



Legislation Text

File #: 24-311, Version: 1

Memorandum

Date: March 19, 2024

To: The Honorable Lake County Board of Supervisors

From: Susan Parker, County Administrative Officer

Subject: Consideration of Resolution Approving a Short-Term Loan from General Fund by way of the Technology Reserve, Fund 154, to Behavioral Health Services, Fund 145, in the amount of \$3,000,000

Executive Summary:

Section 29125, 29126, 29126.1, and 29130 of the Government Code provides authority for the Board of Supervisors to transfer and revise appropriations, cancel unused appropriations, transfer unused appropriations to contingencies, reduce estimate and cancel appropriate designations and reserves.

The Behavioral Health Services Department joined the California Mental Health Services Authority's Semi-Statewide Enterprise Health Record as one of three pilot Counties and went live in the new system March 1, 2023, and were not able to successfully submit claims for services to the Department of Healthcare Services until December 2023.

Behavioral Health now has a deficit fund balance due to lack of reimbursement for Medicaid claims from March 2023 forward, that must be resolved to continue to pay their vendors and staff. They have requested a short-term loan from General Fund in the amount of \$3,000,000 to be paid back within 12 months and returned to its original Reserve, Fund 154.

1991 Realignment does allow for up to 10% to be transferred between The Department of Social Services, Public Health, and Behavioral Health. Social Services has agreed to loan \$1,000,000 and Public Health has agreed to loan \$130,000. These amounts fall under the 10% of their 1991 Sales Tax Realignment.

If not budgeted, fill in the blanks below only:

Estimated Cost: _____ Amount Budgeted: _____ Additional Requested: _____ Future Annual Cost: _____

Purchasing Considerations (check all that apply): Not applicable

- Fully Article X. <https://library.municode.com/ca/lake_county/codes/code_of_ordinances?nodeId=COOR_CH2AD_ARTXPU_S2-38EXCOBI>- and/or Consultant Selection Policy <[http://lcnnet.co.lake.ca.us/Assets/Intranet/Policy/Policies+\\$!26+Procedures+Manual/Ch4_2021v2.pdf](http://lcnnet.co.lake.ca.us/Assets/Intranet/Policy/Policies+$!26+Procedures+Manual/Ch4_2021v2.pdf)>-Compliant (describe process undertaken in "Executive Summary")
- Section 2-38 <https://library.municode.com/ca/lake_county/codes/code_of_ordinances?nodeId=COOR_CH2AD_ARTXPU_S2-38EXCOBI> Exemption from Competitive Bidding (rationale in "Executive Summary," attach documentation, as needed)
- For Technology Purchases: Vetted and Supported by the [Technology Governance Committee](#)

<<http://lcnnet.co.lake.ca.us/Assets/Intranet/Intranet+Forms/Information+Technology/AdvPlan.pdf>> ("Yes," if checked)

Other (Please describe in Executive Summary)

Consistency with Vision 2028 <<http://www.lakecountyca.gov/Government/Directory/Administration/Visioning/Vision2028.htm>>

(check all that apply):

- | | | |
|--|--|--|
| <input type="checkbox"/> Well-being of Residents | <input checked="" type="checkbox"/> Not applicable | |
| <input type="checkbox"/> Economic Development | <input type="checkbox"/> Public Safety | <input type="checkbox"/> Disaster Prevention, Preparedness, Recovery |
| <input type="checkbox"/> Community Collaboration | <input type="checkbox"/> Infrastructure | <input type="checkbox"/> County Workforce |
| | <input type="checkbox"/> Business Process Efficiency | <input type="checkbox"/> Clear Lake |

Recommended Action:

Staff recommends that your Board adopt the Short-Term Loan Resolution between the General Fund and Behavioral Health in the amount of \$3,000,000 to be repaid within 12 months.