaries and benefits and services and supplies costs related to the services provided for alcohol abuse prevention, education, and treatment in schools and the community. The increase of \$7,552,490 is the result of an accounting change to recognize the Federal SAPT Block Grant directly within this special revenue fund. Funds are then transferred into ADS based on program needs.

Departmental revenue of \$11,022,760 includes \$10,802,490 of funds received from ADP and \$220,270 in anticipated interest revenue. The increase of \$10,615,765 is due to an accounting change to recognize the Federal SAPT Block Grant Allocations directly within this special revenue fund. Previously, Federal SAPT Block Grant funding was recognized directly in the ADS general fund budget unit. For 2009-10, funds will be deposited into the special revenue fund first, to be later transferred into the ADS general fund budget unit.



Court Alcohol and Drug Program

DESCRIPTION OF MAJOR SERVICES

This budget unit consists of three revenue sources:

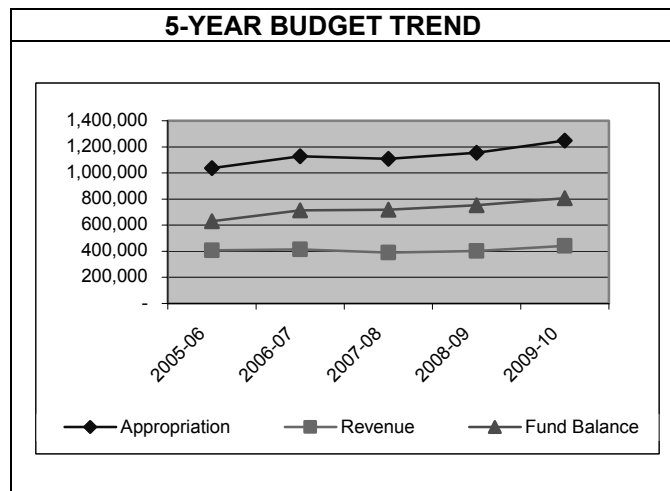
- The first source is referred to as Statham funds, which are fines collected from individuals convicted of Driving Under the Influence (DUI) offenses.
- The second source is fines imposed by Senate Bill 921 that went into effect on September 23, 1986. The bill requires persons convicted of an offense involving a controlled substance to pay a drug program fee in an amount not to exceed \$100 for each separate offense. The money collected is to be used for drug abuse programs in schools and the community.
- The third source is fines imposed by Senate Bill 920 that went into effect on September 24, 1996. The bill requires persons convicted of specific alcohol related offenses to pay an additional alcohol abuse education and prevention penalty assessment in an amount not to exceed \$50. The money collected is to be used exclusively for alcohol abuse and prevention services.

All revenue is collected by the Courts and Central Collections and then transferred into this budget unit for later distribution to the Alcohol and Drug Services (ADS) general fund budget unit.

At the end of 2001-02, this budget unit was converted from a trust fund to a special revenue fund due to an accounting change (GASB 34). This budget unit does not directly spend funds or provide services. It is strictly a financing budget unit with actual expenditures occurring within the operating budget unit of ADS.

There is no staffing associated with this budget unit.

BUDGET HISTORY



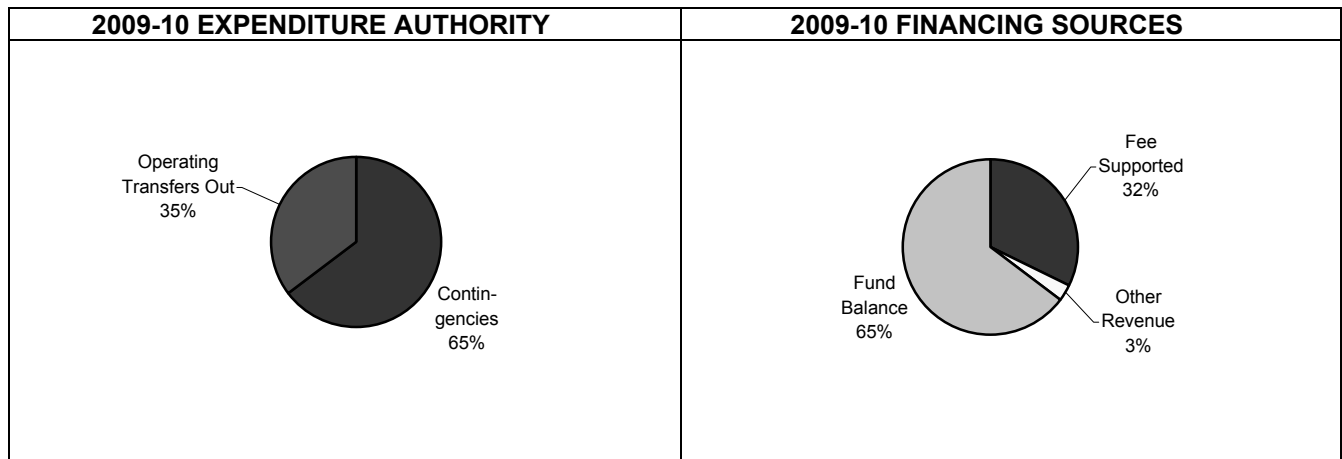
PERFORMANCE HISTORY

	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Modified Budget	2008-09 Actual
Appropriation	400,000	437,000	407,000	1,155,720	407,000
Departmental Revenue	482,647	442,241	443,080	401,861	460,197
Fund Balance				753,859	

In accordance with Section 29009 of the State Government Code, the entire unreserved fund balance must be appropriated each year. Accordingly, actual appropriation in this budget unit is typically less than modified budget. The amount not expended is carried over to the subsequent year's budget.



ANALYSIS OF FINAL BUDGET



GROUP: Health Care
DEPARTMENT: Behavioral Health
FUND: Court Alcohol and Drug Program

BUDGET UNIT: SDI MLH
FUNCTION: Health and Sanitation
ACTIVITY: Hospital Care

	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Actual	2008-09 Final Budget	2009-10 Final Budget	Change From 2008-09 Final Budget
Appropriation							
Contingencies	-	-	-	-	748,720	807,056	58,336
Total Appropriation	-	-	-	-	748,720	807,056	58,336
Operating Transfers Out	400,000	437,000	407,000	407,000	407,000	441,243	34,243
Total Requirements	400,000	437,000	407,000	407,000	1,155,720	1,248,299	92,579
Departmental Revenue							
Fines and Forfeitures	443,874	395,567	397,932	430,664	358,271	402,702	44,431
Use of Money and Prop	31,263	44,891	44,208	26,733	43,590	38,541	(5,049)
Other Revenue	7,510	1,783	940	2,800	-	-	-
Total Revenue	482,647	442,241	443,080	460,197	401,861	441,243	39,382
				Fund Balance	753,859	807,056	53,197

Contingencies of \$807,056 include an increase of \$58,336 based on anticipated departmental revenue and increased available fund balance.

Operating transfers out of \$441,243 includes transfers to the Alcohol and Drug Services general fund budget unit to cover the costs associated with this function. The transfer to ADS is based on the revenues collected. The increase of \$34,243 is based on the projected increase in fines and fees based on current collection trends.

Departmental revenue of \$441,243 includes fines and interest revenue. The increase of \$39,382 is due to the projected increase in fines and fees collected.



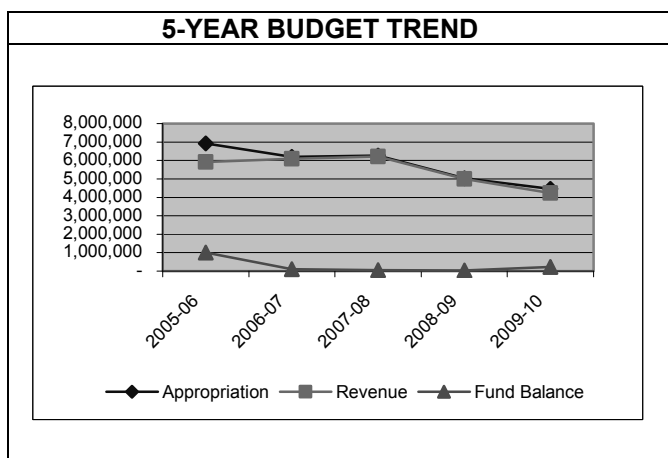
Proposition 36

DESCRIPTION OF MAJOR SERVICES

In November 2000, California passed Proposition 36, the Substance Abuse and Crime Prevention Act of 2000 (Act). The Act mandated that certain persons convicted of a nonviolent drug possession offense, and any parolee, who is determined by the Parole Authority to have committed a nonviolent drug possession offense, or violated any other drug-related condition of parole, will be provided drug treatment and related services in lieu of incarceration. Effective 2006-07, the Department of Behavioral Health assumed the lead agency role to oversee the Act. This budget unit is used to account for disposition of the funds received from the state.

There is no staffing associated with this budget unit.

