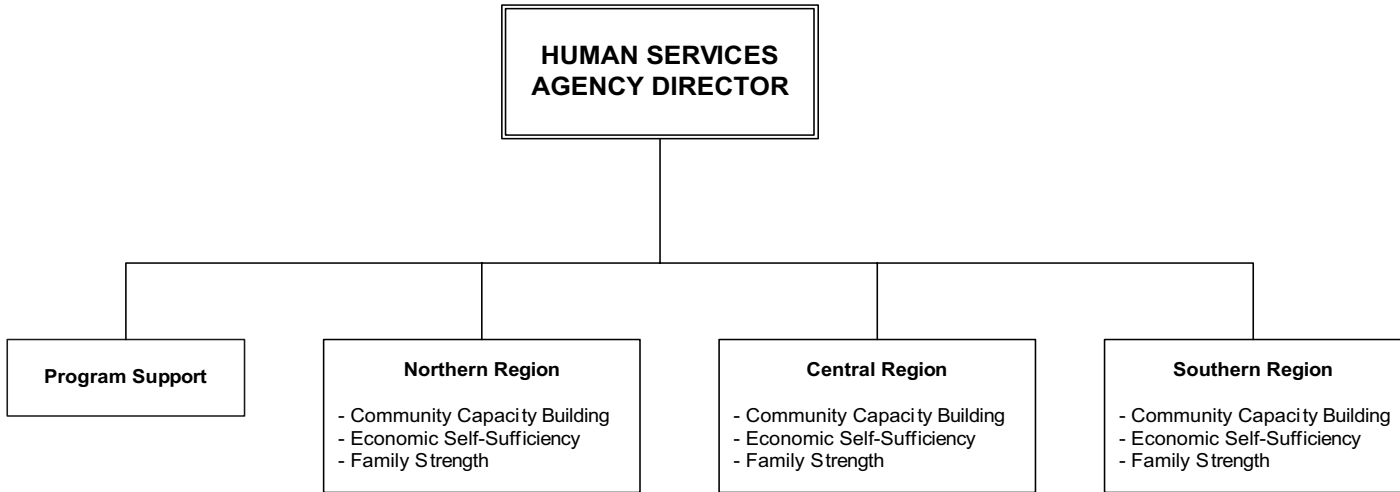
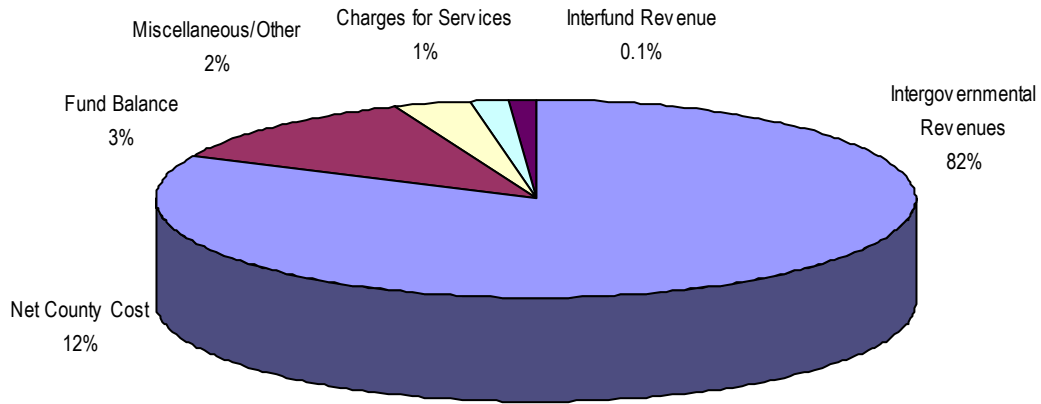


