



Agenda Date: 11/14/2006
Agenda Placement: 6C

NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors
FROM: Alice Hughey for Randy Snowden - Director
Health & Human Services
REPORT BY: Alice Hughey, Chief Fiscal Officer, 253-4616
SUBJECT: Budget transfers and cancellation of designation

RECOMMENDATION

Director of Health and Human Services requests approval of the following actions: (4/5 vote required)

1. Budget Transfer No. 22 increasing appropriations in the Mental Health budget by \$132,078 with offsetting revenues from the Health and Human Services Administration and Social Services budgets to cover office space lease costs for Mental Health staff and the transfer of a Supervising Mental Health Counselor II - Licensed position to the Mental Health budget; and
2. Budget Transfer No. 24 canceling the Social Services Claim Adjustment designation and increasing appropriations by \$250,000 in the Substance Abuse Services budget for youth treatment services.

EXECUTIVE SUMMARY

Approval of the requested actions will effect the following:

- 1 Budget Transfer No. 22 will move existing funding from HHSA's Administration and Social Services budgets to the Mental Health budget to pay for office space for Mental Health staff and for a Supervising Mental Health Counselor II - Licensed position recently transferred from the Social Services budget to the Mental Health budget.
- 1 Budget Transfer No. 24 will cancel a Social Services designation set at the end of Fiscal Year 2005-2006 and redirect the released funds to the Substance Abuse Services budget to pay for the provision of additional youth treatment services.

FISCAL IMPACT

Is there a Fiscal Impact? Yes

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|-----------------------------------|---|
| Is it currently budgeted? | No |
| What is the revenue source? | The first budget transfer will simply transfer funds within HHSA's budget units and has no bottom-line fiscal impact. Cancellation and redirection of an existing Social Services designation will provide funding for additional youth treatment services in the Substance Abuse Services budget. |
| Is it Mandatory or Discretionary? | Discretionary |
| Discretionary Justification: | <p>The first requested action is discretionary in that Mental Health space and personnel costs could be left within the HHSA Administration and Social Services budgets. The requested transfer will enable the clearer tracking and matching of revenues and expenditures for the aforementioned costs.</p> <p>The second requested action is discretionary in that the Agency is not required to fund the additional youth treatment services. However, for the betterment of the community and to avoid larger future treatment costs, staff believes the provision of the additional youth services is prudent.</p> |
| Is the general fund affected? | No |
| Future fiscal impact: | None, other than the future cost avoidance mentioned above. |
| Consequences if not approved: | Mental Health space and personnel costs will be in the wrong budgets, necessitating more administrative effort in matching costs to the appropriate revenues. The Agency will be unable to provide additional youth treatment services and avoid future larger costs. |
| Additional Information: | The \$250,000 Social Services Claims Adjustment designation was established for potential take backs relating to the Title IV-E program. It is anticipated that the total amount due for the take backs will be established within the next few months. If there is a need to do so, staff will come back to the Board at a future date with a plan on how this issue will be resolved. |

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

BACKGROUND AND DISCUSSION

Budget Transfer No. 22: (1) Mental Health Services Act staff are occupying office space that is budgeted in HHSA's Social Services and Administration budgets. Approval of the requested first action will transfer the spending authority from the Social Services and Administration budgets to the Mental Health budget. (2) A vacant Supervising Mental Health Counselor - Licensed position in the Social Services budget was transferred to the Mental Health budget last month. This action transfers the remaining spending authority for Fiscal Year 2006-2007 for this position from the Social Services budget to the Mental Health budget.

Budget Transfer No. 24: Approval of the requested second action will release and redirect funds in an existing Social Services designation to the Substance Abuse Services budget to fund the provision of additional youth treatment services. The Social Services Claims Adjustment designation was established as part of the closing

entries for Fiscal Year 2005-2006 in the amount of \$250,000 for potential take backs in Title IV-E funding. The total amount due for the take backs has yet to be established and will either be absorbed within the Agency's current year authorized budget or staff will come back to the Board with a different funding plan.

SUPPORTING DOCUMENTS

None

CEO Recommendation: Approve

Reviewed By: Lorenzo Zialcita