BUDGET HISTORY



PERFORMANCE HISTORY

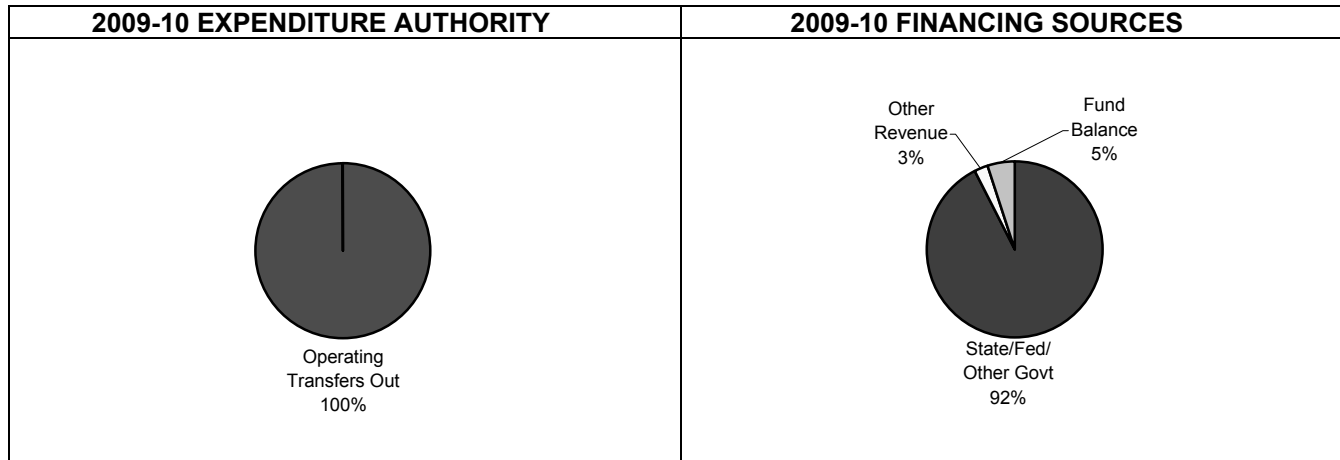
	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Modified Budget	2008-09 Actual
Appropriation	6,891,758	5,982,214	5,333,256	4,143,840	3,892,891
Departmental Revenue	5,984,314	5,928,609	5,315,394	4,112,400	4,087,452
Fund Balance				31,440	

In accordance with Section 29009 of the State Government Code, the entire unreserved fund balance must be appropriated each year. Accordingly, actual appropriation in this budget unit is typically less than modified budget. The amount not expended is carried over to the subsequent year's budget.

HEALTH CARE



ANALYSIS OF FINAL BUDGET



GROUP: Health Care
DEPARTMENT: Behavioral Health
FUND: Proposition 36

BUDGET UNIT: RHD MLH
FUNCTION: Health and Sanitation
ACTIVITY: Hospital Care

	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Actual	2008-09 Final Budget	2009-10 Final Budget	Change From 2008-09 Final Budget
Appropriation							
Transfers	6,891,758	5,982,214	5,333,256	3,892,891	4,994,336	-	(4,994,336)
Contingencies	-	-	-	-	31,440	-	(31,440)
Total Appropriation	6,891,758	5,982,214	5,333,256	3,892,891	5,025,776	-	(5,025,776)
Operating Transfers Out	-	-	-	-	-	4,454,143	4,454,143
Total Requirements	6,891,758	5,982,214	5,333,256	3,892,891	5,025,776	4,454,143	(571,633)
Departmental Revenue							
Use of Money and Prop	122,409	231,502	82,864	71,358	100,000	113,742	13,742
State, Fed or Gov't Aid	5,860,405	5,697,107	5,585,196	4,016,094	4,894,336	4,114,400	(779,936)
Other Revenue	1,500	-	(352,666)	-	-	-	-
Total Revenue	5,984,314	5,928,609	5,315,394	4,087,452	4,994,336	4,228,142	(766,194)
				Fund Balance	31,440	226,001	194,561

Due to an accounting change, no transfers are budgeted for 2009-10. Transfers to the Alcohol and Drug Program, Probation Department, and Human Services Department general fund budget units are being budgeted as operating transfers out

No contingencies are budgeted for 2009-10 as department plans to expend all funds, including available fund balance, within the fiscal year.

Operating transfers out of \$4,454,143 reflect transfers to county departments for reimbursement of Proposition 36 related activities such as salaries and benefits and services and supplies.

Departmental revenue of \$4,228,142 reflects State Proposition 36 funding and anticipated interest revenue. The decrease of \$766,194 is due to the decrease in the allocation received from the state.

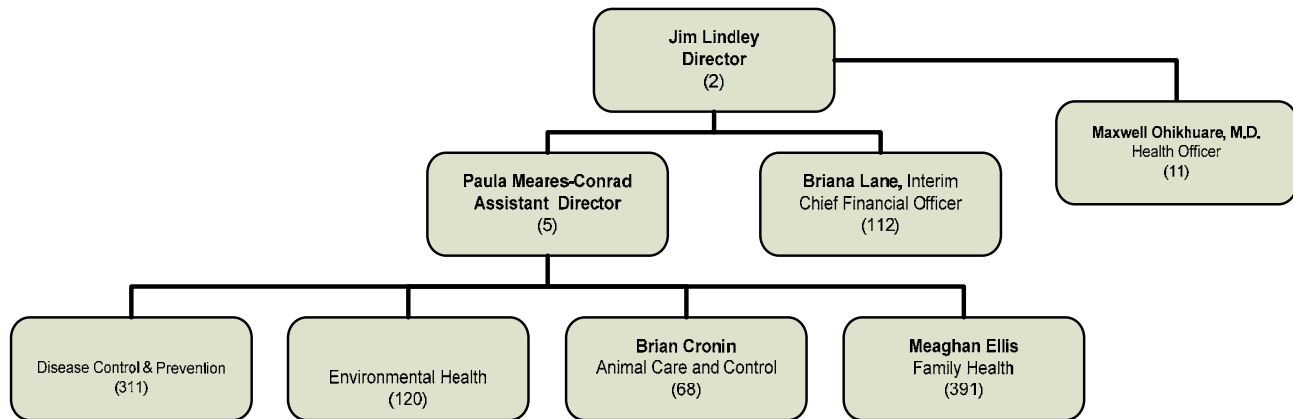


PUBLIC HEALTH Jim Lindley

MISSION STATEMENT

The Public Health Department promotes and improves the health, safety and quality of life of San Bernardino residents and visitors.

ORGANIZATIONAL CHART



STRATEGIC GOALS

1. Prevent disease and disability and promote healthy lifestyles.
2. Promote and ensure a healthful environment.
3. Develop integrated Countywide community clinical services.

HEALTH CARE

PERFORMANCE MEASURES				
Description of Performance Measure	2007-08 Actual	2008-09 Target	2008-09 Actual	2009-10 Target
Percentage increase of pregnant women screened for drug use.	6% (10,273)	10%	7%	5%
Number of visits to immunization providers with less than 90% of children up-to-date for age per the Advisory Committee on Immunization Practice's recommended immunization schedule.	N/A	New	209	200
Percentage increase of restaurant food handlers receiving training and certification.	9% (39,065)	10%	10%	5%
Increase the number of municipalities that participate in the New Animal Care and Control Joint Powers Authority.	N/A	4	1	2
Produce individual plans detailing patient demographics, site locations, systems integration, fiscal requirements and program design for two of the proposed integrated service models in the eleven identified catchment areas throughout the county.	N/A	N/A	N/A	Complete January 2010



SUMMARY OF BUDGET UNITS

	2009-10				Staffing
	Appropriation	Revenue	Local Cost	Fund Balance	
<u>General Fund</u>					
Public Health	83,092,275	79,820,646	3,271,629		863
California Children's Services	18,031,236	13,421,503	4,609,733		157
Indigent Ambulance	472,501	-	472,501		-
Total General Fund	101,596,012	93,242,149	8,353,863		1,020
<u>Special Revenue Funds</u>					
Bio-Terrorism Preparedness	3,095,535	2,576,813		518,722	-
Tobacco Use Reduction Now	422,480	403,760		18,720	-
Vital Statistics State Fees	726,967	150,752		576,215	-
Vector Control Assessments	3,582,526	1,634,436		1,948,090	-
Total Special Revenue Funds	7,827,508	4,765,761		3,061,747	-
Total - All Funds	109,423,520	98,007,910	8,353,863	3,061,747	1,020

Detailed information for each departmental budget unit follows, along with a description of the services provided, budget unit history and analysis of the budget unit.



