

CALENDAR FOR THE BOARD OF SUPERVISORS  
CONTRA COSTA COUNTY  
AND FOR SPECIAL DISTRICTS, AGENCIES, AND AUTHORITIES GOVERNED BY THE BOARD  
BOARD CHAMBERS ROOM 107, ADMINISTRATION BUILDING, 651 PINE STREET  
MARTINEZ, CALIFORNIA 94553-1229

CANDACE ANDERSEN, CHAIR, 2ND DISTRICT  
MARY N. PIEPHO, VICE CHAIR, 3RD DISTRICT  
JOHN GIOIA, 1ST DISTRICT  
KAREN MITCHOFF, 4TH DISTRICT  
FEDERAL D. GLOVER, 5TH DISTRICT

DAVID J. TWA, CLERK OF THE BOARD AND COUNTY ADMINISTRATOR, (925) 335-1900

PERSONS WHO WISH TO ADDRESS THE BOARD DURING PUBLIC COMMENT OR WITH RESPECT TO AN ITEM THAT IS ON THE AGENDA,  
MAY BE LIMITED TO TWO (2) MINUTES.  
A LUNCH BREAK MAY BE CALLED AT THE DISCRETION OF THE BOARD CHAIR.

The Board of Supervisors respects your time, and every attempt is made to accurately estimate when an item may be heard by the Board. All times specified for items on the Board of Supervisors agenda are approximate. Items may be heard later than indicated depending on the business of the day. Your patience is appreciated.

**ANNOTATED AGENDA & MINUTES**  
**January 26, 2016**

**9:00 A.M. Convene and Call to Order**

Inspirational Thought: *"For last year's words belong to last year's language, and next year's words await another voice. And to make an end is to make a beginning."* ~ T.S. Eliot

Present: John Gioia, District I Supervisor; Candace Andersen, District II Supervisor; Mary N. Piepho, District III Supervisor;  
Karen Mitchoff, District IV Supervisor; Federal D. Glover, District V Supervisor

Staff Present: David Twa, County Administrator

Public Comment

*Ralph Hoffman, resident of Walnut Creek, spoke on pedestrian safety; John Roe, SEIU 2015 IHSS, spoke on wage increases and benefits retention for in-home care workers.*

*Joseph Partansky provided handouts with information on a special orientation session to National Park Service for Persons with Disabilities, and how to get official records with a California Agency information contact list (attached).*

Board Operating Procedures and Communications (*Chair Candace Andersen*)

*Chair Andersen led a discussion on Board Procedures and Communications. No vote was taken but, by consensus, it was agreed that the regular, Tuesday meetings Board of Supervisors meetings would convene at 9:00, and adjourn to closed session between 9:00 - 9:30 a.m., with the public agenda items to begin at 9:30 a.m. On days when there are no items for the 9:00 a.m. closed session, the Board of Supervisors meeting will convene at 9:30. The Chair expressed her preference to take public comment at the beginning of the meeting, absent unusual circumstances. It was confirmed that the length of public comment is at the discretion of the Chair.*

*Staff was asked to bring to the Board an action to adopt a resolution amending Resolution 2016/1, which appointed Board members to serve on the committees. Board members questioned the need to appoint alternates to standing committees of the Board of Supervisors. The discussion was that alternates could be appointed by the Chair in unusual circumstances where a Board member was absent from four consecutive meetings. This matter will return to the Board for further discussion at a later date.*

**3.** CONSIDER accepting report “The Economic Outlook Focus on Contra Costa” prepared by Beacon Economics. (Dr. Christopher Thornberg, Beacon Economics)

***Speakers: Ralph Hoffman, resident of Martinez.***

AYE: District I Supervisor John Gioia, District II Supervisor Candace Andersen, District III Supervisor Mary N. Piepho, District IV Supervisor Karen Mitchoff, District V Supervisor Federal D. Glover

**-- BREAK --**

**4.** CONSIDER accepting report on budget and key issues for FY 2015/16 and beyond. (*David Twa, County Administrator and Lisa Driscoll, County Finance Director*)

AYE: District I Supervisor John Gioia, District II Supervisor Candace Andersen, District III Supervisor Mary N. Piepho, District IV Supervisor Karen Mitchoff, District V Supervisor Federal D. Glover

**12:00 p.m. LUNCH**

**CLOSED SESSION AGENDA:**

**A. CONFERENCE WITH LABOR NEGOTIATORS**

**I. Agency Negotiators:** David Twa and Bruce Heid.

**Employee Organizations:** Contra Costa County Employees’ Assn., Local No. 1; Am. Fed., State, County, & Mun. Empl., Locals 512 and 2700; Calif. Nurses Assn.; Service Empl. Int’l Union, Local 1021; District Attorney’s Investigators Assn.; Deputy Sheriffs Assn.; United Prof. Firefighters, Local 1230; Physicians’ & Dentists’ Org. of Contra Costa; Western Council of Engineers; United Chief Officers Assn.; Service Empl. Int’l Union United Health Care Workers West; Contra Costa County Defenders Assn.; Probation Peace Officers Assn. of Contra Costa County; Contra Costa County Deputy District Attorneys’ Assn.; and Prof. & Tech. Engineers, Local 21, AFL-CIO.

**II. Agency Negotiators:** David Twa.

**Unrepresented Employees:** All unrepresented employees.

***There were no items to report from Closed Session.***

**RESUME OPEN SESSION**

**5.** CONSIDER accepting a report from the Sheriff-Coroner, Health Services Director and County Probation Officer on the status of Detention Mental Health services in County adult and juvenile detention facilities and PROVIDE follow-up direction to staff. (*David Twa, County Administrator*)

***Speakers: Ralph Hoffman; Teresa Pasquini; Lauren Rettagliata; Joseph Partansky***

AYE: District I Supervisor John Gioia, District II Supervisor Candace Andersen, District III Supervisor Mary N. Piepho, District IV Supervisor Karen Mitchoff, District V Supervisor Federal D. Glover

Wrap-up and Closing Comments (*Chair Candace Andersen*)

**-- ADJOURN --**

***Today's meeting adjourned at 3:03 p.m.***

## **GENERAL INFORMATION**

The Board meets in all its capacities pursuant to Ordinance Code Section 24-2.402, including as the Housing Authority and the Successor Agency to the Redevelopment Agency. Persons who wish to address the Board should complete the form provided for that purpose and furnish a copy of any written statement to the Clerk.

Any disclosable public records related to an open session item on a regular meeting agenda and distributed by the Clerk of the Board to a majority of the members of the Board of Supervisors less than 72 hours prior to that meeting are available for public inspection at 651 Pine Street, First Floor, Room 106, Martinez, CA 94553, during normal business hours.

All matters listed under CONSENT ITEMS are considered by the Board to be routine and will be enacted by one motion. There will be no separate discussion of these items unless requested by a member of the Board or a member of the public prior to the time the Board votes on the motion to adopt.

Persons who wish to speak on matters set for PUBLIC HEARINGS will be heard when the Chair calls for comments from those persons who are in support thereof or in opposition thereto. After persons have spoken, the hearing is closed and the matter is subject to discussion and action by the Board. Comments on matters listed on the agenda or otherwise within the purview of the Board of Supervisors can be submitted to the office of the Clerk of the Board via mail: Board of Supervisors, 651 Pine Street Room 106, Martinez, CA 94553; by fax: 925-335-1913.

The County will provide reasonable accommodations for persons with disabilities planning to attend Board meetings who contact the Clerk of the Board at least 24 hours before the meeting, at (925) 335-1900; TDD (925) 335-1915. An assistive listening device is available from the Clerk, Room 106.

Copies of recordings of all or portions of a Board meeting may be purchased from the Clerk of the Board. Please telephone the Office of the Clerk of the Board, (925) 335-1900, to make the necessary arrangements.

Forms are available to anyone desiring to submit an inspirational thought nomination for inclusion on the Board Agenda. Forms may be obtained at the Office of the County Administrator or Office of the Clerk of the Board, 651 Pine Street, Martinez, California.

Applications for personal subscriptions to the weekly Board Agenda may be obtained by calling the Office of the Clerk of the Board, (925) 335-1900. The weekly agenda may also be viewed on the County's Internet Web Page: [www.co.contra-costa.ca.us](http://www.co.contra-costa.ca.us)

## **STANDING COMMITTEES**

The **Airport Committee** (Supervisors Karen Mitchoff and Mary N. Piepho) meets quarterly on the fourth Monday of the month at 12:30 p.m. at Director of Airports Office, 550 Sally Ride Drive, Concord.

The **Family and Human Services Committee** (Supervisors Candace Andersen and Federal D. Glover) meets on the first Monday of the month at 1:00 p.m. in Room 101, County Administration Building, 651 Pine Street, Martinez.

The **Finance Committee** (Supervisors Federal D. Glover and John Gioia) meets on the second Monday of the month at 1:30 p.m. in Room 101, County Administration Building, 651 Pine Street, Martinez.

The **Hiring Outreach Oversight Committee** (Supervisors John Gioia and Federal Glover) To be determined

The **Internal Operations Committee** (Supervisors Candace Andersen and Karen Mitchoff) meets on the second Monday of the month at 9:00 a.m. in Room 101, County Administration Building, 651 Pine Street, Martinez.

The **Legislation Committee** (Supervisors Karen Mitchoff and Mary N. Piepho) meets on the first Thursday of the month at 11:00 a.m. in Room 101, County Administration Building, 651 Pine Street, Martinez.

The **Public Protection Committee** (Supervisors John Gioia and Federal D. Glover) meets on the second Monday of the month at 11:00 a.m. in Room 101, County Administration Building, 651 Pine Street, Martinez.

The **Transportation, Water & Infrastructure Committee** (Supervisors Candace Andersen and Mary N. Piepho) meets on the first Thursday of the month at 1:30 p.m. in Room 101, County Administration Building, 651 Pine Street, Martinez.

Airports Committee			See above
Family & Human Services Committee			See above
Finance Committee			See above
Hiring Outreach Oversight Committee			See above
Internal Operations Committee			See above
Legislation Committee			See above
Public Protection Committee			See above
Transportation, Water & Infrastructure Committee			See above

**PERSONS WHO WISH TO ADDRESS THE BOARD DURING PUBLIC COMMENT OR WITH RESPECT TO AN ITEM THAT IS ON THE AGENDA, MAY BE LIMITED TO TWO (2) MINUTES**

**A LUNCH BREAK MAY BE CALLED AT THE DISCRETION OF THE BOARD CHAIR**

**AGENDA DEADLINE: Thursday, 12 noon, 12 days before the Tuesday Board meetings.**

#### **Glossary of Acronyms, Abbreviations, and other Terms (in alphabetical order):**

Contra Costa County has a policy of making limited use of acronyms, abbreviations, and industry-specific language in its Board of Supervisors meetings and written materials. Following is a list of commonly used language that may appear in oral presentations and written materials associated with Board meetings:

**AB** Assembly Bill  
**ABAG** Association of Bay Area Governments  
**ACA** Assembly Constitutional Amendment  
**ADA** Americans with Disabilities Act of 1990  
**AFSCME** American Federation of State County and Municipal Employees  
**AICP** American Institute of Certified Planners  
**AIDS** Acquired Immunodeficiency Syndrome  
**ALUC** Airport Land Use Commission  
**AOD** Alcohol and Other Drugs  
**ARRA** American Recovery & Reinvestment Act of 2009  
**BAAQMD** Bay Area Air Quality Management District  
**BART** Bay Area Rapid Transit District  
**BayRICS** Bay Area Regional Interoperable Communications System  
**BCDC** Bay Conservation & Development Commission  
**BGO** Better Government Ordinance

**BOS** Board of Supervisors  
**CALTRANS** California Department of Transportation  
**CalWIN** California Works Information Network  
**CalWORKS** California Work Opportunity and Responsibility to Kids  
**CAER** Community Awareness Emergency Response  
**CAO** County Administrative Officer or Office  
**CCCFPD (ConFire)** Contra Costa County Fire Protection District  
**CCHP** Contra Costa Health Plan  
**CCTA** Contra Costa Transportation Authority  
**CCRMC** Contra Costa Regional Medical Center  
**CCWD** Contra Costa Water District  
**CDBG** Community Development Block Grant  
**CFDA** Catalog of Federal Domestic Assistance  
**CEQA** California Environmental Quality Act  
**CIO** Chief Information Officer  
**COLA** Cost of living adjustment  
**ConFire (CCCFPD)** Contra Costa County Fire Protection District  
**CPA** Certified Public Accountant  
**CPI** Consumer Price Index  
**CSA** County Service Area  
**CSAC** California State Association of Counties  
**CTC** California Transportation Commission  
**dba** doing business as  
**DSRIP** Delivery System Reform Incentive Program  
**EBMUD** East Bay Municipal Utility District  
**ECCFPD** East Contra Costa Fire Protection District  
**EIR** Environmental Impact Report  
**EIS** Environmental Impact Statement  
**EMCC** Emergency Medical Care Committee  
**EMS** Emergency Medical Services  
**EPSDT** Early State Periodic Screening, Diagnosis and Treatment Program (Mental Health)  
**et al. et alii** (and others)  
**FAA** Federal Aviation Administration  
**FEMA** Federal Emergency Management Agency  
**F&HS** Family and Human Services Committee  
**First 5** First Five Children and Families Commission (Proposition 10)  
**FTE** Full Time Equivalent  
**FY** Fiscal Year  
**GHAD** Geologic Hazard Abatement District  
**GIS** Geographic Information System  
**HCD** (State Dept of) Housing & Community Development  
**HHS** (State Dept of ) Health and Human Services  
**HIPAA** Health Insurance Portability and Accountability Act  
**HIV** Human Immunodeficiency Syndrome  
**HOV** High Occupancy Vehicle  
**HR** Human Resources  
**HUD** United States Department of Housing and Urban Development  
**IHSS** In-Home Supportive Services  
**Inc.** Incorporated  
**IOC** Internal Operations Committee  
**ISO** Industrial Safety Ordinance  
**JPA** Joint (exercise of) Powers Authority or Agreement  
**Lamorinda** Lafayette-Moraga-Orinda Area  
**LAFCo** Local Agency Formation Commission  
**LLC** Limited Liability Company

**LLP** Limited Liability Partnership  
**Local 1** Public Employees Union Local 1  
**LVN** Licensed Vocational Nurse  
**MAC** Municipal Advisory Council  
**MBE** Minority Business Enterprise  
**M.D.** Medical Doctor  
**M.F.T.** Marriage and Family Therapist  
**MIS** Management Information System  
**MOE** Maintenance of Effort  
**MOU** Memorandum of Understanding  
**MTC** Metropolitan Transportation Commission  
**NACo** National Association of Counties  
**NEPA** National Environmental Policy Act  
**OB-GYN** Obstetrics and Gynecology  
**O.D.** Doctor of Optometry  
**OES-EOC** Office of Emergency Services-Emergency Operations Center  
**OPEB** Other Post Employment Benefits  
**OSHA** Occupational Safety and Health Administration  
**PARS** Public Agencies Retirement Services  
**PEPRA** Public Employees Pension Reform Act  
**Psy.D.** Doctor of Psychology  
**RDA** Redevelopment Agency  
**RFI** Request For Information  
**RFP** Request For Proposal  
**RFQ** Request For Qualifications  
**RN** Registered Nurse  
**SB** Senate Bill  
**SBE** Small Business Enterprise  
**SEIU** Service Employees International Union  
**SUASI** Super Urban Area Security Initiative  
**SWAT** Southwest Area Transportation Committee  
**TRANSPAC** Transportation Partnership & Cooperation (Central)  
**TRANSPLAN** Transportation Planning Committee (East County)  
**TRE** or **TTE** Trustee  
**TWIC** Transportation, Water and Infrastructure Committee  
**UASI** Urban Area Security Initiative  
**VA** Department of Veterans Affairs  
**vs.** versus (against)  
**WAN** Wide Area Network  
**WBE** Women Business Enterprise  
**WCCTAC** West Contra Costa Transportation Advisory Committee



Contra  
Costa  
County

To: Board of Supervisors  
From: David Twa, County Administrator  
Date: January 26, 2016

Subject: The Economic Outlook Focus on Contra Costa

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**RECOMMENDATION(S):**

ACCEPT report 'The Economic Outlook Focus on Contra Costa'

**FISCAL IMPACT:**

This report is for informational purposes and has no specific fiscal impact.

**BACKGROUND:**

Attached is Beacon Economics report entitled "Economic Outlook Focus on Contra Costa County".

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☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY ADMINISTRATOR

☐ RECOMMENDATION OF BOARD  
COMMITTEE

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Action of Board On: **01/26/2016** ☒ APPROVED AS RECOMMENDED ☒ OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

AYE: John Gioia, District I Supervisor  
Candace Andersen, District II Supervisor  
Mary N. Piepho, District III Supervisor  
Karen Mitchoff, District IV Supervisor  
Federal D. Glover, District V Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: January 26, 2016

David J. Twa, County Administrator and Clerk of the Board of Supervisors

Contact: Lisa Driscoll, County Finance  
Director (925) 335-1023

By: June McHuen, Deputy

cc: Robert Campbell, County Auditor-Controller

CLERK'S ADDENDUM

*Speakers: Ralph Hoffman, resident of Martinez.*

ATTACHMENTS

The Economic Outlook Focus on Contra Costa



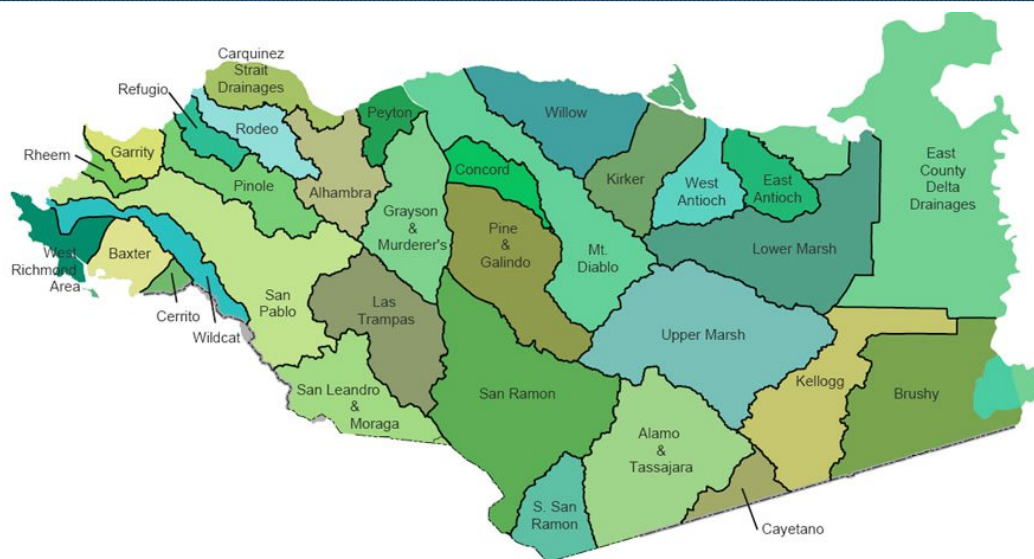
# The Economic Outlook

## *Focus on Contra Costa*

### January 2016

**Christopher Thornberg**

**Founding Partner, Beacon Economics**

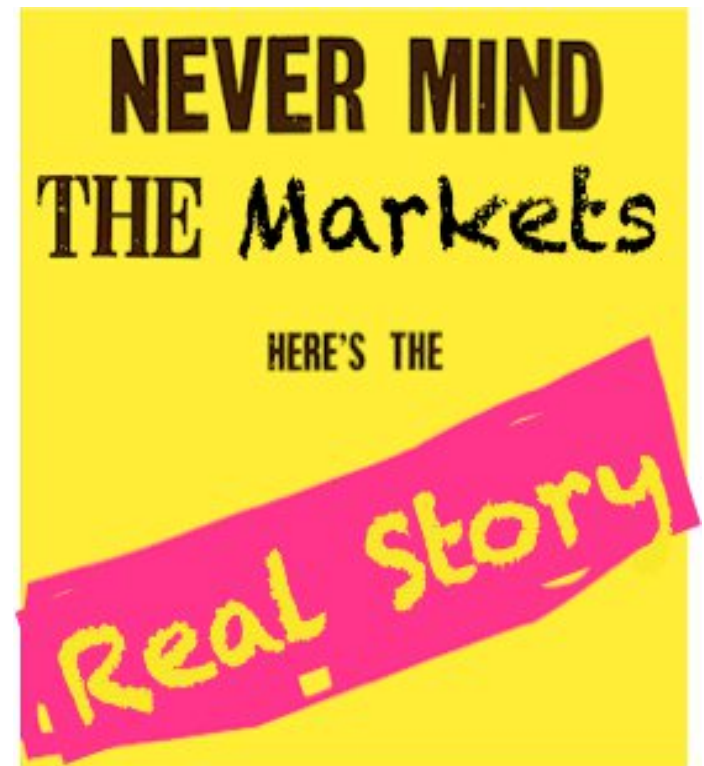


# Word of the Day



# The Right Answer

- **US Economy Still Moving Along**
  - 2015: Better than it looked
  - Labor markets have turned a corner
  - Forget the market turmoil: no bubble
  - Housing still chugging along
  - Credit expanding on many levels
  - Commodity prices are down
  - California still chugging along
- **Issues? Sure...**
  - Still in slow growth mode
  - State and Local Budgets still stressed
  - Global economy—particularly Asia
  - Bad Financial Regulations
  - Pensions / Entitlements
  - Growing Inequality / Political Gridlock



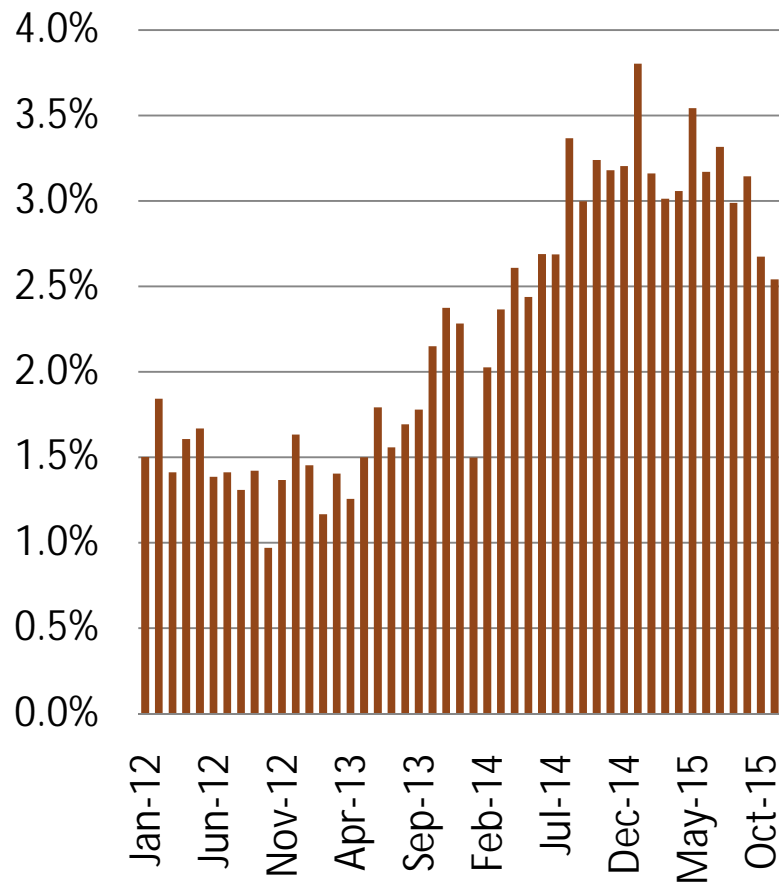
# 2015: Better than it looks

			2015	2015			Beacon
	2013	2014		I	II	III	IV
GDP	2.45	2.53	2.09	0.60	3.90	2.10	1.80
Final Demand	1.64	3.11	2.67	1.65	3.70	2.91	2.44
Personal consumption	1.56	2.16	1.82	1.19	2.42	2.05	1.62
Durable goods	0.34	0.53	0.42	0.14	0.57	0.47	0.49
Nondurable goods	0.41	0.36	0.45	0.10	0.62	0.58	0.50
Services	0.82	1.27	0.95	0.94	1.23	1.00	0.64
Gross investment	1.15	0.80	0.55	1.39	0.85	-0.05	0.01
Structures	0.18	0.14	-0.08	-0.22	0.18	-0.21	-0.07
Equipment	0.23	0.30	0.22	0.14	0.03	0.55	0.16
IPP	0.13	0.25	0.19	0.29	0.33	-0.03	0.17
Residential	0.11	0.16	0.27	0.32	0.30	0.24	0.21
Change inventories	0.52	-0.05	-0.02	0.87	0.02	-0.59	-0.35
Net exports	0.29	-0.53	-0.56	-1.92	0.18	-0.22	-0.28
Exports	0.68	0.32	-0.10	-0.81	0.64	0.11	-0.33
Imports	-0.39	-0.85	-0.46	-1.12	-0.46	-0.33	0.05
Government	-0.55	0.07	0.29	-0.01	0.46	0.29	0.43
Federal	-0.53	-0.05	0.07	0.08	0.00	0.01	0.22
State and local	-0.02	0.12	0.22	-0.09	0.46	0.29	0.21

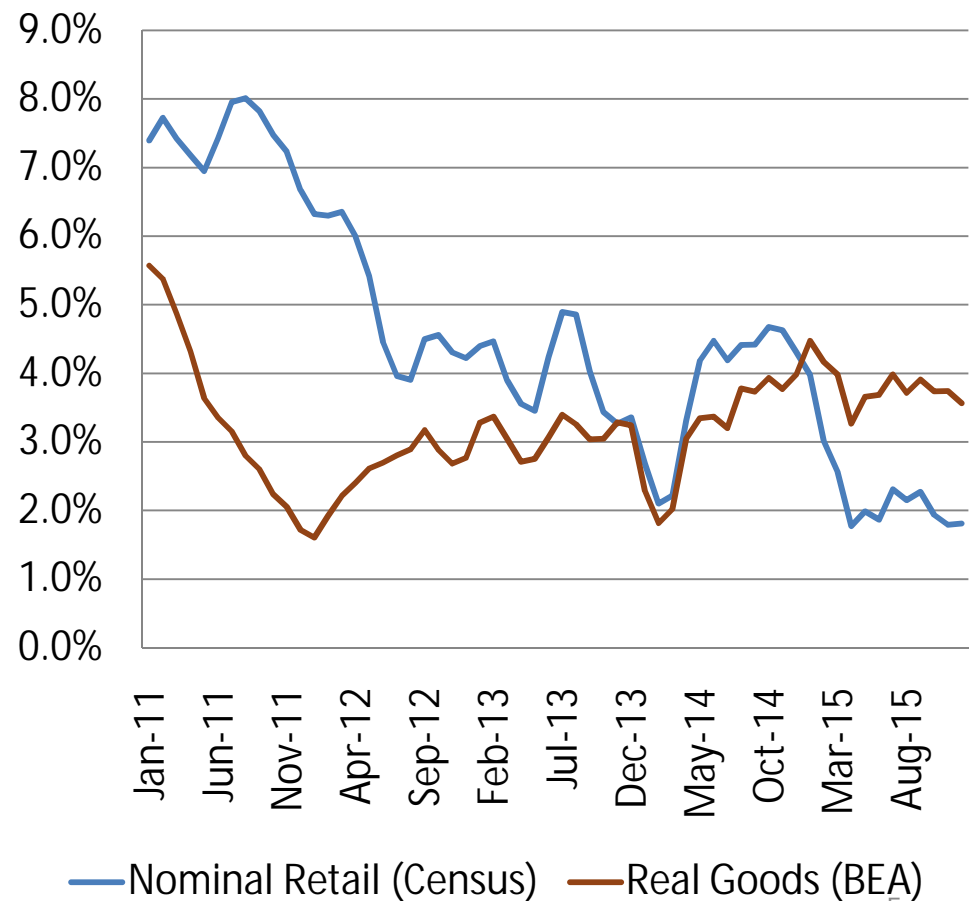


# Consumer Spending

Real Consumer Spending Growth

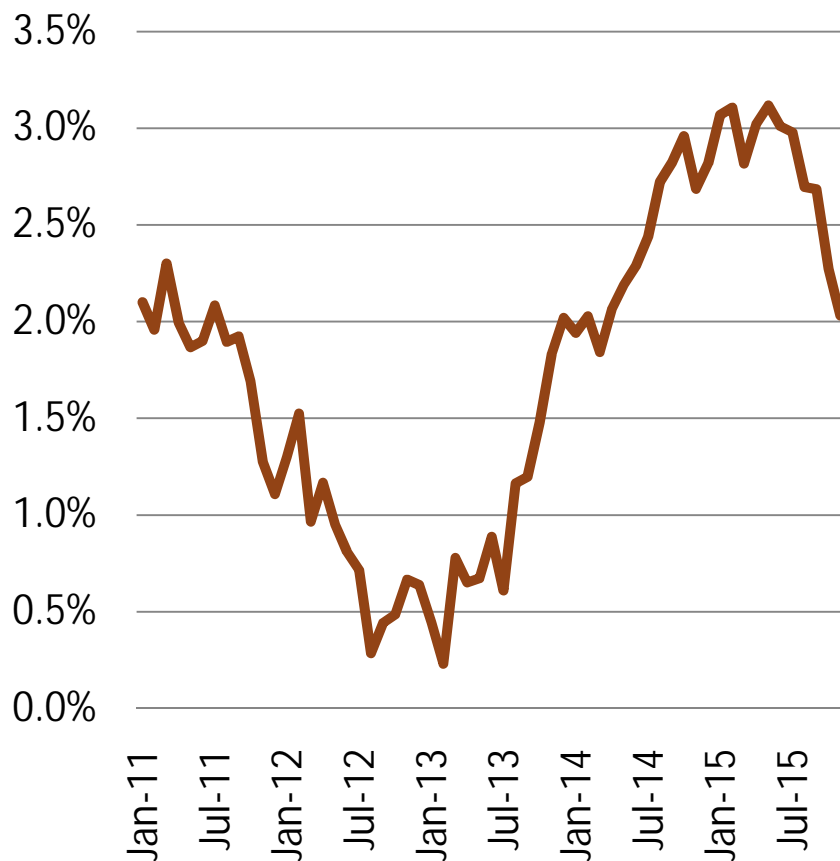


Consumer Spending Y-o-Y Smoothed Growth: Retail Sales and Goods



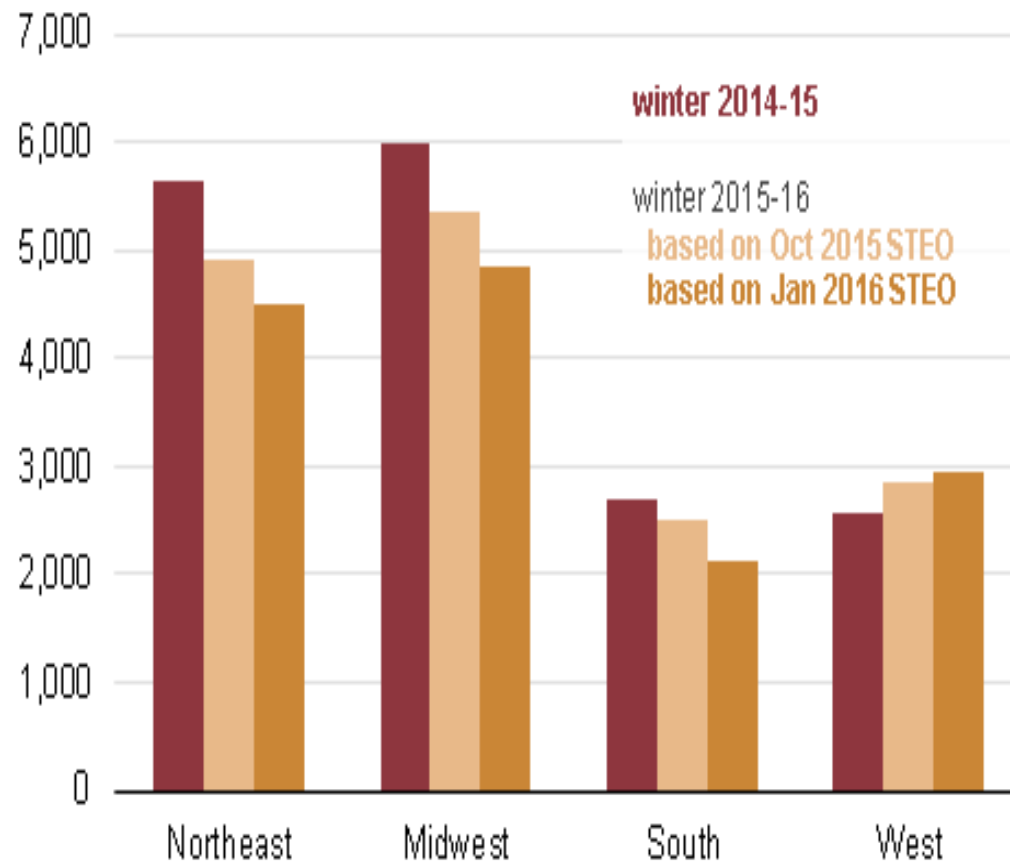
# Services and the Weather

Y-o-Y Growth Real Services



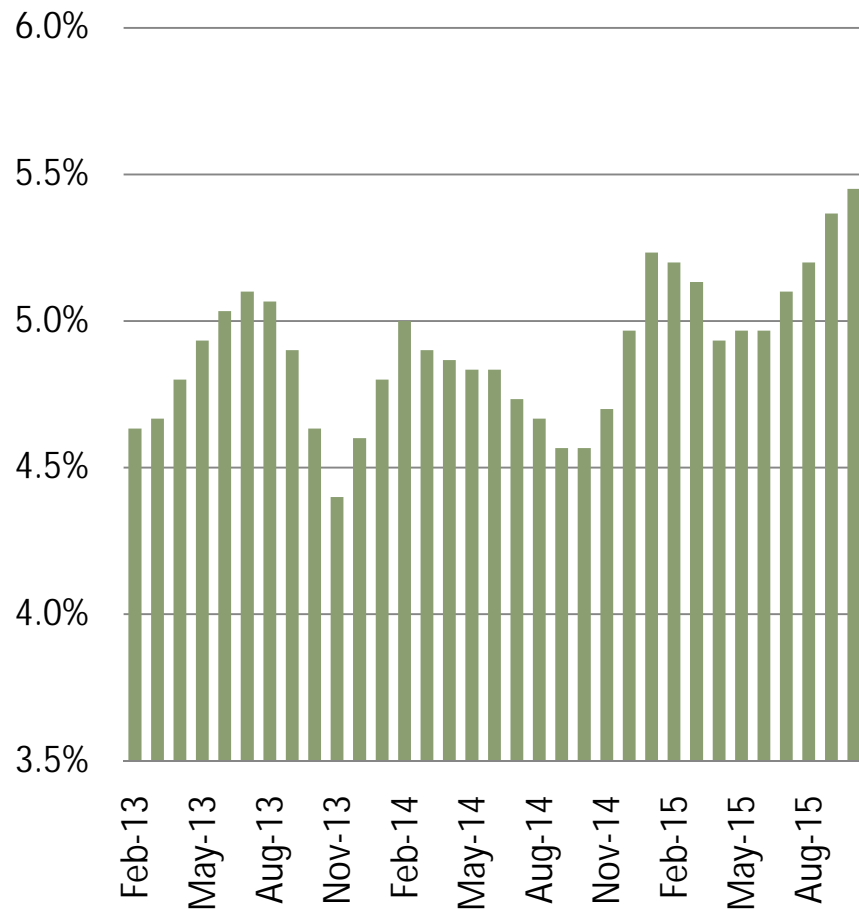
Population-weighted heating degree days by region

heating degree days (more heating degree days = colder weather)