HUMAN SERVICES AGENCY

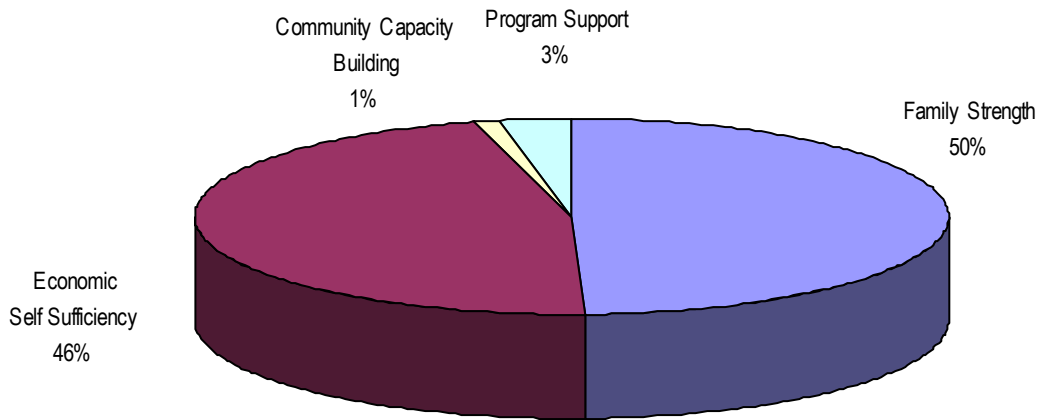


Human Services Agency

FY 2005-06 Recommended Sources



FY 2005-06 Recommended Requirements



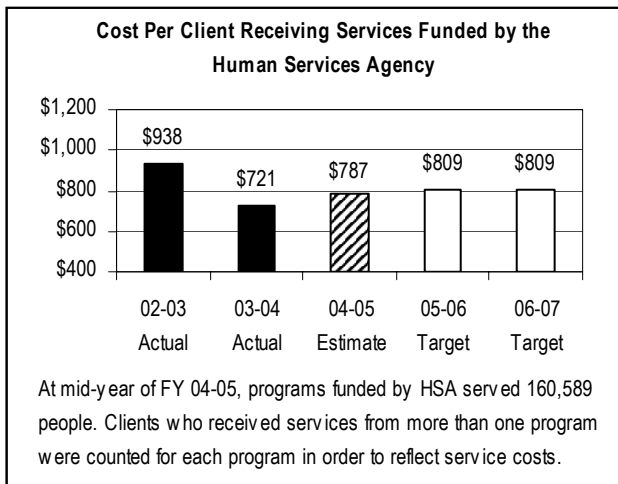
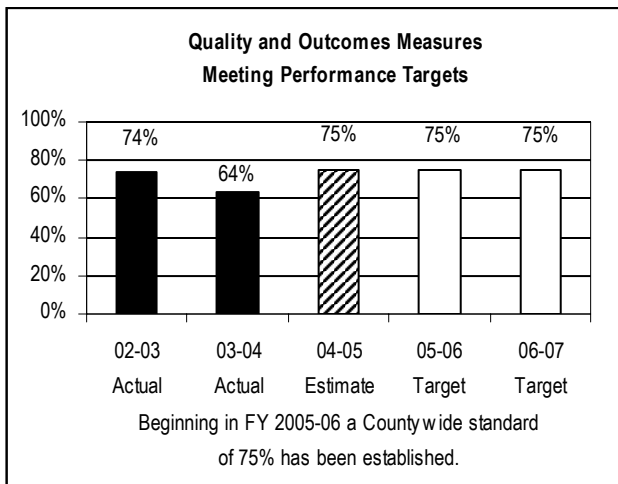
Human Services Agency FY 2005-06 and 2006-07 All Funds Summary

Total Requirements	Actual 2002-03	Actual 2003-04	Revised 2004-05	Recommended 2005-06	Change 2005-06	Recommended 2006-07
General Fund Budgets						
Program Support	6,106,626	5,231,605	5,403,581	5,526,306	122,725	5,015,883
Community Capacity Building	1,838,985	1,820,145	1,962,693	2,441,376	478,683	2,453,422
Economic Self-Sufficiency	61,669,272	73,269,053	78,437,799	86,156,515	7,718,716	85,984,486
Family Strength	76,314,634	75,909,995	83,859,161	91,836,566	7,977,405	90,934,783
Total General Fund	145,929,517	156,230,797	169,663,234	185,960,763	16,297,529	184,388,574
Total Requirements	145,929,517	156,230,797	169,663,234	185,960,763	16,297,529	184,388,574
Total Sources	127,873,642	138,891,790	149,452,699	163,781,358	14,328,659	160,609,012
Net County Cost	18,055,875	17,339,007	20,210,535	22,179,405	1,968,870	23,779,562
AUTHORIZED POSITIONS						
Salary Resolution	706.0	736.0	737.0	756.0	19.0	756.0
Funded FTE	700.6	724.7	731.3	752.4	21.1	752.4

Agency Locator

- County
 - Administration and Fiscal
 - Criminal Justice
 - Environmental Services
 - Housing
 - Public Works
 - Health
- ▶ **Human Services**
 - Program Support
 - Community Capacity Building
 - Economic Self-Sufficiency
 - Family Strength
 - Non-Departmental Services

Agency Measures



Agency Mission Statement

The Human Services Agency serves as a catalyst for public and private efforts to ensure that all individuals and families become healthy, productive and contributing members of society.