Public Health

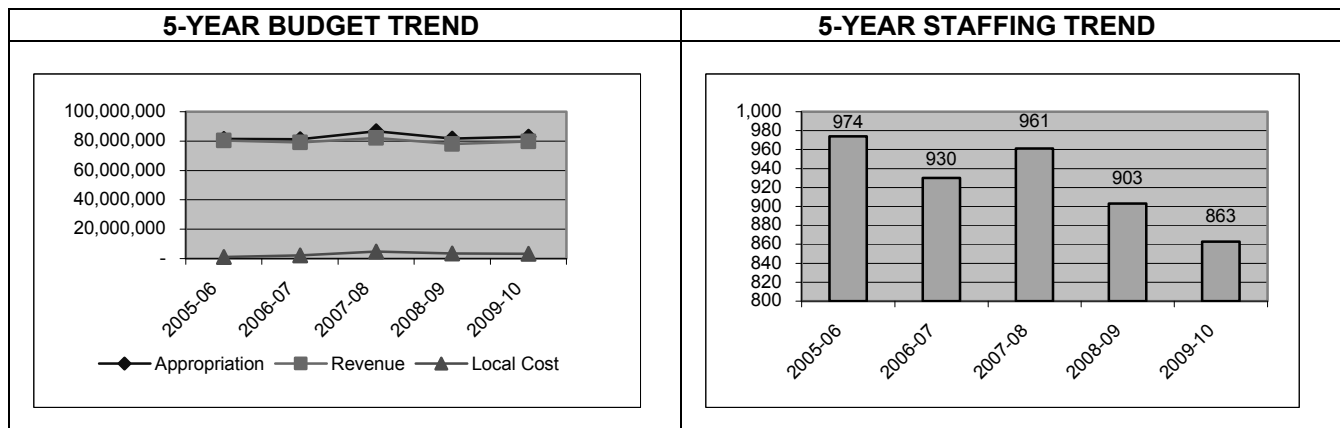
DESCRIPTION OF MAJOR SERVICES

The Department of Public Health provides a wide range of services to prevent diseases and improve the health, safety, and quality of life for residents and visitors of San Bernardino County. The department operates over thirty programs ranging from clinical services to animal care and control. Many services are mandated by the State Health and Safety Code. Key delivery areas for 2009-10 include Healthy Communities, Preparedness and Response, Communicable Disease Control and Prevention, Environmental Health, Animal Care and Control and California Children's Services.

Healthy Communities is a countywide initiative to support collaborative efforts to improve the quality of life for all residents. Preparedness and Response ensures the county capacity to respond to public health or bioterrorism emergencies. Communicable Disease Control and Prevention provides for surveillance and prevention of tuberculosis and HIV/AIDS, and immunizations to prevent disease. Education regarding tobacco prevention and reproductive services is also provided.

Environmental Health prevents, eliminates, or reduces hazards adversely affecting the health, safety, and quality of life through integrated programs such as Food Protection, Vector Control (including West Nile Virus surveillance) and Regulatory Water activities. California Children's Services provides case management, diagnosis, and treatment services to individuals up to 21 years of age with severe qualifying medical conditions. Animal Care and Control protects the public from rabies through dog vaccinations, stray animal abatement, wildlife rabies surveillance, and public education.

BUDGET HISTORY



PERFORMANCE HISTORY

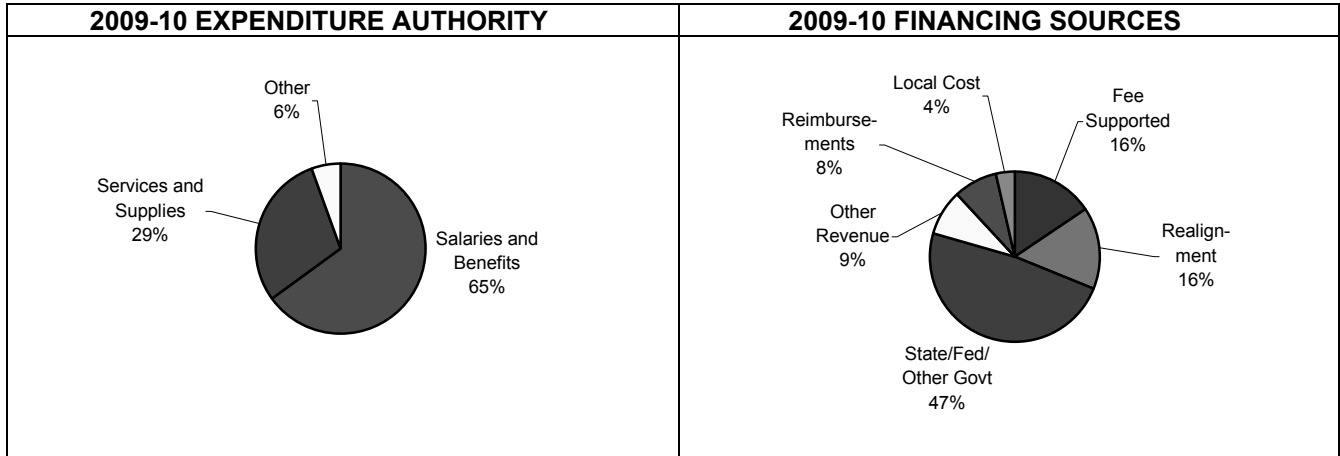
	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Modified Budget	2008-09 Actual
Appropriation	76,432,804	78,494,612	77,107,825	85,678,036	78,924,460
Departmental Revenue	75,128,834	76,194,353	72,207,159	82,105,767	75,352,191
Local Cost	1,303,970	2,300,259	4,900,666	3,572,269	3,572,269
Budgeted Staffing				903	

Actual appropriation for 2008-09 is less than modified budget primarily due to significant savings within salaries and benefits due to position vacancies and savings in and travel due to extensive scrutinizing and curtailing of all outside county travel requests.

Actual departmental revenue for 2008-09 is lower than budget due to lower expenditures.



ANALYSIS OF FINAL BUDGET



As a result of the current economic condition, the 2009-10 budget was impacted by an 8% cut. This reduction was a decrease of \$285,782 to appropriation and local cost; and the details are listed in the following schedule. Budgeted staffing was reduced by 6 vacant positions.

IMPACTS DUE TO BUDGET REDUCTIONS

Brief Description of Budget Impact	Budgeted Staffing	Appropriation	Departmental Revenue	Local Cost
2009-10 8% Reduction Reduction made to salaries and benefits - deleted 5 vacant Office Assistant II positions and 1 vacant Secretary II position.	(6)	(285,782)	-	(285,782)
Total	(6)	(285,782)	-	(285,782)

The preceding reductions were incorporated into the departmental budget and are reflected in the following schedule that details the budget by appropriation unit.



GROUP: Health Care
DEPARTMENT: Public Health
FUND: General

BUDGET UNIT: AAA PHL
FUNCTION: Health and Sanitation
ACTIVITY: Health

	2005-06	2006-07	2007-08	2008-09	2008-09	2009-10	Change From
	Actual	Actual	Actual	Actual	Final Budget	Final Budget	2008-09
							Final Budget
Appropriation							
Salaries and Benefits	54,992,869	54,840,095	54,615,642	54,418,692	58,956,220	58,816,352	(139,868)
Services and Supplies	21,630,283	24,843,932	23,582,044	24,932,470	23,224,505	25,212,288	1,987,783
Central Computer	617,030	592,400	610,283	640,709	640,709	624,200	(16,509)
Travel	-	-	-	531,287	929,394	808,195	(121,199)
Other Charges	467,505	101,500	104,000	99,000	100,000	100,000	-
Equipment	334,218	507,694	682,387	296,366	74,500	152,500	78,000
Vehicles	294,806	19,456	5,136	340,887	-	-	-
Capitalized Software	-	494,600	-	150,000	150,000	-	(150,000)
Transfers	3,153,721	3,198,612	3,698,218	4,450,131	4,719,810	4,851,903	132,093
Total Exp Authority	81,490,432	84,598,289	83,297,710	85,859,541	88,795,138	90,565,438	1,770,300
Reimbursements	(5,458,617)	(6,103,677)	(6,189,885)	(6,935,081)	(7,199,922)	(7,473,163)	(273,241)
Total Appropriation	76,031,815	78,494,612	77,107,825	78,924,460	81,595,216	83,092,275	1,497,059
Operating Transfers Out	400,989	-	-	-	-	-	-
Total Requirements	76,432,804	78,494,612	77,107,825	78,924,460	81,595,216	83,092,275	1,497,059
Departmental Revenue							
Taxes	99,868	110,540	108,871	118,794	102,409	102,409	-
Licenses & Permits	7,122,614	7,473,315	7,510,358	7,969,282	7,156,957	7,869,319	712,362
Fines and Forfeitures	426,629	487,301	-	-	-	-	-
Use of Money and Prop	-	312	-	-	-	-	-
Realignment	11,008,999	14,012,630	13,042,558	13,189,522	14,729,074	14,164,292	(564,782)
State, Fed or Gov't Aid	42,455,418	40,687,876	39,685,174	40,039,492	42,264,139	43,712,318	1,448,179
Current Services	8,383,548	7,372,136	5,619,115	6,323,123	6,762,401	6,175,813	(586,588)
Other Revenue	213,871	564,949	1,138,033	1,629,748	1,715,834	1,805,929	90,095
Other Financing Sources	7,438	-	-	-	-	-	-
Total Revenue	69,718,385	70,709,059	67,104,109	69,269,961	72,730,814	73,830,080	1,099,266
Operating Transfers In	5,410,449	5,485,294	5,103,050	6,082,230	5,292,133	5,990,566	698,433
Total Financing Sources	75,128,834	76,194,353	72,207,159	75,352,191	78,022,947	79,820,646	1,797,699
Local Cost	1,303,970	2,300,259	4,900,666	3,572,269	3,572,269	3,271,629	(300,640)
				Budgeted Staffing	903	863	(40)

Salaries and benefits of \$58,816,352 fund 863 budgeted positions and reflect the deletion of 40 vacant positions. This reduced staffing also reflects the transfer of 5 Graphic Designer positions to the Purchasing Department in order to centralize and more efficiently provide Media Design Services within the county. The reductions are offset with the addition of 5 new positions that will be utilized to further the integration efforts between the three health departments, and to provide additional support for the HIV Planning Council. Additionally, a new classification, Equine Coordinator, is being requested to support the Preventive Veterinary Division. The decrease of \$139,868 results primarily from the deferral of MOU increases and a decrease in workers compensation costs.