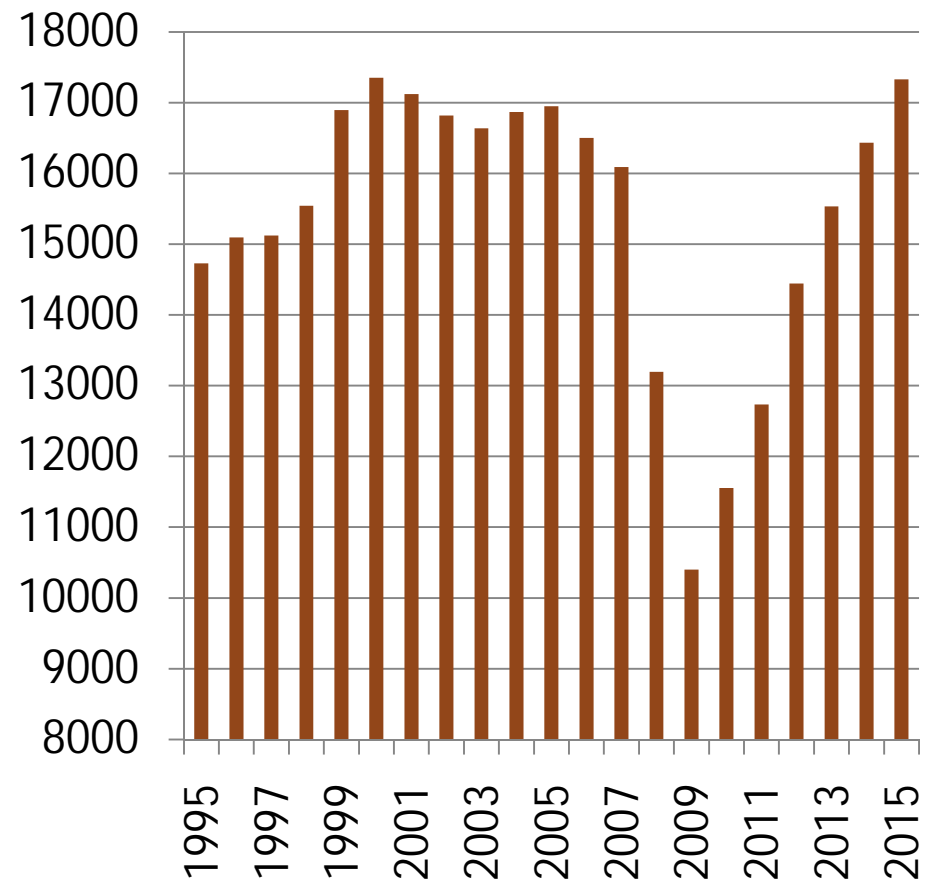


# Consumer Spending

Household Savings Rate % of DPI

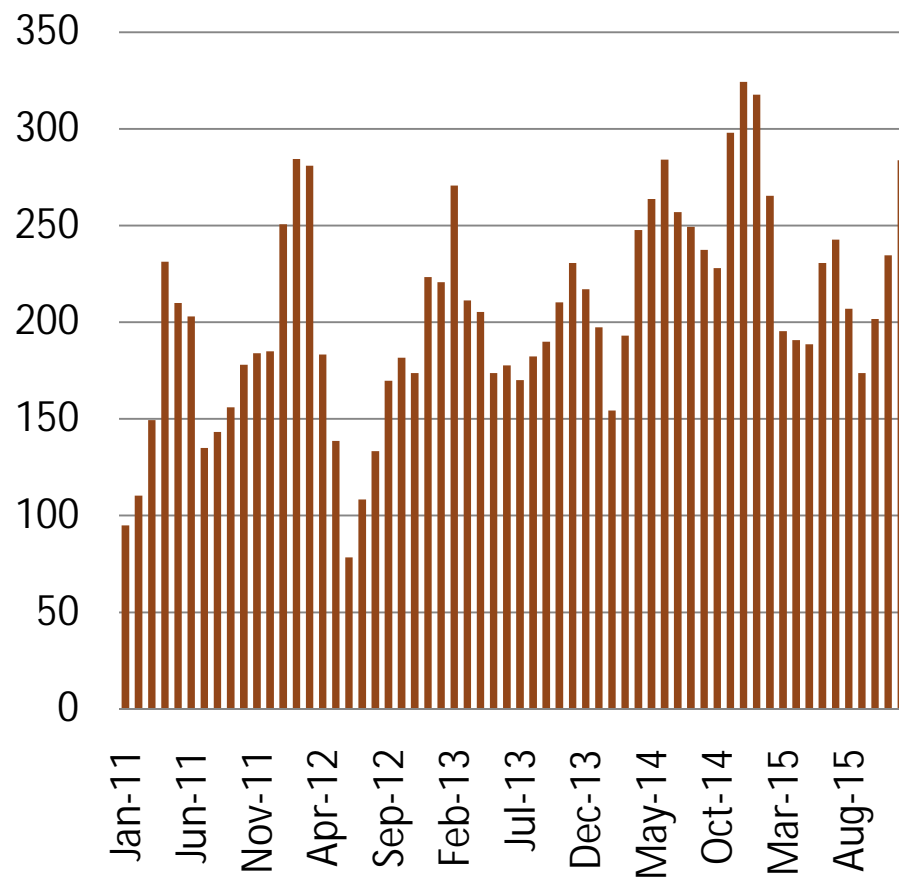


Auto and Light Truck Sales

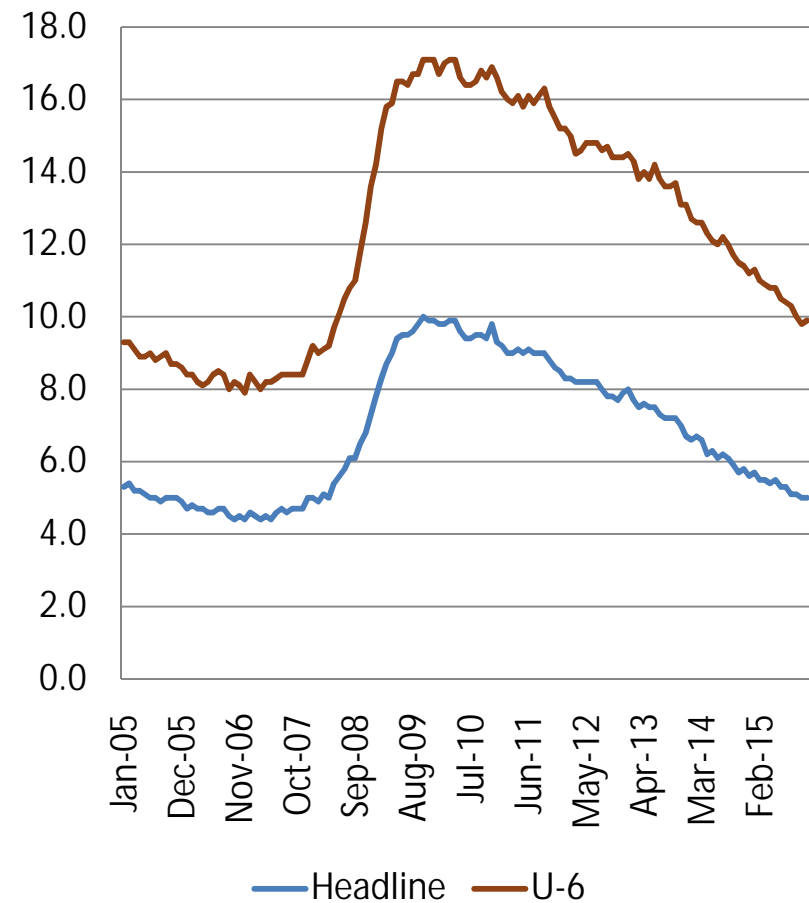


# Labor Markets

Change in Payrolls (3 Month MA)



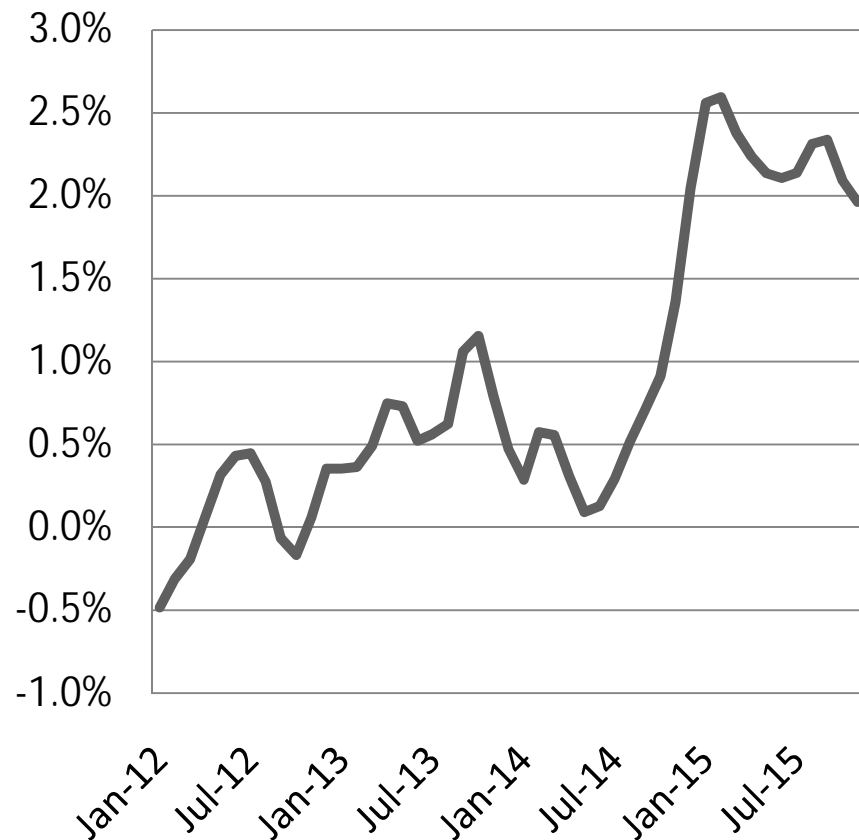
Unemployment Rate(s)



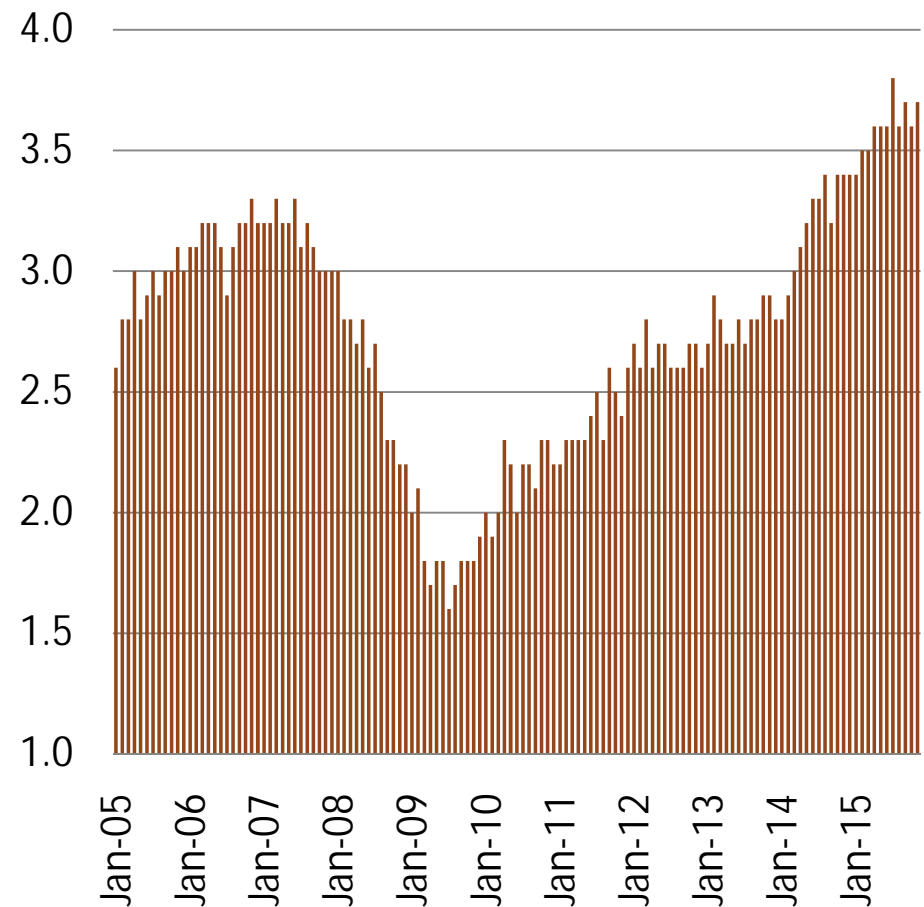


# Other Labor Statistics

Y-o-Y Growth Average Weekly Earnings

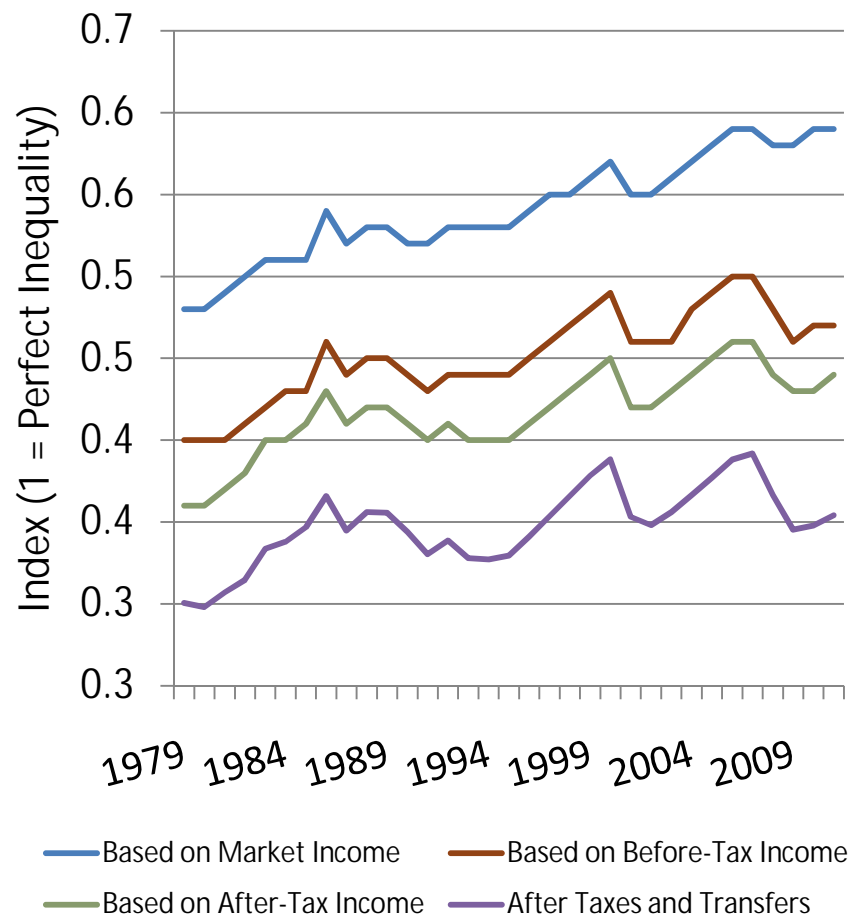


Job Opening Rate

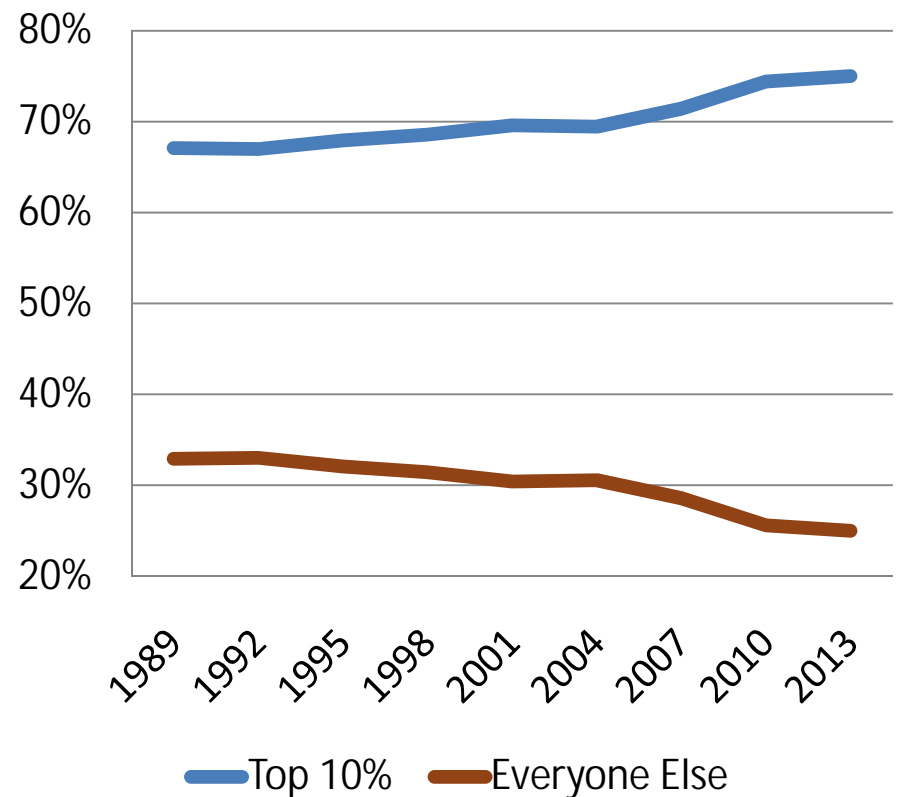


# Growing Inequality

## Gini Index (Inequality)



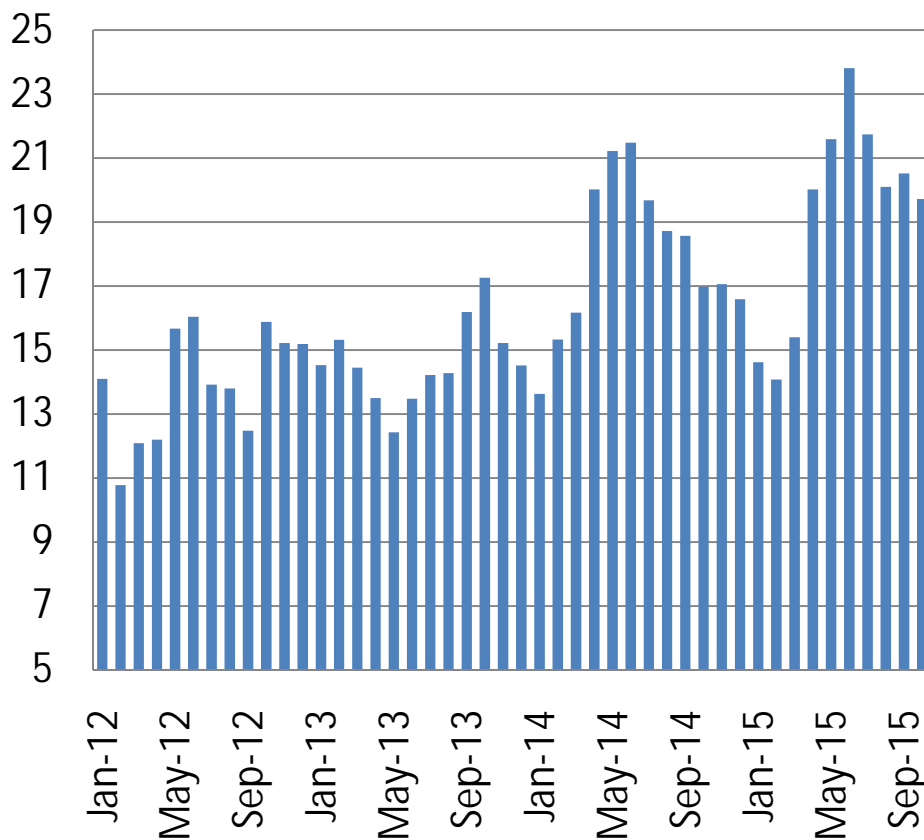
## US Holdings of Wealth



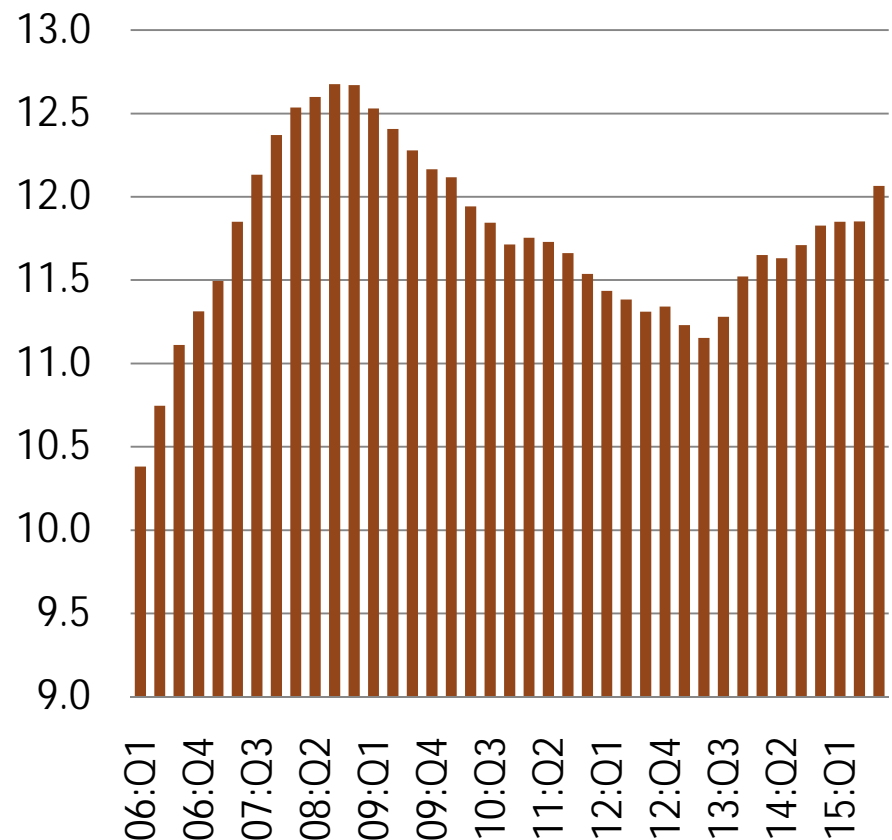
Top 1% own 40% to 50% of all wealth in the world

# Consumer Credit

Change Consumer Credit (\$Bil, 3 Month MA)

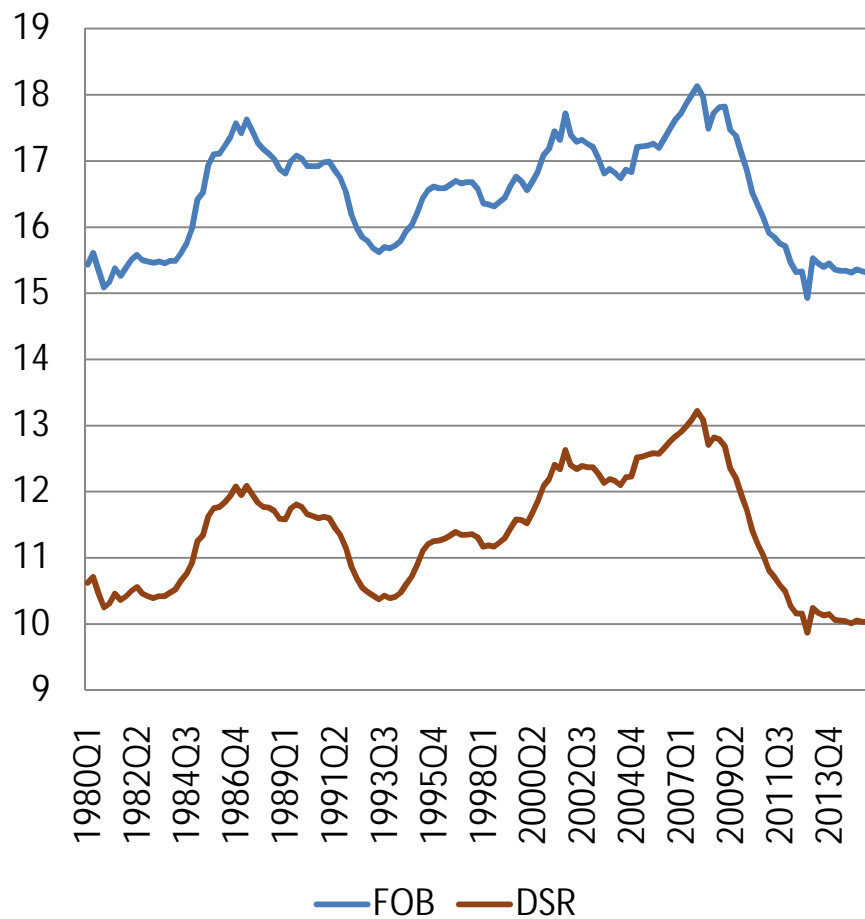


Outstanding Consumer Debt \$Trillions

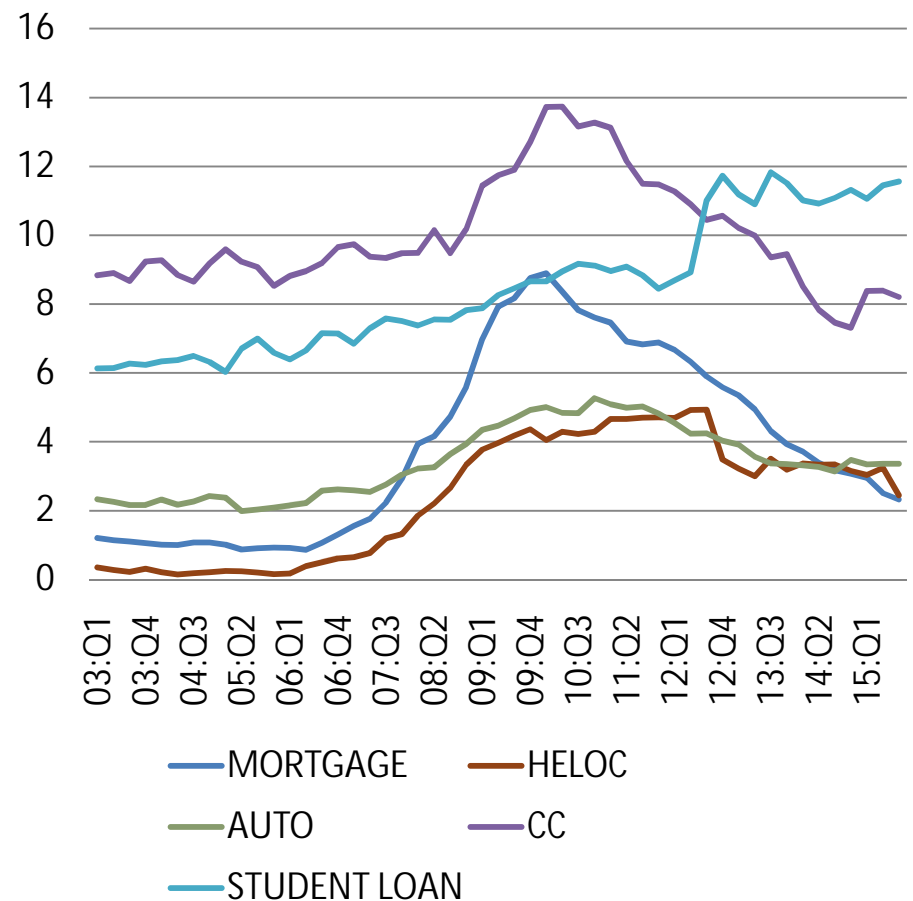


# Consumer Credit

## Debt Servicing as Share DPI



## Share Loans 90 Days Late by Type



# Degrees Among 21-27 with Bachelor

Net Present Value of a Bachelor's Degree, 1970-2013

Thousands of dollars



BEACON ECONOMICS Analysis. Answers.

## Annual Income

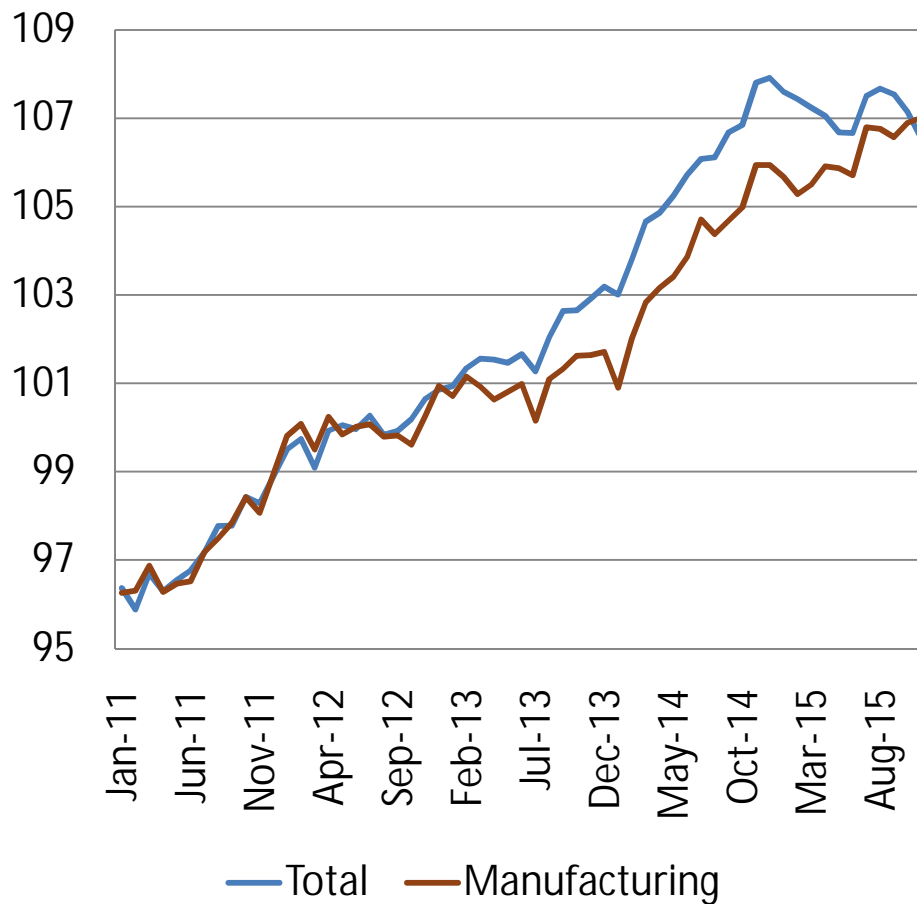
PETROLEUM ENGINEERING	55,103
COMPUTER ENGINEERING	50,542
CHEMICAL ENGINEERING	48,668
COMPUTER SCIENCE	46,060
AEROSPACE ENGINEERING	44,651
INDUSTRIAL AND ORGANIZATI	43,804
MECHANICAL ENGINEERING	43,495
ELECTRICAL ENGINEERING	42,238
MATHEMATICS AND COMPUTER	41,640
PHARMACY PHARMACEUTICAL S	40,933
OPERATIONS LOGISTICS AND	40,840
<b>FINANCE</b>	<b>40,236</b>

## Diploma's Awarded

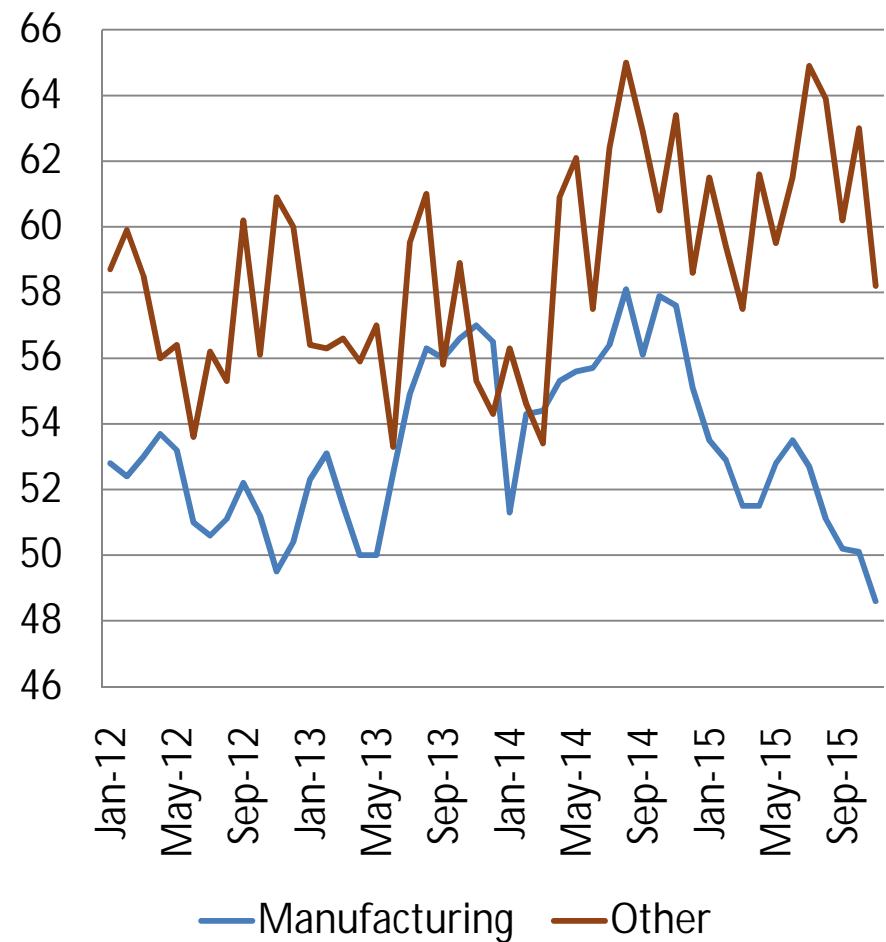
PSYCHOLOGY	289,968
BUSINESS MANAGEMENT AND A	217,369
BIOLOGY	178,560
GENERAL BUSINESS	171,875
NURSING	170,595
COMMUNICATIONS	162,915
MARKETING AND MARKETING R	160,309
ACCOUNTING	146,322
ENGLISH LANGUAGE AND LITE	132,367
CRIMINAL JUSTICE AND FIRE	123,509
POLITICAL SCIENCE AND GOV	123,106
<b>FINANCE</b>	<b>123,068</b>