Contributions to Shared Vision 2010 Goals

The Human Services Agency contributes to the following goals of the Shared Vision 2010 commitments:

Commitment: Provide Equal Access to Educational Opportunity

Goal 3: The Human Services Agency and its partners provide direct client subsidies and support expansion of neighborhood-based facilities offering child care, early learning, and support services for low-income working families that contribute to children entering kindergarten ready to learn. These programs are located in the program outcome areas of Community Capacity Building and Family Strength.

Goal 4: County residents can access job training, career development and education programs offered in collaboration with local community colleges, private businesses and other partners at all PeninsulaWorks one-stop employment centers. Agency staff are eligible to enroll in advanced degree and credential programs in the human services developed in collaboration with local community colleges. These programs are located in the program outcome areas of Economic Self-Sufficiency and Program Support.

Commitment: Ensure Basic Health and Safety for All

Goal 5: Workers conduct outreach and assist families enroll in no- and low-cost medical insurance programs to increase access to healthcare and preventive care. This program is located in the program outcome area of Family Strength.

Goal 6: The Human Services Agency partners with community-based organizations to provide a wide array of child abuse prevention, early intervention and family support services, and alcohol and other drug prevention and treatment programs to assure children grow up healthy in safe and supportive homes and neighborhoods. These programs are located in the program outcome areas of Community Capacity Building and Family Strength.

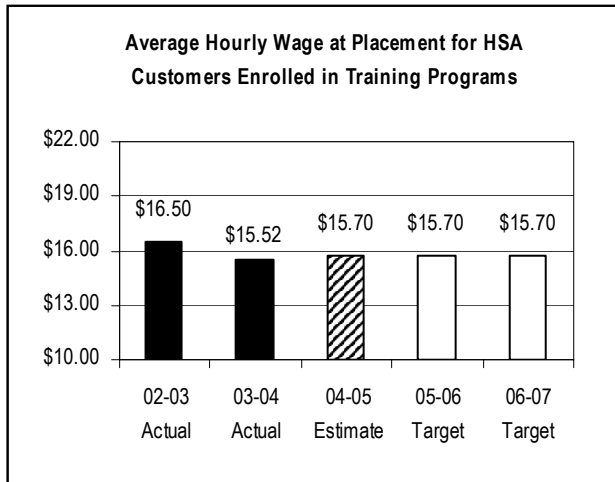
Goal 8: The County's most vulnerable residents achieve an improved quality of life through a variety of emergency, transitional and supported housing options; vocational rehabilitation services for the mentally and physically disabled; special initiatives supporting victims of domestic violence, child maltreatment, and youth who are at-risk of entering or are involved with the foster care and juvenile justice systems; and emergency in-kind assistance and voucher programs that provide temporary subsistence and shelter supports. These programs are located in the program outcome areas of Community Capacity Building, Economic Self-Sufficiency, and Family Strength.

Commitment: Create Opportunities for Every Household to Participate in Our Prosperity

Goal 17: A complete range of career counseling, skill assessment, job training, job search assistance, and support services are available at four PeninsulaWorks one-stop employment centers to assist all County residents experience real gains in income. Employment readiness services, intensive job training, and financial management and savings programs are targeted to meet special needs of individuals re-entering the workforce and low-income workers. Cash assistance programs provide basic income support to aged, disabled and very low-income families. These programs are located in the program outcome area of Economic Self-Sufficiency.

Commitment: Sow the Seeds of Our Future Prosperity

Goal 19: The Adolescent Collaborative Action Team and Youth Council of the Workforce Investment Board plan and support training and career education options for youth that supplement traditional K-12 classroom learning and expand the skill level of new workers. These programs are located in the program outcome areas of Economic Self-Sufficiency and Family Strength.



Story Behind Baseline Performance

The Human Services Agency includes the following programs:

- Program Support
- Community Capacity Building
- Economic Self-Sufficiency
- Family Strength

Accomplishments that have contributed to improved performance and progress in the current year include:

Utilized Technology to Streamline and Improve the Quality of Service Delivery

- Launched One-e-App to expand access to health insurance enrollment in the Healthy Kids program, Healthy Families program, and Medi-Cal for children and pregnant women.
- Implemented Housing Our People Effectively (HOPE), a web-based application used by service providers in support of San Mateo County's homeless population to improve coordination of services among providers.