Services and supplies of \$25,212,288 are increasing by \$1,987,783 primarily due to inflation in medical supply, postage, and office supply costs.

Travel of \$808,195 is decreasing by \$121,199. Travel was a new appropriation for 2008-09 and the amount budgeted was a preliminary estimate. The 2009-10 amount is based on 2008-09 estimated expenditures.

Equipment of \$152,500 is for the replacement of two photocopy machines, purchase of the Vital Statistics Imaging system hardware, a server for Information Services, field ventilators and a DRASH tent for Preparedness and Response.

Transfers of \$4,851,903 are payments to other departments for Human Resources employee relations, the Employee Health and Productivity program, lease costs, facilities charges, and administrative and program support from Human Services. The \$132,093 increase reflects increases in rent, county counsel and the purchase of Media Design Services.



Reimbursements of \$7,473,163 represent payments from other departments such as Human Services, Probation, California Children's Services (CCS), Sheriff, and Behavioral Health for provision of nursing services, case management, home visiting and education, administrative and program support. The \$273,241 increase is primarily due to increased reimbursement from the Behavioral Health department for their share of leased space in the Ontario clinic partially offset by decreased reimbursement from TAD due to the loss of the FSET MOU and California Children's Services for administrative support.

Licenses and permit revenue of \$7,869,319 are increasing by \$712,362 based on current revenue trends.

State aid revenue of \$12,272,019 is decreasing by \$20,126,289 primarily due to the reclassification of grant revenues previously budgeted as State aid as Federal aid to more properly reflect the origin of the funds. The decrease is also the result of the loss of the Teen Smart, Office of Traffic Safety, and Preventative Health Care for the Aging grants, as well as decreases in other state reimbursements.

Federal aid revenue of \$31,440,299 is increasing by \$21,574,468 primarily due to the reclassification of grant revenues previously budgeted as State aid as Federal aid to more properly reflect the origin of the funds. The increase is also the result of increases in Medicare and AIDS Minority AIDS Initiative funding and new funding for Preparedness and Response. These increases are offset by decreases resulting from the termination of the Housing and Urban Development grant, and reductions in funding for Medical Administrative Activities/Targeted Case Management and AIDS Part C grants.

Current services revenue of \$6,175,813 is decreasing by \$586,588 primarily due to decreased tipping fees and other Environmental Health services. These decreases are partially offset by increases in other Public Health services.

Other revenue of \$1,805,929 is increasing by \$90,095 primarily due to an increase in Perinatal Screening, Assessment, Referral and Treatment funding which is partially offset by the loss of the Robert Wood Johnson grant and Focus West funding.

Operating transfers in of \$5,990,566 are increasing by \$698,433 primarily due to increases in Bio-terrorism Preparedness, Vital Statistics, and Vector Control special revenue funds transfers into the Public Health general fund budget unit.

The net local cost decrease for this budget unit is \$300,640. This decrease is comprised of the 8% cut, along with slight reductions in Central Computer charges.

California Children's Services

DESCRIPTION OF MAJOR SERVICES

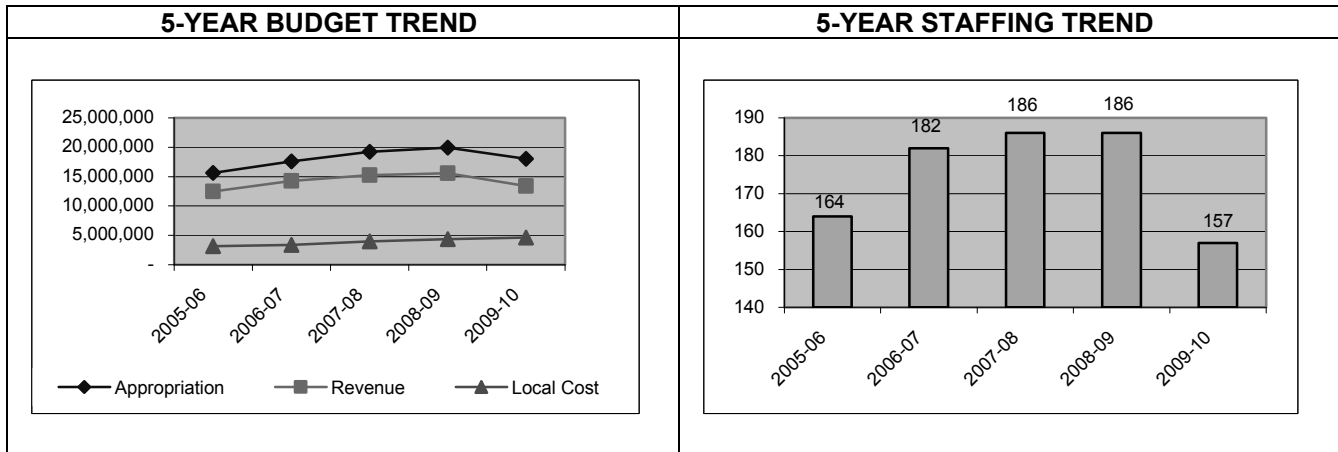
California Children's Services (CCS) is a state program that provides case management, diagnosis, and treatment services to individuals up to 21 years of age with severe qualifying medical conditions and whose families are unable to pay for all or part of their care. State law requires the county to maintain a mandated minimum funding level. In addition to realignment dollars and the county's mandated contribution, funding also comes from Medi-Cal, private insurance, and patient co-payments. Revenues are based upon individual client eligibility for specific programs such as Medi-Cal, Healthy Families, or CCS alone (people who do not qualify for other programs or cannot afford to pay their Medi-Cal co-share payments).

The revenue breakdown among federal, state, realignment and county general fund support depends on the type of services provided under this program. This program provides two types of services:

1. Administrative Component – Case management activities that include determining program eligibility, evaluating needs for specific services, determining the appropriate providers, and authorizing/paying for medically necessary care. Reimbursement for administrative and operational costs of county CCS programs is shared between the state and county programs as per Health and Safety Code Section 123955 (a). Administrative funding was previously based on staffing standards and caseload mix of CCS clients; however, since 2008-09 the state has changed the funding methodology to a proportion of 2006-07 actual expenditure.
 - Medi-Cal accounts for approximately 73.5%. Federal and state funds reimburse CCS for 100% of the costs.
 - Healthy Families accounts for approximately 11.5%. This federal and state program pays 82.5% of the costs. The remaining 17.5% local share is equally funded by Social Services Realignment (8.75%) and county general fund support (8.75%) and is billed to CCS on a quarterly basis. The funding for this section has also been changed to a methodology that uses 2006-07 actual expenditure as a base for allocation in current years.
 - CCS or Non-Medi-Cal caseload accounts for approximately 15%. Federal and state funds account for 50% of the costs associated with treating this clientele. The remaining 50% is split equally between Social Services Realignment (25%) and county general fund support (25%); however, the original budgeted amount is allocated by the state as opposed to what was intended by Health and Safety Code Section 123955 (a).
2. Medical Therapy Component – Provides physical therapy, occupational therapy, and medical therapy conference services. Licensed physical therapists and certified occupational therapists provide evaluation, treatment, consultation services, and case management. The state reimburses the county 50% of the costs incurred by this program up to the allocated amount prescribed by the state. The remaining 50% is equally funded by Social Services Realignment and county general fund support. Additionally, this program is allowed to bill Medi-Cal for therapy provided to Medi-Cal eligible clients. This revenue is split 75% state and 25% county. Approximately 7% of the caseload in the medical therapy component is Medi-Cal eligible.