# Production

Industrial Production to November

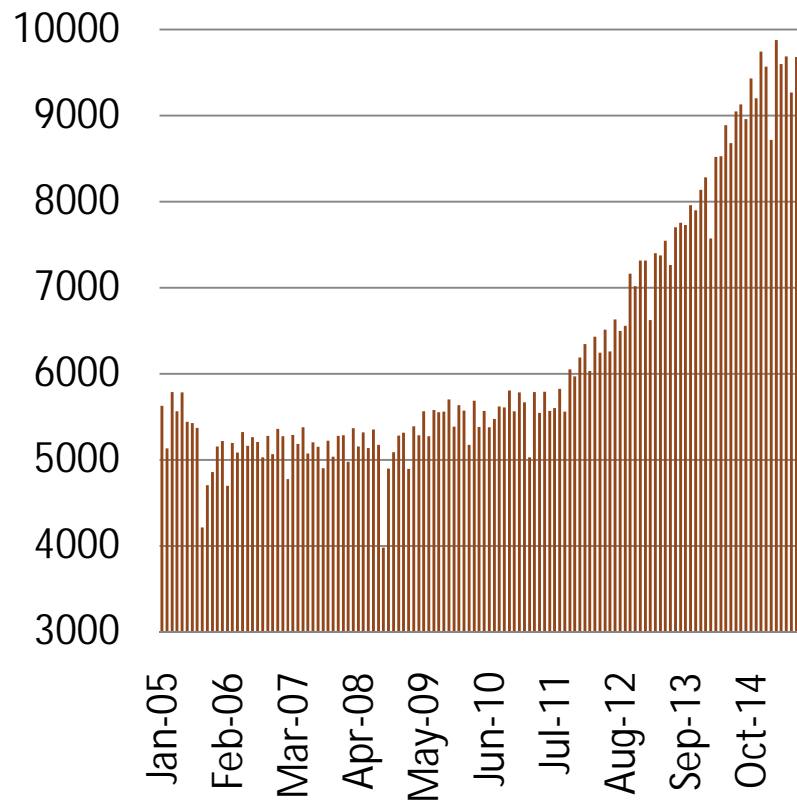


ISM Indexes to November

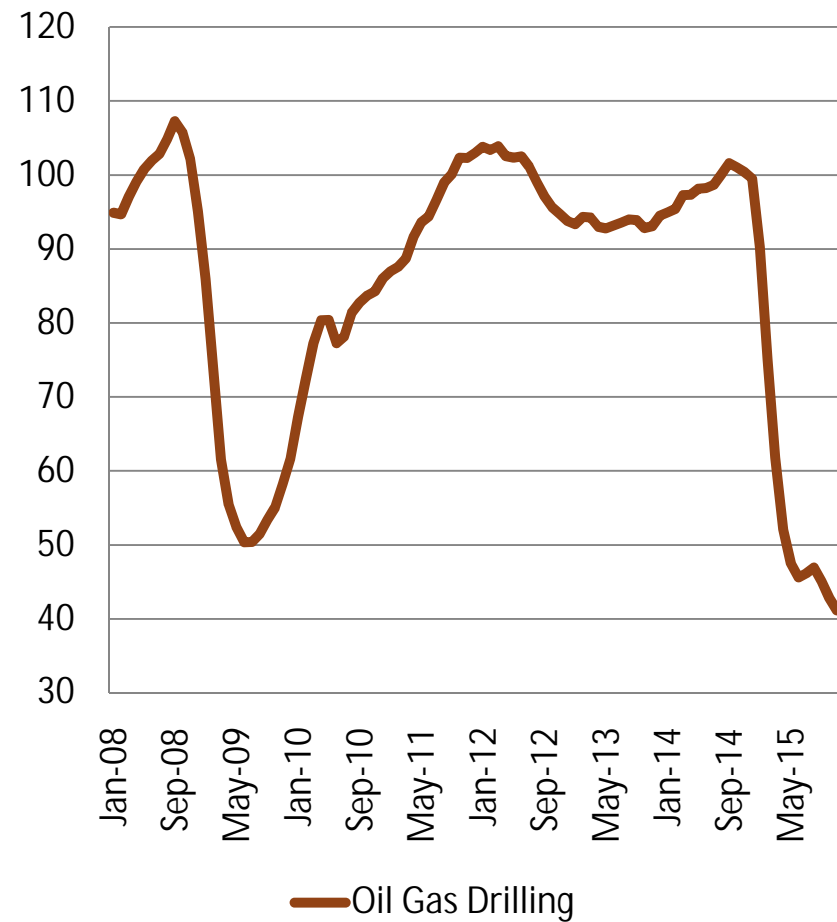


# Oil Activity

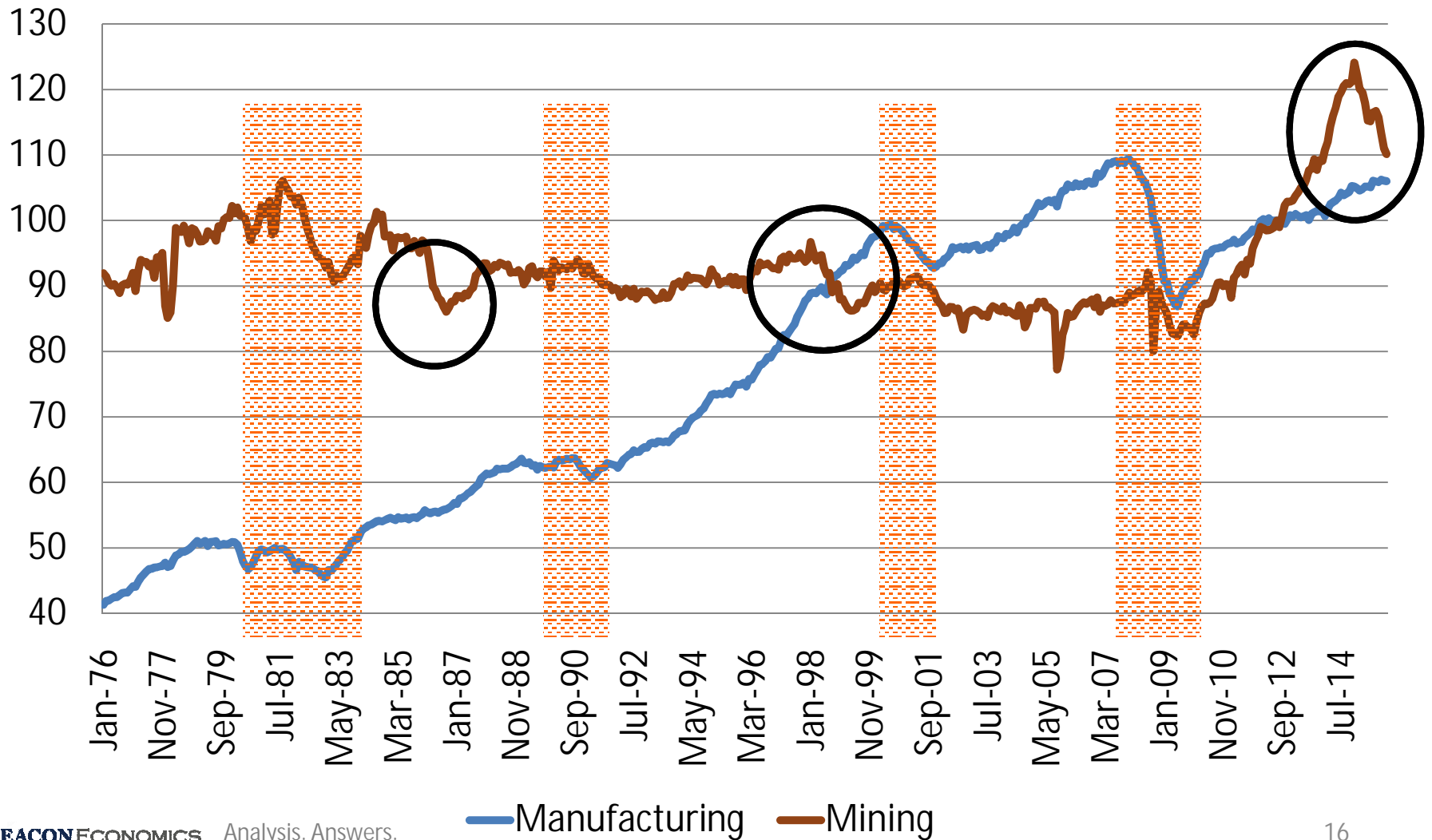
Oil Production Per Day (000s Barrels)



Industrial Production



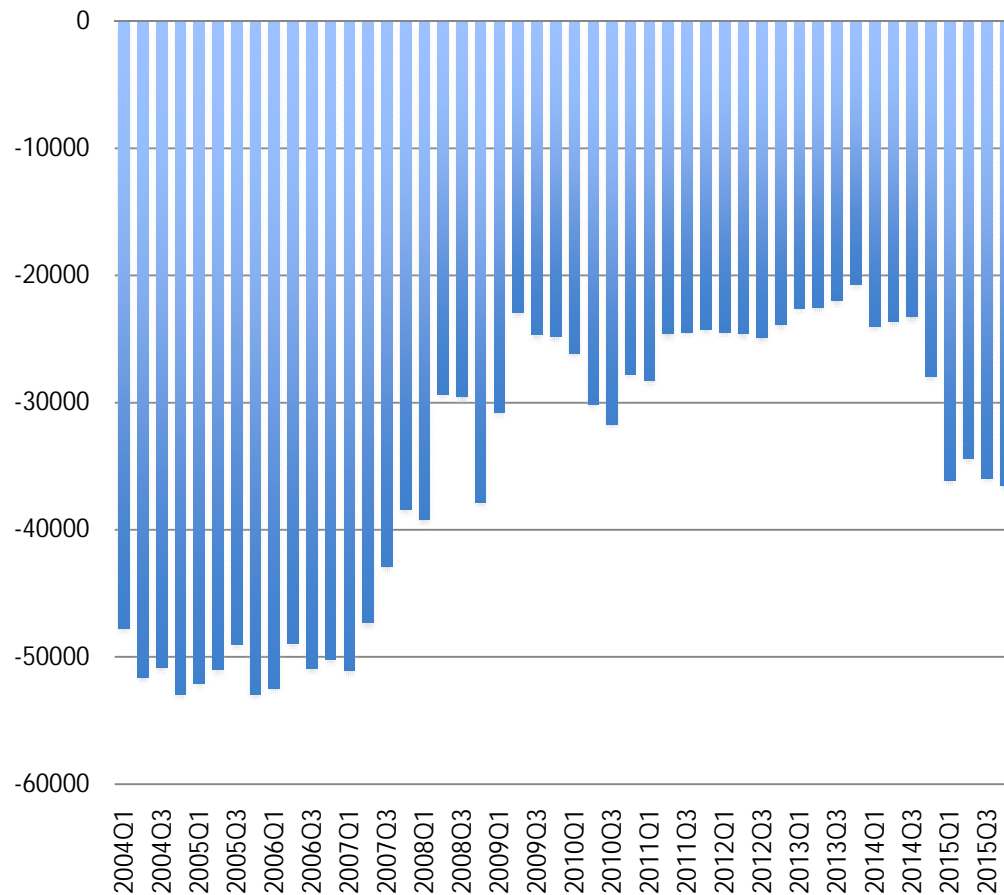
# Mining and Manufacturing: IP





# Trade

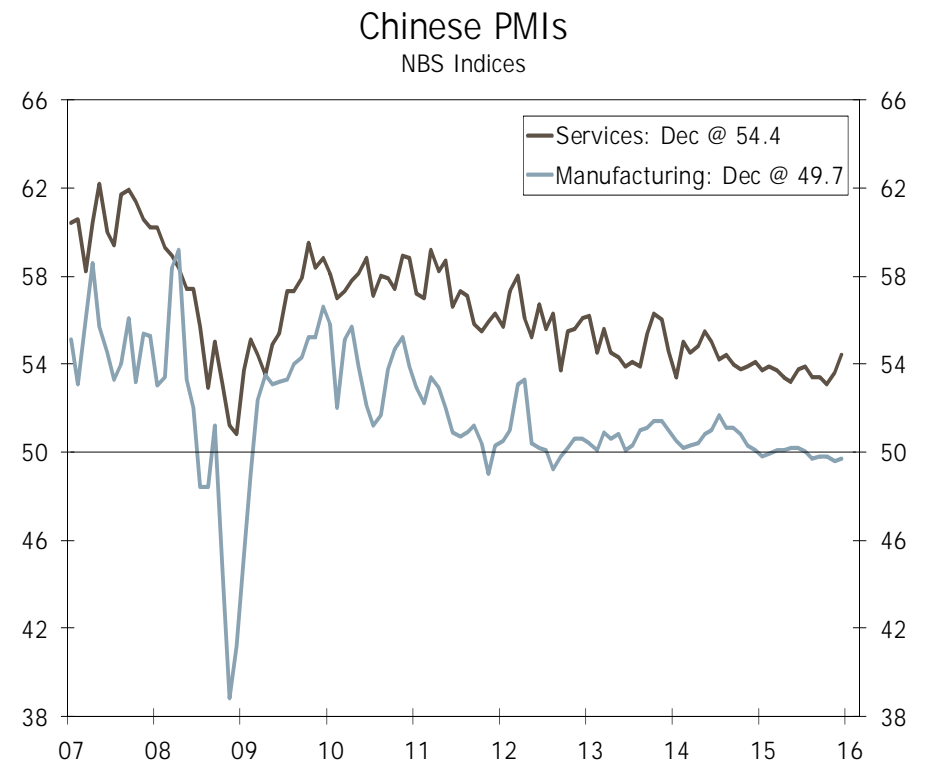
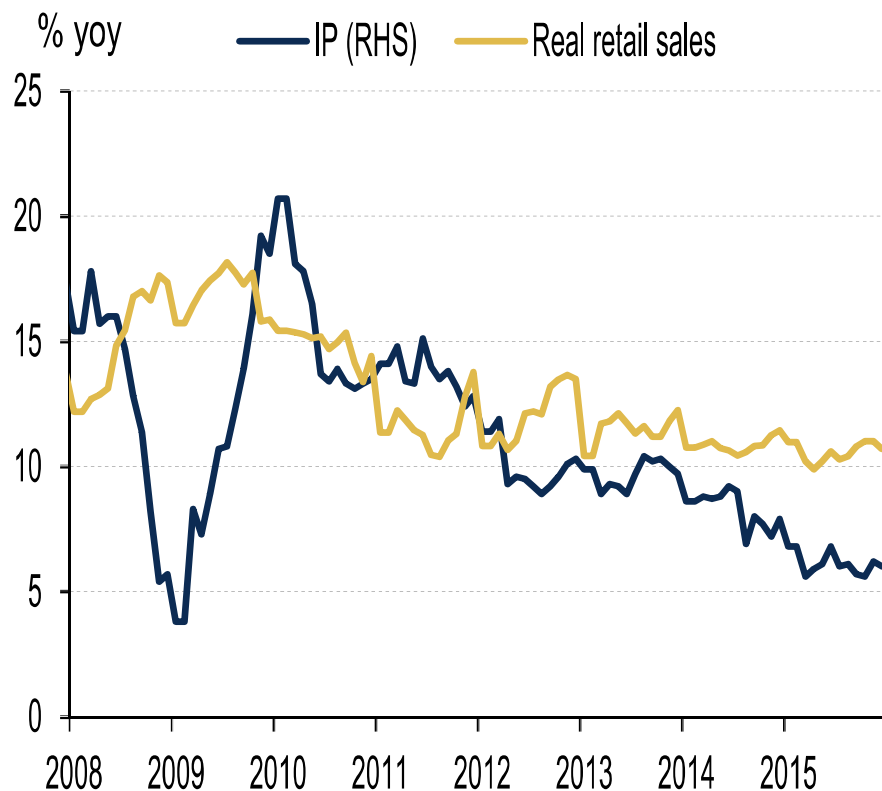
'Real' Trade Deficit: Est. through Q4



Change in Nominal Goods Trade  
2014 to 2015

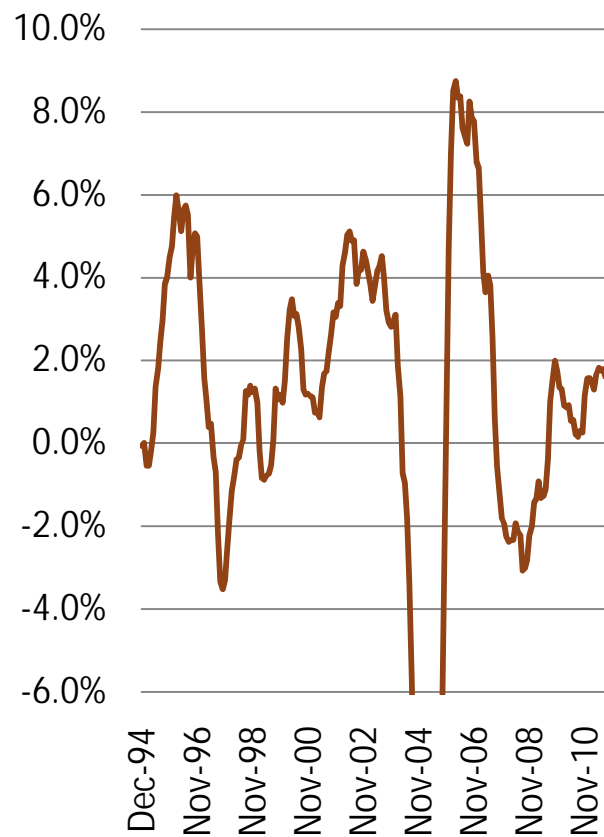
	Exports	Imports	Bal.
Total	-104.4	-87.3	-17.1
Canada	-28.8	-45.8	17
Netherlands	-2.8	-3.9	1.1
Belgium	-0.6	-1.2	0.6
India	0.3	-0.1	0.4
Germany	0.2	0.3	-0.1
Taiwan	-0.5	0.1	-0.6
Japan	-3.5	-2.7	-0.8
France	-1.1	0.6	-1.7
UK	2.8	4.5	-1.7
Italy	-0.9	1.7	-2.6
Korea, South	-0.6	2.8	-3.4
Mexico	-3.6	1.3	-4.9
Brazil	-10	-2.3	-7.7
China	-5.7	17.8	-23.5

# China: Slowed, not stopped

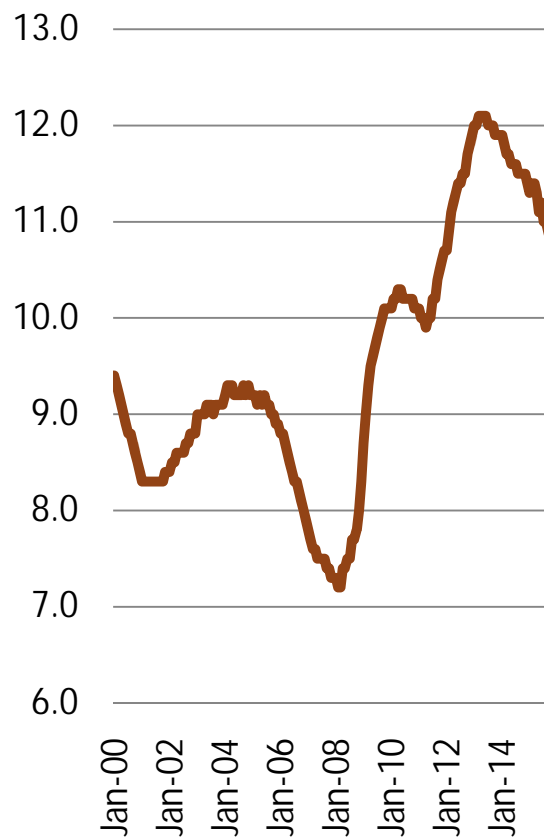


# Europe

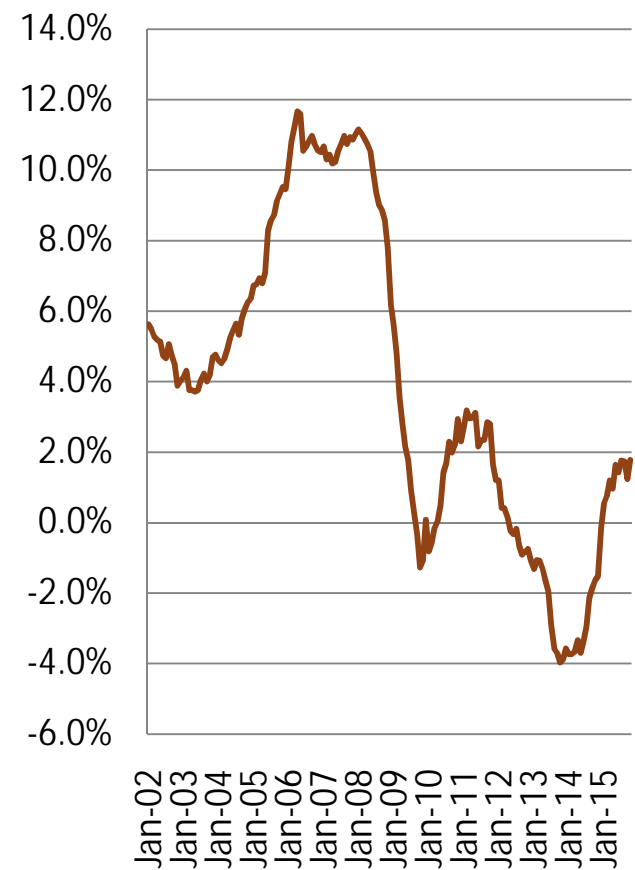
EU Industrial Production Growth



EU Unemployment Rate to October

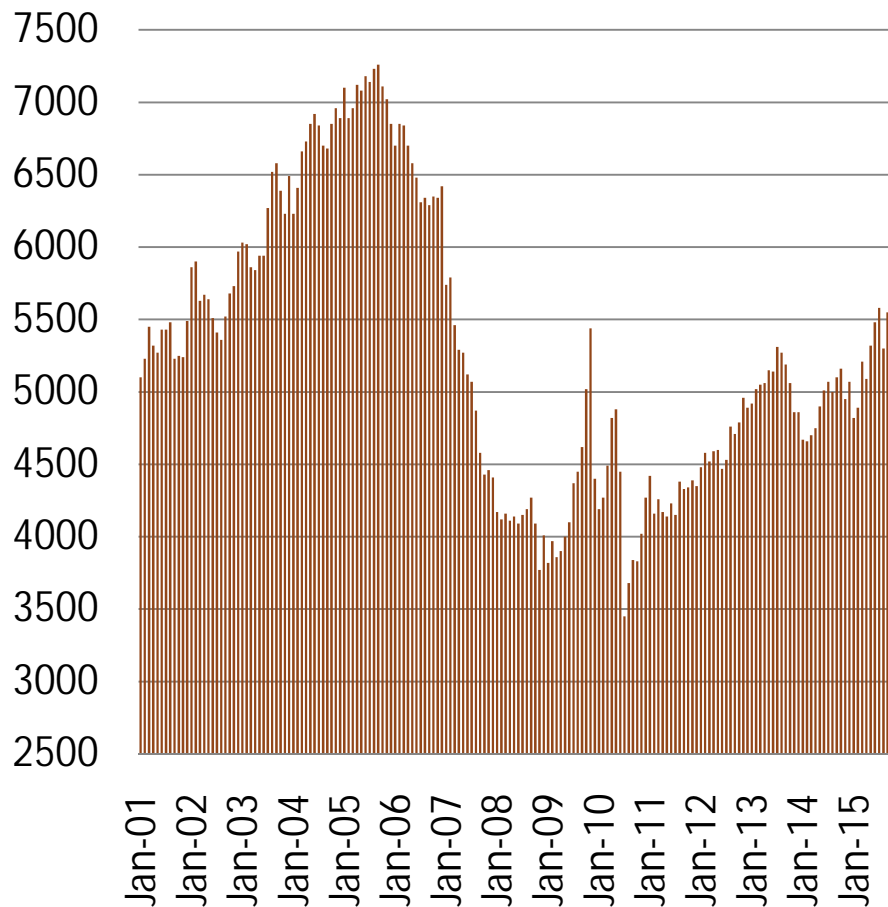


Y-o-Y Growth Bank Loans to Oct (Non-Gov or MFI)

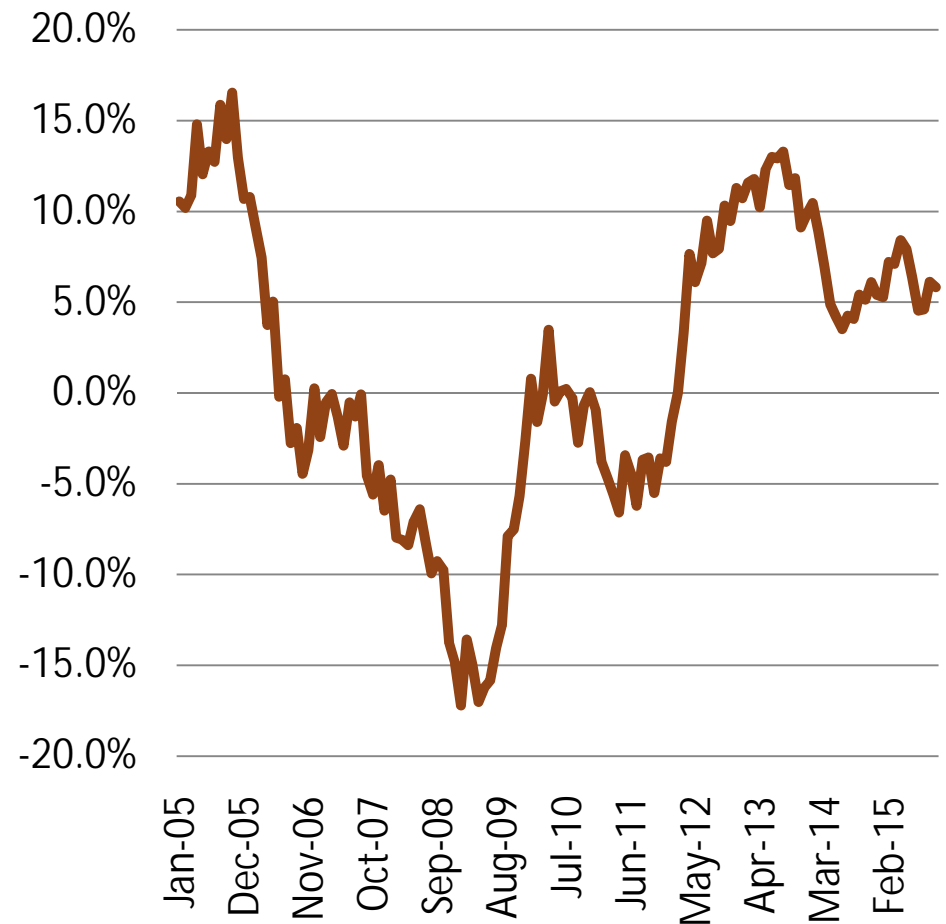


# Housing Markets

Existing Home Sales to Oct



Median Price Growth (Y-o-Y)

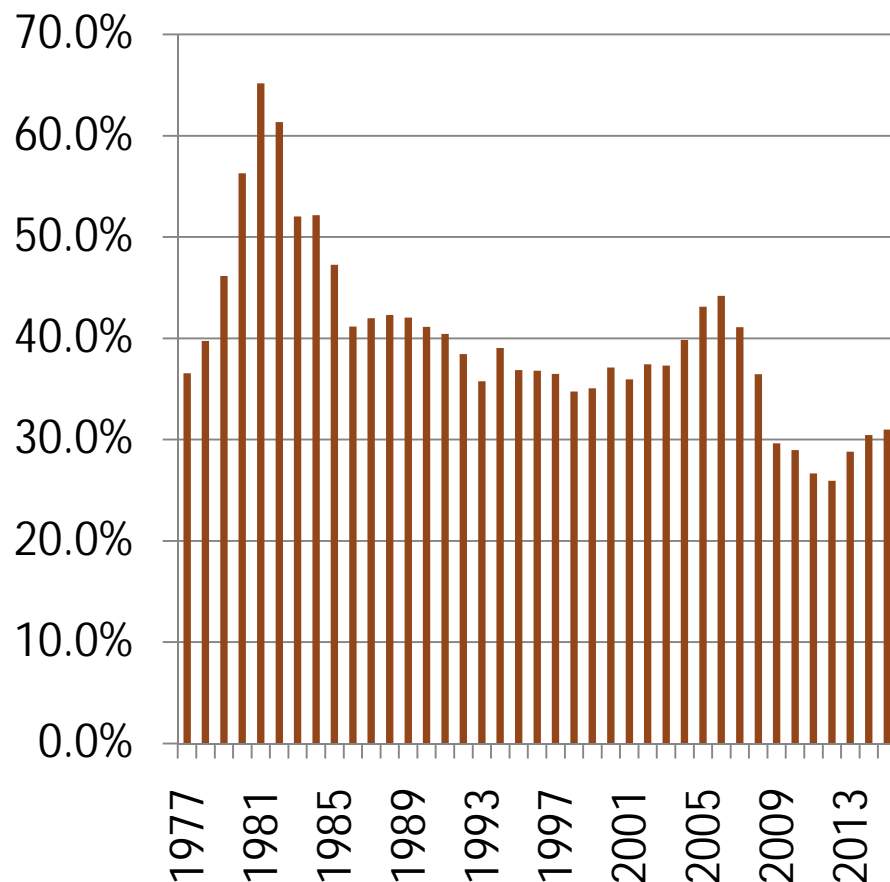


# Case-Shiller Regional Price Trends

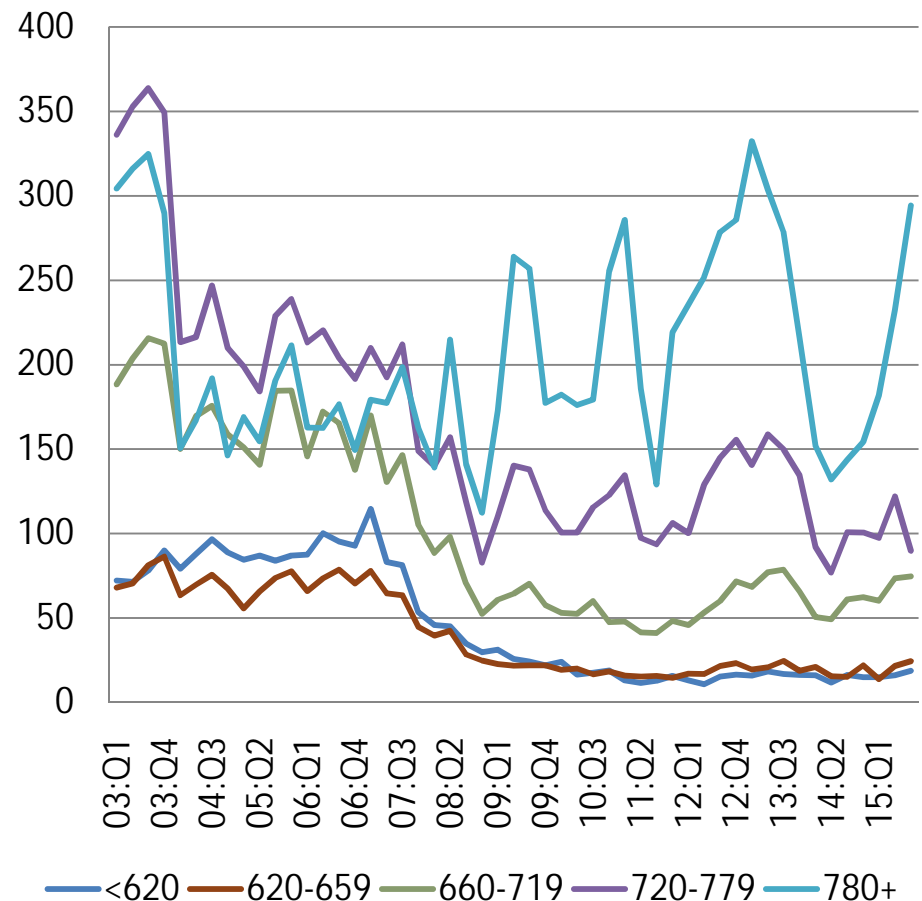
	13-14	14-15	Diff		13-14	14-15	Diff
OR-Portland	6.2%	11.0%	4.8%	AZ-Phoenix	2.2%	5.7%	3.5%
CA-San Francisco	9.5%	10.9%	1.5%	Composite-20	4.4%	5.6%	1.1%
CO-Denver	7.1%	10.9%	3.7%	MI-Detroit	3.6%	5.3%	1.6%
TX-Dallas	7.7%	9.3%	1.6%	MA-Boston	4.3%	5.2%	0.9%
WA-Seattle	6.2%	8.8%	2.6%	National-US	4.6%	5.2%	0.5%
FL-Miami	9.5%	8.0%	-1.5%	NC-Charlotte	2.7%	4.7%	2.0%
FL-Tampa	6.1%	6.4%	0.3%	MN-Minneapolis	2.1%	4.0%	2.0%
CA-San Diego	4.7%	6.3%	1.6%	NY-New York	1.8%	3.1%	1.3%
CA-Los Angeles	4.9%	6.1%	1.3%	OH-Cleveland	0.8%	2.2%	1.5%
GA-Atlanta	4.4%	6.1%	1.6%	DC-Washington	2.0%	1.7%	-0.3%
NV-Las Vegas	7.8%	5.8%	-2.1%	IL-Chicago	1.8%	1.4%	-0.4%