- Launched a newly designed Intranet in October 2004, with user-friendly menus and enhanced search capabilities that allow staff quick access to important information.
- Began electronic case file imaging to improve timely access to Medi-Cal and Food Stamp cases. Approximately 1,000 Medi-Cal and 1,400 Food Stamps case files have been imaged to date.
- Improved performance outcome measure tracking of clients receiving alcohol and drug treatment services.
- Expanded the Continuous Quality Improvement (CQI) process to encourage best practices, improve services, and prepare for Agency Accreditation.
- Released "Neighbors in Need, 2005: Income and Outcomes", a comprehensive assessment of San Mateo County's low-income and HSA's client populations.
- In support of short-term and long-term planning: increased staff ability to develop competitive funding proposals; initiated an Alcohol Tobacco and Other Drug (ATOD) environmental assessment; coordinated a ten-year plan to end homelessness; completed a needs assessment with community stakeholders for youth employment services; and updated the Human Service Agency's 2000 Strategic Plan.

Enhanced Staff Skills to Improve Client Outcomes

- Ensured ongoing quality customer service by providing skill-based leadership development through the second Leadership Conference, attended by over 350 Agency staff and community partners.
- Conducted leadership development training for 112 Managers and Supervisors in the Values in Practice program to promote quality service delivery.

Increased Housing with Supportive Services through Collaborative Partnerships

- Developed 20 units to support clients struggling with substance abuse in partnership with Alcohol and Other Drug Services.
- Secured \$1 million in Proposition 46 Emergency Housing Assistance Program funds to upgrade the 90 bed Safe Harbor Emergency Shelter.
- Partnered with the Mental Health Association and County Mental Health Services to create 14 units of supportive housing for residents with co-occurring mental health and drug and/or alcohol abuse issues.
- Partnered with Shelter Network and supported funding for the renovated First-Step for Families transitional housing facility, increasing the capacity from 18 families to 39 families and making First Step one of only a handful of transitional housing sites with a licensed child care center.
- Expanded the transitional housing capacity through the creation of Catherine's Center, a 6 bed facility serving women being released from jail and prison.
- Implemented Project HOPE (Housing Our People Effectively), the San Mateo County Homeless Management Information System, through a collaborative effort to improve the coordination and quality of services.

- Participated in the creation of the Community Connections Project, a new collaborative planning body including representation from County departments, medical centers, and housing to focus on systems planning to reduce the number of homeless frequent users of emergency room services.

Expanded Employment, Training and Benefits for the Community

- Provided employment services to over 24,000 participants at PeninsulaWorks.
- Facilitated eligibility redeterminations and casework through the Health Insurance Telecenter for over 23,000 Medi-Cal clients.
- Served over 5,000 dislocated airline workers and funded skills re-training for 282 clients through the Workforce Investment Board's special airport project.
- In partnership with Genentech, trained over 100 dislocated workers for careers in biotech manufacturing with over a 90% graduation rate and 80% of those graduates being hired.
- Secured over \$2.2 million dollars in special grant funding to create new educational, training, and career opportunities for disadvantaged youth and adults.
- Broadened access for families to receive free tax assistance, build assets, and claim Earned Income Tax Credits (EITC) and other tax credits by forming a coalition with the IRS, businesses, and local community based organizations, resulting in 500 individuals and families filing for \$187,000 in EITC.
- Began training users in CalWIN to develop, test and implement an automated benefit determination system for CalWORKS, Food Stamps, Medi-Cal, General Assistance (GA), Cash Assistance Program for Immigrants (CAPI) and Foster Care.

Strengthened Families by Expanding Family-Focused Community-Based Services

- Partnered with First 5 San Mateo County, County Office of Education, and other partners in the Preschool for All (PFA) Initiative to increase the quality and availability of preschool programs.
- Implemented the Differential Response pilot in Daly City and Redwood City, a new community approach for situations where referrals are received and the children are safe, but the family has physical, social, and economic support needs.
- Conducted a community-wide Self-Assessment of Children and Family Services (CFS) and developed an extensive System Improvement Plan (SIP).
- Integrated ATOD with Domestic Violence services to ensure holistic services for families.
- Reduced illegal youth access to tobacco products in retail stores by approximately 20% in Pacifica, San Mateo, and South San Francisco in partnership with the Youth Coalition for Tobacco Prevention.
- Developed and implemented a five-year child care pilot program with State and local child care providers that adapts contracting reimbursement and eligibility rules to the needs of County residents.