BUDGET HISTORY



PERFORMANCE HISTORY

	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Modified Budget	2008-09 Actual
Appropriation	14,054,913	15,083,111	15,743,778	20,145,914	16,092,834
Departmental Revenue	11,023,247	11,962,630	12,458,215	15,786,181	12,395,764
Local Cost	3,031,666	3,120,481	3,285,563	4,359,733	3,697,070
Budgeted Staffing				186	

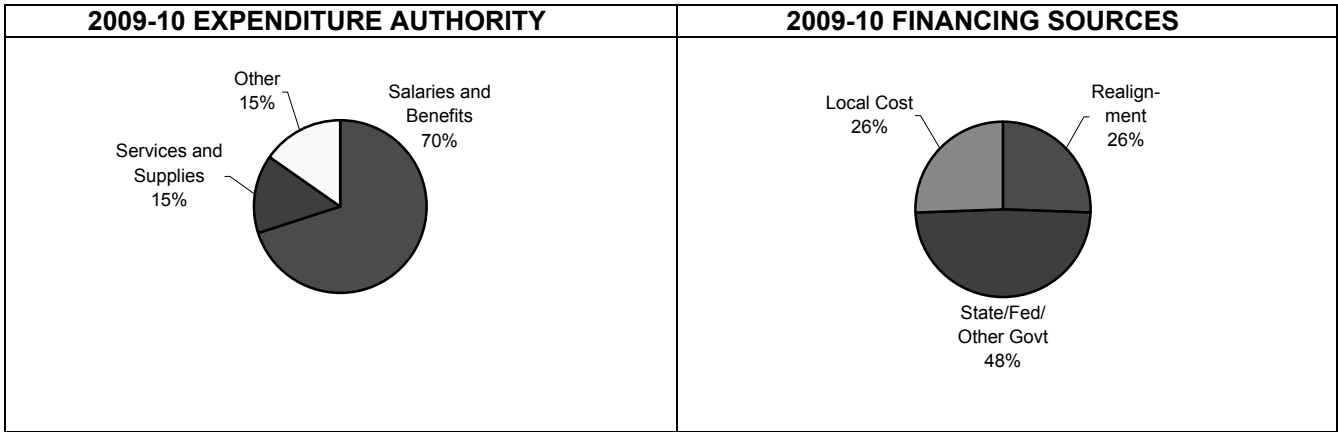
Actual appropriation for 2008-09 is less than modified budget primarily due to salary savings resulting from position vacancies.

Actual departmental revenue for 2008-09 is less than modified budget due to decreased claims associated with the above salary savings and a state imposed cap on revenue reimbursement, which is expected to continue into the next fiscal year.

HEALTH CARE



ANALYSIS OF FINAL BUDGET



As a result of the current economic condition, the 2009-10 budget was impacted by a salary reduction. This reduction resulted in a decrease of \$93,759 to appropriation and local cost. Budgeted staffing was reduced by 2 vacant positions.

IMPACTS DUE TO BUDGET REDUCTIONS

Brief Description of Budget Impact	Budgeted Staffing	Appropriation	Departmental Revenue	Local Cost
Salary Reduction Reduction made to salaries and benefits - deleted 2 vacant Office Assistant II positions.	(2)	(93,759)	-	(93,759)
Total	(2)	(93,759)	-	(93,759)

The preceding reductions were incorporated into the departmental budget and are reflected in the following schedule that details the budget by appropriation unit.



GROUP: Health Care
 DEPARTMENT: Public Health - California Children's Services
 FUND: General

BUDGET UNIT: AAA CCS
 FUNCTION: Health and Sanitation
 ACTIVITY: Hospital Care

	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Actual	2008-09 Final Budget	2009-10 Final Budget	Change From 2008-09 Final Budget
Appropriation							
Salaries and Benefits	10,568,993	11,177,521	11,718,736	11,952,585	14,892,433	12,618,768	(2,273,665)
Services and Supplies	1,649,341	1,600,579	1,768,628	1,552,072	2,061,842	2,449,867	388,025
Central Computer	-	128,066	133,912	154,738	154,738	155,811	1,073
Travel	-	-	-	30,732	73,000	49,073	(23,927)
Equipment	-	-	-	-	-	12,800	12,800
L/P Struct/Equip/Vehicles	7,004	-	-	-	-	-	-
Transfers	1,829,575	2,176,945	2,170,166	2,497,453	2,778,656	2,744,917	(33,739)
Total Exp Authority	14,054,913	15,083,111	15,791,442	16,187,580	19,960,669	18,031,236	(1,929,433)
Reimbursements	-	-	(47,664)	(94,746)	-	-	-
Total Appropriation	14,054,913	15,083,111	15,743,778	16,092,834	19,960,669	18,031,236	(1,929,433)
Departmental Revenue							
Realignment	3,012,979	3,120,482	3,285,562	3,697,070	4,359,733	4,609,733	250,000
State, Fed or Gov't Aid	7,983,596	8,800,737	9,142,750	8,675,131	11,206,763	8,785,770	(2,420,993)
Current Services	26,433	41,199	26,278	15,921	30,513	22,000	(8,513)
Other Revenue	239	212	3,625	7,641	3,927	4,000	73
Total Revenue	11,023,247	11,962,630	12,458,215	12,395,764	15,600,936	13,421,503	(2,179,433)
Local Cost	3,031,666	3,120,481	3,285,563	3,697,070	4,359,733	4,609,733	250,000
				Budgeted Staffing	186	157	(29)

Salaries and benefits of \$12,618,768 fund 157 budgeted positions and are decreasing by \$2,273,665, which primarily reflects the deletion of 30 vacant positions. Offsetting this decrease is the addition of a new classification, CCS Physician Consultant II. This classification is being requested in order to provide the required level of medical oversight for the program, including direct responsibility for medical eligibility determination.

Services and supplies of \$2,449,867 primarily include payments to the state and other providers for treatment costs and medical supplies.

Travel of \$49,073 is decreasing by \$23,927. Travel was a new appropriation for 2008-09 therefore the budgeted amount was a preliminary estimate. The amount budgeted for 2009-10 is based on 2008-09 actual expenditures.

Transfers of \$2,744,917 include payments to the: 1) Public Health general fund budget unit for administrative costs and automated systems support; 2) Real Estate Department for lease costs; 3) Human Resources for Employee Health and Productivity program; and 4) Purchasing Department for the purchase of office supplies. The decrease of \$33,739 is related to the deletion of nutritionist services paid to Public Health partially offset by increases in the payments previously mentioned.

Social services realignment and county general fund support of \$4,609,733 are each increasing by \$250,000 to fund administrative expenses and cost of providing mandated treatment. State law requires the county to maintain a mandated minimum funding level for this program. This funding is provided 50% by Social Services Realignment and 50% by county general fund support.

State aid revenue of \$8,785,770 is decreasing by \$2,420,993. The decrease reflects the decreased revenues associated with the state imposed cap on revenue reimbursement.

HEALTH CARE



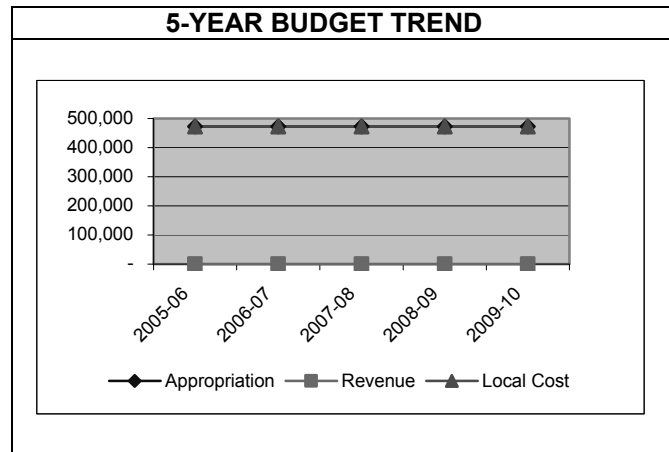
Indigent Ambulance

DESCRIPTION OF MAJOR SERVICES

This budget unit provides financing for ambulance contractors who transport indigents to the Arrowhead Regional Medical Center, or the closest hospital under certain life-threatening situations. It also funds transport of indigent tuberculosis patients to Riverside County Hospital for treatment, and up to the extent of available appropriation, pays for the Sheriff's Department transport of indigent inmates (with the remainder paid directly by the Sheriff's Department). The appropriation in this budget unit is maintained at a constant level.

There is no staffing associated with this budget unit.