# Affordability vs Access

## Affordability

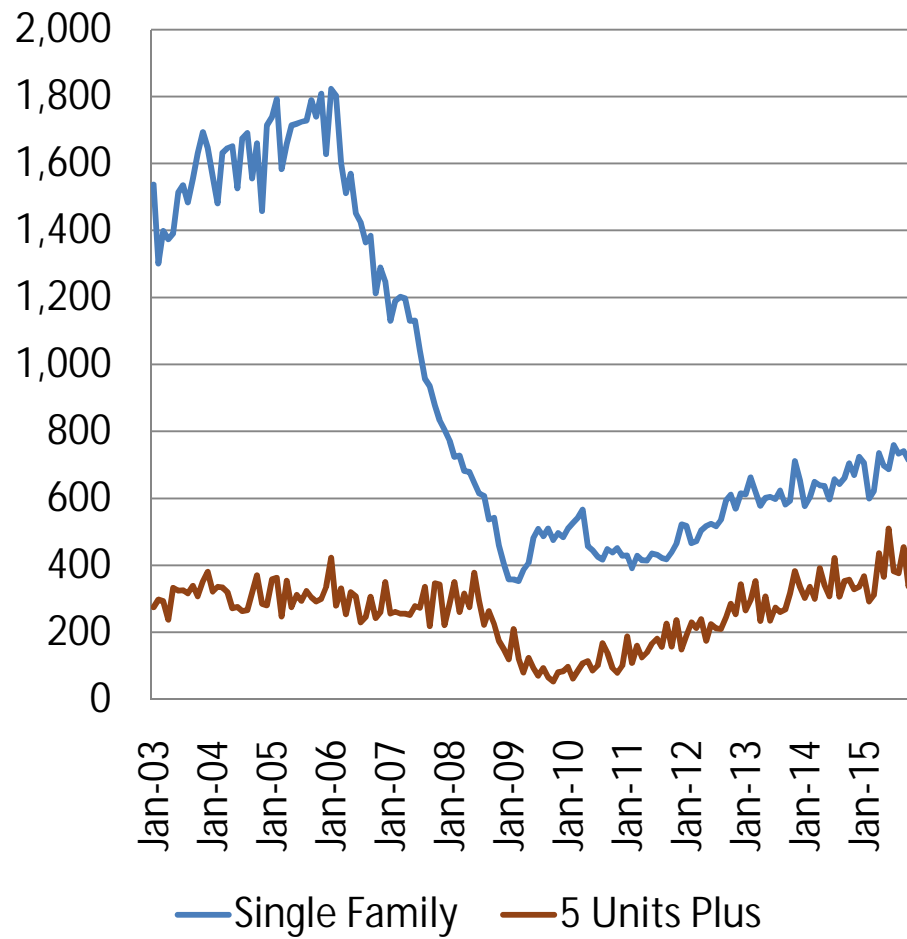


## Originations (Bil) by Credit Score to Q3

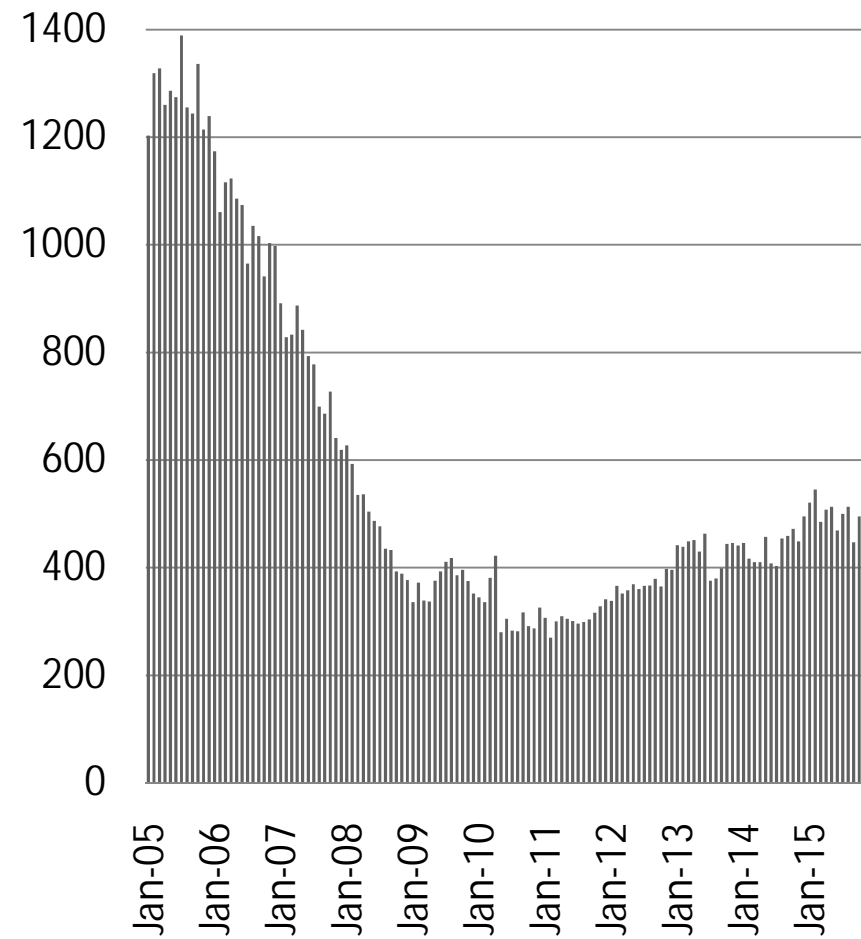


# Construction

## Housing Starts

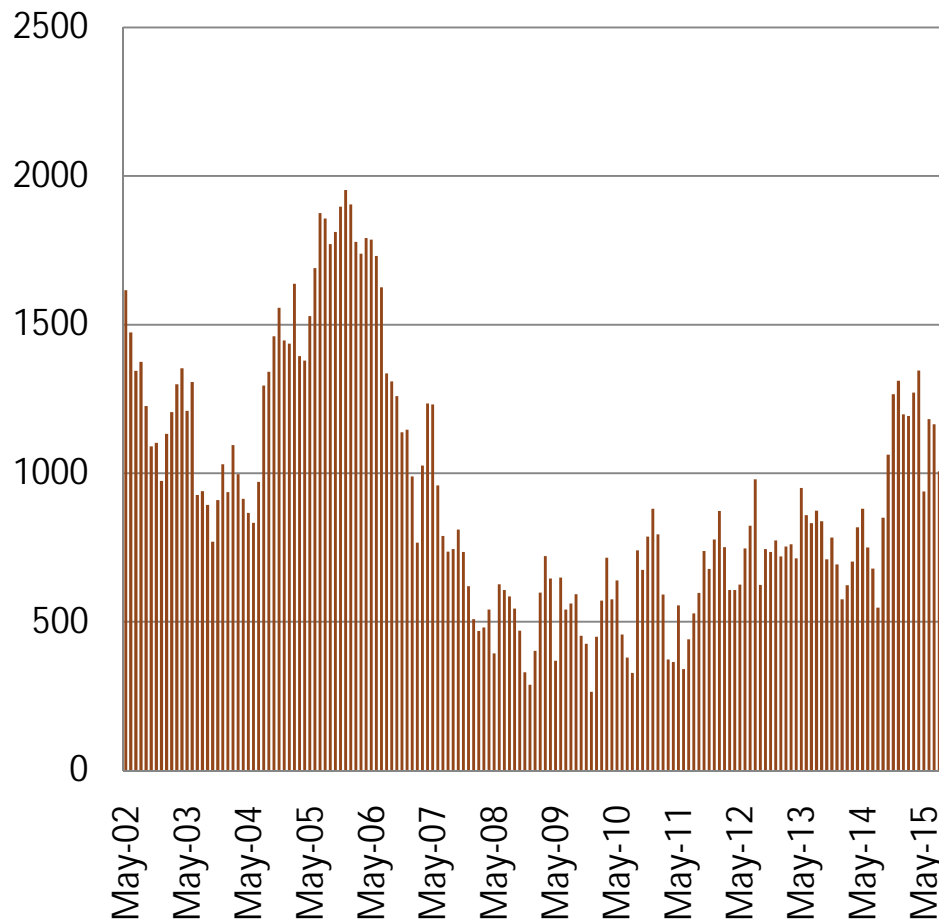


## New Home Sales to Oct

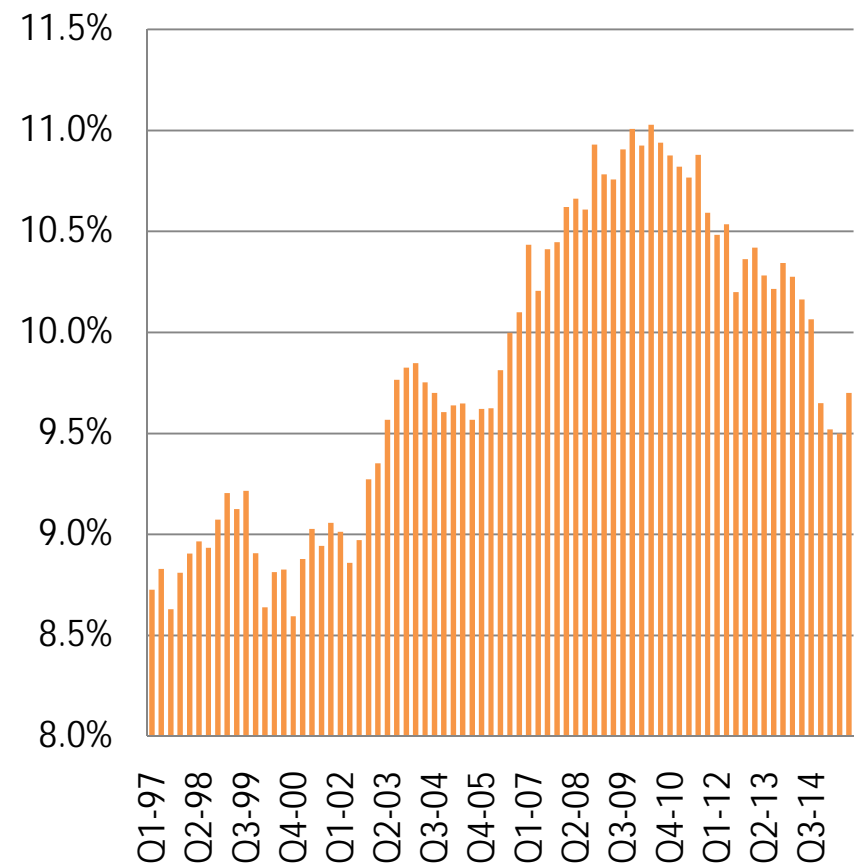


# Improved Outlook

Change in Households (2 year Smoothed)

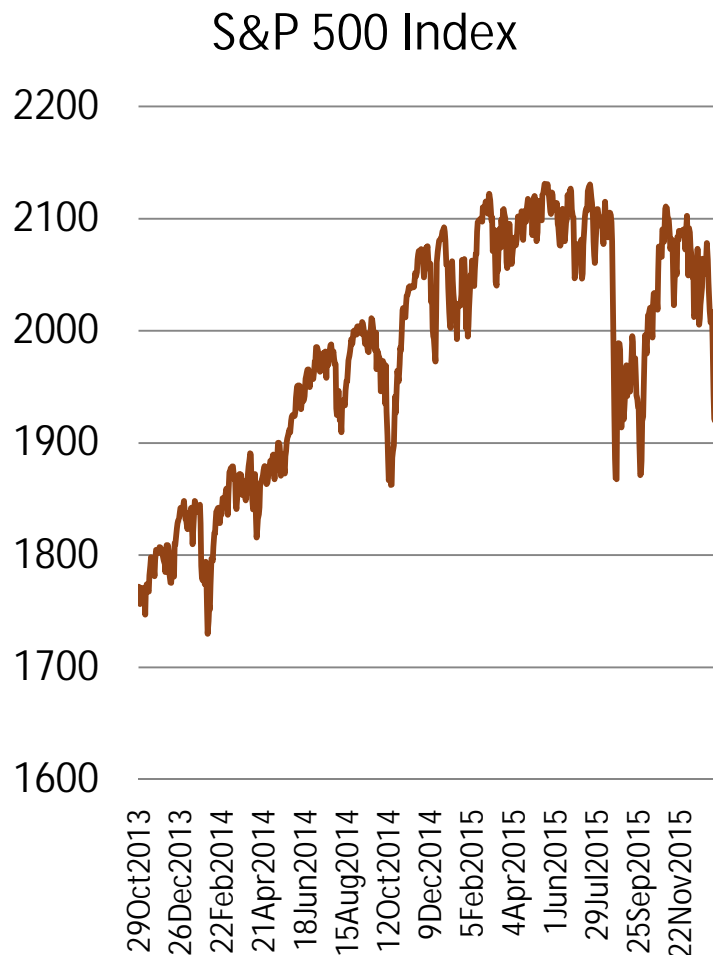


Year Round Vacant as % of Housing Stock to Q3 (Census HVS)





# What inning is it?

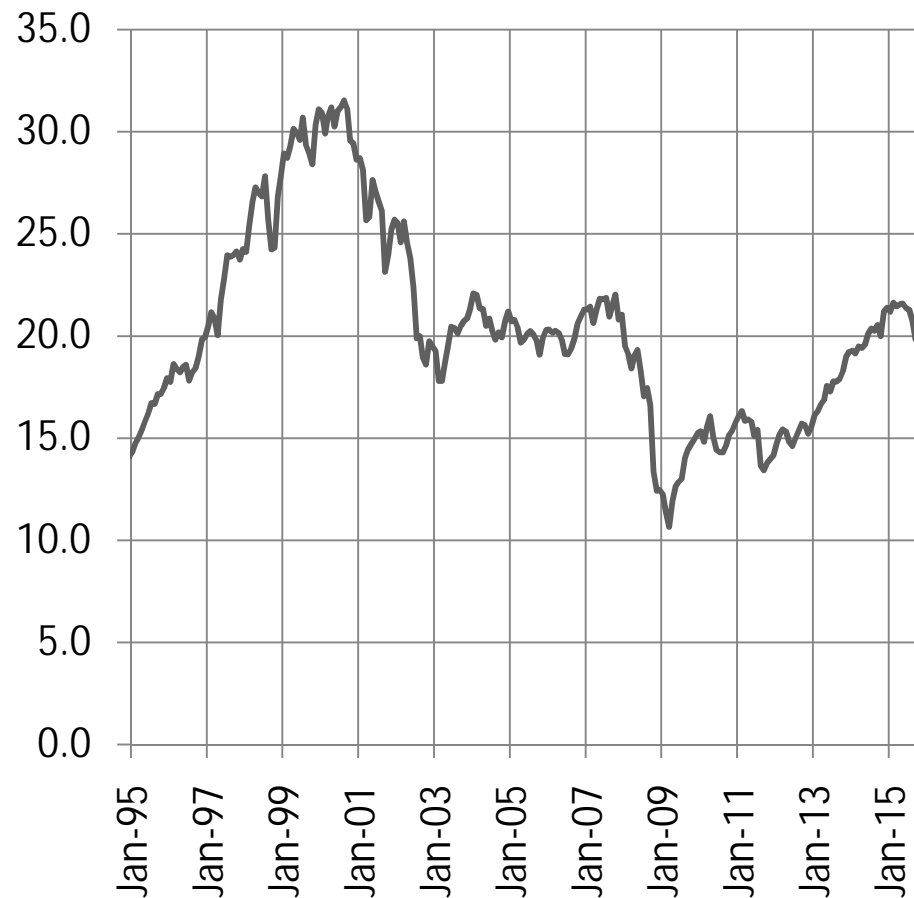


There is no Bubble... (at least not yet) Why?

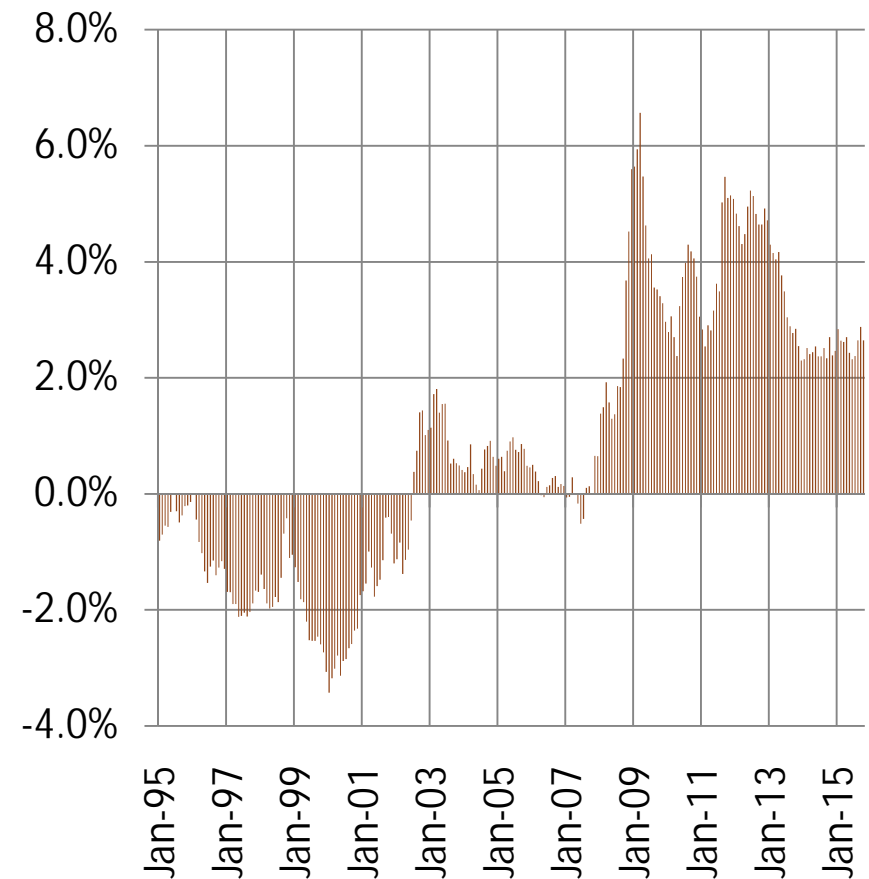
1. Asset prices are being driven by fundamentals, not speculation
2. The global savings glut is driving interest rates, not Fed policy
3. Leverage is not a factor
4. The real economy is in balance

# Equity Fundamentals

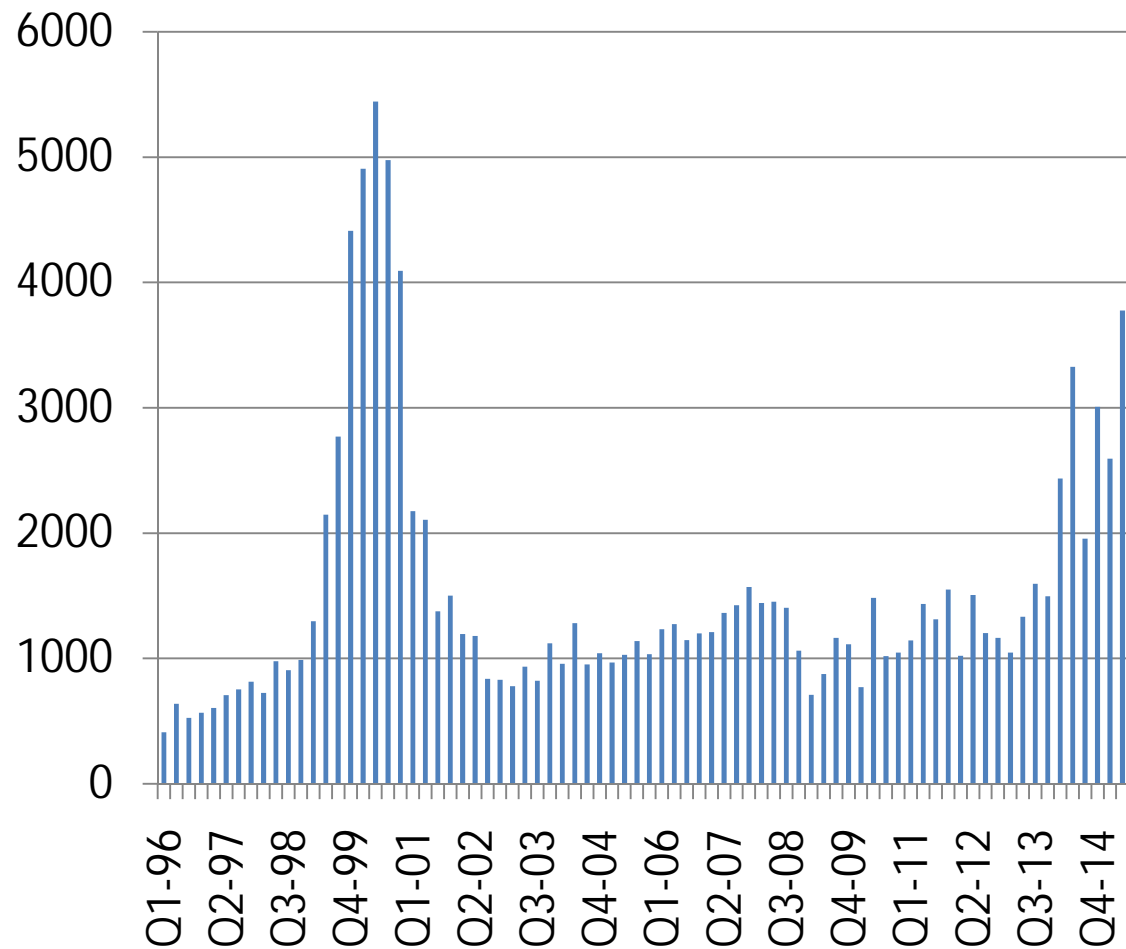
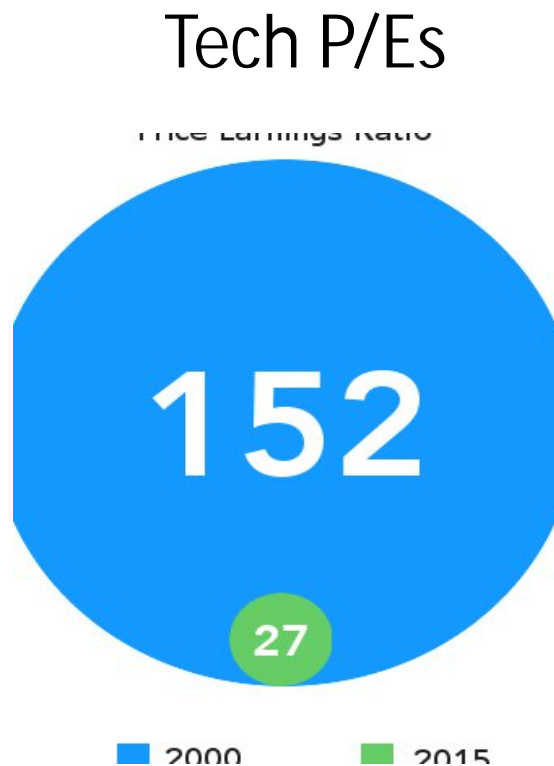
Forward Looking P/E Ratio



Equity Earnings Spread

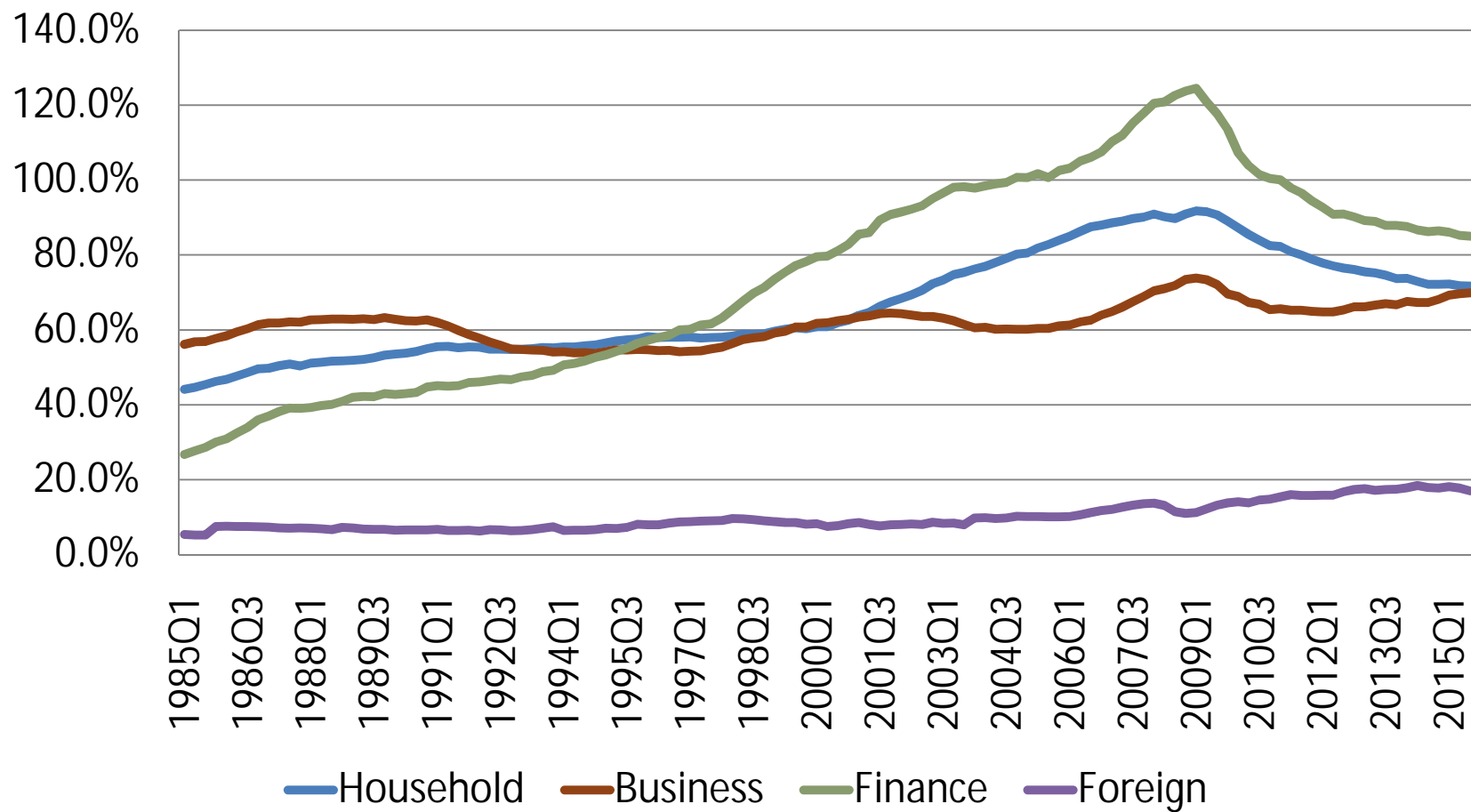


# What about Tech?



# Risk Factors

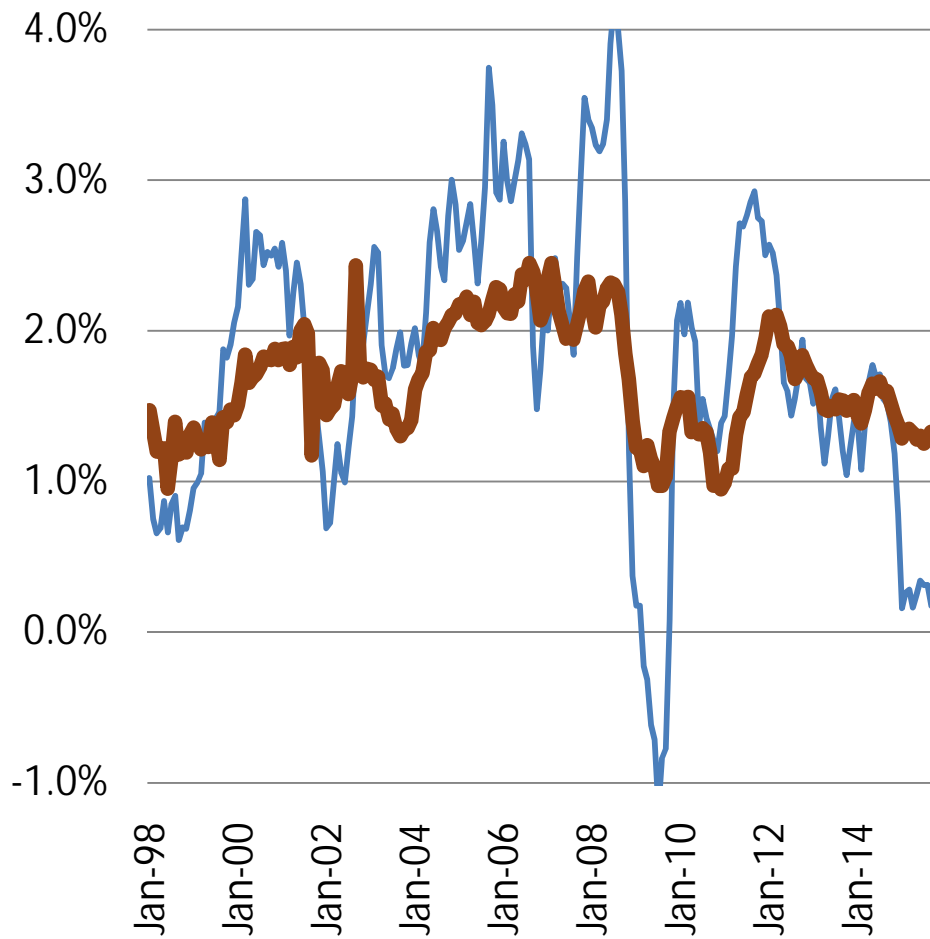
Debt Outstanding as % GDP to Q3



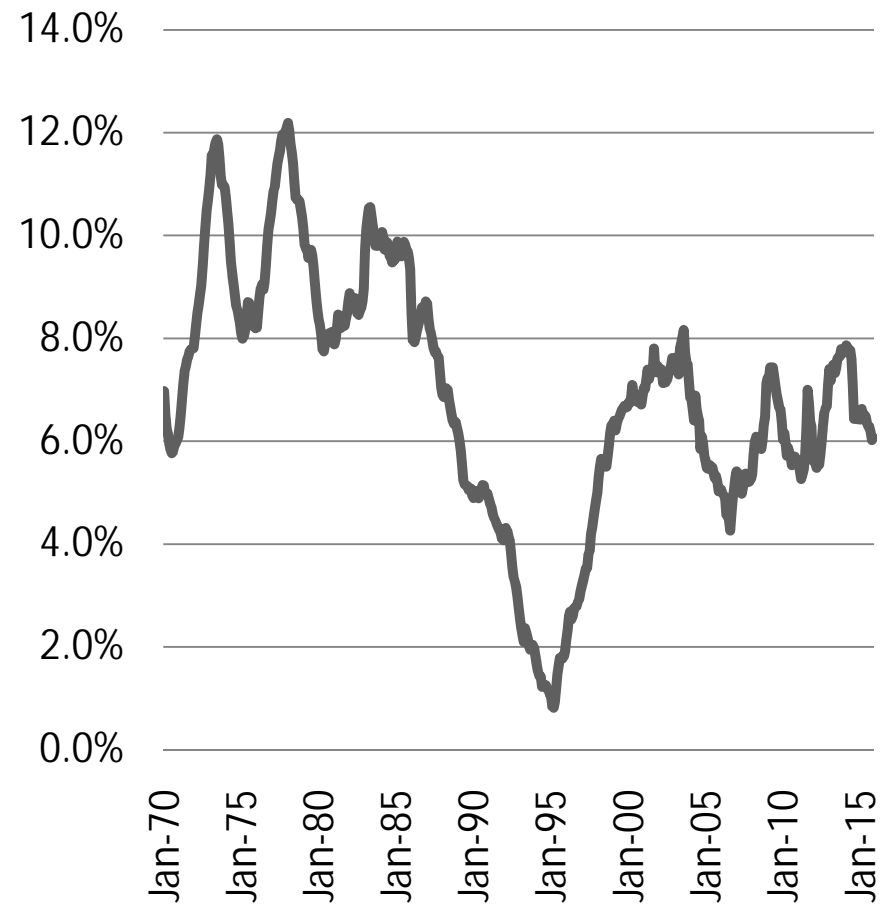
~~When~~

How Fast

PCE Inflation (Y-o-Y) to Oct

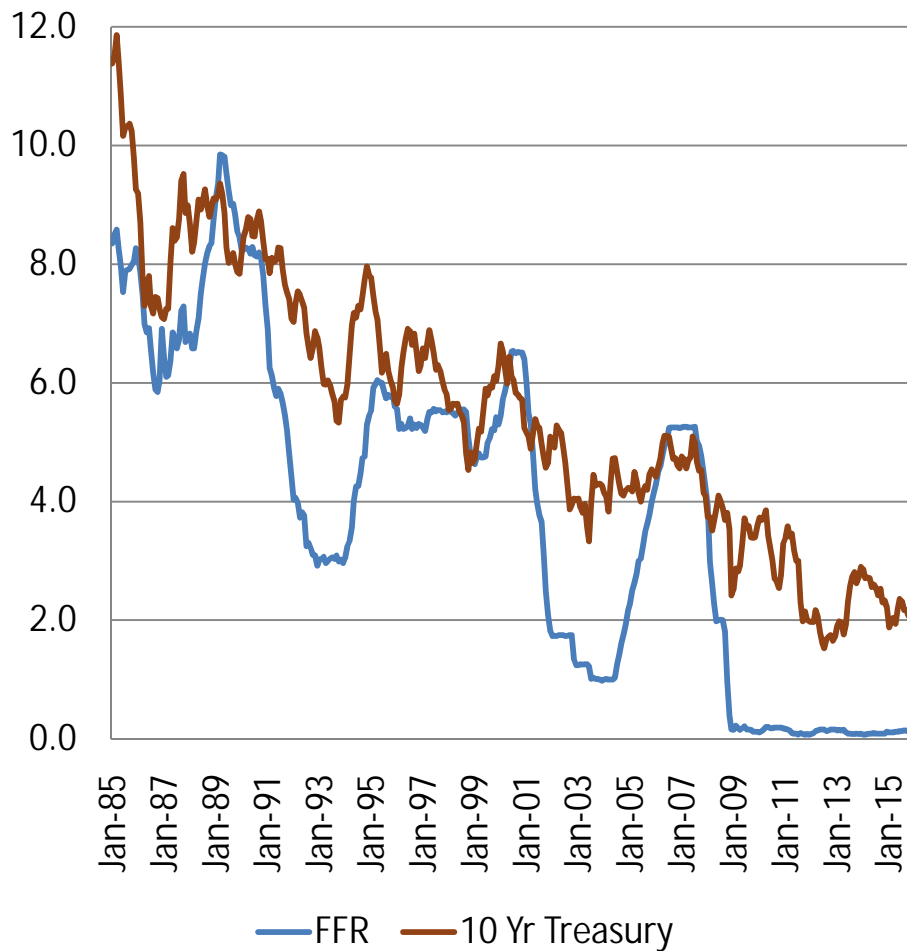


M2 Growth (3 Year)