- Completed the Tobacco Education Coalition Strategic Plan in collaboration with community partners.
- Partnered with Horizon Services to provide new ATOD outpatient treatment in two shelters.
- Conducted 129 Team Decision Making (TDM) Meetings, multi-disciplinary meetings which are required to make placement decisions for children involved with the Child Welfare System.

Major challenges anticipated over the next two years will be:

Supporting Program and Policy Changes

- To implement CalWIN, the mandated statewide CalWORKS Welfare Information Network in October 2005.
- To plan for a decrease in supportive and training services for laid off workers due to expiring grants.
- To develop strategies to address the economic impact and decrease in employment opportunities.
- To respond to programmatic and structural changes resulting from the implementation of Child Welfare System Improvements.
- To continue compliance with state performance standards in Medi-Cal.
- To respond to TANF reauthorization changes which will modify CalWORKS and result in an increase in participation of work requirements.

Meeting Increasing Service Demands with Limited Resources

- To develop the capacity of community-based organizations to meet additional service demands.
- To identify Federal, State and private resources to sustain and enhance programs impacted by proposed funding cuts and expiring grants.
- To expand Differential Response Countywide.
- To address the lack of alcohol and other drug treatment capacity in a budget reduction environment.
- To identify sufficient child care resources to meet the need resulting from anticipated increase in work demands under CalWORKS, Differential Response, and possibly TANF Reauthorization.
- To maximize customer satisfaction while minimizing the impact of continuous budget reductions and hiring freezes.

Planning for an Improved Service Delivery System

- To explore supportive housing options for emancipated youth.
- To implement a strategic approach to ensure safety net services in the County.
- To develop a ten year plan to end homelessness in San Mateo County.
- To assess and revamp the ATOD treatment system to better meet changing community needs.
- To align policies and prepare procedures and resources with Council on Accreditation standards.
- To integrate information from the SHARP Data Warehouse with external data from the Health Services Agency and San Mateo Medical Center.

Agency Priorities

The Human Services Agency will meet performance targets by doing the following:

Program Support

- Support delivery of high quality customer service to achieve overall customer satisfaction of 90% or better

Community Capacity Building

- Provide assistance to 96% of clients in need of food and 68% of clients in need of housing

Economic Self-Sufficiency

- Assist 65% of PeninsulaWorks participants to obtain jobs and 75% of CalWORKs participants to leave cash aid with employment
- Provide employment services to 20,000 PeninsulaWorks participants

Family Strength

- Ensure that children served do not experience a recurrence of maltreatment
- Maintain percentage of clients reducing or abstaining from alcohol or drug use at 60% at 6-months post-intake and 45% at 12-months post-intake
- Provide child care assistance to 3,100 children

Human Services Agency General Fund

FY 2005-06 and 2006-07 Budget Unit Summary

	Actual 2002-03	Actual 2003-04	Revised 2004-05	Recommended 2005-06	Change 2005-06	Recommended 2006-07
SOURCES						
Use of Money and Property	26,752	27,017	27,017	27,828	811	27,828
Intergovernmental Revenues	113,669,455	128,295,238	137,415,108	152,651,609	15,236,501	151,299,117
Charges for Services	1,471,440	1,310,527	1,643,747	2,064,188	420,441	2,064,188
Interfund Revenue	327,337	41,054	50,000	50,000		50,000
Miscellaneous Revenue	4,781,233	3,452,673	4,150,350	3,177,125	(973,225)	3,054,306
Total Revenue	120,276,217	133,126,509	143,286,222	157,970,750	14,684,528	156,495,439
Fund Balance	7,597,425	5,765,281	6,166,477	5,810,608	(355,869)	4,113,573
TOTAL SOURCES	127,873,642	138,891,790	149,452,699	163,781,358	14,328,659	160,609,012
REQUIREMENTS						
Salaries and Benefits	51,733,252	58,768,476	67,430,660	73,583,147	6,152,487	75,374,992
Services and Supplies	34,390,234	35,007,422	39,471,929	45,402,948	5,931,019	43,859,373
Other Charges	71,172,034	74,468,204	77,670,883	85,052,737	7,381,854	83,432,125
Fixed Assets	339,491	712,104	224,000	504,000	280,000	
Other Financing Uses	109,973	311,859	341,947	313,473	(28,474)	313,473
Gross Appropriations	157,744,984	169,268,066	185,139,419	204,856,305	19,716,886	202,979,963
Intrafund Transfers	(16,387,045)	(17,634,895)	(19,562,918)	(22,900,393)	(3,337,475)	(22,596,240)
Net Appropriations	141,357,938	151,633,171	165,576,501	181,955,912	16,379,411	180,383,723
Contingencies/Dept Reserves	4,571,579	4,597,626	4,086,733	4,004,851	(81,882)	4,004,851
TOTAL REQUIREMENTS	145,929,517	156,230,797	169,663,234	185,960,763	16,297,529	184,388,574
NET COUNTY COST	18,055,875	17,339,007	20,210,535	22,179,405	1,968,870	23,779,562
AUTHORIZED POSITIONS						
Salary Resolution	706.0	736.0	737.0	756.0	19.0	756.0
Funded FTE	700.6	724.7	731.3	752.4	21.1	752.4