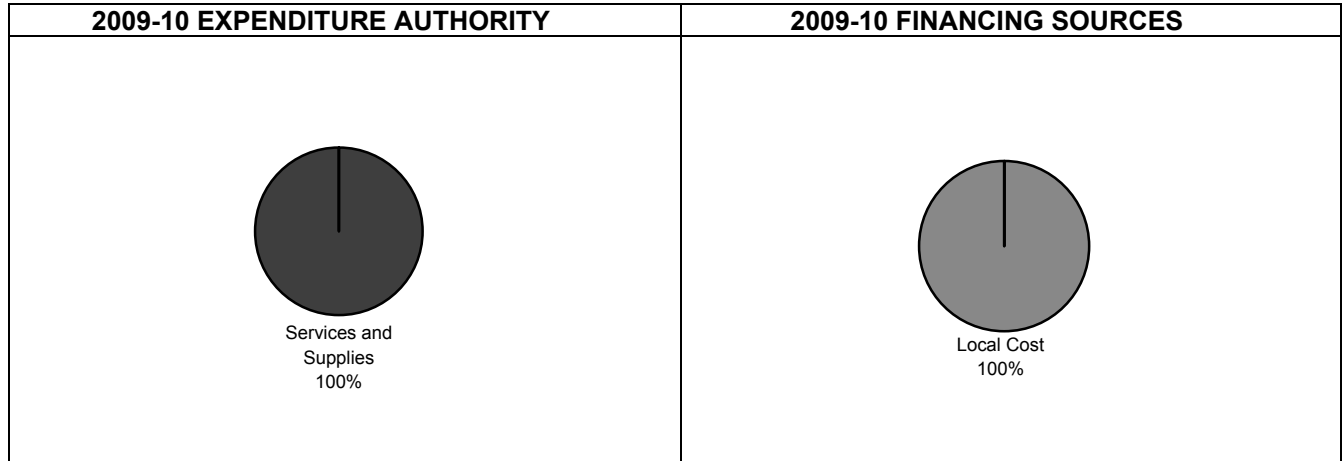
BUDGET HISTORY



PERFORMANCE HISTORY

	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Modified Budget	2008-09 Actual
Appropriation	471,838	472,501	472,501	472,501	472,501
Departmental Revenue	-	-	-	-	-
Local Cost	471,838	472,501	472,501	472,501	472,501

ANALYSIS OF FINAL BUDGET



GROUP: Administrative/Executive
 DEPARTMENT: Public Health - Indigent Ambulance
 FUND: General

BUDGET UNIT: AAA EMC
 FUNCTION: Health and Sanitation
 ACTIVITY: Hospital Care

	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Actual	2008-09 Final Budget	2009-10 Final Budget	Change From 2008-09 Final Budget
Appropriation							
Services and Supplies	471,838	472,501	472,501	472,501	472,501	472,501	-
Total Appropriation	471,838	472,501	472,501	472,501	472,501	472,501	-
Local Cost	471,838	472,501	472,501	472,501	472,501	472,501	-

There are no changes to this budget unit.



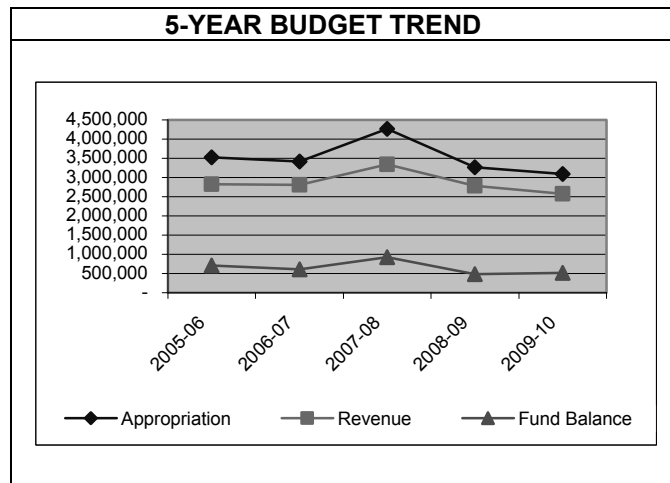
Bio-Terrorism Preparedness

DESCRIPTION OF MAJOR SERVICES

State bio-terrorism funds are received and transferred out as needed to the Public Health general fund budget unit to reimburse for actual preparedness and response related activities and expenditures. Funding from the Centers for Disease Control (CDC), Pandemic Influenza, and Cities Readiness Initiative (CRI) is reflected in this budget unit. Each source of funds is tracked and reported separately as stipulated by the state grant agreement. This is a financing budget unit only. No actual expenditures or activities are incurred or conducted via this budget unit.

There is no staffing associated with this budget unit.

BUDGET HISTORY



PERFORMANCE HISTORY

	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Modified Budget	2008-09 Actual
Appropriation	2,864,139	2,242,714	2,853,631	4,335,970	3,436,376
Departmental Revenue	2,768,816	2,561,417	2,407,488	3,853,553	3,472,681
Fund Balance				482,417	

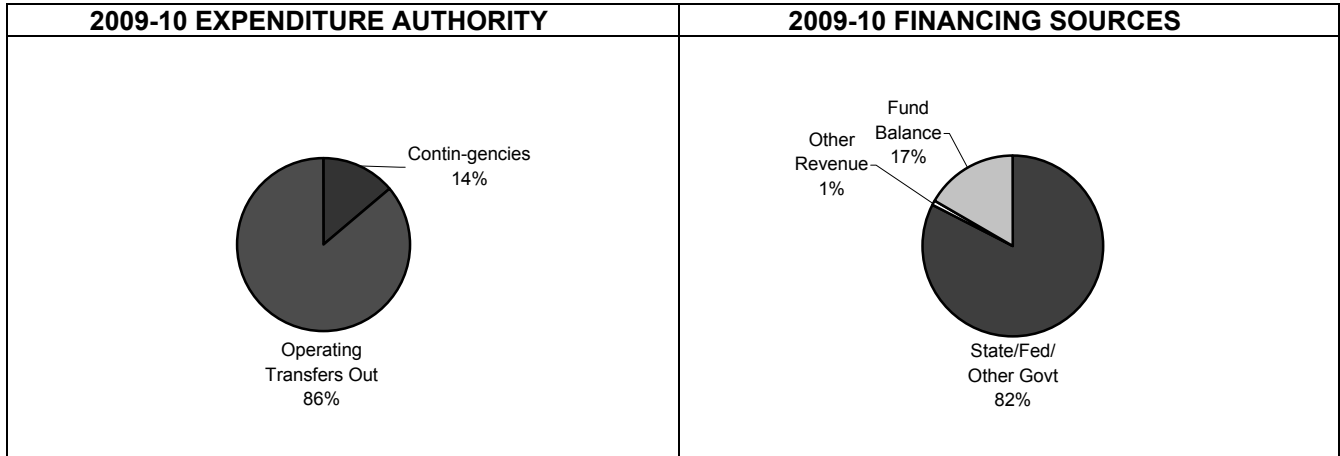
Actual appropriation for 2008-09 is less than modified budget as the department did not receive all anticipated carryover funding from prior year. On April 28, 2009, the Board of Supervisors authorized the transfer of appropriation from contingencies to operating transfers out, in the amount of \$244,980, allowing for the expenditure of the prior year carryover fund balance that was received.

Actual departmental revenue for 2008-09 is less than modified budget as not all carryover funding from the prior grant year was received and approved for expenditure in the current year.

HEALTH CARE



ANALYSIS OF FINAL BUDGET



GROUP: Administrative/Executive
DEPARTMENT: Public Health
FUND: Bio-Terrorism Preparedness

BUDGET UNIT: RPL PHL
FUNCTION: Public Protection
ACTIVITY: Other Protection

	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Actual	2008-09 Final Budget	2009-10 Final Budget	Change From 2008-09 Final Budget
Appropriation							
Contingencies	-	-	-	-	733,463	426,899	(306,564)
Total Appropriation	-	-	-	-	733,463	426,899	(306,564)
Operating Transfers Out	2,864,139	2,242,714	2,853,631	3,436,376	2,530,118	2,668,636	138,518
Total Requirements	2,864,139	2,242,714	2,853,631	3,436,376	3,263,581	3,095,535	(168,046)
Departmental Revenue							
Use of Money and Prop	50,883	44,891	61,458	37,489	78,605	19,479	(59,126)
State, Fed or Gov't Aid	2,717,933	2,516,526	2,479,403	3,427,850	2,702,559	2,557,334	(145,225)
Other Financing Sources	-	-	(133,373)	-	-	-	-
Total Revenue	2,768,816	2,561,417	2,407,488	3,465,339	2,781,164	2,576,813	(204,351)
Operating Transfers In	-	-	-	7,342	-	-	-
Total Financing Sources	2,768,816	2,561,417	2,407,488	3,472,681	2,781,164	2,576,813	(204,351)
				Fund Balance:	482,417	518,722	36,305

Contingencies of \$426,899 are decreasing by \$306,564 based on less departmental revenue available. State approval must be sought for the expenditure of any prior year carryover funds. These funds will be utilized to support continued preparedness and response activities.

Operating transfers out of \$2,668,636 are increasing by \$138,518 primarily as a result of anticipated expenditure of carryover funding from prior year.

Interest of \$19,479 reflects a decrease of \$59,126.

State aid revenue of \$2,557,334 reflects a decrease of \$145,225. This is primarily due to the reduction in funding for Pandemic Influenza.