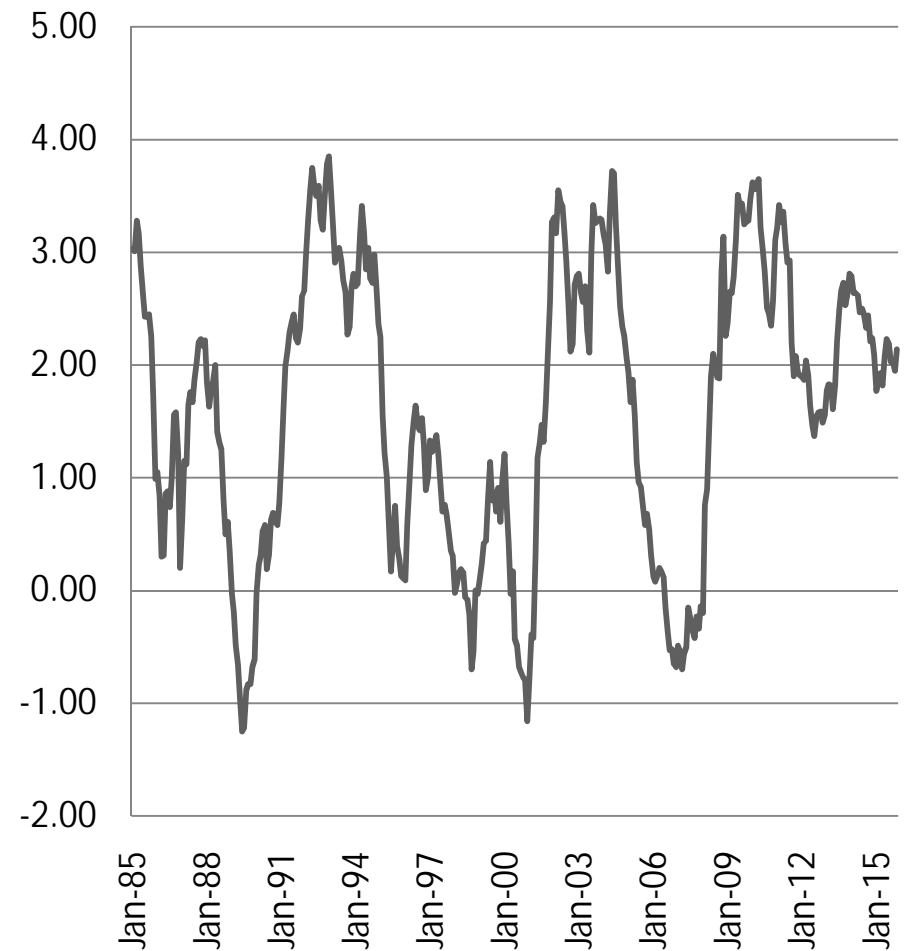


# Limited Space to Turn

Interest Rates

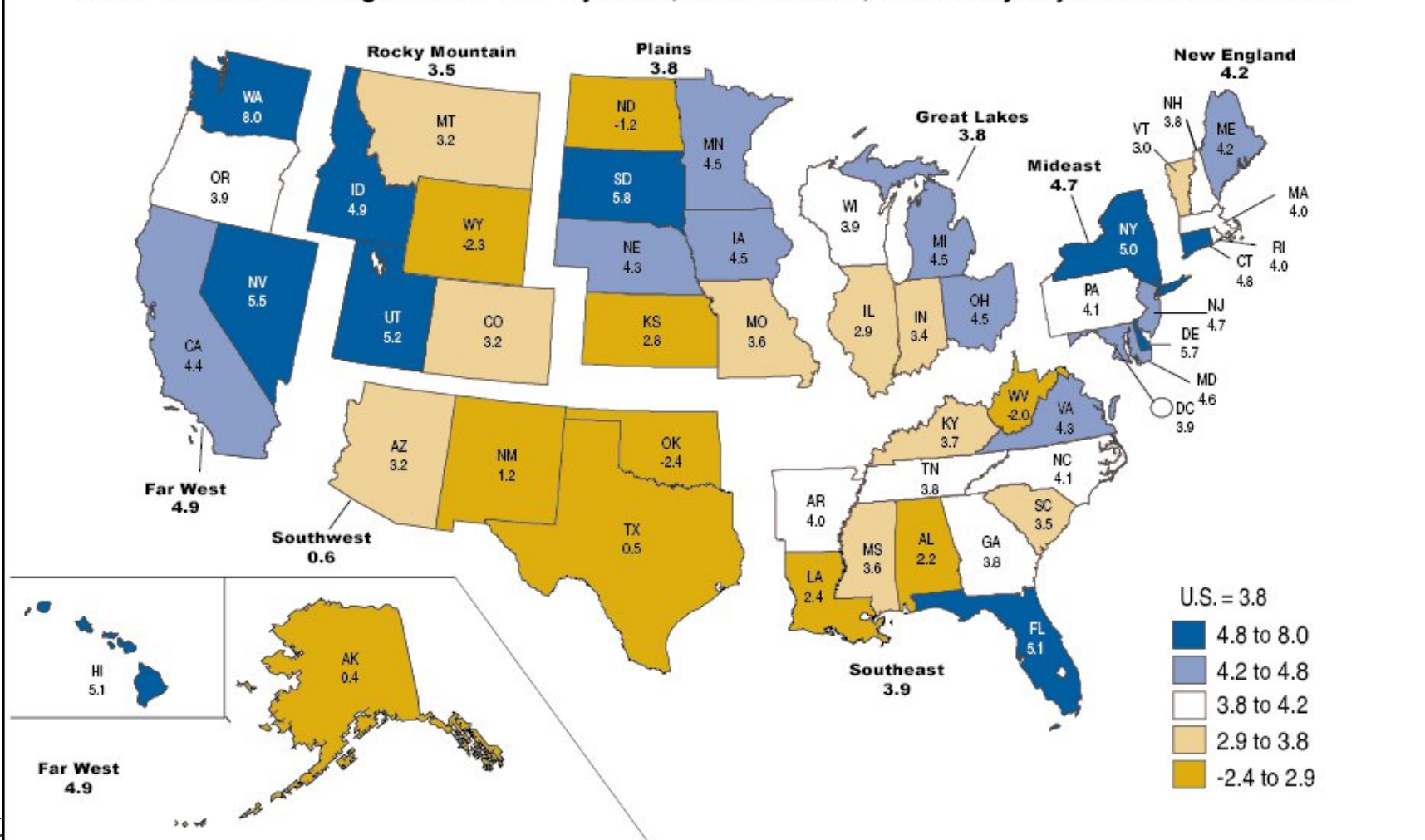


Spread



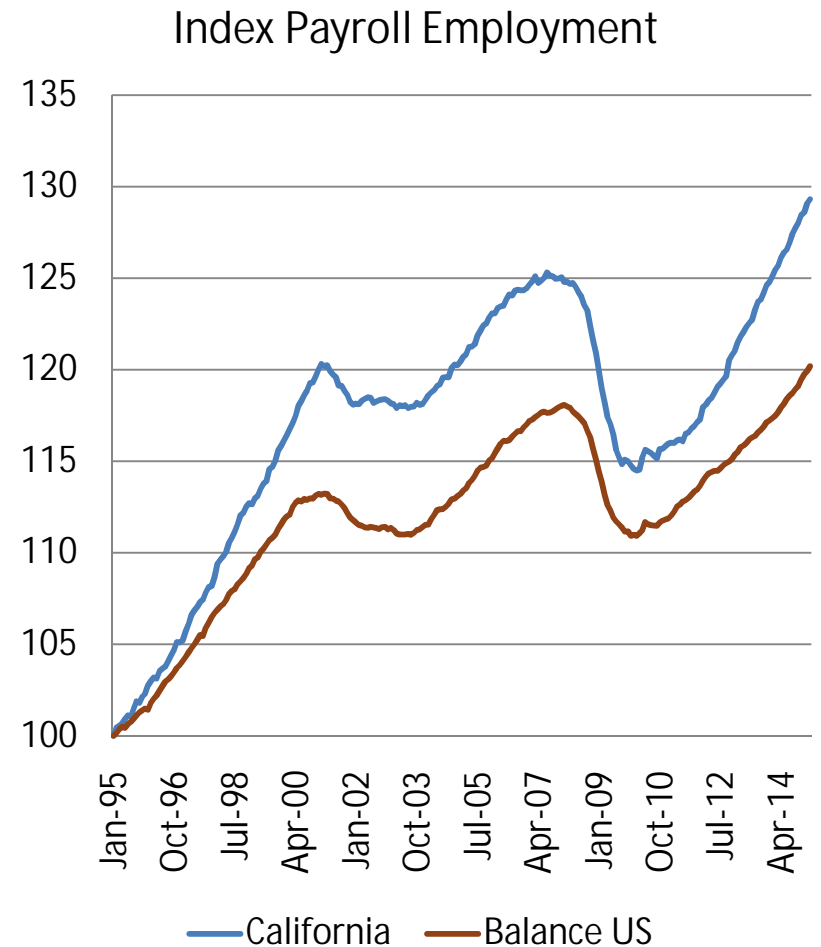
# Regional Growth

Chart 1. Percent Change in Real GDP by State, 2015:I-2015:II, Seasonally Adjusted at Annual Rates



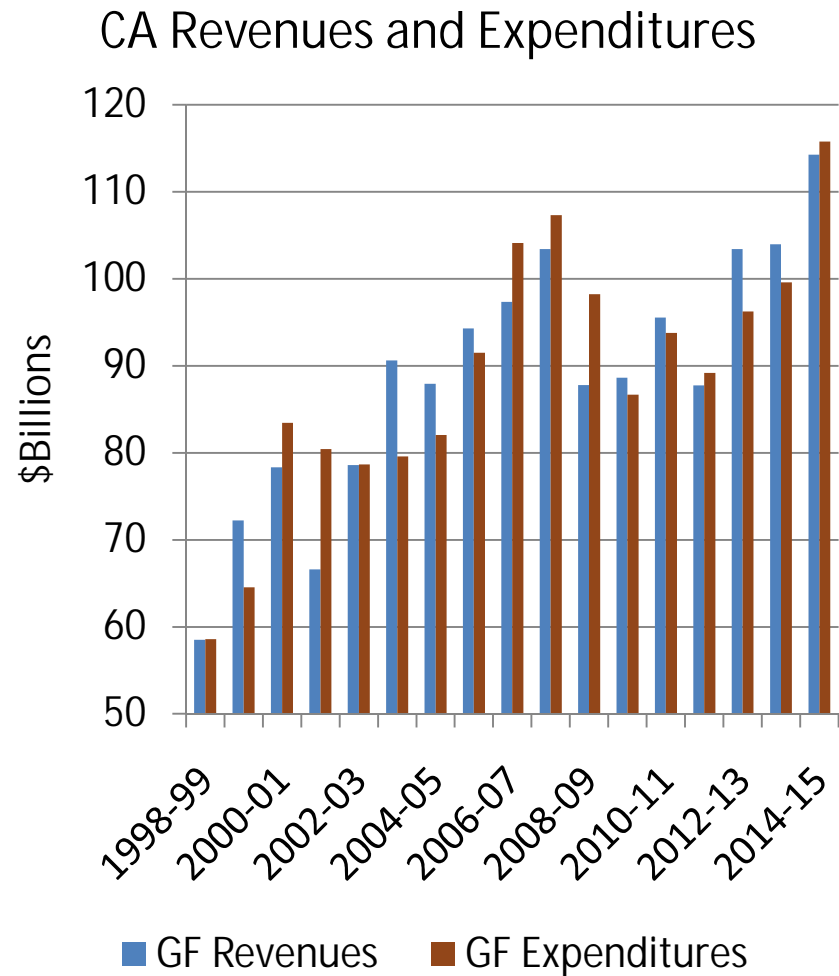
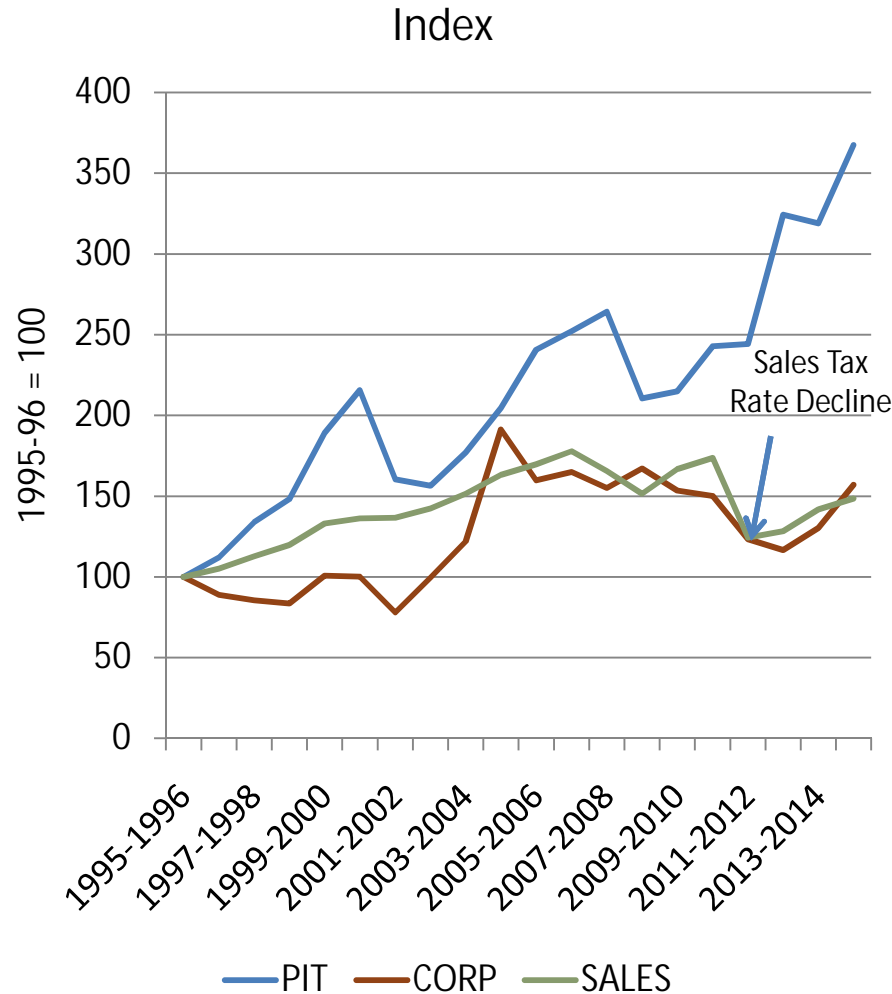
# 2015 Job Growth (Ch Gr from 14)

Idaho	4.1%	2.0%
Utah	3.6%	0.8%
Florida	3.0%	-0.3%
Washington	2.8%	-0.1%
Oregon	2.7%	-0.3%
South Carolina	2.6%	0.1%
<b>California</b>	<b>2.6%</b>	<b>-0.3%</b>
South Dakota	2.6%	2.0%
Nevada	2.5%	-0.9%
Arizona	2.5%	0.7%
Massachusetts	2.2%	0.6%
Georgia	2.2%	-1.1%
North Carolina	2.2%	-0.1%
Hawaii	2.1%	1.8%
Maryland	2.0%	1.0%
Indiana	1.9%	0.7%
N York	1.9%	0.8%



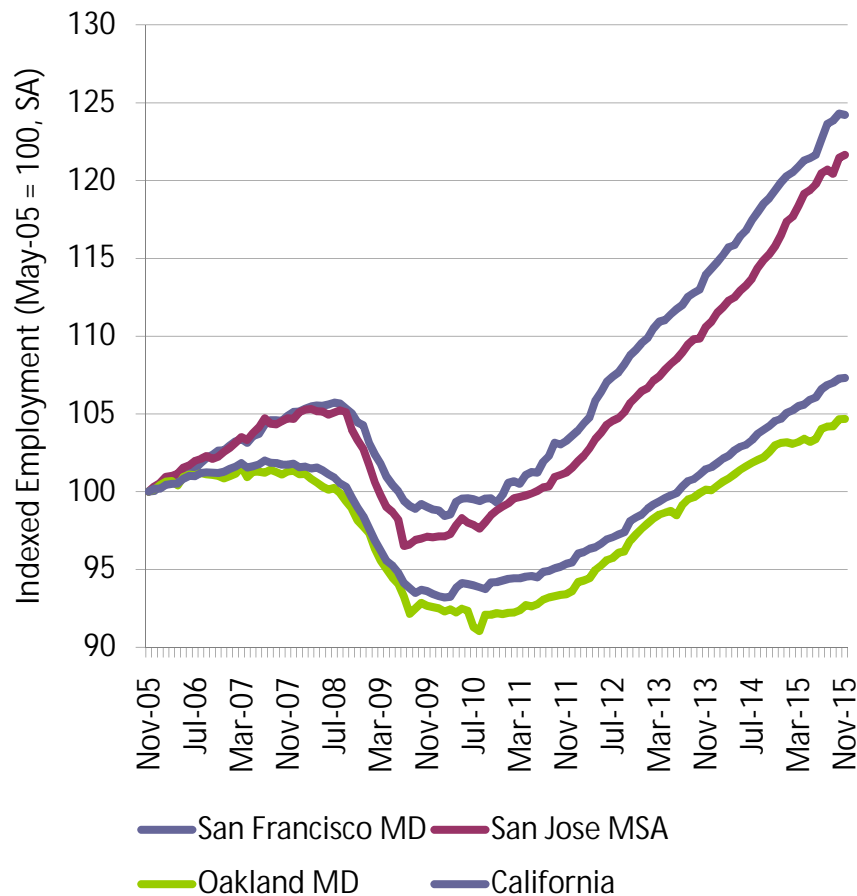


# Income tax driving the show



# Regional Nonfarm Employment

Total Nonfarm Employment

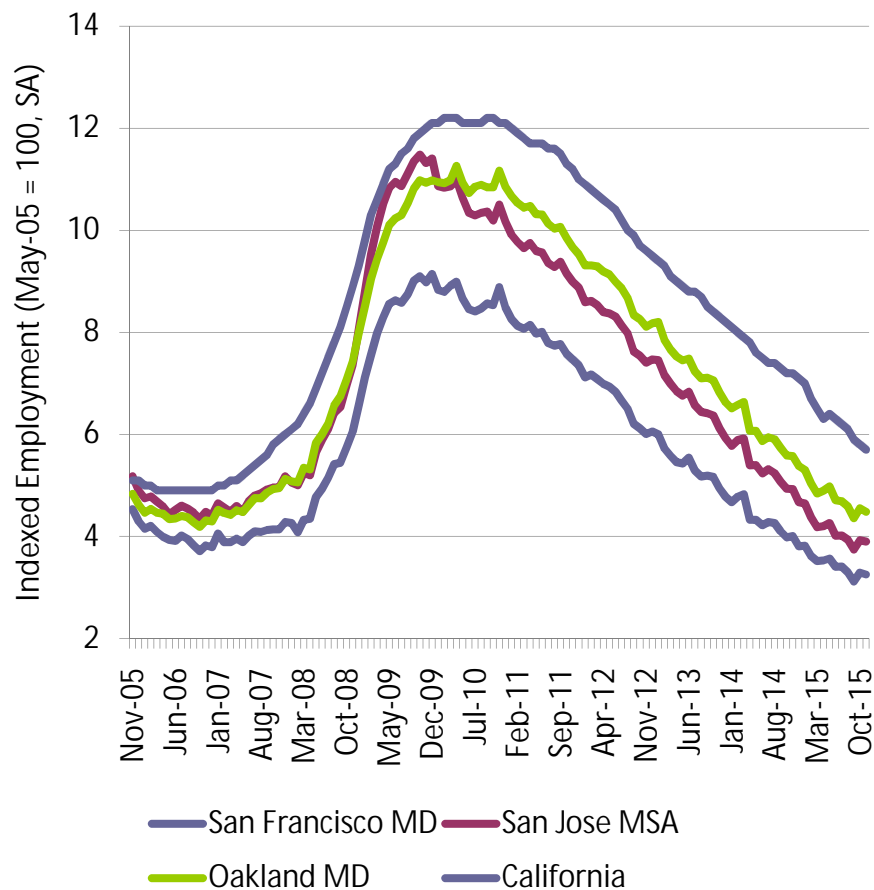


Regional Nonfarm Employment

Metropolitan Area	Nov-15 (000s)	Growth
San Jose	1,075	5.1
San Francisco (MD)	1,070	4.1
San Rafael (MD)	117	3.9
Inland Empire	1,349	3.5
Vallejo	134	3.5
San Diego	1,404	2.7
California	16,258	2.6
Santa Rosa	198	2.6
Los Angeles (MD)	4,343	1.7
East Bay (MD)	1,096	1.7

# Regional Trends

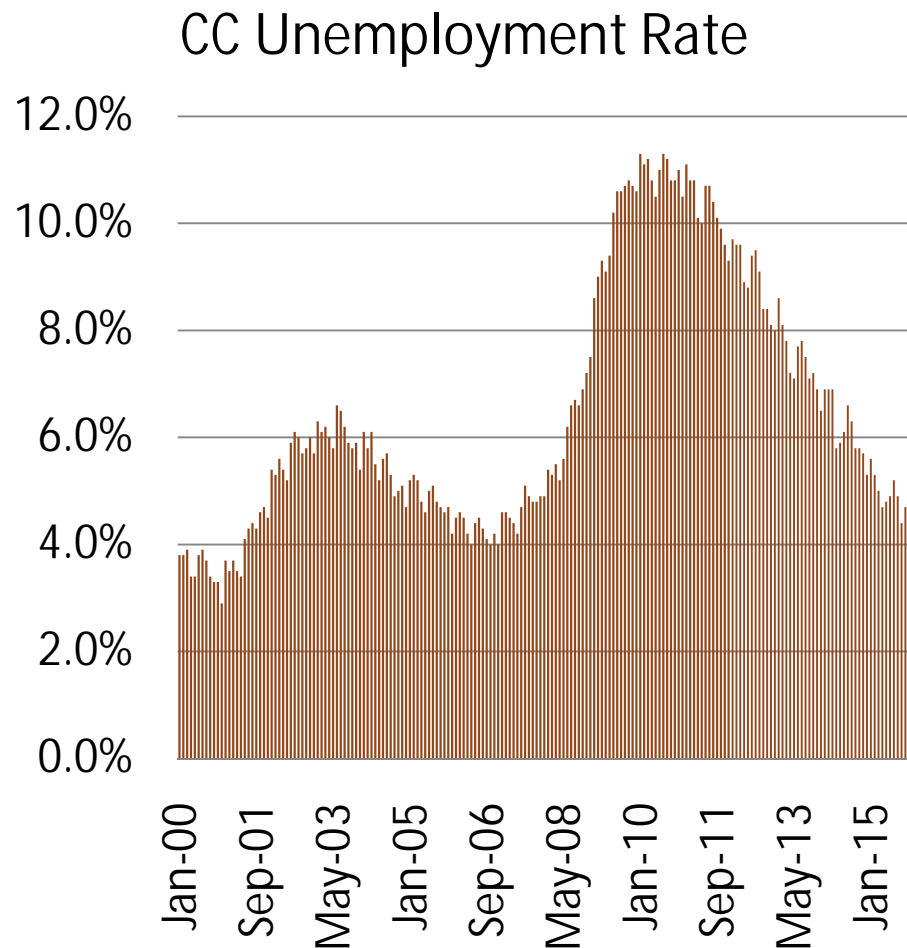
## Unemployment Rate



## East Bay Employment by Industry

Industry	Nov-15 (000s)	Change
Total Nonfarm	1,096	1.7
Professional/Business	188	2.6
Education/Health	178	0.7
Government	169	0.8
Retail Trade	113	2.1
Leisure and Hospitality	110	5.4
Manufacturing	84	0.7
Construction	64	4.7
Financial Activities	47	-4.1
Wholesale Trade	46	-1.3

# Contra Costa Employment



	2000	2008	2014
Civilian Labor Force	501,300	523,700	544,000
Civilian Employment	483,500	491,100	510,500
Total, All Industries	339,000	344,000	344,700
Total Nonfarm	336,800	343,300	343,900
Durable Goods	10,700	8,400	6,700
Nondurable Goods	12,700	12,400	8,800
Wholesale Trade	9,300	8,700	9,100
Retail Trade	42,800	43,600	41,700
Logistics	8,900	8,900	9,500
Information	17,500	11,800	8,400
Financial Activities	26,400	26,600	25,000
Professional	54,400	49,300	53,900
Educational & Health	40,000	50,000	60,800
Leisure & Hospitality	25,900	32,800	36,500
Other Services	11,200	12,400	12,500
Government	48,200	52,600	49,100

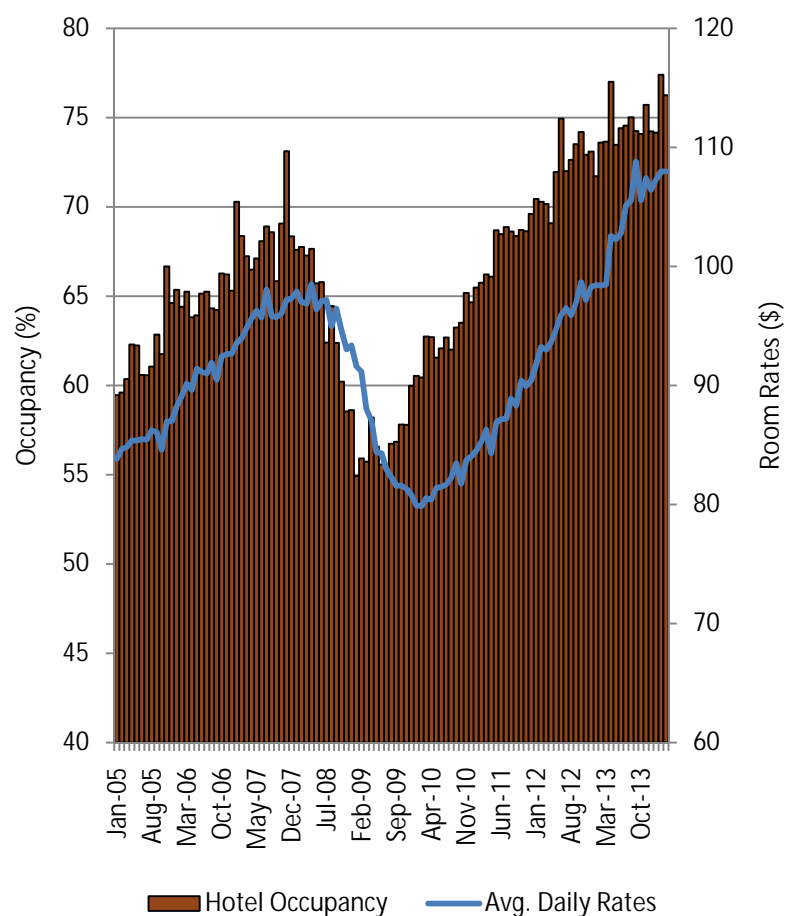
# Employment

## East Bay County 2-year Employment Growth (Q2-13 to Q2-15)

Industry	Contra Costa		Alameda	
	New Jobs	Growth (%)	New Jobs	Growth (%)
Total All Industries	12,099	4.2	41,920	7.3
Education/Health	4,757	8.2	2,538	2.3
Trade, Transport	4,130	7.3	7,959	6.4
Leisure and Hospitality	2,618	7.3	5,634	9.0
Financial Activities	786	3.1	-1,032	-4.3
Construction	640	3.1	4,599	13.1
Other Services	554	4.8	561	2.4
Government	-95	-0.7	323	1.4
Information	-326	-3.8	874	6.8
Manufacturing	-601	-3.8	7,943	12.8

# East Bay Spending

East Bay Hotels

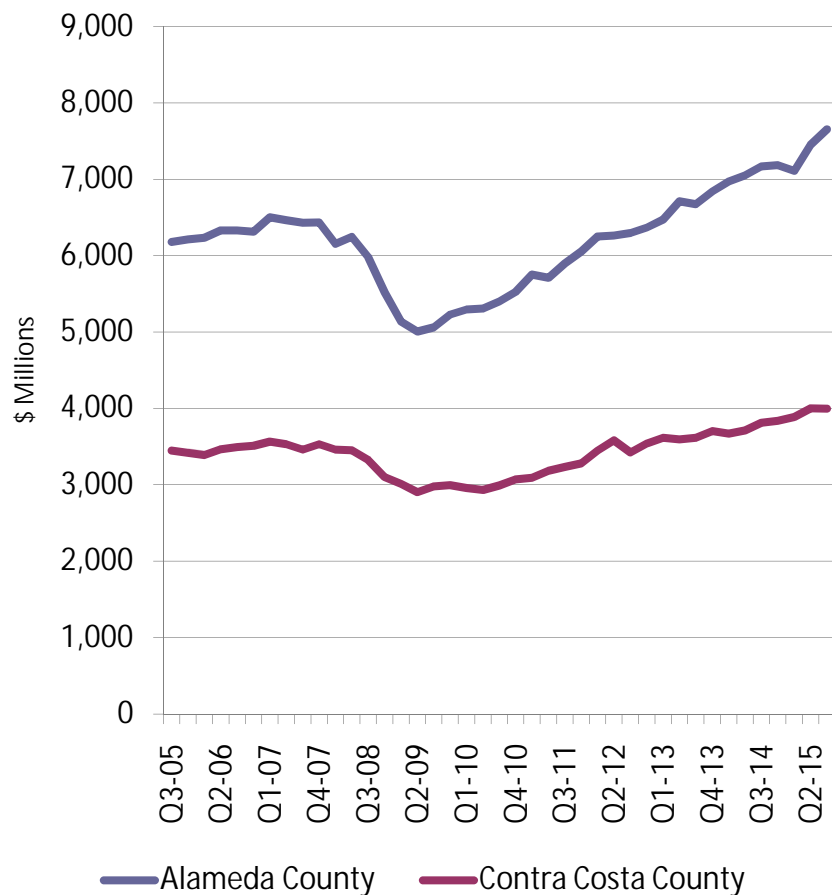


East Bay Sales Tax Receipts by Category

Category	2015 YTD	Change (%)
Autos/Transportation	57,349,828	12.1
Building/Construction	27,845,888	11.2
Business/Industry	55,571,033	6.5
Food/Drugs	18,097,583	4.3
Fuel/Service Stations	27,158,081	-16.8
General Consumer	66,020,129	3.7
Restaurants/Hotels	36,176,024	9.2
Total	334,689,370	5.3

# Spending

Taxable Sales

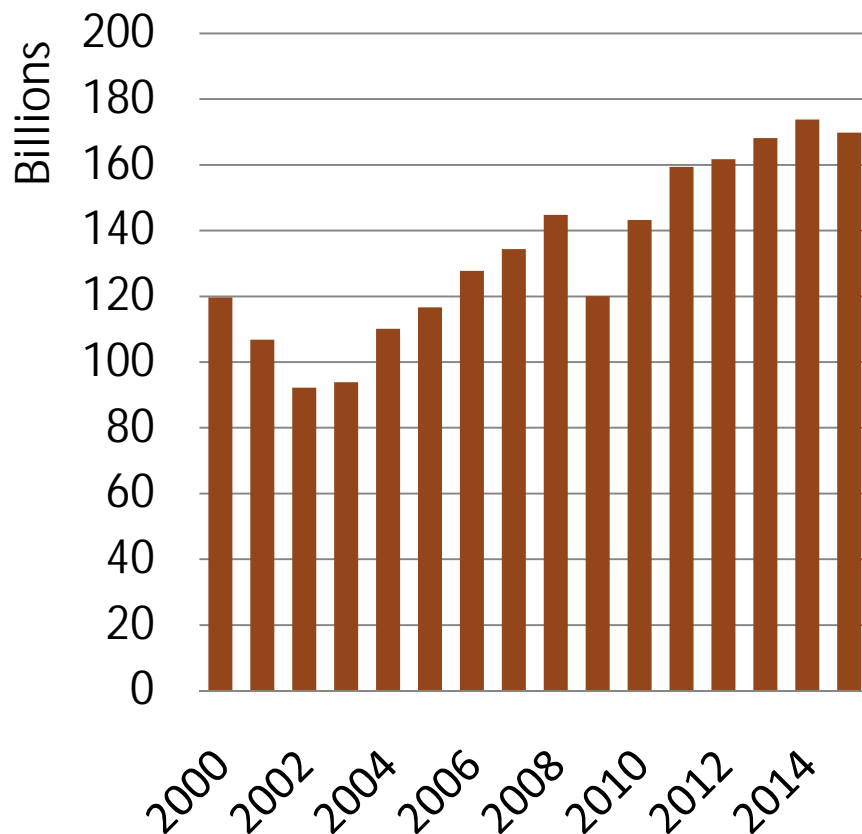


Regional Taxable Sales

City	Q3-15 (\$ 000s)	Y-o-Y Growth
Alameda	248,428	28.9
Brentwood	161,559	9.3
Concord	721,999	8.9
Fremont	953,253	8.6
Berkeley	418,111	4.4
Oakland	1,146,037	3.2
Antioch	254,743	-0.3
Hayward	698,792	-0.4
Richmond	330,884	-2.4

