



# County of El Dorado

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## Legislation Text

File #: 08-0821, Version: 1

Mental Health Director requesting authorization to sign the Mental Health Services Act (MHSA) Request to Dedicate Funds to the Community Services and Supports (CSS) Local Prudent Reserve.

**FUNDING:** California Department of Mental Health MHSA Funds.

BUDGET SUMMARY:		
Total Estimated Cost		\$1,079,853
Funding		
Budgeted	\$1,079,853	
New Funding	\$	
Savings	\$	
Other	\$	
Total Funding Available	\$1,079,853	
Change To Net County Cost		\$0

Fiscal Impact/Change to Net County Cost: There is no Change to Net County Cost.

Background: In November 2004, California voters passed Proposition 63, now known as the Mental Health Services Act (MHSA). In January 2006, the Board approved submittal to the State of the Department's three-year plan for MHSA Community Services and Support. This three-year plan was formally approved by the State on April 28, 2006 and El Dorado County was authorized to receive MHSA funding effective the first day of the month of approval (April 1, 2006). On April 1, 2008 the Board adopted the updated MHSA Agreement Number 07-77309-000 that increased the contract amount from \$4,125,093 to \$5,171,662 and extended the term to include spending related to MHSA implementation costs back to July 1, 2004.

Reason for Recommendation: Pursuant to WIC Section 5847(a)(7), each County receiving MHSA funds is required to create and maintain a "prudent reserve". This prudent reserve is held at the local level but can only be accessed in accordance with WIC Sections 5847(a)(7) and 5847(f) which requires a Plan update to the County's three-year Program and Expenditure Plan and the California Department of Mental Health's approval.

The prudent reserve must be funded at fifty percent of the most recently approved annual Community Services and Supports (CSS) funding level and must be in place by July 1, 2010. Due to slow starts in MHSA programs and unexpended one-time funds that must be spent or set aside for this prudent reserve by June 30, 2008, the Department of Mental Health currently has \$1,079,853 available in the MHSA funding to establish the prudent reserve. This amount fully funds the prudent reserve

requirement based on the County's most current, approved MHSA CSS Plan of \$2,159,706.

The annual FY 2008-09 MHSA CSS planning estimate is \$2,515,100, which is \$355,395 greater than the current plan amount. Therefore, the Department of Mental Health will request, through the budget process, to increase this prudent reserve in FY 2008-09 by fifty percent, or \$177,697, of this increased funding.

The California Department of Mental Health Information Notice 08-01 provides the Mental Health Services Act (MHSA) Request to Dedicate Funds to the community Services and Supports (CSS) Local Prudent Reserve form.

Action to be taken following Board approval:

1) Once approved, the Department of Mental Health Director will sign and submit the Mental Health Services Act (MHSA) Request to Dedicate Funds to the Community Services and Supports (CSS) Local Prudent Reserve form to the State of California Department of Mental Health for incorporation into the County's MHSA Agreement.

2) Mental Health staff will work with the Auditor-Controller's Office to dedicate funds as required by State DMH.

Contact: John Bachman, Mental Health