Tobacco Use Reduction Now

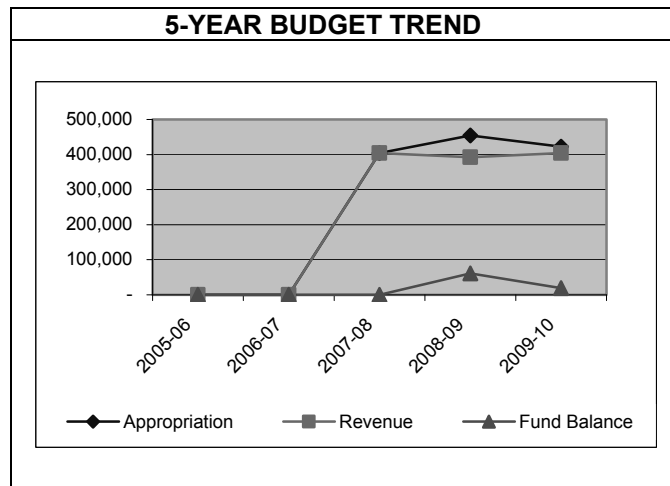
DESCRIPTION OF MAJOR SERVICES

This budget unit holds the State's Comprehensive Tobacco Control Plan grant funds. Funds are transferred to the Public Health general fund budget unit to reimburse actual expenditures related to working with local community and government groups to develop and enforce tobacco control policies and ordinances and provide community education.

The department has been approved to receive three-year funding from the California Department of Public Health to support tobacco control and education services. The department has been receiving quarterly advances from the state and is required to maintain these funds in a separate interest bearing account. In the past, the department utilized a trust fund. However, since unspent funds can be carried forward for up to two years, the department identified the need to establish a special revenue fund in order to comply with GASB 34.

There is no staffing associated with this budget unit.

BUDGET HISTORY



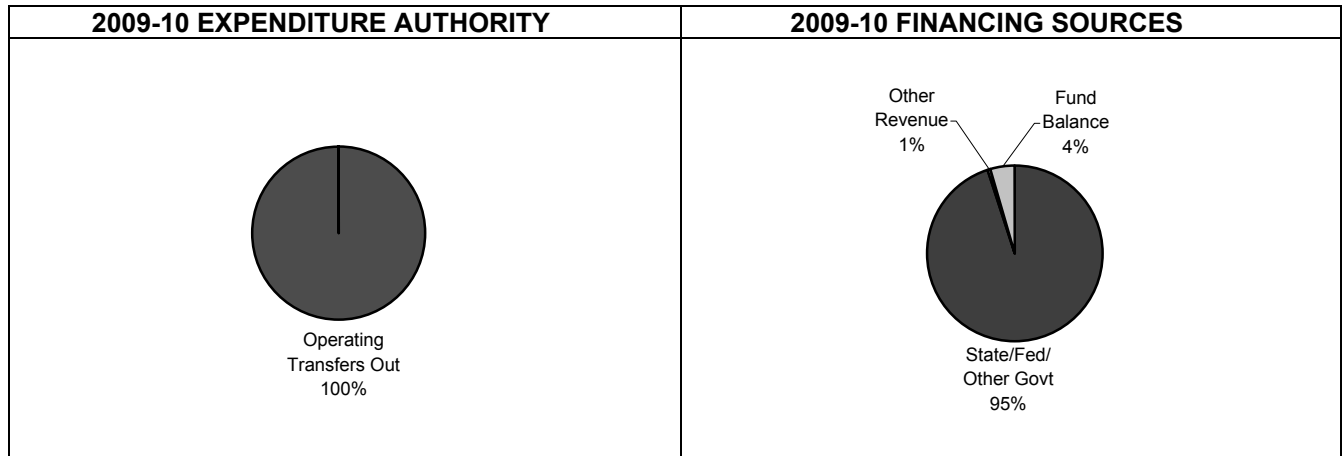
PERFORMANCE HISTORY

	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Modified Budget	2008-09 Actual
Appropriation	-	-	344,379	453,996	379,773
Departmental Revenue	-	-	405,680	392,696	337,191
Fund Balance				61,300	

In accordance with Section 29009 of the State Government Code, the entire unreserved fund balance must be appropriated each year. Accordingly, actual appropriation in this budget unit is typically less than modified budget. The amount not expended is carried over to the subsequent year's budget.



ANALYSIS OF FINAL BUDGET



GROUP: Administrative/Executive
 DEPARTMENT: Public Health
 FUND: Tobacco Use Reduction Now

BUDGET UNIT: RSP PHL
 FUNCTION: Health and Sanitation
 ACTIVITY: Health

	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Actual	2008-09 Final Budget	2009-10 Final Budget	Change From 2008-09 Final Budget
Appropriation							
Contingencies	-	-	-	-	65,536	-	(65,536)
Total Appropriation	-	-	-	-	65,536	-	(65,536)
Operating Transfers Out	-	-	344,379	379,773	388,460	422,480	34,020
Total Requirements	-	-	344,379	379,773	453,996	422,480	(31,516)
Departmental Revenue							
Use of Money and Prop	-	-	4,226	3,153	4,236	2,306	(1,930)
State, Fed or Gov't Aid	-	-	401,454	334,038	388,460	401,454	12,994
Total Revenue	-	-	405,680	337,191	392,696	403,760	11,064
				Fund Balance	61,300	18,720	(42,580)

Contingencies are not budgeted for 2009-10 as the grant cycle terms in 2010 and all funds must be expended during the grant cycle.

Operating transfers out of \$422,480 are increasing by \$34,020 due to higher anticipated expenditures within the Public Health general fund budget unit associated with the Tobacco Use Reduction Now program.

Interest revenue of \$2,306 reflects a decrease of \$1,930 due to the planned expenditures for 2009-10.

State aid revenue of \$401,454 is increasing by \$12,994 due to carryover grant funds from Year 2 to perform tobacco education activities.



Vital Statistics State Fees

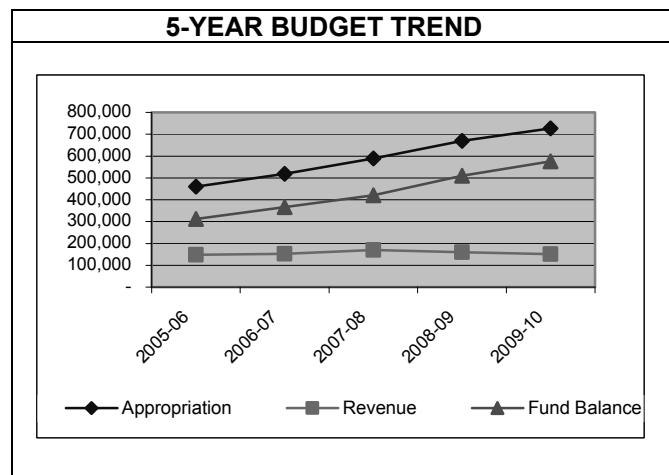
DESCRIPTION OF MAJOR SERVICES

This budget unit holds fees set by the State and collected from the purchase of birth and death certificates. Funds are transferred to the Public Health general fund budget unit to fund Vital Statistics program expenditures. Per the Health and Safety Code 103625 all applicants for birth or death certificates shall pay an additional \$3 to be collected by the county and disbursed as follows:

1. 45% of the fee shall be distributed to the State Registrar; and
2. The remaining 55% shall be deposited into the Vital and Health Statistics Fund for the purposes of defraying administrative costs of collecting and reporting with respect to those fees and for other costs as follows:
 - a) Modernization of Vital records operations, including improvement, automation and technical support of the Vital Records systems.
 - b) Improvement in the collection and analysis of health related birth and death certificate information and other community health data collection and analysis, as appropriate.
 - c) Funds collected shall not be used to supplant funding in existence on January 1, 2002 that are required for the daily operation of the Vital Records system.

There is no staffing associated with this budget unit.

BUDGET HISTORY



PERFORMANCE HISTORY

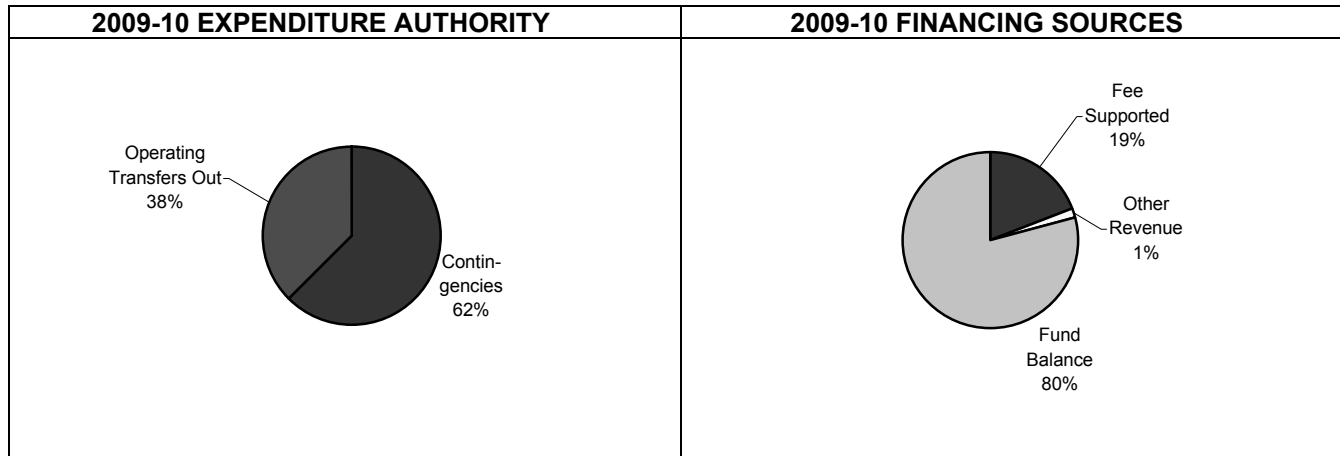
	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Modified Budget	2008-09 Actual
Appropriation	111,381	117,466	86,302	670,078	83,967
Departmental Revenue	165,599	172,294	176,146	159,820	149,924
Fund Balance				510,258	

In accordance with Section 29009 of the State Government Code, the entire unreserved fund balance must be appropriated each year. Accordingly, actual appropriation in this budget unit is typically less than modified budget. The amount not expended is carried over to the subsequent year's budget.