FY 2005-06 Budget Overview

TOTAL SOURCES

Total Sources increased by \$14,328,659 or 9.6% from the FY 2004-05 Revised to the FY 2005-06 Recommended Budget due to the following changes:

Use of Money and Property

There is an increase of \$811 in this funding source due to an increase in reimbursements for rent of a County-owned facility occupied by Daytop, a residential substance abuse treatment provider, commensurate with a 3% increase in facilities maintenance and operational expenditures.

Intergovernmental Revenues

There is a net increase of \$15,236,501 in this funding source due to increased reimbursements related to a \$4.7 million increase in projected Stage I and Stage II Child Care expenditures; a \$1.5 million increase in projected CalWORKs cash assistance payments; a \$4.6 million increase in eligibility determination costs, a \$3 million net increase in Child Welfare Services funding including increases in Realignment, Child Welfare Services Redesign, Promoting Safe and Stable Families, Adoptions and Independent Living Programs, offset in part by reductions in other funding such as Targeted Case Management, Licensing, TANF Incentive Funds and Title XIX. Other increases include \$1 million in CalWORKs employment services funding and Workforce Investment Act grants, and a \$418,000 net increase in Alcohol, Tobacco and Other Drug funding resulting from adjustments for unexpended prior-year Proposition 36 funding, a new Center for Substance Abuse and Treatment (CSAT) Homeless grant, and increased Substance Abuse Prevention and Treatment Block Grant funding, offset in part by expiring Tobacco, Juvenile Drug Court and Safe and Drug Free Schools grants.

Charges for Services

There is an increase of \$420,441 in this funding source due to a \$340,441 increase in projected First Offender Program, Multiple Offender Program and Deferred Entry of Judgment fees; an increase in Drug Medi-Cal reimbursements; and \$80,000 in anticipated revenue from the new E-Waste program, a collaboration between Goodwill and the Vocational Rehabilitation Services Work Center.

Miscellaneous Revenue

There is a net decrease of \$973,225 in this funding source due to \$152,000 in expiring grants from William and Flora Hewlett Foundation and Walter S. Johnson Foundation; \$433,000 in expiring grants from the Stuart Foundation for the Family to Family Initiative, the Packard Foundation for the Violence Initiative Program and concurrent planning activities, as well as a decrease of \$451,000 for the First Five grant, a decrease in Foster Family Agency revenue and a reduction of \$157,000 in Family Resource Center revenue. These decreases are offset in part by an increase of \$180,000 in alcohol and drug trust fund revenue and \$70,000 in WorkCenter and job coaching revenue.

Fund Balance

There is a decrease of \$355,869 in this funding source. Conservative budgeting of salary savings and other operating expenses in the current year has decreased opportunities for savings that would otherwise contribute to new Fund Balance.

TOTAL REQUIREMENTS

Total Requirements increased by \$16,297,529 or 9.6% from the FY 2004-05 Revised to the FY 2005-06 Recommended Budget due to the following changes:

Salaries and Benefits

There is a net increase of \$6,152,487 in this expenditure category. Merit increases and negotiated labor costs increased by \$2.8 million; other salary and benefit increases include adjustments needed to correct under budgeting of salary costs in the current year. For FY 2004-05 the County's automated budgeting system was changed to project the cost of vacancies at the third rather than fifth step of the salary range which reduced salary savings that the Agency traditionally relied on to partially fund salary differentials, overtime, on-call pay, and extra help expenses. Correcting adjustments include \$606,000 in differentials, \$544,000 in overtime, and \$109,000 in on-call pay. Other increases include \$1 million in extra help to cover current understaffing of the current eligibility determination workload and \$200,000 to staff projected caseload growth through FY 2006; \$600,000 in extra help for the enhanced staffing required to support the conversion to CalWIN in October 2005, and \$270,000 for miscellaneous extra help staffing. The Recommended Budget includes the conversion of long-term extra-help funding into 11 permanent Benefit Analyst positions, one Human Services Supervisor and one Office Assistant II in eligibility determination to staff current caseload growth, and into one Administrative Assistant and one Office Assistant II in child welfare services to support critical casework activities.

