



County of El Dorado

330 Fair Lane, Building A
Placerville, California
530 621-5390
FAX 622-3645
www.edcgov.us/bos/

Legislation Details (With Text)

File #: 19-1460 **Version:** 1
Type: Agenda Item **Status:** Approved
File created: 9/23/2019 **In control:** Board of Supervisors
On agenda: 11/19/2019 **Final action:** 11/19/2019

Title: Health and Human Services Agency recommending the Board approve and authorize the Chair to sign a Budget Transfer that addresses unspent FY 2018-19 and FY 2019-20 Transient Occupancy Tax (TOT) revenues allocated for distribution to veteran service and supports, as follows:
1) Decrease Appropriation for Contingency by \$89,000 and increase Special Projects by \$73,000 in the Veteran Affairs Special Revenue Fund (org 4270700) and increase \$16,000 in appropriations in the Veteran Affairs Department (org 4200000) to pay for an intern, to rebudget FY 2018-19 appropriations that were previously approved by Veteran Affairs Commission, but not yet distributed; and
2) Decrease the FY 2019-20 General Fund Appropriation for Contingency by \$265,739, and increase the Veteran Affairs Special Revenue Fund by \$265,739 to budget the FY 2019-20 TOT allocation to be distributed to Veteran services and supports according to the Veteran Affairs Commission FY 2019-20 Plan, yet to be determined. (4/5 vote required) (Est. Time: 15 Min.)

FUNDING: Transient Occupancy Tax, General Fund.

Sponsors:

Indexes:

Code sections:

Attachments: 1. A - FY 19-20 VA BTR TOT 11/5/19, 2. B - Resolution 162-2019 11/5/19, 3. C - Govt Code 29084 11/5/19, 4. Executed Budget Transfer

Date	Ver.	Action By	Action	Result
11/19/2019	1	Board of Supervisors	Approved	Pass

Health and Human Services Agency recommending the Board approve and authorize the Chair to sign a Budget Transfer that addresses unspent FY 2018-19 and FY 2019-20 Transient Occupancy Tax (TOT) revenues allocated for distribution to veteran service and supports, as follows:

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FUNDING: Transient Occupancy Tax, General Fund.

DISCUSSION / BACKGROUND:

Veteran services and supports in El Dorado County (EDC) are funded in part through a portion of the Transient Occupancy Tax (TOT). The prior year TOT collections are calculated after the fiscal year end closes, and five percent (5%) is allocated to veteran services and supports.

Following fiscal year-end close for 2017-18, the Veteran Affairs Commission was notified of the TOT funding allocation, based on the 5% indicated above. This amount was determined to be \$205,770, and then became referred to as the FY 2018-19 TOT allocation. The Veteran Affairs Commission developed a plan to use the funding, and at their January 2019 Board meeting, selected various organizations, including several non-profits, to receive funding for veteran services and supports programs. The minutes from the Board meeting, including the final list of contributions, was approved by the Veteran Affairs Commission at their February Board meeting. Final, updated and revised minutes were posted on the Commission webpage in April 2019, and the Health and Human Services Agency (HHSA) Contracts Unit began working with the organizations to develop funding agreements to fund the programs.

On June 25, 2019, HHSA received County Board of Supervisor approval to process a budget transfer for \$205,770 to move money to the Special Revenue Fund created for the TOT distributions to veterans, to fund the following list of veteran service and support contributions, as well as to transfer \$16,000 to the Veteran Affairs division of HHSA to fund a student intern (Legistar 19-0742). The following list of contributions was determined and approved by the Veteran Affairs Commission:

FY 2018-19 Agreements in paid status:

Agreement 3978 with El Dorado Community Foundation, \$73,770, executed 8/9/19; posted in FENIX 8/13/19.

Agreement 3979 with Friends of the Veterans monument, \$10,000, executed 8/9/19; posted in FENIX 8/13/19.