# California Exports

CA Exports



## Share Growth 2009-2015 Est

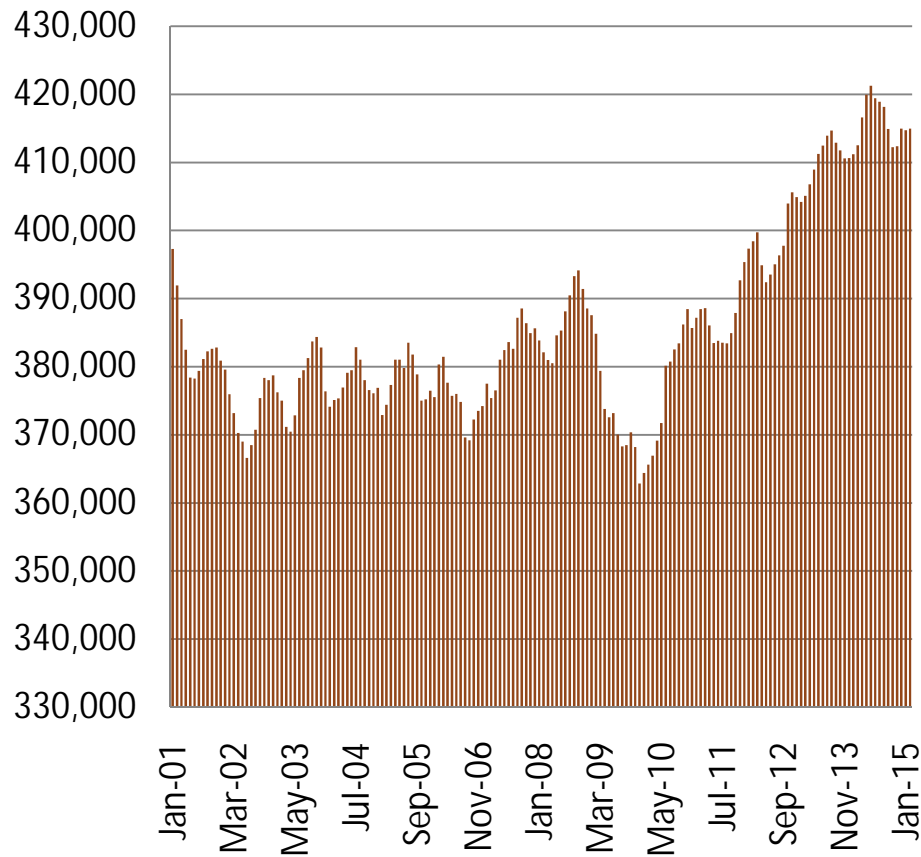
### TOTAL ALL INDUSTRIES

Computer And Electronic Products	19.8%
Agricultural Products	12.6%
Machinery, Except Electrical	10.6%
Transportation Equipment	10.3%
Miscellaneous Manufactured	10.3%
Electrical Equipment	7.3%
Chemicals	6.6%
Used Or Second-Hand Merchandise	5.7%
Food And Kindred Products	4.9%
Petroleum And Coal Products	4.7%
Primary Metal Manufacturing	2.7%
Fabricated Metal Products, Nesoi	1.8%
Beverages And Tobacco Products	1.6%
Plastics And Rubber Products	1.5%
Apparel And Accessories	1.3%

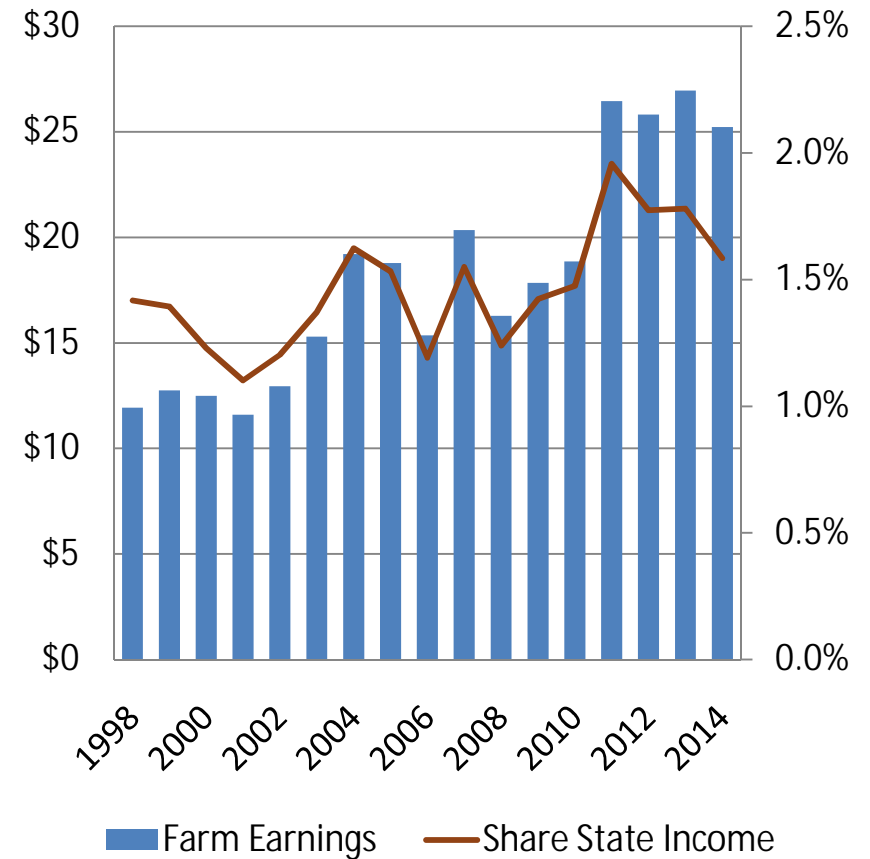


# Ag and the Drought

California Farm Employment



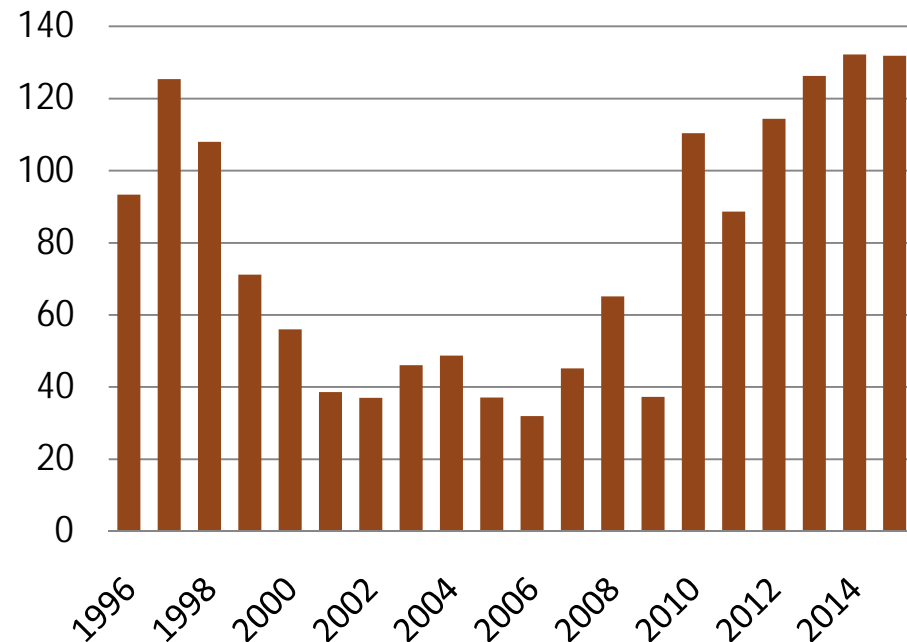
Farm Earnings



# Looking Closer

Insurable Crops	2006	2014
	6,664,689	6,055,791
Forage Production	1,060,000	930,000
Almonds	580,000	860,000
Wheat	530,000	585,000
Grapes (Wine)	445,147	570,000
Rice	526,000	495,000
Corn	540,000	430,000
Cotton	600,000	315,000
Walnuts	215,000	290,000
Tomatoes	306,465	288,000
Citrus – 8 types	267,913	270,000

CA Exports of Alfalfa (Millions KG)

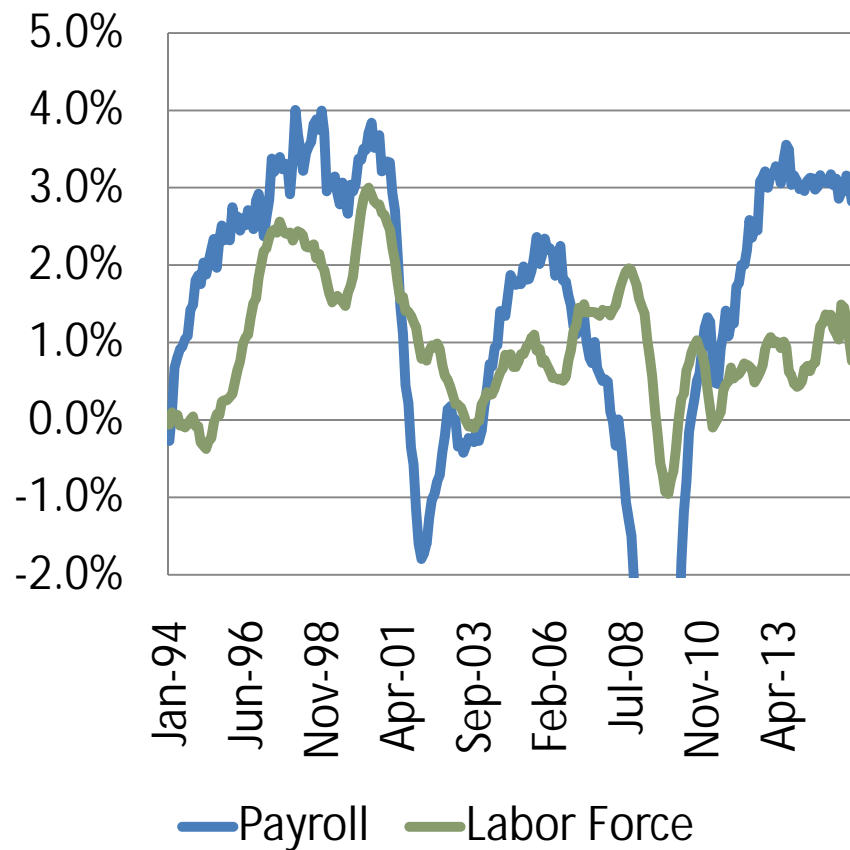


\$ / Kg

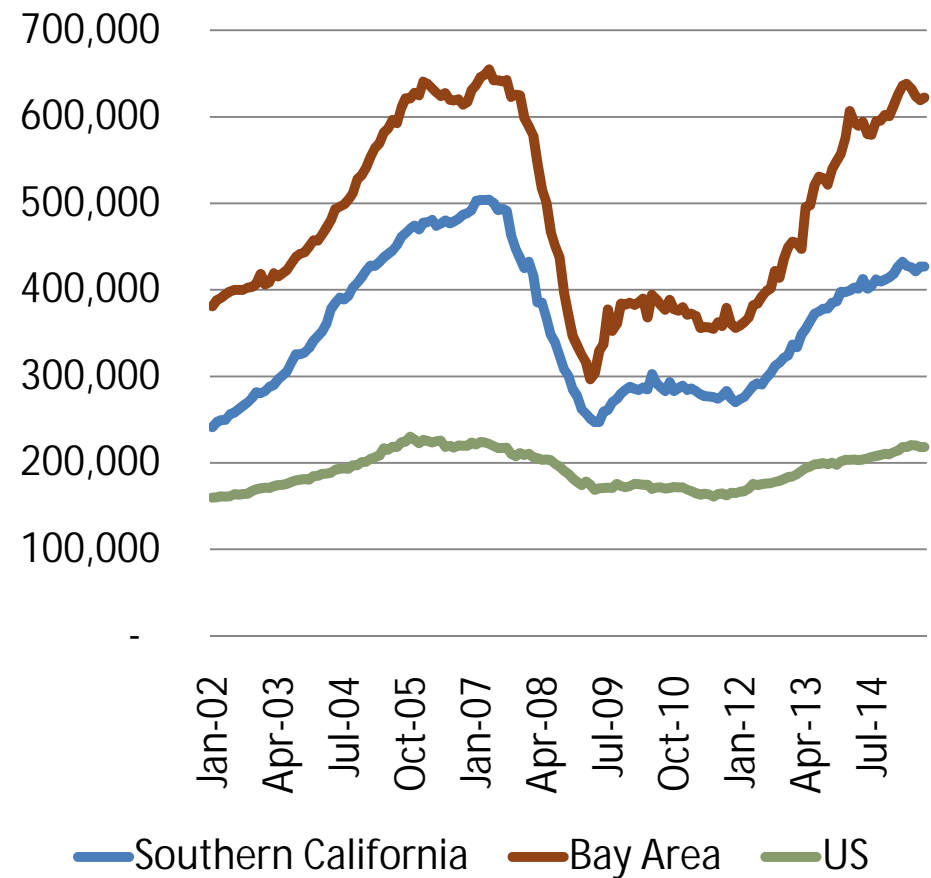
Alfalfa	Rice	Nuts
\$0.27	\$0.79	\$7.07

# Homes and Workers

## Workforce Trends

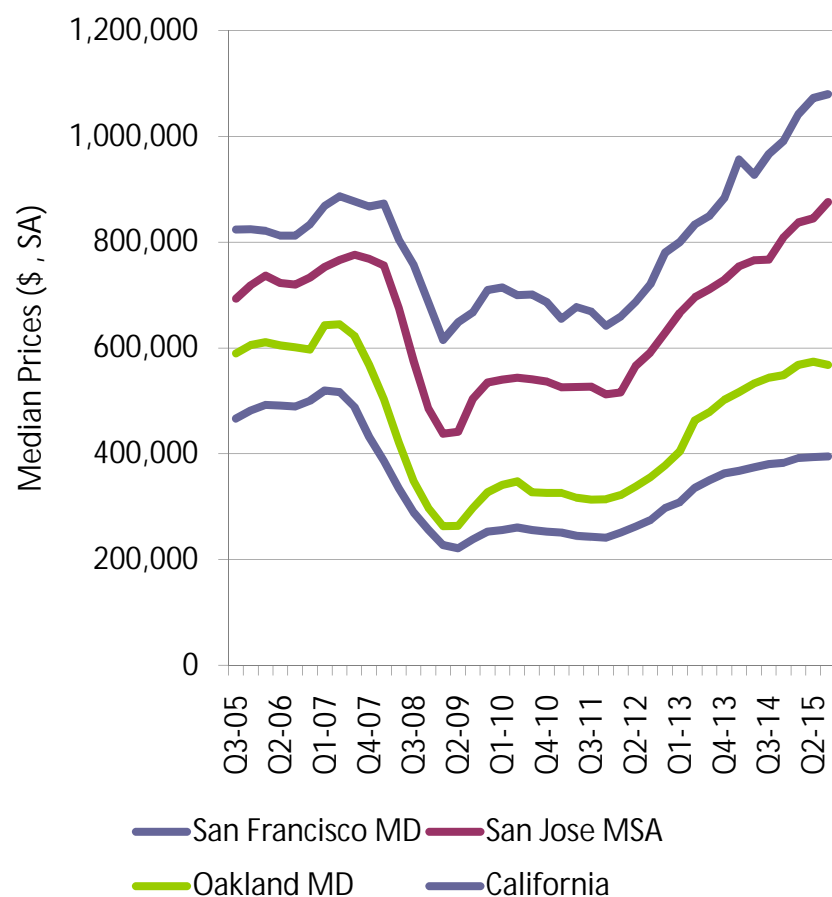


## Median Home Prices



# Residential Real Estate

## Existing Home Prices



## Regional Home Prices

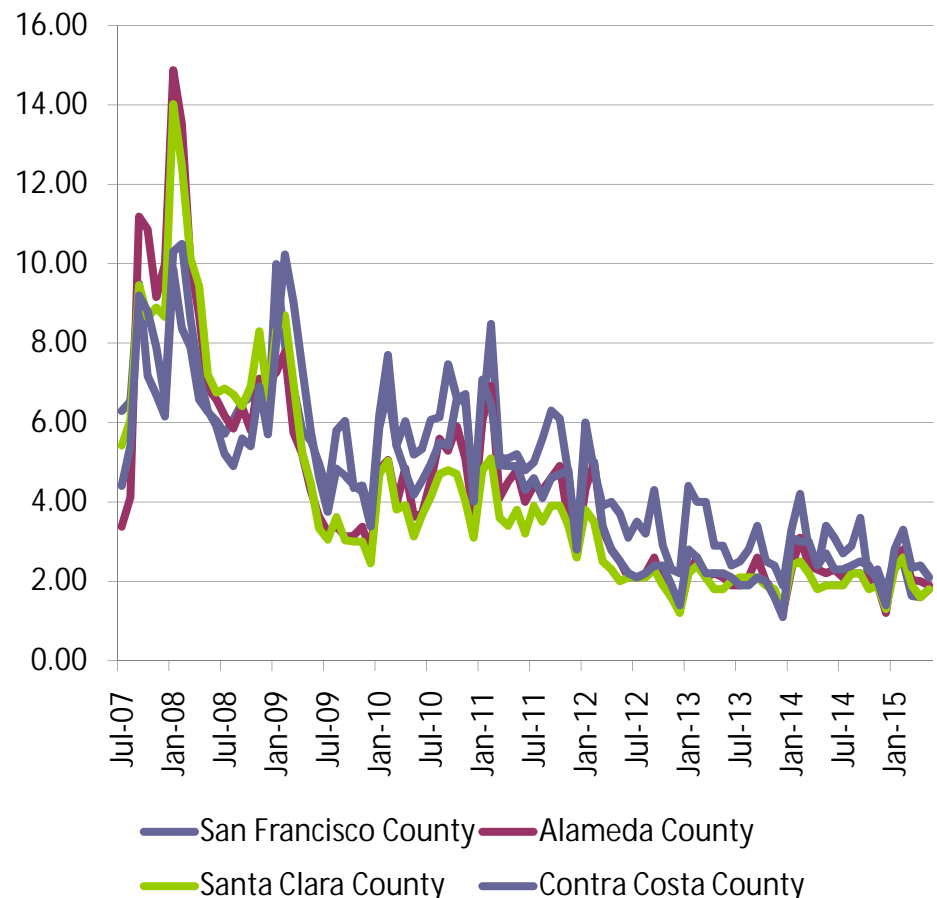
Metropolitan Area	Q3-15	Y-o-Y Growth
Napa	567,568	15.2
San Jose	876,273	14.2
San Francisco (MD)	1,080,301	11.7
Inland Empire	289,971	8.3
Santa Rosa	499,727	6.4
Los Angeles (MD)	506,989	5.7
San Diego	506,817	5.2
Vallejo	320,815	5.0
Oakland (MD)	568,189	4.4
California	395,262	3.9

# Residential Real Estate

## Inflation Adjusted Annual Cost



## Months Supply of Homes



# Bubble? No...

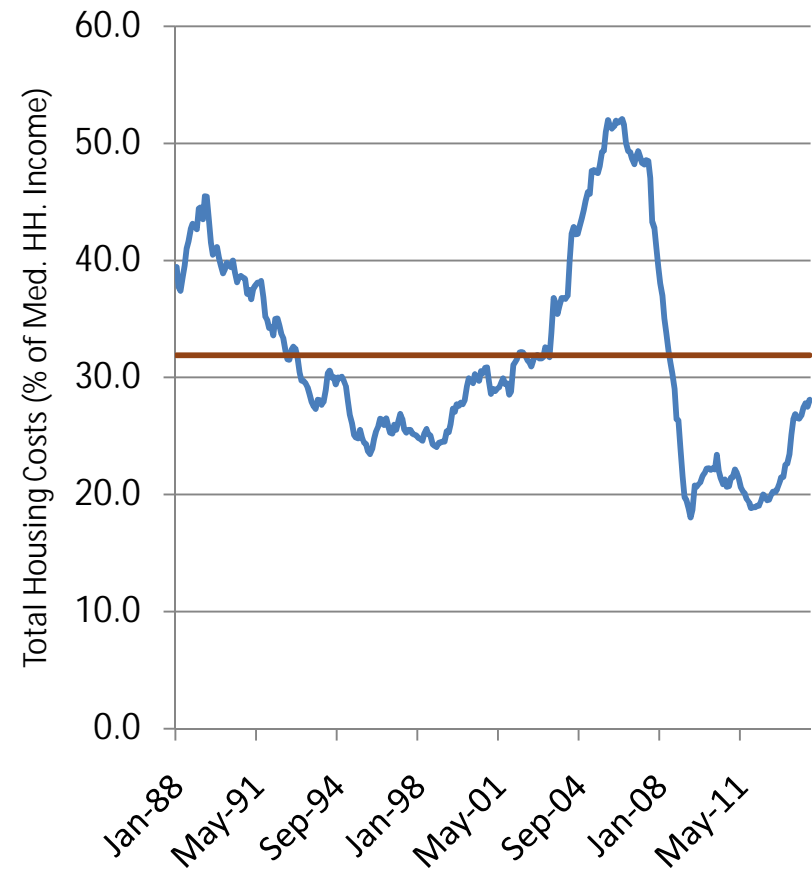
## % Over Crowded

Hawaii	8.6%
California	8.2%
Alaska	6.5%
New York	5.0%
Texas	4.8%
Arizona	4.5%
Nevada	4.2%
New Mexico	3.6%
District of Columbia	3.3%
Utah	3.3%
Oregon	3.3%
Washington	3.1%
Florida	3.0%

## % Vacant

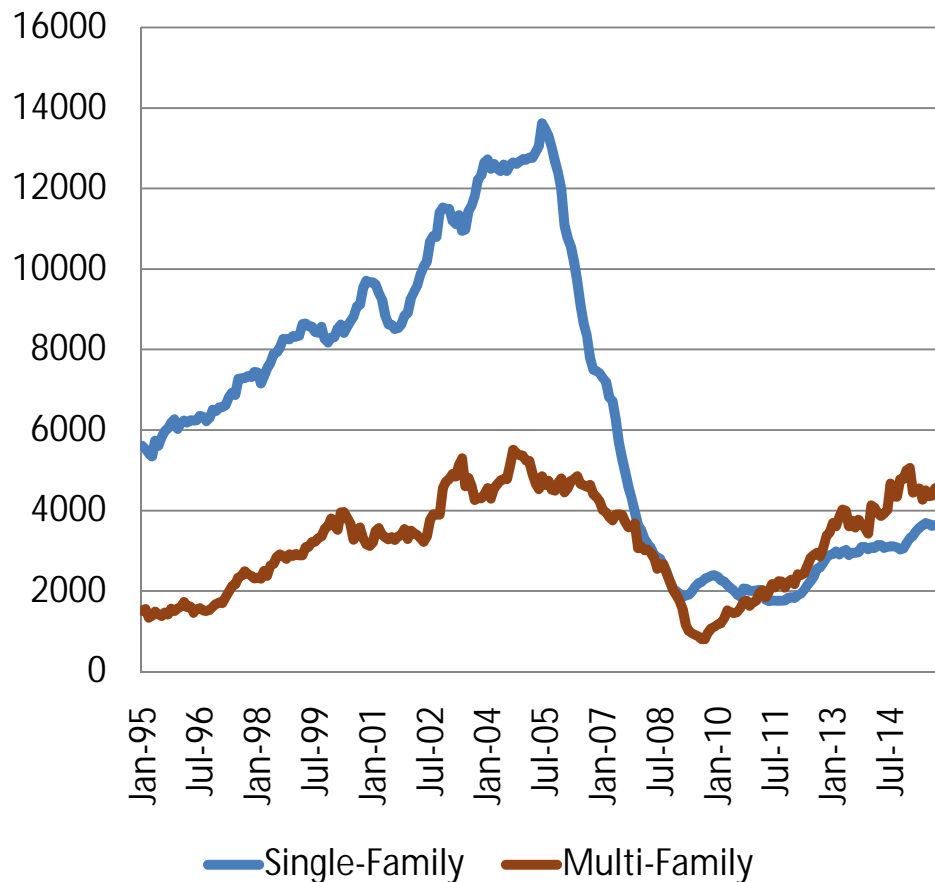
Utah	5.1%
Minnesota	5.2%
California	5.3%
Vermont	5.4%
Colorado	5.5%
Massachusetts	5.6%
New Hampshire	5.6%
Wisconsin	5.8%
Oregon	6.0%
Washington	6.4%
Idaho	6.4%
Delaware	6.9%
Maine	7.0%

## California Housing Affordability



# Pace of Construction

California Permits

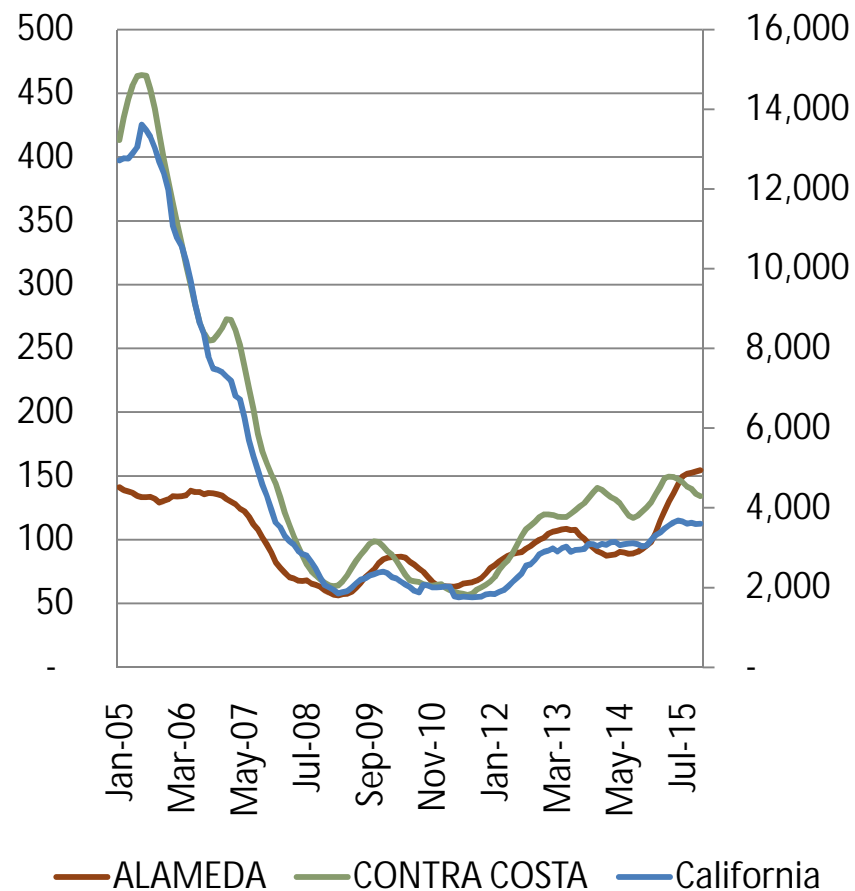


New Pop / Permits

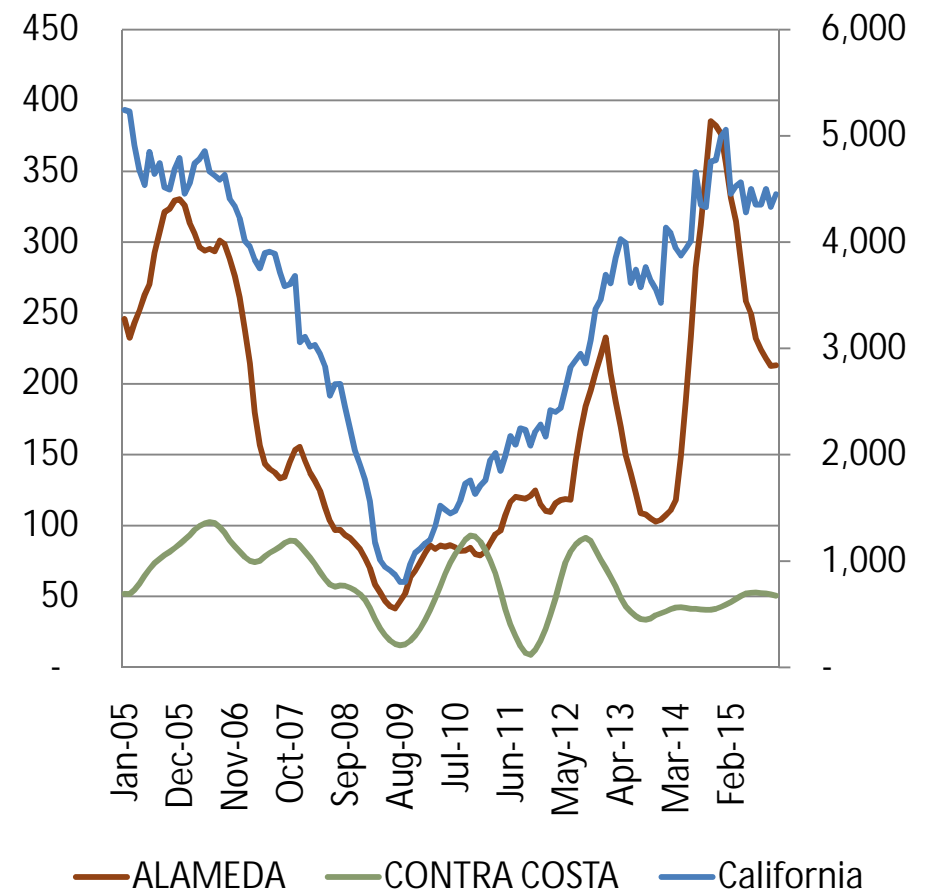
California	4.1	Tulare	4.0
Ventura	6.8	Los Angeles	4.0
Contra Costa	6.6	Fresno	4.0
Sonoma	6.1	San Mateo	3.4
Alameda	5.9	Kern	3.0
Santa Barbara	5.3	Santa Clara	3.0
San Bernardino	5.0	Orange	2.8
Solano	4.6	Placer	2.1
Riverside	4.5	San Francisco	2.1
San Diego	4.2	Sacramento	0.7

# Residential Permits

## Single Family Permits

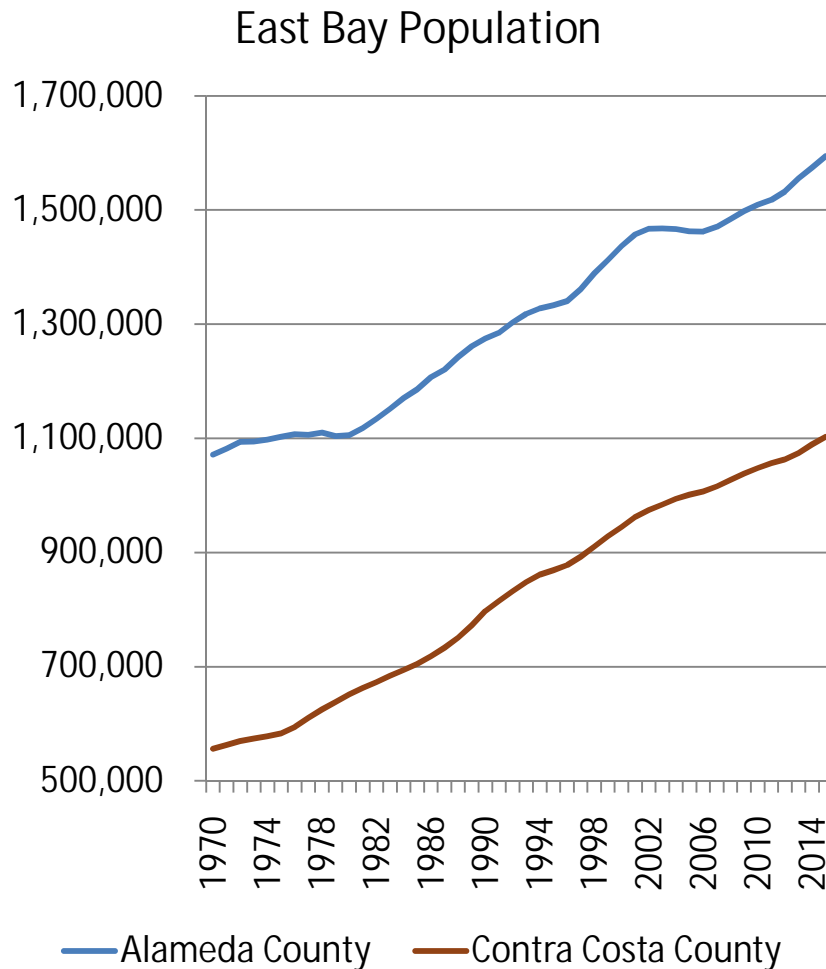


## Multi Family Permits





# Population



	2015	Gr	Ch	Housing
Contra Costa	1,102,871	1.3	14,337	5,735
Brentwood	56,493	3.0	1,695	678
Orinda	18,612	2.8	521	208
Lafayette	25,154	1.9	478	191
Oakley	38,789	1.7	659	264
Pittsburg	67,628	1.7	1,150	460
Antioch	108,298	1.5	1,624	650
San Ramon	78,561	1.5	1,178	471
Martinez	37,384	1.3	486	194
Danville	43,691	1.1	481	192
Balance	168,323	1.0	1,683	673
Concord	126,069	0.9	1,135	454
Richmond	107,346	0.9	966	386
San Pablo	29,730	0.8	238	95
Walnut Creek	66,868	0.8	535	214
Clayton	11,288	0.7	79	32
El Cerrito	24,288	0.7	170	68
Hercules	24,775	0.7	173	69
Pinole	18,946	0.7	133	53
Pleasant Hill	34,162	0.7	239	96
Moraga	16,466	0.6	99	40

# Construction

## Nonresidential Permitting



# Forecast

## East Bay 3-Year Forecast

Indicator	2015	2016	2017	2018
Total Population	2,716,220	2,748,845	2,780,712	2811097
Pop. Growth (%)	1.18	1.20	1.16	1.09
Unemployment Rate	4.7	4.5	4.4	4.3
Unemp. Rate Change (%)	-20.7	-6.0	-1.7	-1.4
Total Nonfarm Employment	1,087.1	1,109.2	1,131.6	1,155.6
Employment Growth (%)	2.1	2.0	2.0	2.1
Median Home Price	570,365	607,174	661,626	699,839
Home Price Growth (%)	6.5	6.5	9.0	5.8
Home Sales	26,991	28,937	30,171	30,933
Home Sales Growth (%)	11.6	7.2	4.3	2.5
Nonresidential Permit Values (\$ Millions)	1,575.5	1,614.0	1,685.2	1,767.5
Nonres. Permit Growth (%)	14.2	2.4	4.4	4.9
Single-Family Building Permits (000s)	3.2	4.0	5.0	5.5
Multi-Family Building Permits (000s)	4.2	4.6	4.8	4.7
Taxable Sales (\$ Millions)	45,908	48,603	50,678	53,075
Tax. Sales Growth (%)	5.8	5.9	4.3	4.7

# In Summary

## What not to worry about.

- The US Dollar
- Student Debt
- Asset Bubbles
- Drought
- Consumer Spending
- Labor Markets
- California Business
- Taxes
- California Tax Levels
- Politics

## What to worry about.

- China
- Educational Choices
- Bad financial regulation
- Water Policy
- Savings Rates
- Growing Inequality
- California Housing
- Lack of public investment
- California Tax Structure
- A lack of engagement



- ❖ To view or download this presentation or for further information, visit:  
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- ❖ Contact Christopher Thornberg  
[Chris@BeaconEcon.com](mailto:Chris@BeaconEcon.com)  
310-571-3399

## Our Services



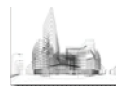
Economic & Revenue Forecasting



Regional Intelligence Reports



Business & Market Analysis



Real Estate Market Analysis



Ports & Infrastructure Analysis



Economic Impact Analysis



Public Policy Analysis



Contra  
Costa  
County

To: Board of Supervisors  
From: David Twa, County Administrator  
Date: January 26, 2016

Subject: Board of Supervisors Annual Retreat Budget and Key Issues for FY 2015/16 and Beyond

---

**RECOMMENDATION(S):**

ACCEPT report on Budget and Key Issues for FY 2015/16 and beyond.

