



Auditor's Comment #25

County of El Dorado Clerk of the Board <edc.cob@edcgov.us>

BOS Rcvd. 8/29/2022

8-30-2022 BOS Agenda-FY 2022-23 MHSA Update and Plan

Joe Harn <joe.harn@edcgov.us>

Fri, Aug 26, 2022 at 11:06 AM

To: Lori Parlin <lori.parlin@edcgov.us>, Sue Novasel <sue.novasel@edcgov.us>, Wendy Thomas <wendy.thomas@edcgov.us>, George Turnboo <george.turnboo@edcgov.us>, John Hidahl <john.hidahl@edcgov.us>, Donald Ashton <don.ashton@edcgov.us>, David Livingston <david.livingston@edcgov.us>
Cc: Paula Frantz <paula.frantz@edcgov.us>, Kim Dawson <kim.dawson@edcgov.us>, County of El Dorado Clerk of the Board <edc.cob@edcgov.us>, Tiffany Schmid <tiffany.schmid@edcgov.us>, Laura Schwartz <laura.schwartz@edcgov.us>, Daniel Del Monte <daniel.delmonte@edcgov.us>

Dear Board Members,

I strongly recommend that you direct HHSa to take the necessary steps to exhaust all avenues to use MHSA funding more aggressively to combat alcoholism, drug addiction, and mental illness among our county's homeless population.

I also strongly recommend that you direct the CAO to review all financial communication between HHSa and the Mental Health Commission. I believe that the Mental Health Commission would recommend more aggressive spending of the significant funds that we have available if they were more fully informed on the financial situation.

The power point presentation that your Board received on June 22, 2021, for Annual Update for Fiscal Year 2021/2022 MHSA Plan does not include the words "Homeless", "Addiction", or "Alcohol". Your Board then adopted the plan by a 5-0 vote.

The power point presentation for Annual Update for Fiscal Year 2022-2023 MHSA plan that you are scheduled to receive on August 30, 2022, does not include the words "Homeless", "Addiction", or "Alcohol". I believe that our constituents want your Board to give clearer direction to HHSa regarding the expenditure of MHSA funds.

Total Budgeted FY 2021-22 MHSA Plan Expenditures per the MHSA plan your Board adopted were \$23,183,618, while actual expenditures were about \$10 million less, \$13,127,050. Your FY 2021-22 plan projected a \$2.1 Fund Balance at June 30, 2022. The actual Fund Balance, if you include the \$1.6 million prudent reserve, was \$10 million higher. Also in FY 2021-22, HHSa spent dramatically less than budgeted in categories of Support & Care of Persons and Housing. Obviously, based on the FY 2021-22 financial results, HHSa can afford to more aggressively provide services to some of our most vulnerable citizens.

HHSa requested, and your Board adopted, a \$5,492,202 Contingency in the 2022-23 MHSA Budget, apparently to save for a rainy day. I believe that many of our citizens believe that today it is raining.

Joe Harn
Auditor-Controller
El Dorado County