In 2008-09, the program initiated the research phase of the Vital Statistics system automation. Staff developed a Request for Information (RFI) to identify the hardware and software components needed to digitally archive, index, scan and store birth and death records. In 2009-10, the program will initiate the implementation phase of the Vital Statistics system automation, and will solicit cost proposals for hardware, software and labor needed to install the system.



ANALYSIS OF FINAL BUDGET



GROUP: Administrative/Executive
DEPARTMENT: Public Health
FUND: Vital Statistics State Fees

BUDGET UNIT: SCI PHL
FUNCTION: Health and Sanitation
ACTIVITY: Health

	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Actual	2008-09 Final Budget	2009-10 Final Budget	Change From 2008-09 Final Budget
Appropriation							
Contingencies	-	-	-	-	503,078	453,620	(49,458)
Total Appropriation	-	-	-	-	503,078	453,620	(49,458)
Operating Transfers Out	111,381	117,466	86,302	83,967	167,000	273,347	106,347
Total Requirements	111,381	117,466	86,302	83,967	670,078	726,967	56,889
Departmental Revenue							
Use of Money and Prop	11,337	17,692	23,021	15,994	19,820	10,752	(9,068)
Current Services	154,262	154,602	148,477	128,428	140,000	140,000	-
Other Revenue	-	-	-	5,503	-	-	-
Other Financing Sources	-	-	4,648	-	-	-	-
Total Revenue	165,599	172,294	176,146	149,924	159,820	150,752	(9,068)
				Fund Balance	510,258	576,215	65,957

Contingencies of \$453,620 are decreasing by \$49,458 based on anticipated program expenditures in 2009-10.

Operating transfers out of \$273,347 are increasing by \$106,347 due to anticipated program expenditures related to the purchase of a new automated Vital Statistics system.

Interest revenue of \$10,752 is decreasing by \$9,068 due to the planned expenditures for 2009-10.

There is no change in current services revenue of \$140,000 for 2009-10.



Vector Control Assessments

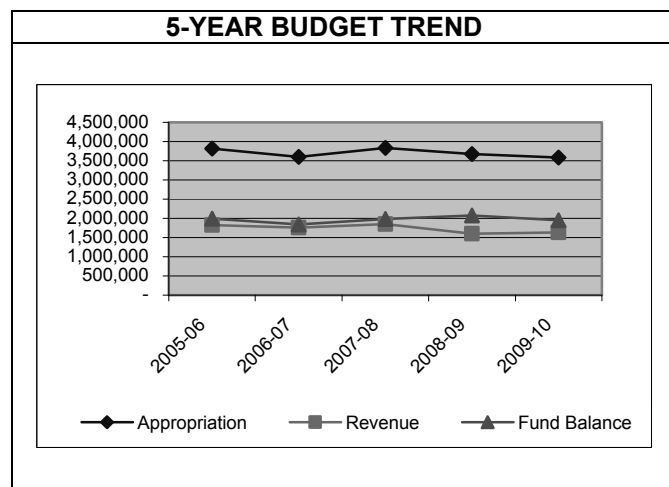
DESCRIPTION OF MAJOR SERVICES

This budget unit receives all tax assessments for Vector Control. Revenue collected here is received via the property tax roll and is dedicated for Vector Control purposes. The amount of the parcel assessment varies depending on the level of improvement on a given parcel. Operating transfers out from this budget unit finances activities in the Vector Control program, which is a component of the Public Health general fund budget unit.

Revenue changes in this budget unit reflect development and subdivision activities within the County, and tax assessment collection fluctuations. As the numbers of parcels are added or improved, the revenue increases; offsetting this are annexations or incorporations of cities.

There is no staffing associated with this budget unit.

BUDGET HISTORY

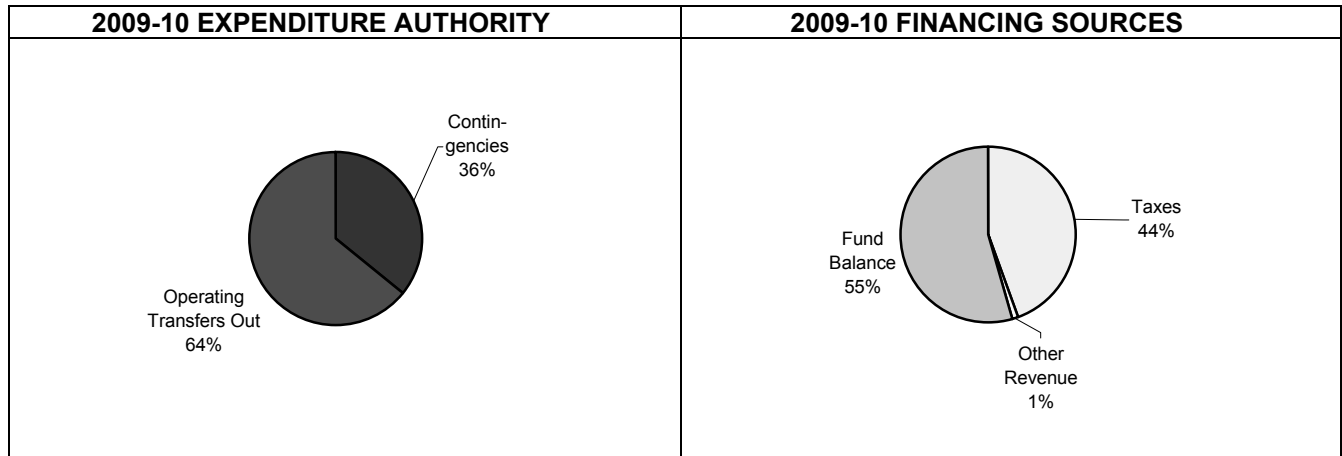


PERFORMANCE HISTORY

	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Modified Budget	2008-09 Actual
Appropriation	1,877,750	1,592,378	1,641,384	3,675,901	1,886,560
Departmental Revenue	1,727,974	1,731,897	1,734,203	1,601,666	1,760,415
Fund Balance				2,074,235	

In accordance with Section 29009 of the State Government Code, the entire unreserved fund balance must be appropriated each year. Accordingly, actual appropriation in this budget unit is typically less than modified budget. The amount not expended is carried over to the subsequent year's budget.

ANALYSIS OF FINAL BUDGET



GROUP: Administrative/Executive
DEPARTMENT: Public Health
FUND: Vector Control Assessments

BUDGET UNIT: SNR PHL
FUNCTION: Health and Sanitation
ACTIVITY: Health

	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Actual	2008-09 Final Budget	2009-10 Final Budget	Change From 2008-09 Final Budget
Appropriation							
Contingencies	-	-	-	-	1,613,204	1,284,358	(328,846)
Total Appropriation	-	-	-	-	1,613,204	1,284,358	(328,846)
Operating Transfers Out	1,877,750	1,592,378	1,641,384	1,886,560	2,062,697	2,298,168	235,471
Total Requirements	1,877,750	1,592,378	1,641,384	1,886,560	3,675,901	3,582,526	(93,375)
Departmental Revenue							
Taxes	1,659,011	1,639,697	1,635,226	1,701,817	1,521,235	1,589,099	67,864
Use of Money and Prop	68,963	92,200	98,977	58,599	80,431	45,337	(35,094)
Total Revenue	1,727,974	1,731,897	1,734,203	1,760,415	1,601,666	1,634,436	32,770
				Fund Balance	2,074,235	1,948,090	(126,145)

Contingencies of \$1,284,358 are decreasing by \$328,846 primarily due to an increase in operating transfers out to reflect increased operating expenditures for the Vector Control program.

Operating transfers out of \$2,298,168 are increasing by \$235,471 due to state funding relating to West Nile Virus no longer being allocated to counties, and an increase in operating expenses.

Taxes of \$1,589,099 are increasing \$67,864 to reflect current year trend.

Interest revenue of \$45,337 is decreasing by \$35,094 due to a lower fund balance.