**FISCAL IMPACT:**

No fiscal impact. This is an informational report only.

**BACKGROUND:**

Attached is the report on Budget and Key Issues.

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☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY ADMINISTRATOR

☐ RECOMMENDATION OF BOARD  
COMMITTEE

---

Action of Board On: **01/26/2016** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

AYE: John Gioia, District I Supervisor  
Candace Andersen, District II Supervisor  
Mary N. Piepho, District III Supervisor  
Karen Mitchoff, District IV Supervisor  
Federal D. Glover, District V Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: January 26, 2016

David J. Twa, County Administrator and Clerk of the Board of Supervisors

Contact: Lisa Driscoll, County Finance  
Director (925) 335-1023

By: June McHuen, Deputy

cc: Robert Campbell, County Auditor-Controller

## ATTACHMENTS

2016 Budget and Key  
Issues



# BUDGET AND KEY ISSUES

January 26, 2016



# FY 2016-2017 TOPICS

- Budget/Labor
- Succession Planning
- Infrastructure Projects
- Budget Hearing Format

# FAMILIAR BUDGET DRIVERS AND CHALLENGES FOR 2015/16 AND BEYOND

- Recognize sacrifice by Employees that were needed to address long term structural issues and to insure delivery of essential services to the public and to achieve financial stability
- Labor negotiations
- Build Reserves
- Fund Infrastructure Needs (Repair & Maintenance)
- Federal Budget
- Adequately Fund Public Safety Departments and Public Safety Realignment
- Reduce hospital dependency on General Fund

# **BUDGET FY 2015-16 AND BEYOND**

# CONTRA COSTA COUNTY

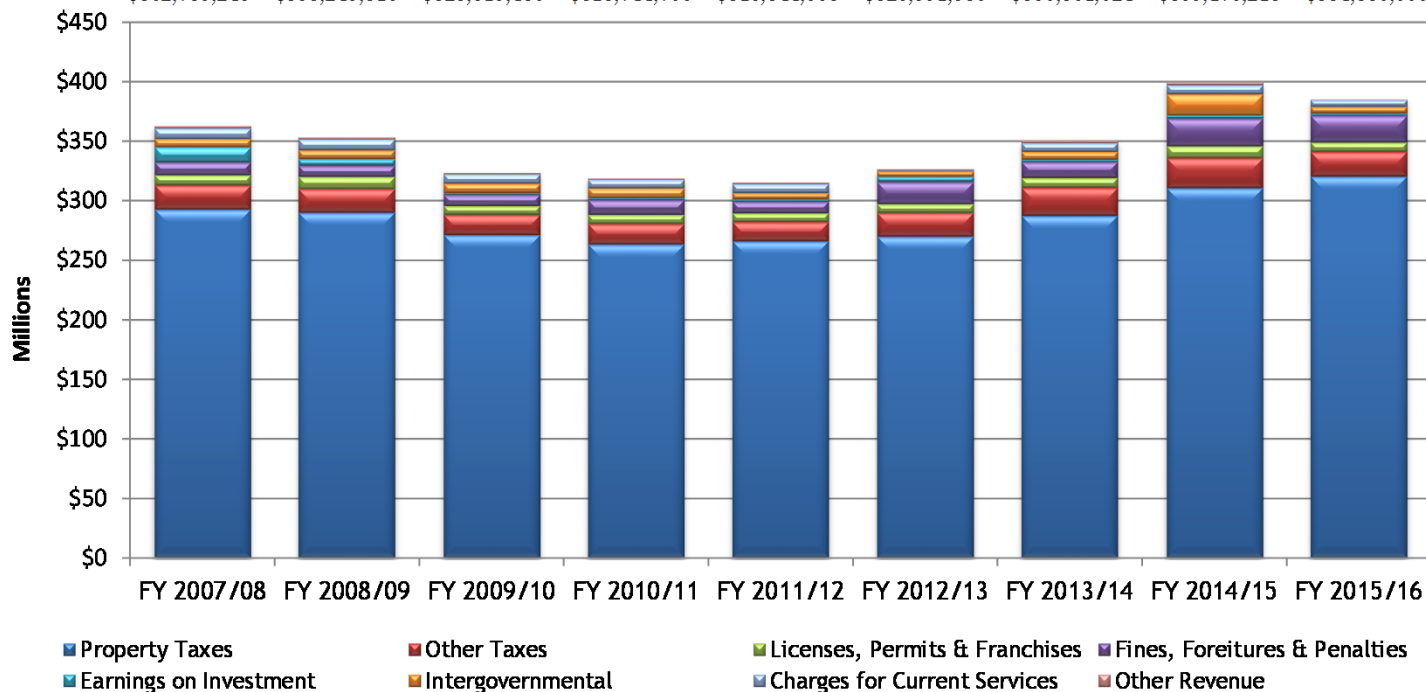
- Over the three year period between 2009/10 and 2011/12 property taxes declined by 11.08% . Over the last four years 2012/13 to 2015/16 the increase was 20.93%.
- This means the total net increase over the past seven years averaged only 1.4%
- Actual Contra Costa County experience:
  - 2009/10 (7.19% decline)
  - 2010/11 (3.38 decline)
  - 2011/12 (0.49% decline)
  - 2012/13 0.86% increase
  - 2013/14 3.45% increase
  - 2014/15 9.09% increase
  - 2015/16 7.53% increase
  - 2016/17 Projected to increase 7.0%

# FY 2015/16 MID-YEAR PRELIMINARY STATS

			Mid-Year 15-16	Mid-Year 14-15	Mid-Year 13-14
<b>ALL FUNDS</b>	<b>Budget</b>	<b>Actual</b>	<b>Percent</b>	<b>Percent</b>	<b>Percent</b>
Expenditures	\$ 3,209,282,914	\$ 1,308,195,498	40.8%	43.5%	43.6%
Revenues	\$ 3,030,170,772	\$ 1,335,551,247	44.1%	44.0%	38.1%
 <b>GENERAL FUND</b>	 <b>Budget</b>	 <b>Actual</b>	 <b>Percent</b>	 <b>Percent</b>	 <b>Percent</b>
Expenditures	\$ 1,504,945,900	\$ 626,669,612	41.6%	43.7%	43.0%
Revenues	\$ 1,425,274,836	\$ 544,076,360	38.2%	37.1%	34.4%
Wages & Benefits	788,422,357	363,056,616	46.0%	45.9%	44.8%
Services & Supplies	496,693,586	191,145,024	38.5%	41.3%	40.9%
Other Charges	235,987,430	109,395,751	46.4%	51.0%	49.1%
Fixed Assets	65,417,199	5,578,495	8.5%	15.1%	7.3%
Inter-departmental Charges	(88,402,902)	(42,506,274)	48.1%	53.2%	50.1%
Contingencies	6,828,230	0	0.0%	0.0%	0.0%
Total Expenses	<b>\$ 1,504,945,900</b>	<b>\$ 626,669,612</b>	<b>41.6%</b>	<b>43.7%</b>	<b>43.0%</b>
Taxes	\$ 341,240,000	\$ 217,200,887	63.7%	65.5%	63.4%
Licenses, Permits, Franchises	11,476,050	3,211,651	28.0%	27.0%	22.9%
Fines, Forfeitures, Penalties	26,422,960	2,062,975	7.8%	7.0%	11.8%
Use of Money & Property	11,300,770	1,158,972	10.3%	59.9%	54.0%
Federal/State Assistance	551,535,886	155,988,059	28.3%	29.3%	22.7%
Charges for Current Services	217,491,580	88,916,696	40.9%	31.6%	0.8%
Other Revenue	265,807,590	75,537,120	28.4%	26.7%	30.8%
Total Revenues	<b>\$ 1,425,274,836</b>	<b>\$ 544,076,360</b>	<b>38.2%</b>	<b>37.1%</b>	<b>34.4%</b>

# GENERAL PURPOSE REVENUE

	FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16
	<u>Actuals</u>	<u>Actuals</u>	<u>Actuals</u>	<u>Actuals</u>	<u>Actuals</u>	<u>Actuals</u>	<u>Actuals</u>	<u>Actuals</u>	<u>Adopted</u>
Property Taxes	292,844,817	290,226,190	271,340,322	263,410,494	266,177,126	270,099,929	287,429,702	310,718,176	320,580,000
Other Taxes	20,254,974	19,784,051	16,952,226	17,129,427	16,117,187	19,843,785	23,543,390	25,209,045	20,660,000
Licenses, Permits & Franchises	8,608,175	10,266,183	7,549,279	7,648,768	7,347,466	7,402,661	8,186,705	10,086,075	7,925,000
Fines, Foreitures & Penalties	10,648,126	9,381,467	9,400,863	12,493,236	9,833,684	18,402,209	13,430,864	23,247,286	22,500,000
Earnings on Investment	12,766,633	5,465,546	1,344,994	1,620,945	1,823,372	4,415,052	1,944,178	2,452,866	1,700,000
Intergovernmental	6,824,242	7,281,018	7,937,202	8,297,228	5,251,426	4,661,882	6,551,028	17,867,806	5,600,000
Charges for Current Services	8,959,053	9,226,290	8,001,888	7,234,435	7,578,851	722,065	7,522,655	7,557,227	5,665,000
Other Revenue	<u>1,883,225</u>	<u>1,619,071</u>	<u>992,706</u>	<u>910,173</u>	<u>1,215,856</u>	<u>1,043,997</u>	<u>1,752,502</u>	<u>2,037,732</u>	<u>250,000</u>
Total	\$362,789,245	\$353,249,816	\$323,519,480	\$318,744,706	\$315,344,968	\$326,591,580	\$350,361,024	\$399,176,213	\$384,880,000



Note: FY 2012/13 Charges for Services revenue includes net of adverse decision regarding property tax admin loss (\$5.3 million)

# General Fund/General Purpose Revenue FY 2016/17 Projections

- Property Tax – 6% budgeted growth – Current Secured increase of \$13.1 million, Property Tax-In Lieu of VLF \$7.8 million increase
- Net Taxes for Current Property increase of \$20.7 million
- Public Safety Half-Cent Sales Tax (Prop 172) – 3.0% budgeted growth including pro-rata decrease - \$2.2 million
- Sales Tax – Flat – County projected to receive \$14.0 million for FY 2016/17
- State – Mostly stable
- Federal – Unknown/Positive

# CONTINUE GENERAL PURPOSE REVENUE COST AVOIDANCE

- Contribution to Hospital/CCHP Enterprise Funds:
  - 2008/09                      \$61,349,686
  - 2013/14                      \$30,408,776 (50% decrease)
- Potential reduction in General Fund Contribution to the Hospital as the Affordable Care Act (National Health Care) is implemented
  - 2014/15 through 2016/17 no further reduction
  - 2017/18 reduce by additional \$5 Million
  - 2018/19 reduce by additional \$10 Million
  - 2019/20 and beyond – Expected Annual Contribution = \$10 Million
- Assumption is that we will likely have \$10 Million Uncompensated Care burden even after National Health Care



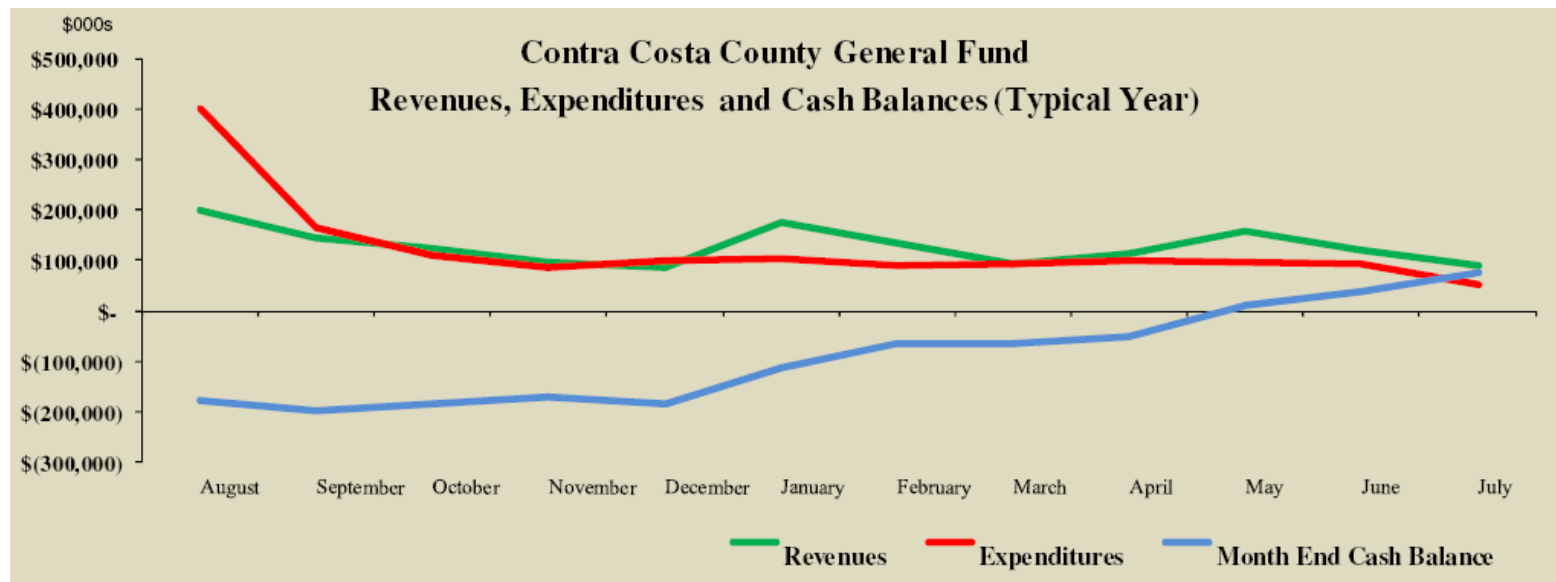
# GENERAL FUND BALANCE ASSUMPTIONS

- June 30, 2015:
  - Total general fund revenues were \$1,364,369,000 and total fund balance including reserves were \$295,337,000.
  - Total fund balance is 21.6% of total revenue
  - Of the \$295.3 million in reserves
    - \$179.9 million was unassigned
    - \$115.5 million was assigned, committed, restricted or nonspendable
  - Minimum fund balances of 5% and 10% would be \$68.2 million and \$136.4 million respectively. There was \$158.9 million available over the 10% reserve minimum.
- June 30, 2016:
  - It is planned and anticipated that Total General Fund Balance including Reserves will remain stable.
  - June 30, 2017:
    - No fund balance use is recommended in FY 2016-17.

# IMPORTANCE OF RESERVES FOR CASH FLOW

- Although revenues are volatile, expenses (majority for salaries) are quite smooth.
- Even with a General Fund Reserve of \$295.3 Million, the General Fund has a negative cash flow at least 9 months of the year.
- The General Fund cash balance begins the year with a negative cash balance due to large disbursements for advances, pension pre-pay costs, and accrued expenses.
- Cash flow is not positive until the second installment of property tax receipts are received in late spring.
- The Tax Losses Reserve Fund helps with the Treasury operations (cash flow) as it relates to the Teeter Advance of Taxes.

These are reasons why it is important to maintain a reasonable balance in the Tax Losses Reserve Fund, rather than the minimum level.



# Recent Tax Losses Reserve Activity

Tax Losses Reserve	
<u>Fiscal Year</u>	<u>Transfers</u>
FY 93-94	6,225,373
FY 94-95	15,321,481
FY 95-96	14,389,022
FY 96-97	9,889,000
FY 97-98 thru FY 02-03	7,389,000
FY 03-04	20,889,000
FY 04-05	9,000,000
FY 05-06	9,000,000
FY 06-07	8,000,000
FY 07-08	10,000,000
FY 08-09	9,000,000
FY 09-10	9,000,000
FY 10-11	12,000,000
FY 11-12	9,000,000
FY 12-13	22,300,000
FY 13-14	22,000,000
FY 14-15	22,000,000
Budgeted FY 15-16	22,000,000
<b>Total Since 1993</b>	
	<b>274,347,876</b>

Higher than 'normal' delinquency deposits between FY 2007-08 and FY 2011-12 into the Tax Losses Reserve have allowed the County to:

- Transfer larger annual amounts into the General Fund for general purpose;
- Fund property tax related losses such as the recent adverse decision regarding Property Tax Administration Fees (\$5.3 million) without impacting services in the General Fund; and
- Fund much needed facility repairs, which would otherwise be funded with General Fund dollars.

Balance of Tax Losses reserve \$84.0 million, down from high of \$101.4 million in FY 2011-12

- Budgeted transfer targeted for \$22 million in FY 2016/17, will be reduced for FY 2017-18 to approximately \$12 million.

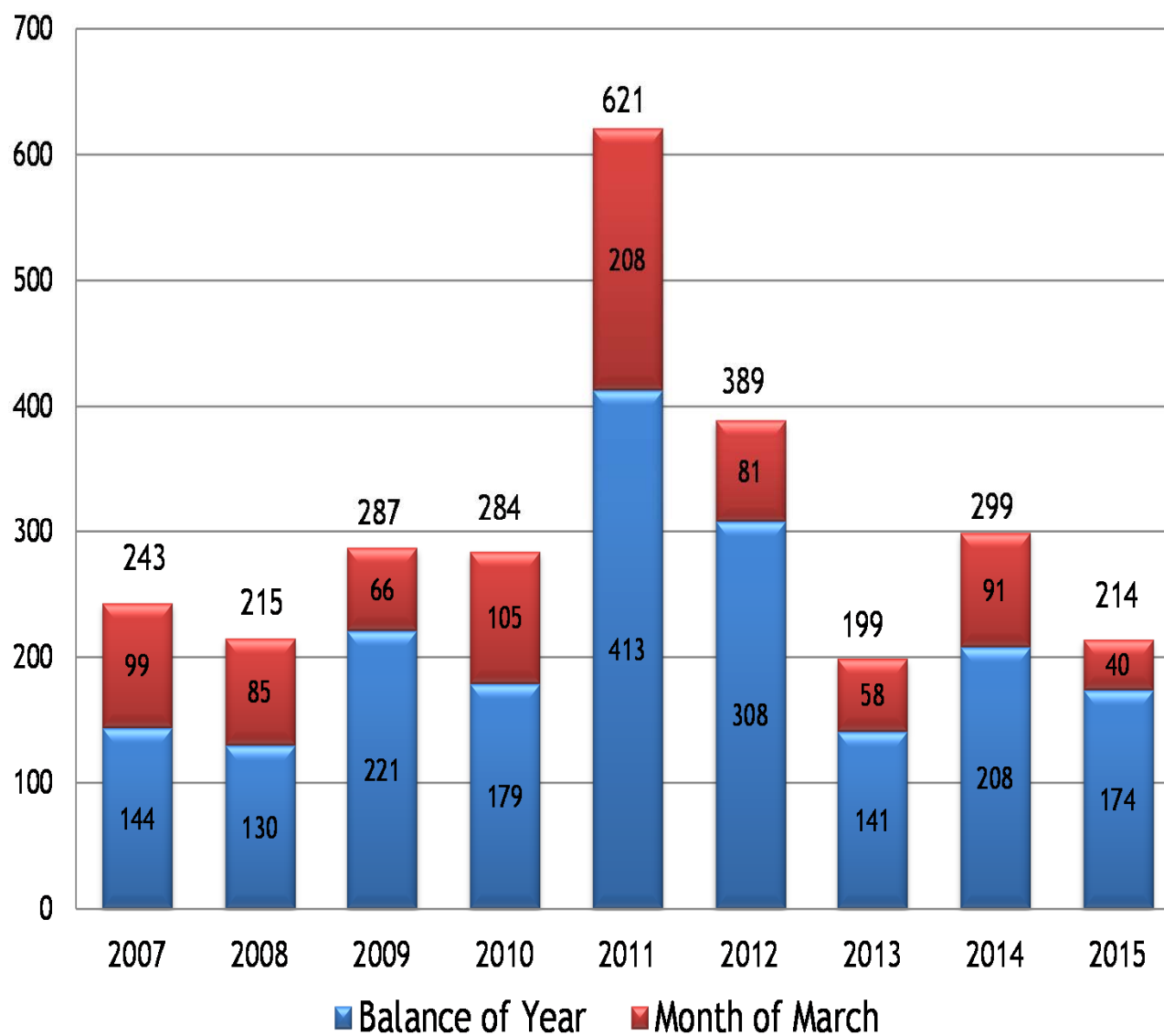
12,000,000 Budget for General Purpose Revenue Transfer  
10,000,000 Budget for deferred maintenance facility projects

# INFRASTRUCTURE

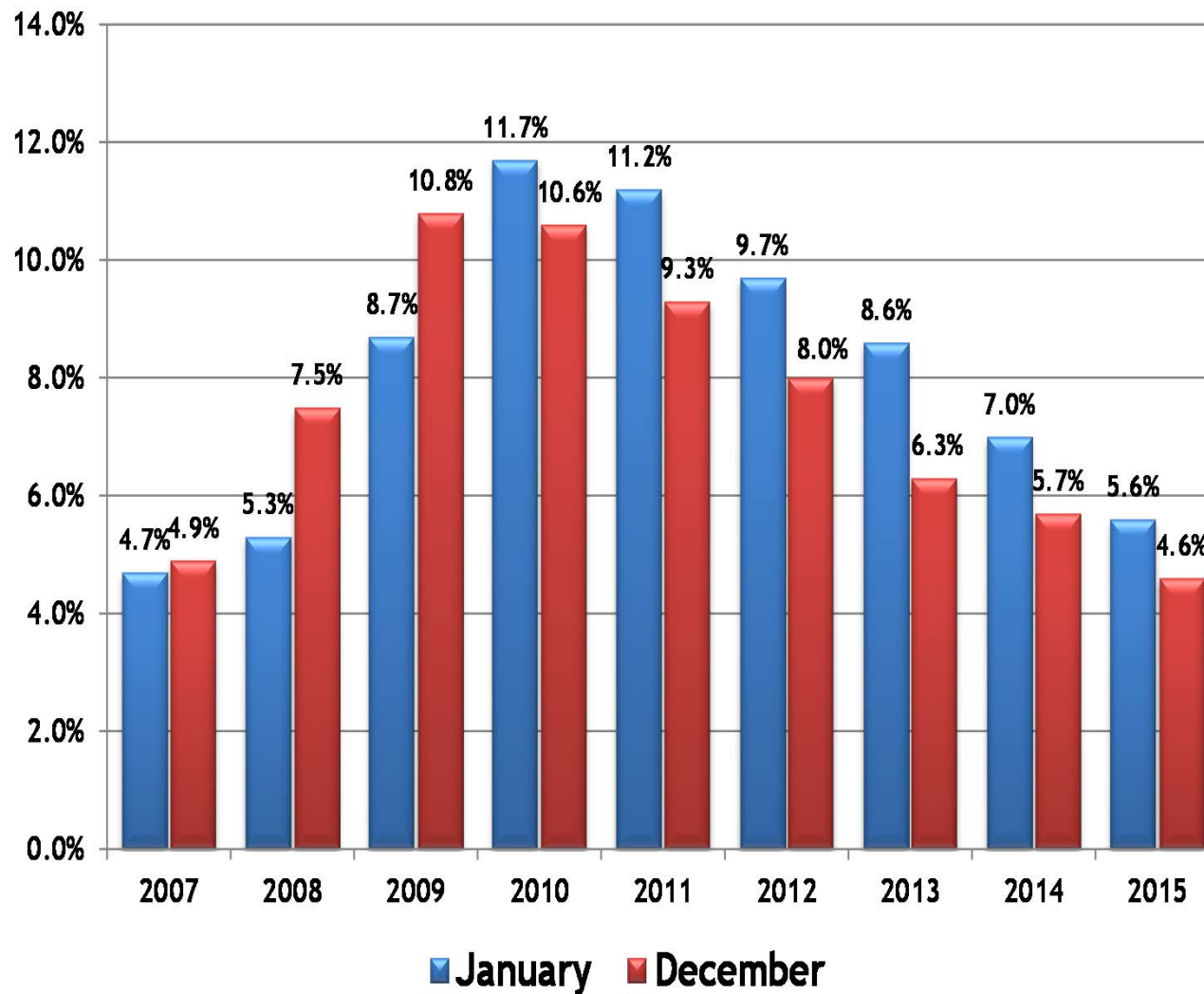
- \$5 Million was Budgeted in FY 2012/13,
- \$10 Million in FY 2013/14 and FY 2014/15, and
- \$10 Million in FY 2015/16; however delays have occurred and all the monies have not been expended
- Plan to budget approximately \$10 million for FY 2016/17
- Continue to fund facility lifecycle on a by-building cost-per-square foot basis – target \$750k set by Finance Committee
- Continue to explore ‘cloud’ IT opportunities
- County Administration Building
- Emergency Operations Center

# LABOR

# RETIREMENTS CALENDAR YEARS 2007-2015



# UNEMPLOYMENT RATE 9 YEAR COMPARISON



Note 2015 4.6% figure is November data.

# HISTORICAL LABOR COSTS GENERAL FUND

	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	
<u>GENERAL FUND</u>	<u>Actuals</u>	<u>Actuals</u>	<u>Actuals</u>	<u>Actuals</u>	<u>Actuals</u>	<u>Actuals</u>	<u>Actuals</u>	<u>Projected*</u>	<u>Change **</u>
Permanent Salaries	364,404,976	337,566,573	330,685,736	323,214,116	321,605,335	338,133,888	355,392,455	375,731,666	20,339,211
Temporary Salaries	12,497,305	14,051,898	17,931,056	20,842,008	23,594,345	21,696,754	22,896,279	20,540,866	-2,355,413
Permanent Overtime	12,264,219	12,055,264	14,237,551	16,185,558	17,759,366	17,677,239	18,624,560	21,100,556	2,475,996
Deferred Compensation	1,011,277	886,956	922,829	953,934	1,157,366	1,643,967	2,066,708	2,356,762	290,054
Comp & SDI Recoveries	-1,589,507	-1,719,857	-1,856,792	-1,687,531	-1,847,033	-2,070,813	-2,112,847	-1,988,020	124,827
FICA/Medicare	22,691,254	21,091,543	20,988,471	20,882,816	21,126,905	22,041,020	23,319,448	23,951,686	632,238
Ret Exp-Pre 97 Retirees	1,956,847	1,892,272	1,878,723	1,869,642	1,845,967	1,873,514	1,878,527	1,894,944	16,417
Retirement Expense	148,644,974	128,057,220	133,238,617	136,824,603	150,156,939	168,113,121	186,199,882	168,928,718	-17,271,164
Employee Group Insurance	56,005,178	54,337,009	53,668,491	53,002,293	52,577,358	53,256,070	51,992,074	51,963,110	-28,964
Retiree Health Insurance	25,692,908	26,714,761	28,677,012	31,270,838	31,632,649	31,197,356	31,012,856	30,057,472	-955,384
OPEB Pre-Pay	13,911,579	13,741,036	13,721,448	13,723,499	13,785,604	13,065,598	13,842,468	13,842,468	0
Unemployment Insurance	775,489	1,633,117	2,153,845	1,284,237	1,374,314	1,400,057	1,182,995	1,244,698	61,703
Workers Comp Insurance	13,963,367	13,144,008	13,455,147	11,246,660	11,274,142	11,576,087	12,112,641	16,216,194	4,103,553
Labor Received/Provided	<u>322,613</u>	<u>661,279</u>	<u>487,961</u>	<u>581,832</u>	<u>570,971</u>	<u>302,254</u>	<u>633,411</u>	<u>272,112</u>	<u>-361,299</u>
Salaries and Benefits	672,552,479	624,113,079	630,190,095	630,194,505	646,614,228	679,906,112	719,041,457	726,113,232	7,071,775
Increase / (Decrease)	8,524,784	-48,439,400	6,077,016	4,410	16,419,723	33,291,884	39,135,345	7,071,775	

\* Projection is double six months.

\*\* Change column is between FY 14/15 and projected 15/16.



# HISTORICAL LABOR COSTS ALL COUNTY FUNDS

	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	
	<u>Actuals</u>	<u>Actuals</u>	<u>Actuals</u>	<u>Actuals</u>	<u>Actuals</u>	<u>Actuals</u>	<u>Actuals</u>	<u>Projected*</u>	<u>Change **</u>
Permanent Salaries	514,394,873	492,801,239	487,322,501	481,217,812	480,546,483	503,057,399	532,971,159	561,010,386	28,039,227
Temporary Salaries	32,721,949	37,337,487	40,912,512	46,635,323	52,468,685	51,266,968	50,172,059	47,230,274	-2,941,785
Permanent Overtime	16,639,812	15,740,598	17,862,642	21,723,606	23,466,747	23,007,597	25,517,093	28,766,468	3,249,375
Deferred Comp	1,243,273	1,160,883	1,197,053	1,253,245	1,552,211	2,161,730	2,753,945	3,209,226	455,281
Hrly Physician Salaries	1,817,809	1,891,972	2,161,730	2,134,980	2,626,854	2,399,872	2,673,817	2,170,130	-503,687
Perm Physicians Salaries	28,806,831	31,213,084	31,173,790	33,118,707	35,632,415	37,469,448	40,076,676	44,968,804	4,892,128
Perm Phys Addnl Duty Pay	1,823,452	1,826,335	1,956,341	1,891,438	1,976,098	1,962,461	2,746,168	2,724,732	-21,436
Comp & SDI Recoveries	-2,400,931	-2,632,322	-2,796,169	-2,332,274	-2,557,280	-2,921,425	-2,770,050	-2,568,698	201,352
Vacation/Sick Leave Accrual	328,684	338,576	-422,707	559,247	242,303	4,277,040	1,029,643	0	-1,029,643
FICA/Medicare	37,231,115	36,364,870	36,288,855	36,696,440	37,362,344	38,895,210	41,270,123	41,586,834	316,711
Ret Exp-Pre 97 Retirees	2,751,898	2,752,131	2,752,614	2,751,672	2,750,979	2,751,464	2,749,908	2,752,120	2,212
Retirement Expense	207,114,048	184,140,541	192,892,090	202,105,619	221,505,843	246,812,805	273,575,294	246,024,048	-27,551,246
Employee Group Insurance	86,510,577	85,891,576	85,811,334	85,433,103	84,392,571	85,364,402	83,948,673	84,221,336	272,663
Retiree Health Insurance	33,388,058	35,170,431	37,741,416	41,709,278	42,578,927	42,573,182	42,442,455	41,107,162	-1,335,293
OPEB Pre-Pay	17,968,343	18,942,232	18,573,163	18,625,208	18,637,346	17,413,840	18,040,710	18,040,710	0
Unemployment Insurance	1,188,580	2,609,671	3,463,678	2,096,833	2,265,484	2,302,337	1,955,247	2,054,506	99,259
Workers Comp Insurance	20,405,944	19,544,807	19,763,721	16,821,150	17,044,418	17,290,639	18,180,322	23,865,222	5,684,900
Labor Received/Provided	<u>287,080</u>	<u>611,851</u>	<u>453,732</u>	<u>646,985</u>	<u>550,728</u>	<u>293,186</u>	<u>636,802</u>	<u>309,444</u>	<u>-327,358</u>
Salaries and Benefits	1,002,221,395	965,705,962	977,108,296	993,088,372	1,023,043,156	1,076,378,155	1,137,970,044	1,147,472,704	9,502,660
Increase / (Decrease)	29,072,144	-36,515,433	11,402,334	15,980,076	29,954,784	53,334,999	61,591,889	9,502,660	

\* Projection is double six months.

\*\* Change column is between FY 14/15 and projected 15/16.

# OPEB LIABILITY SIGNIFICANTLY REDUCED DUE TO BOARD ACTIONS & COLLECTIVE BARGAINING

- Based upon June 30, 2015 Comprehensive Annual Financial Report data:
  - Reduction in 2006 OPEB Liability from \$2.6 billion to \$783.1 million (using assets of \$173.3 million)
  - ARC from \$216.3 million to \$88.5 million
  - Reduction reflects health plan changes, caps on County contributions and labor agreements
  - Total OPEB Trust Market Value has fallen to \$166.7 million as of September 30, 2015
  - Per Governmental Accounting Standards Board, new Valuation report has been ordered as of 1/1/2016
- The Board's actions have made it possible for the County to continue to provide much needed services, including health services, to County residents including the indigent.
- In March 2012, a lawsuit was filed by a retiree organization challenging the changes in retiree health care member subsidies. If the retirees prevail, the County could be liable for past and future premium costs.
- Ratio of retirees to active employees continues to climb progressively

<u>Census Data</u>	<u>2006 Total</u>	<u>Active/Retiree</u>	<u>2014 Total</u>	<u>Active/Retiree</u>
Actives	8,428	63%	8,089	57%
Retirees and Survivors	<u>4,856</u>	37%	<u>6,206</u>	43%
Total Counts	13,284		14,295	

- Biennial valuation for 2016 has been ordered and will be submitted to the Board upon completion.