Also included are the deletion of a vacant Information Technology Technician and the addition of an Information Technology Analyst position needed to assume maintenance of automated systems currently under contract, and the deletion of a Community Program Specialist III and addition of a Human Services Analyst II position to provide for monitoring of child welfare services community service provider contracts.

Services and Supplies

There is a net increase of \$5,931,019 in this expenditure category due to a \$500,000 increase in CalWIN implementation costs and \$907,000 increase in Shelter and Safety Net Services resulting from the transfer of \$432,000 in Community Development Grant (CDBG) funded shelter and safety net services, a \$145,413 increase in community-based services providers based on the 3% Cost of Business Increase (COBI) granted by the Board of Supervisors, transfer of \$412,000 in homeless shelter costs from Other Charges to Services and Supplies; these increases were offset in part by elimination of other professional services contract costs. Other increases include \$750,000 for transitional housing for foster youth, \$450,000 for integrating client case management systems, \$30,000 for start-up costs for a new core services agency to serve East Palo Alto, \$50,000 for conducting a needs assessment for safety net services, \$2.4 million in internal charging for services provided to other program units, and a net increase of \$894,000 in general operating expenses.

Other Charges

There is a net increase of \$7,381,854 in this expenditure category due to an increase of \$4.5 million in projected Stage I and Stage II Child Care payments; \$217,000 increase in projected General Assistance and Interim Aid case costs; \$1.5 million in projected CalWORKs cash assistance payments; \$419,000 net increase in Workforce Investment Act and CalWORKs employment and training services; a net increase of \$1,060,649 in Alcohol, Tobacco and Other Drug funding for substance abuse treatment services, \$220,048 increase based on the 3% COBI for community-based services providers, and \$260,000 increase in internal service charges, offset in part by the transfer of \$412,000 in homeless shelter costs to Services and Supplies, and \$150,000 in other miscellaneous changes.

Fixed Assets

There is an increase of \$280,000 in this expenditure category. This is primarily due to the need to replace servers that will go out-of-warranty in the next fiscal year and to expand the Storage Area Network to accommodate growth in imaged case files. Some additional funding will be expended to enhance our technical infrastructure to accommodate newly added programs. Other increases include \$64,000 for scanners for the Records Center to continue the Agency's effort to provide program case files in an electronic format as well as reduce storage space and related costs for historical/archived records; and \$50,000 for fixed assets associated with the integration of client case management systems.

Other Financing Uses

There is a decrease of \$28,474 in this expenditure category. Debt Service for the County-owned facility at 2500 Middlefield Road, Redwood City, is distributed among program occupants. There are Housing Authority staff located at this site and their share of this expense is now budgeted within the new Department of Housing budget.

Intrafund Transfers

There is an increase of \$3,337,475 in this expenditure category due to a \$2.6 million increase in internal charging for services provided to other program units within the Agency and \$700,000 in increased charges for services provided through MOUs to other departments including charges to Department of Housing for CDBG funded shelter and safety net services, and Health Services Agency for eligibility determination and vocational rehabilitation services.

Contingencies/Departmental Reserves

There is a decrease of \$81,882 in this expenditure category. Projected year-end Fund Balance of \$5,810,608 will be used to restore \$3,015,009 in Agency Reserves, \$605,335 in Agency Child Care Reserves and \$384,507 in Collaborative Reserves. Other uses include \$145,665 for an additional year of funding for seven small child care contracts, \$137,649 for an additional year of funding for adult substance abuse treatment services, \$25,000 for a safety net needs assessment, \$30,000 for start-up costs for the new Core Services Agency in East Palo Alto; \$500,000 for the integration of client case management systems, \$750,000 for developing transitional housing for Foster Care youth; and \$217,443 to reduce Net County Cost in the Shelter and Safety Net Services budget unit. The balance in General Fund Reserves represents 2 percent of Net Appropriations, and exceeds the 2 percent County Reserves policy requirement by \$365,733.

NET COUNTY COST

There is an increase of \$1,968,870 or 9.7% in this Agency's General Fund allocation. Net County Cost was increased by \$365,461 to allow a 3% COBI for community-based service providers, \$6,639 due to shortfall of Proposition 172 revenue and \$1,776,530 for the unfunded portion of negotiated salary and benefit increases. A subsequent reduction of \$179,751 was made to the Net County Cost due to the transfer of the Needle Exchange Program from HSA to the Health Services Agency.

