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## County begins budget hearings

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As county officials wrestle with finalizing a \$1.69 billion budget that includes \$129 million in reductions, almost nothing is safe from the chopping block.

Even the Health System, which received more than \$4 million extra after preliminary budget hearings in March, included elimination of programs for youth.

"Honestly, we just don't have a choice. We have to cut some children's services," said Jean Fraser, director of the Health System, in explaining to the Board of Supervisors yesterday why hundreds of at-risk children no longer receive behavioral health services in her budget.

Last year, the system cut \$9 million, nearly all from adult services, and this fiscal year's reductions can't be limited solely to them again, Fraser said.

Instead, Fraser asked the board for \$5.7 million more in general funds in addition to the \$91.2 allotted in large part for information technology to establish e-health records. Doing so qualifies the county for federal incentive payments and readies it for health care reform in 2014.

The project will cost \$5 million and Fraser expects \$2.5 million from the federal government. If the county ponies up the \$1.5 million, the system still needs to find another \$1 million.

Although Supervisor Don Horsley joked that he doesn't trust IT projects, he conceded "it seems like its probably worthwhile to do it."

Board President Carole Groom suggested finding the money from other sources if necessary including capital improvement or the Educational Revenue Augmentation funds.

The Health System priorities highlighted the choices before the Board of Supervisors this week as it hears three days of public hearings on the recommended budget. The board will vote on the proposals Thursday afternoon and adopt the final budget in late September.

The budget proposes using \$47.5 million in reserves, cutting \$129 million in spending and trimming 208 positions, of which 65 are filled.

Some of those workers may find slots elsewhere in the county. District Attorney Steve Wagstaffe said he's held one receptionist position open in anticipation of another department's layoff.

In comparison to some departments, the District Attorney's Office took a modest reduction. It, along with the Sheriff's Office, Probation Department and even the Health System, benefited from the use of public safety funds available under Proposition 172.

For the District Attorney's Office, the extra \$900,000 means operating the Keller Center, includes maintaining witness protection and prosecuting real estate fraud.

The Sheriff's Office is receiving \$2.2 million Proposition 172 funds but no specific program or position add-backs.

Probation is also getting \$2.016 million in the funds to be used in restoring three probation officers and maintain the Camp Kemp facility. Although the county recommends closing the all-girls juvenile camp, debt service and maintenance remains.

The program is "a victim of its own success," rehabilitating juvenile female wards to the extent the population has dwindled to less than eight and it costs too much per minor to keep up, said Chief Probation Officer Stu Forrest.



Scott Lenhart/Daily Journal

Members of the California Nurses Association protested potential cuts at the courthouse square in Redwood City as the Board of Supervisors began hearings for the County budget.

An assessment center in which juveniles are evaluated before released or detained is also in the financial crosshairs although Forrest said the proposed 1.5 position reduction is actually "right sizing" the staff to where it should be.

County supervisors were concerned about limiting the assessment center and losing any probation officers, particularly with the advent of state realignment. Probation has lost 75 positions since 2006.

"If we all start nibbling at the edges of programs that have been successful, then suddenly those programs don't exist anymore," Groom said.

Supervisor Adrienne Tissier suggested Camp Kemp could become a revenue generator, perhaps as a center for unruly children or housing wards from other counties.

But while none of the proposals or cuts are easy, according to the respective department heads, none drew public input on the level of the Health System.

In particular, plans to cut three nurses, trim long-term care funds and eliminate one psychiatric resident at the San Mateo Medical Center drew concern.

Tricia Vinson, directing attorney for San Mateo County Legal Aid, suggested the cuts threaten the Health System's preparation for federal health care reform because it will lose matching funds.

"Every 30 cents we cut is a dollar lost to the low-income residents of our community," she said.

Horsley asked the board to consider adding back a public nurse in Pescadero and Supervisor Rose Jacobs Gibson said cutting the psychiatric residency by 25 percent "makes me so uncomfortable."

Although several omitted items were placed on a list for funding consideration Thursday, Tissier reminded the board not everything can be spared.

"I wish we could add everything back in, but the reality is we have to make some reductions," she said.

The current fiscal year budget has the twin jobs of making ends meet now and carving a large chunk from the county's \$82 million structural deficit. This is the fourth of a five-year plan to completely eliminate the gap which would drain the county's reserves by 2015 without action.

The budget hearings continue 9 a.m. Tuesday with hearings including assessor-county-clerk recorder, controller, treasurer-tax collector, Board of Supervisors, county manager, county counsel and human resources. The hearings continue at 1:30 p.m. with the Department of Child Support Services and the Human Services Agency.

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