Agreement 3987 with Snowline Hospice, \$25,000, executed 8/9/19; posted in FENIX 8/14/19.

Agreement 3986 with Military Family Support, \$8,000, executed 8/9/19; posted in FENIX 8/14/19.

Agreements pending payment:

Agreement 3988 with Only Kindness, Inc., \$12,000, executed 8/22/19; posted in FENIX 8/23/19.

Agreement 3981 with Lake Tahoe Community College District, \$18,000, executed 8/28/19; posted in FENIX 9/6/19.

Agreement 4286 with Los Rios Colleges Foundation, \$40,000, executed 9/20/19; posted in FENIX 9/23/19. (Note, VA Commission identified this as two agreements of \$5,000 and \$35,000; Los Rios requested one agreement with their Foundation).

Agreement 3989 with Sierra Law Enforcement Chaplaincy, \$3,000, execution pending.

Some funding agreement contributions were not completed prior to the FY 2018-19 close process. As part of the year-end close process, remaining, unspent appropriations (including the above listed pending agreements and the \$16,000 appropriated for the student intern) were moved to fund balance, and with the FY 2019-20 Adopted Budget included in the Appropriation for Contingency in this special revenue fund. To allow disbursement of the \$89,000 FY 2018-19 Veteran Affairs Commission approved contributions, including the \$16,000 funding for a student intern, these funds must be transferred from Appropriation for Contingency into the Special Projects account in the Special Revenue Fund and into the Veteran Affairs division of HHSA. The recommended Board action will re-budget appropriations for those items so that payments can be made.

In mid-September 2019, the FY 2018-19 year end closed, and on September 24, 2019, the Board adopted Resolution 162-2019 thereby authorizing the Auditor-Controller to increase the Appropriation for Contingency pursuant to Government Code Section 29084. This process moved the FY 2019-20 TOT funds allocated to the Veteran Affairs Commission into General Fund Contingency. The recommended Board action will also transfer the FY 2019-20 TOT allocation for veteran services to

the special revenue fund.

The FY 2019-20 TOT funding of \$265,739 (based on FY 2018-19 TOT actual revenue) shall be held in the Special Revenue Fund until a plan for disbursement has been approved by the Veteran Affairs Commission. Additionally, interest earned on the fund balance will remain in the Special Revenue Fund until fully reconciled and its disposition determined.

ALTERNATIVES:

Should the Board decline to approve and authorize this Budget Transfer, HHSA would be unable to make the contributions for the above identified FY 2018-19 agreements and for the FY 2019-20 agreements yet to be determined and defined by the Veteran Affairs Commission. The Board could direct staff to return to the Board with a modified Budget Transfer, if determined appropriate by the Board.

PRIOR BOARD ACTION:

- 1) File ID: 18-1341, September 25, 2018 - TOT Fund Budget Transfer Request
- 2) File ID: 18-0342, March 13, 2018 - Transfer of VA to HHSA effective July 1, 2018.
- 3) File ID: 19-0742, June 25, 2019 - TOT Fund Budget Transfer Request
- 4) File ID: 19-1410, September 24, 2019 - FY 2019-20 Adopted Budget

OTHER DEPARTMENT / AGENCY INVOLVEMENT:

N/A

CAO RECOMMENDATION:

It is recommended that the Board approve this item.

FINANCIAL IMPACT:

Approval and authorization of this Budget Transfer will result in a increase in appropriations in the Veteran Special Revenue Fund of \$338,739 (\$73,000 for FY 2018-19, \$265,739 for 2019-20) and an increase to the Veteran Affairs division of HHSA FY 2019-20 Budget of \$16,000.

CLERK OF THE BOARD FOLLOW UP ACTIONS

Clerk of the Board to obtain signature of Chair on the attached Budget Transfer Request, and submission of same to the Auditor-Controller's Office for processing.

STRATEGIC PLAN COMPONENT:

N/A

CONTACT

Donald Semon, Director