# LABOR NEGOTIATIONS

	Total Number of Permanent Employees	Contract Expiration Date
<u>Open or Opening June 30, 2016</u>		
AFSCME Local 512, Professional and Technical Employees	251	6/30/2016
Contra Costa County Defenders Association	68	6/30/2015
Deputy Sheriff's Association, Mgmt Unit and Rank and File Unit	808	6/30/2016
District Attorney Investigator's Association	15	6/30/2016
IHSS SEIU - United Healthcare Workers West		10/31/2015
Professional & Technical Engineers - Local 21, AFL-CIO	944	6/30/2016
Public Employees Union, FACS Site Supervisor Unit	205	6/30/2016
Public Employees Union, Local One	1,908	6/30/2016
SEIU Local 1021, Rank and File and Service Line Supervisors Units	1,049	5,248 6/30/2016
Expired or Expiring as of June 30, 2016		58.5%
<u>Settled</u>		
AFSCME Local 2700, United Clerical, Technical and Specialized Employees	1,488	6/30/2017
California Nurses Association	1,014	12/31/2017
CCC Deputy District Attorneys' Association	85	6/30/2018
IAFF Local 1230	254	6/30/2017
Physicians and Dentists of Contra Costa	275	10/31/2016
Probation Peace Officers Association	231	6/30/2018
United Chief Officers' Association	11	6/30/2017
Western Council of Engineers	23	6/30/2017
Management Classified & Exempt & Management Project	336	3,717
Total		8,965

# PRELIMINARY SALARY PROJECTION DATA FOR FY 2016/17

- General Fund increase of \$52.8 million (includes cost of previously funded vacancies)
  - \$40.4 million increase in permanent salaries
  - \$934,000 decrease in retirement expense
  - \$10.5 million increase in group health insurance
  - \$763,000 increase in FICA
- All County Funds increase of \$145.5 million (includes cost of previously funded vacancies)
  - \$121.3 increase million in permanent salaries
  - \$676,000 increase in retirement expense
  - \$19.0 million increase in group health insurance
  - \$1.3 million increase in FICA
- We continue to be challenged by pension costs due to pending lawsuits and changes to Contra Costa County Employees' Retirement Association policies and adopted rates
  - Rates may be much higher or lower in the future

# CONTRA COSTA COUNTY FIRE PROTECTION DISTRICT

- CCC Fire Protection District budget stable; anticipating 6% AV Growth
- EMS ambulance contract implemented
  - Billing policies and procedures to the Board at February 9th Fire Board meeting
  - Insurance reimbursements anticipated to begin March 2016
  - First Quarterly Financial Report to the Board in May 2016
- Capital project planning underway
  - Lafayette (Station 40) rebuild
  - San Pablo station rebuild in collaboration with the City of San Pablo
- Continuing financial concerns with East Contra Costa Fire

# CONTINUED REASONS FOR OPTIMISM

## ◦ Positive Economic Outlook

- State Revenues Up
- State Budget reasonably stable
- AV revenue up 7.5%+ for 2015/16
- Budgeting 6.0% growth AV revenue in 2016/17

## ◦ Positive County Results

- Budget structurally balanced for 2015/16
- OPEB managed
- Have begun pre-funding Infrastructure needs
- Fund Balance Increased
- Standard & Poor's Rating Increase to AAA in 2013 (reaffirmed 2015)
- Pension Obligation Bond Matured 6/1/2022 (\$47,382,000)

# REASONS FOR CONCERN

- Revenues are not projected to keep up with expenditures for 2016/17 nor are they projected to do so for 2017/18 and beyond
- Labor Negotiations - Pent-up demand
  - Unions representing almost 60% of our Employees will have their contracts open as of July 2016 (see Slide #20)
  - Increased costs of benefits
  - Unreasonable expectations given funding available
  - Limited resources
- This on top of contracts already settled will create further difficulties in establishing balance budgets for the next two to three years



# PROJECTED TWO YEAR LABOR COSTS

## FY 2016/17 AND FY 2017/18

	<u>FY 2016/17 &amp; FY 2017/18</u>	
Known Costs:		
Health Insurance (County & PEMHCA)	\$ 25,110,000	\$ 25,110,000
Pension Obligation Bonds (County)	\$ 4,770,211	\$ 4,770,211
Settled Contracts	\$ 10,611,000	\$ 10,611,000
Open Contracts:		
DSA and IHSS	\$ 26,500,000	\$ 26,500,000
All Others 7/1/16 @ 2%	<u>\$ 23,700,000</u>	
All Others 7/1/16 @ 3%		<u>\$ 35,194,000</u>
Total Two Year Projected Impacts	\$ 90,691,211	\$ 102,185,211
AV Projected Revenue Growth	<u>\$ 40,300,000</u>	<u>\$ 40,300,000</u>
<b>Net Deficit</b>	<u><b>\$ (50,391,211)</b></u>	<u><b>\$ (61,885,211)</b></u>



# FY 2016-17 BUDGET HEARING FORMAT

- Draft Agenda for Discussion Purposes
  - Introduction/Summary by County Administrator
  - Departmental Presentations last year:
    - Sheriff-Coroner
    - District Attorney
    - Chief Probation Officer
    - Health Services Director
    - Employment and Human Services Director
  - Specify changes for this year
  - Deliberation
- Recommend holding all hearing on April 19<sup>th</sup>
- Budget Adoption on May 10

“last year's words belong to  
last year's language And next  
year's words await another  
voice.”

— T.S. Eliot

# QUESTIONS?



# Contra Costa County

## Mission

Contra Costa County is dedicated to providing public services which improve the **quality of life** of our residents and the economic viability of our businesses.

## Vision

Contra Costa County is recognized as a

**world-class**  
service **organization**

where innovation and partnerships merge to enable our residents to enjoy a safe, healthy and prosperous life.

## Values

Contra Costa County **serves people,**

businesses and communities. Our organization and each one of our employees value:

- Clients and communities
- Partnerships
- Quality Services
- Accountability
- Fiscal prudence
- Organizational excellence





Contra  
Costa  
County

To: Board of Supervisors  
From: David O. Livingston, Philip Kader & Dr. William Walker  
Date: January 26, 2016

Subject: REPORT ON THE STATUS OF DETENTION MENTAL HEALTH SERVICES IN CONTRA COSTA COUNTY

---

**RECOMMENDATION(S):**

1. ACCEPT report from the Sheriff-Coroner, Health Services Director and County Probation Officer on the status of Detention Mental Health services in County adult and juvenile detention facilities.

2. PROVIDE follow-up direction to staff.

**FISCAL IMPACT:**

No fiscal impact. This report is informational only.

**BACKGROUND:**

The County operates three adult and two juvenile detention facilities in various geographic locations throughout the County. Each facility serves a unique population of individuals, with various underlying medical, psychological and social needs, at various stages of the criminal justice system. Today's presentation will concentrate on the provision of mental health services across the spectrum of the criminal justice system, including pre-arrest, within the detention setting and upon release.

---

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY  
ADMINISTRATOR

☐ RECOMMENDATION OF BOARD  
COMMITTEE

---

Action of Board On: **01/26/2016** ☒ APPROVED AS  
RECOMMENDED

☐ OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

AYE: John Gioia, District I Supervisor  
Candace Andersen, District II  
Supervisor  
Mary N. Piepho, District III Supervisor  
Karen Mitchoff, District IV Supervisor  
Federal D. Glover, District V Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: January 26, 2016

David J. Twa, County Administrator and Clerk of the Board of Supervisors

Contact: Timothy M. Ewell, (925)  
335-1036

By: June McHuen, Deputy

cc:



## BACKGROUND: (CONT'D)

### Pre-Arrest Efforts

A large number of individuals booked into County detention facilities have some type of mental health diagnosis. In recognition of that, and to proactively prevent those individuals from entering the criminal justice system due, in part, to their underlying illness, the County maintains initiatives to divert this population to appropriate treatment. One example of this is the newly established Mental Health Evaluation Teams (MHET).

In May 2015, the County, in partnership with the Contra Costa County Police Chiefs Association and the cities of Antioch, Concord and Richmond, established MHET teams composed of a police officer and a mental health clinician. MHET teams operate in police patrol vehicles and respond to requests from other patrol officers to provide welfare checks on residents following a psychiatric event, provide outreach to residents that may have a mental health diagnosis and support residents with household safety planning and resources.

In 2015, the MHET teams made 183 unique, client face-to-face contacts throughout the County.

### Adult Detention Facilities

The County operates three adult detention facilities along with a custody alternative facility, which allows certain inmates to serve jail time outside of the detention setting. Below is a chart indicating the average inmate population vs. rated capacity at each facility:

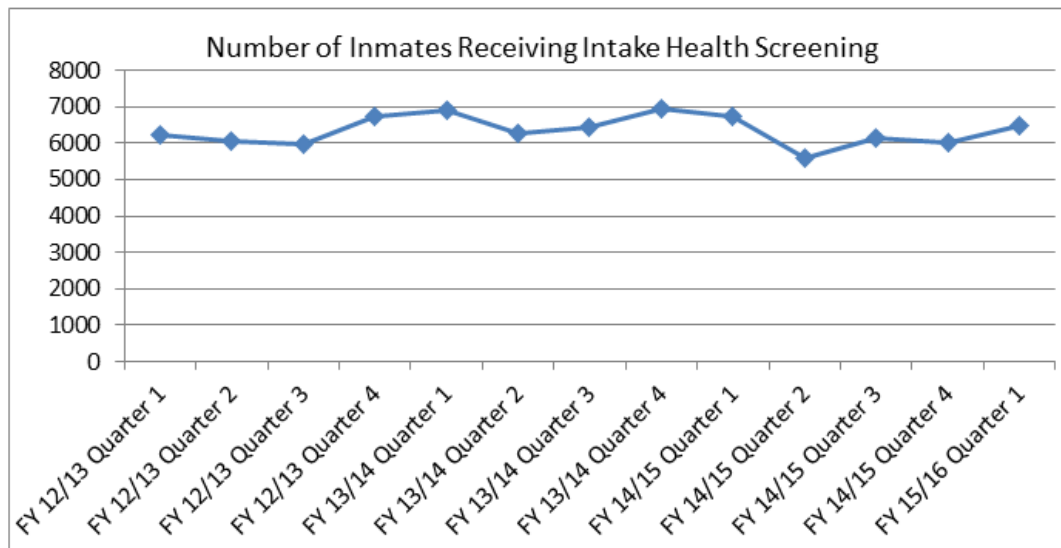
	<b>2015 Average Daily Population (ADP)</b>	<b>Rated Capacity</b>	<b>% of Capacity</b>
Martinez Detention Facility (MDF)	651	695	93.7%
West County Detention Facility (WCDF)	660	1,096	60.2%
Marsh Creek Detention Facility (MCDF)	66	188	35.1%
<b>Total</b>	<b>1,377</b>	<b>1,979</b>	

The above ADP information is critical to understanding the needs of an in-custody population; however, it is equally important to illustrate the volume of individuals making contact with the County jail system. In 2015, the Sheriff's Office received 26,296 bookings, or 72 per day. This is up 9.4% from 2014.

All adult bookings are completed at the MDF, which includes a mental health screening. This screening is completed by nursing staff from the Health Services Department (HSD) operating within the facility. Below is the ten-step Mental Health Assessment used during booking screenings:

<b>MENTAL HEALTH ASSESSMENT</b>
HAVE YOU EVER TRIED TO HARM YOURSELF OR HAD SUICIDAL THOUGHTS?
ARE YOU HAVING SUICIDAL THOUGHTS NOW?
ARE YOU CURRENTLY RECEIVING TREATMENT FOR A MENTAL ILLNESS, DEPRESSION, MOOD SWINGS OR ANXIETY DISORDER?
DO YOU HAVE UNUSUAL THOUGHTS, HEAR VOICES OR SEE THINGS?
HAVE YOU BEEN ADMITTED TO A PSYCHIATRIC UNIT WITHIN THE PAST 5 YEARS?
HAVE YOU EVER BEEN TREATED AT A REGIONAL CENTER OF THE EAST BAY OR DIAGNOSED WITH DEVELOPMENTAL/LEARNING PROBLEMS?
HAVE YOU EVER SERVED IN THE MILITARY?
DO YOU HAVE A SERVICE CONNECTED MENTAL HEALTH DISABILITY?
DO YOU HAVE A CASE MANAGER?
REQUEST MENTAL HEALTH EVAL?

Over the past several years, HSD staff has averaged between 6,000-7,000 mental health screenings, at booking, per quarter. Should an inmate being booked answer "yes" to any of the above screening questions, a comprehensive mental health assessment is performed. The mental health assessment includes a psycho-social and mental status evaluation. Below is a chart illustrating this trend since fiscal year 2012/13:



Following booking, an intake health assessment and a mental health screening, the Sheriff's Office, in consultation with Mental Health staff in the facility, may assign a special classification to the inmate should there be evidence of an existing mental health issue. This is similar to many other populations with special classifications housed within the detention facility, including those with affiliation with a gang or in other protective custody.

Typically, special populations, including those required to take medication for mental health needs, are exclusively housed at the MDF. Below is a listing of certain special classifications and the amount of inmates assigned to each as of January 2016:

#### Current Special Classification Inmate Populations – January 2016

- Mental Health - 343
- Protective Custody - 220
- Gang Affiliation - 200 (*those are only the known members*)
- Penal Code 187 (Murder) - 142
- Administrative Segregation – 94

Once in the facility, mental health services are limited to crisis intervention. Group therapy sessions are not offered at MDF primarily due to the high inmate census and restrictions in the physical plant. Specifically, there are no group therapy rooms or "no-contact" visiting rooms for individual counseling sessions. Ultimately, the MDF was not designed with the provision of comprehensive mental health treatment in mind.

More severe cases include inmates that have been deemed "incompetent to stand trial" and must be returned to competency prior to prosecution of the case. Most felony incompetent to stand trial cases in this category are the responsibility of the Department of State Hospitals (DSH). Currently, DSH has a significant backlog of bed space available for this population. For example, Napa State Hospital has a 6-8 month waiting list to be enrolled into a program.

For misdemeanor defendants deemed incompetent to stand trial, County Forensic Mental Health Services (FMHS), within the Behavioral Health Division, provides outpatient restoration of competency treatment. Since beginning in June 2011, FMHS has received 120 court orders for restoration of competency treatment. Of those, 16 have been transferred to DSH for additional treatment. Most FMHS referrals are seen in the community.

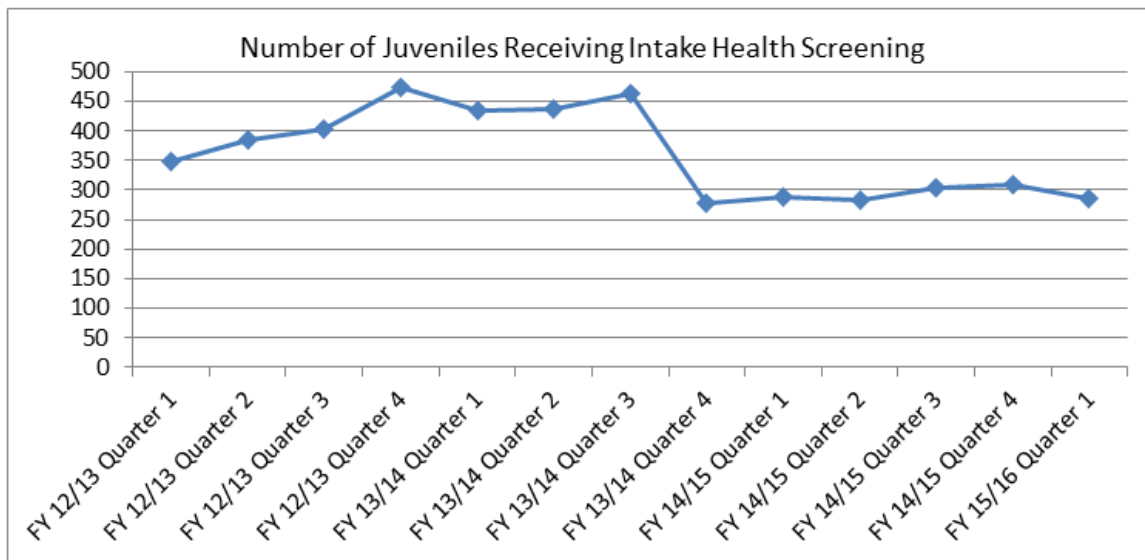
The Public Defender's Office advises that approximately 300 clients have been deemed incompetent to stand trial since 2012. The shortage of appropriate State beds has put continued stress on the local detention facilities and created a backlog of cases within the local criminal justice system.

Other alternatives to the State Hospital system have been available, including those counties with facilities able to care for this population. Contra Costa County has maintained a contract with Santa Clara County for one such bed. This has allowed the County to transfer inmates throughout the year to that program, including five in 2014 and twelve in 2015. In late 2015, Santa Clara County announced that they will no longer be offering that service.

#### Juvenile Detention

The County operates two juvenile detention facilities, including the Juvenile Hall and the Orin Allen Youth Rehabilitation Facility (OAYRF). The County's juvenile mental health infrastructure is robust and includes a wraparound component once juveniles are released from the facility.

Juvenile bookings average 90-100 per month at the Juvenile Hall. Similar to adult bookings, each juvenile is administered the brief mental health screening discussed previously by HSD nursing staff. It is estimated that approximately 60% of juveniles booked have some kind of mental health diagnosis. Below is a chart illustrating the number of juveniles receiving an intake health screening at the Juvenile Hall:



Once booked into the facility, juveniles may be assigned to a treatment unit. The Juvenile Hall is composed of eight units, two of which provide comprehensive treatment services. The Youthful Offender Treatment Program (YOTP) serves up to thirty boys within the facility while the Girls in Motion (GIM) program serves up to fifteen girls.

Juvenile Hall provides behavioral health services seven days per week (clinicians are on site from 9:00 am to 7:30 pm). Staff includes one full-time program manager, two full-time licensed clinicians, one 0.8 FTE licensed clinician, and three 0.5 FTE clinician trainees. Additionally, psychiatric services are available on Tuesday and Thursday (psychiatrist is on site from 9:00 am-2:00 pm). Health Services nursing staff is on site daily from 7:00 am to 10:45 pm with physician services available on site Monday through Friday and on call after hours.

### **Transitioning from In-Custody to Outpatient Care**

#### *Adult Populations*

For adults, Behavioral Health collaborates with Adult Felony Probation to serve specific populations, including both AB 109 clients released from state prison and general supervision clients released from county jail.

In March 2012, the Forensic Mental Health Services (FMHS) unit within Behavioral Health Division began accepting referrals and providing services to clients. The team is comprised of 3 clinicians, 2 peer specialists, 1 Registered Nurse and a 0.2 FTE prescriber. From March 2012 through December 2015, FMHS has made a total of 864 unique, face-to-face contacts with individuals on adult felony probation.

Referrals are identified by probation status:

- AB 109 – 500 referred, 303 contacted;
- General Supervision- 800 referred, 561 contacted

Clinicians are co-located at the three, regional adult probation offices. The referral process involves Deputy Probation Officers who schedule clients for screenings with the clinicians. The intake process involves clinicians screening clients for voluntary services within the Physical and Behavioral Health Systems of Care. Services include screening and assessment, health care navigation, benefit support, psychiatric case management and group facilitation at Probation, including Seeking Safety Trauma groups and Wellness Recovery Action Plan (WRAP) groups.

#### *Juvenile Populations*

Juveniles being released from detention facilities have several services in place for continuity of care upon release. Specifically, Behavioral Health maintains clinicians at regional Probation offices, similar to the adult populations, which juvenile Deputy Probation Officers can refer clients to for services. In addition, Probation provides a cascade of transition services for youth returning to the community, including:

- The **Youth Justice Initiative**, funded by the Byrne Justice Assistance Grant (JAG) last year, is in the early stages of implementation. Among other things, this initiative aims to ensure that juveniles receive appropriate care upon release by providing additional assistance to both the youth and families.
- The **Mentally Ill Offender Crime Reduction (MIOCR) Grant** is funding a Functional Family Therapy (FFT) program targeting juveniles released from the YOTP or GIM programs identified above. Probation hopes to expand this program more completely to the OAYRF in the future; however, a small amount of referrals have been made from OAYRF.
- **Multisystemic Therapy (MST)** is a family based, in home program. The goal of MST is to assist and enable caregivers to appropriately set (and manage) expectations, impose structure, and enforce consequences. Services are intensive, consisting of multiple (in home) sessions per week.



- **Multidimensional Family Therapy (MDFT)** is another in home, family based therapy targeting co-occurring substance abuse issues that negatively impact family and community functioning.

### **Challenges and Considerations**

The County places significant resources in the provision of mental health services at all phases of the criminal justice system. It is important to continue reviewing challenges that arise during the provision of those services and evaluate considerations for service delivery.

#### *Challenges and Opportunities for Improvement*

1. Lack of capacity in community for critical, outpatient substance abuse programs
2. Accessibility to outpatient mental health appointments upon release from detention
3. Willingness of client to continue treatment post-release
4. Family unwilling or unable to assist youth in continuation of treatment post-release
5. Limitations of the physical plant at the MDF to facilitate comprehensive mental health treatment
6. Continued backlog at State Hospitals for treatment of inmates deemed incompetent to stand trial

#### *Future Considerations*

1. Continue to seek funding for construction of mental health beds within County detention facilities
2. Continue support of pre-arrest mental health efforts, including MHET, sobering centers and other diversion programs
3. Build capacity within the community for needed behavioral health programs, including substance abuse programs
4. Advocate for additional funding of State Hospitals for return to competency treatment

### **CONSEQUENCE OF NEGATIVE ACTION:**

This report is informational only.

### **CHILDREN'S IMPACT STATEMENT:**

No impact.

### **CLERK'S ADDENDUM**

*Speakers: Ralph Hoffman; Teresa Pasquini; Lauren Rettagliata; Joseph Partansky*

### **ATTACHMENTS**

Detention Mental Health Presentation

# Contra Costa County

# Detention Mental Health

Presented by:

Health Services:

Cynthia Belon, Director of Behavioral Health

Anna Roth, CEO CCRMC, Health Centers and Detention Health

Office of the Sheriff:

Matthew Schuler, Assistant Sheriff, Custody Services Bureau

Probation:

James Rivers, Probation Manager



January 26, 2016

Board of Supervisors Retreat Meeting

# TOPICS TO COVER

- ✎ Adult Detention Mental Health Services & Challenges
  - Booking Statistics
  - Behavioral Health Community Based Services
  - Inmate Classification
  - Wraparound Services
- ✎ Juvenile Detention Mental Health Services & Challenges
  - Booking Statistics
  - Behavioral Health Screening
  - Classification and Module Placements
  - Wraparound Services
- ✎ Current Partnerships and Initiatives
- ✎ Panel Discussion: Challenges and Considerations

# ADULT DETENTION MENTAL HEALTH

## ∞ Booking Statistics

- Annual – about 9.4% increase from 2014 to 2015
  - 2014 – 24, 042
  - 2015 – 26,296
- Average Daily Bookings (2015) – 72

## ∞ Daily Populations – Average for 2015

- In-Custody Facilities

	2015 Average Daily Population	Rated Capacity	% of Capacity
Martinez Detention Facility	651	695	93.7%
West County Detention Facility	660	1096	60.2%
Marsh Creek Detention Facility	66	188	35.1%
<b>Total</b>	<b>1377</b>	<b>1979</b>	

- Custody Alternative Facility – 386
- Total Average Daily Jail Population– 1763**

# ADULT DETENTION MENTAL HEALTH

## Behavioral Health Preventative Services (Pre-Arrest)

- Mental Health Evaluation Teams (MHET)
  - January of 2015 - referrals and services with Forensic Mental Health began
  - May of 2015 - the Police Chiefs Association dedicated partial funding for three police officers to participate in MHET
  - Currently collaborating with three police departments – Richmond, Concord and Pittsburg
  - Between January to December 2015, MHET has made 183 unduplicated client face-to-face contacts throughout the county.
- Primary Care integration with behavioral health
- Psychiatric Emergency Services (PES) – approx. 900 evaluations/month
- Felony Probation Collaborations
- Court Programs

# ADULT DETENTION MENTAL HEALTH

## ∞ Mental Health Screening (In Custody)

- Ten question mental health assessment conducted during intake at the booking facility.

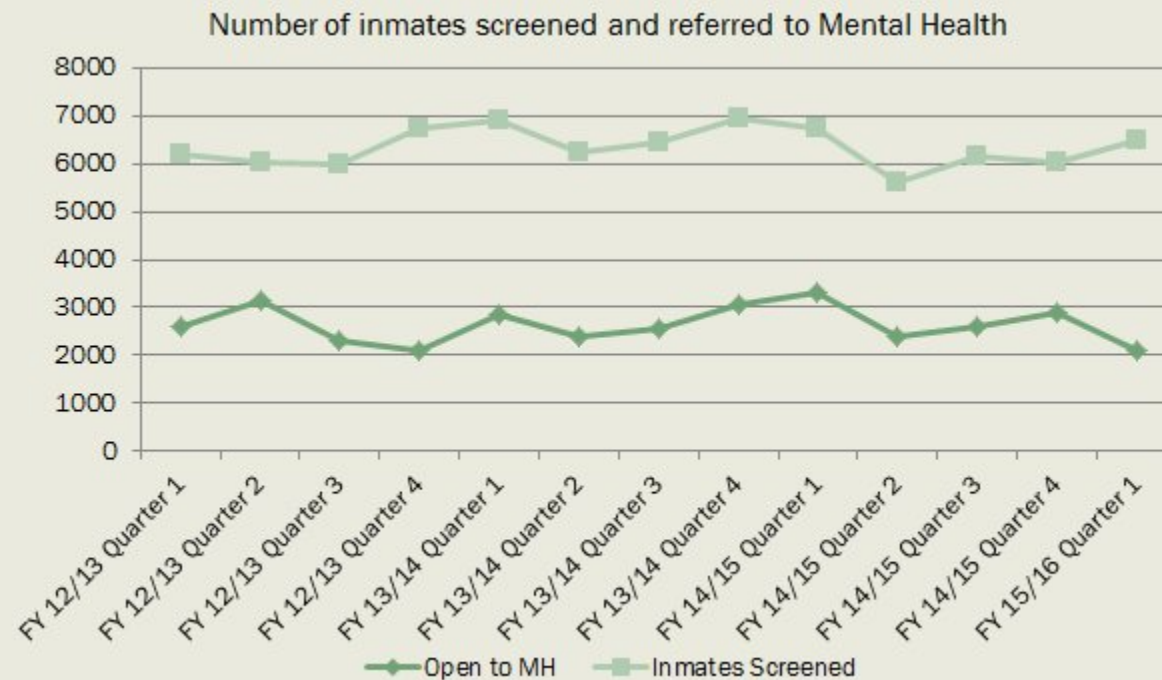
Figure 1:

MENTAL HEALTH ASSESSMENT
HAVE YOU EVER TRIED TO HARM YOURSELF OR HAD SUICIDAL THOUGHTS?
ARE YOU HAVING SUICIDAL THOUGHTS NOW?
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HAVE YOU EVER SERVED IN THE MILITARY?
DO YOU HAVE A SERVICE CONNECTED MENTAL HEALTH DISABILITY?
DO YOU HAVE A CASE MANAGER?
REQUEST MENTAL HEALTH EVAL?

# ADULT DETENTION MENTAL HEALTH

- Number of inmates with mental health service referrals while in detention can be up to 50% of the number of inmates booked during the same period.

Figure 2:



# ADULT DETENTION MENTAL HEALTH

## ∞ Post-Arrest – Classification and Placement

- Classification performed by custody staff in consultation with mental health staff.
- Mental health staff perform a psycho-social and mental status evaluation.
- Patients placed on M Module based on level of impairment, dysfunction or vulnerability.

## ∞ Placement Challenges

- Santa Clara closing
  - 2013 - 5 inmates
  - 2014 – 5 inmates
  - 2015 – 12 inmates
- Napa facilities – waiting list of up to 6 to 8 months
  - 1370 Felony cases (CONREP)
  - 1370.01 Misdemeanor cases (NHD)



# ADULT DETENTION MENTAL HEALTH

- Objective Classification System
  - Criminal History
  - Current Charges
  - Gang affiliation
  - Sexual Orientation/Gender
  - Mental Health
  - Medical
  - In-Custody Behavior
  - Enemies
  - Region of the County they reside
- Identification of Inmate Special Housing Needs
  - Protective Custody
  - Administrative Segregation
  - Medical Housing
  - Gang Separation
  - Identified Enemies already in-custody

# ADULT DETENTION MENTAL HEALTH

## ☞ Classification Challenges

- Physical Plant Restrictions –
  - Lack of therapy space, including group therapy.
  - Only space for one-on-one counseling, but no non-contact one-on-one counseling.
  - Lack of appropriate bed space for current inmate population.
  - Mental health inmates needing medication are housed throughout the Martinez Detention Facility due to lack of appropriate bed space.
- Current Inmate Population Numbers-
  - Administrative Segregation - 94
  - Protective Custody - 220
  - PC 187 (Murder) - 142
  - Mental Health – 343
  - Gang Affiliation – 200 (those are only the known members)

# ADULT DETENTION MENTAL HEALTH

## ∞ Wraparound Services (Release - out of custody)

- Collaboration with Adult Felony Probation (AB109)
- Referrals and services with Forensic Mental Health Services (FMHS)
  - The team is comprised of 3 clinicians, 2 peer specialists (CSWs), 1 registered nurse and a 0.2 FTE prescriber.
  - Between January 2012 to December 2015, FMHS has made a total of 864 unduplicated face-to-face contacts with individuals on adult felony probation.
  - Referrals are identified by probation status:
    - AB 109 – 500 referred, 303 contacted
    - General Supervision- 800 referred, 561 contacted

# ADULT DETENTION MENTAL HEALTH

## ∞ Wraparound Services Challenges

- Volume of behavioral health service needs and delivery capacity – including substance abuse treatment programs
- Lack of timely access to services – shelter, transportation, or employment
- Treatment services are voluntary
- Communications between clinicians and family
- Recidivism

# JUVENILE DETENTION MENTAL HEALTH

## ☞ Booking Statistics

- Current average of 90 – 100 youth per month
- 60% of youth who are admitted to Juvenile Hall have a mental health diagnosis.

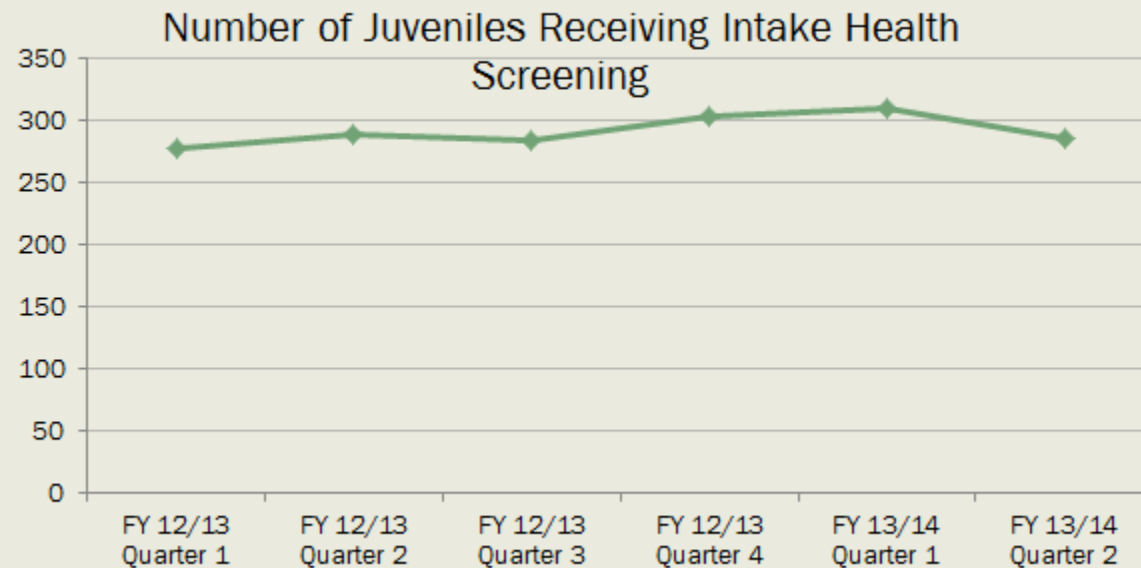
## ☞ Daily Populations – Average for 2015

- Juvenile Hall – 140 – 150 (290 bed capacity)
- Orin Allen Youth Rehabilitation Facility – 75 youth (100 bed capacity)

# JUVENILE DETENTION MENTAL HEALTH

- Behavioral Health Screening (In Custody)
  - Mental health screen conducted by health staff
  - Referrals made to a Mental Health Clinical Specialist for evaluation

Figure 4:



# JUVENILE DETENTION MENTAL HEALTH

## ∞ Classification and Placement

- Eight units, two of which are treatment units
- Behavioral Health uses Massachusetts Youth Screening Instrument, Version 2 (MAYSI-2) tool to assist with the identification of youth, ages 12-17, with mental health needs.
  - Administered to all “first-time” detainees
  - 52 item questionnaire that produces composite “risk” scores across the following domains:
    - Angry/Irritable
    - Drug/Alcohol use
    - Depressed/Anxious
    - Somatic Complaints
    - Suicide Ideation
    - Thought Disturbance
    - Traumatic Experiences

# JUVENILE DETENTION MENTAL HEALTH

## Behavioral Health Services

### ○ Juvenile Hall

- Behavioral health services provided seven days a week with clinicians on site from 9:00 am to 7:30 pm. Staff includes one full-time program manager, two full-time licensed clinicians, one 0.8 FTE licensed clinician, and three 0.5 FTE clinician trainees.
- Psychiatric services are available on Tuesday and Thursday with a psychiatrist on site from 9:00 am to 2:00pm.
- Individual, family, and group therapy, as well as medication support services.
- Youthful Offender Treatment Program working with boys to prevent recidivism.
- Girls in Motion for sexually exploited girls to attempt to get them off the street and connect to mental health services.

### ○ Orin Allen Youth Rehabilitation Facility

- Year-round schooling, drug education and mental health treatment
- Limited psychiatric services



# JUVENILE DETENTION MENTAL HEALTH

## ∞ Wraparound Services

- Transition of mental health services
  - Referral to Regional Mental Health Liaison
  - Access to Family Supportive Services
- Access to several intensive, home-based therapy referral programs:
  - Seneca Mobile Response Team provides same day services for youth discharging from hospital or psych emergency services.
  - Regional county clinics for therapy and medication services
  - Functional Family Therapy (FFT) - Family based, in home program funded by the Mentally Ill Offender Crime Reduction (MIOCR) grant.
  - Multisystemic Therapy (MST) - Family based in home program.
  - Multidimensional Family Therapy (MDFT)

# JUVENILE DETENTION MENTAL HEALTH

## ∞ Behavioral Health Service Challenges

- Mental health care stigma and distrust of authority figures
- Need for additional therapists

## ∞ Wraparound Service Challenges

- Return environment
- Follow up and continuity of care (missed appointments)

# CURRENT PARTNERSHIPS & INITIATIVES

## ∞ Forensic Mental Health Services for Adults

- Adult Felony Probation Collaboration
- Court Programs
- Co-responding with Law Enforcement (MHET)

## ∞ Stepping Up

## ∞ The Mentally Ill Offender Crime Reduction (MIOCR) grant

- Partnership between Probation and Mental Health to deliver Functional Family Therapy to youth exiting Juvenile Hall and the Orin Allen Youth Rehabilitation Facility

## ∞ Youth Justice Initiative

# PANEL DISCUSSION

## ☞ Challenges

- Physical plant restrictions at MDF
- Accessibility to outpatient mental health appointments and willingness of client to continue treatment post-release
- Lack of capacity for critical, outpatient substance abuse programs
- Return home/community environment for youth behavioral health services
- Continued backlog of State Hospitals for treatment of inmates deemed incompetent to stand trial

## ☞ Considerations

- Seek funding for the construction of mental health beds
- Support pre-arrest mental health efforts, including MHET, sobering centers and other diversion programs
- Build capacity within communities for additional behavioral health programs, including substance abuse programs
- Advocate for additional funding of State Hospitals for return to competency treatment