FY 2006-07 Budget Overview

TOTAL SOURCES

Total Sources decreased by \$3,172,346 or 2% from the FY 2005-06 to the FY 2006-07 Recommended Budget due to the following changes:

Intergovernmental Revenues

There is a net decrease of \$1,352,492 in this funding source. Decreases include elimination of \$581,947 in one-time Proposition 36 revenue; \$1,588,724 in expiring grants including: \$85,166 for Bay Area Bioscience Career (Bay ABC) grant, \$97,886 for two expiring Low Income Flexible Transportation (LIFT) grants, \$472,467 for Department of Labor grant, \$600,000 for Bay Area Workforce Collaborative grant, \$118,163 for Juvenile Drug Court Expansion grant and \$215,042 in Safe and Drug Free Schools grants, and \$64,000 for elimination of funding for one-time fixed assets. Increases include: \$538,113 for partial reimbursement of higher negotiated labor and merit increases, \$108,721 in potential revenue increases to cover increased Net County Cost in Homeless and Safety Net Services resulting from the creation of the Department of Housing, and \$235,345 in revenue for fixed costs previously funded by expiring grants.

Miscellaneous Revenue

There is a decrease of \$122,819 in this funding source. Decreases include elimination of \$25,000 in one-time funding for the safety net needs assessment, and \$236,239 for expiring grants including: \$75,000 for Walter S. Johnson Foundation grant, \$73,690 for Stuart Foundation Grant for Family to Family initiative, and \$87,549 for Packard Grant for Violence in Families Project. Decreases are offset in part by \$138,420 in alcohol and drug trust fund revenue for fixed costs previously funded by expiring grants.

Fund Balance

There is a decrease of \$1,697,035 in this funding source due elimination of Fund Balance used in FY 2005-06 for one-time expenses including: \$25,000 for the safety net needs assessment, \$500,000 for the integration of client case management systems, \$30,000 for start-up costs for a new core services agency, \$108,721 to cover Net County Cost increase in the Homeless and Safety Net Services unit, \$145,665 for one-year funding of seven child care center contracts, \$137,649 for bridge funding for adult substance abuse treatment services and \$750,000 for transitional housing for emancipating foster care youth.

TOTAL REQUIREMENTS

Total Requirements decreased by \$1,572,189 or 1% from the FY 2005-06 to the FY 2006-07 Recommended Budget due to the following changes:

Salaries and Benefits

There is an increase of \$1,791,845 in this expenditure category due to merit increases and increases in negotiated labor costs.

Services and Supplies

There is a net decrease of \$1,543,575 in this expenditure category. Decreases include elimination of \$50,000 for the safety net needs assessment, \$450,000 for integrating client case management systems, \$30,000 for start-up costs for a new core services agency, \$750,000 for transitional housing for emancipating foster care youth, \$429,618 for expiring grant-funded services and supplies, and \$178,000 for one-time facilities expenses. Increases include \$224,267 for labor costs in Program Support that are applied to other programs in the Agency, and \$149,776 for a 3% COBI for community-based service providers.

Other Charges

There is a net decrease of \$1,620,612 in this expenditure category. Decreases include elimination of \$982,000 in grant-funded employment and training and substance abuse treatment and prevention services, \$145,665 for one-year funding of seven child care center contracts, \$137,649 in bridge funding for County funded adult substance abuse treatment services, and \$581,947 in substance abuse treatment services funded with one-time Proposition 36 revenue. Increases include \$226,649 for a 3% COBI for community-based service providers.

Fixed Assets

There is a decrease of \$504,000 in this expenditure category due to elimination of one-time costs for fixed assets.

Intrafund Transfers

There is a net decrease of \$304,153 in this expenditure category. Decreases include elimination of \$390,000 in one-time fixed assets in Program Support applied to other programs in the Agency and elimination of \$138,420 in alcohol and drug services provided to Department of Housing due to expiration of the Housing Plus grant and to Children and Family Services due to expiration of the Packard Grant for the Violence in Families Project. Increases include \$224,267 for negotiated labor costs in Program Support applied to other programs in the Agency.

Contingencies/Departmental Reserves

The balance in General Fund Reserves represents 2 percent of Net Appropriations, and exceeds the 2 percent County Reserves policy requirement by \$397,177.

NET COUNTY COST

There is an increase of \$1,600,157 or 7% in this Agency's General Fund allocation due to negotiated labor increases of \$1,791,845, offset in part by \$538,113 in state and federal reimbursements, and \$376,425 for a 3% COBI for community-based service providers.