



Multnomah County Agenda Placement Request Budget Modification

(Revised 9/23/13)

Board Clerk Use Only

Meeting Date: _____

Agenda Item #: _____

Est. Start Time: _____

Date Submitted: _____

Agenda Title: BUDGET MODIFICATION # HD-36-16: Request approval to appropriate \$5,000,000 in Multnomah Mental Health Fund Beginning Working Capital

Requested Meeting Date: _____

Time Needed: 10 Minutes

Department: 40 - Health Department

Division: Mental Health and Addiction Services Division

Contact(s): Robert Stoll, Budget and Finance Manager

Phone: 503-988-8445 Ext. 88445 I/O Address 167/2/210

Presenter Name(s) & Title(s): Wendy Lear, Health Department Deputy Director

General Information

1. What action are you requesting from the Board?

Approval to appropriate \$5,000,000 in Multnomah Mental Health Fund Beginning Working Capital (BWC) from contingency.

2. Please provide sufficient background information for the Board and the public to understand this issue. Please note which Program Offer this action affects and how it impacts the results.

The Mental Health and Addiction Services Division (MHASD) is requesting an increase of the Multnomah Mental Health fund appropriation in the amount of \$5,000,000 for the FY 2016. This budget modification provides budget authority to expend the projected operating expenses, ensuring MHASD continues to fund the delivery of mental health and addiction services to HealthShare of Oregon members without interruption.

This modification corrects two budgetary issues. First the FY2016 budget overestimated the budget for the State Mental Health grant which resides in the Federal/State fund and underestimated the budget for Medicaid services in the Multnomah Mental Health fund. In addition, in the fall of 2015 Health Share of Oregon retroactively reduces rates. This budget modification recognizes that in light of the rate cut, committed expenses exceed available revenue, requiring the one-time-use of Beginning Working Capital.

3. Explain the fiscal impact (current year and ongoing).

Approval of this budget modification will increase the Health Department's federal/state FY 2016 budget by \$5,000,000.

4. Explain any legal and/or policy issues involved.

Without this budget modification the Health Department would likely violate Oregon Budget Law by exceeding the legal appropriation in the Multnomah Mental Health Fund. This budget modification is necessary to keep this violation from occurring.

5. Explain any citizen or other government participation.

N/A

Budget Modification

6. What revenue is being changed and why? If the revenue is from a federal source, please list the Catalog of Federal Assistance Number (CFDA).

The Health Department's Multnomah Mental Health Fund budget will increase by \$5,000,000 in FY 2016. There is no CFDA number associated with this revenue.

7. What budgets are increased/decreased?

The Health Department's budget will have the following changes:

- * Pass-Thru and Program Support budget will increase by \$4,575,403
- * Central Indirect budget will increase by \$123,993
- * Department Indirect budget will increase by \$300,604

8. What do the changes accomplish?

These changes will help the Health Department avoid a likely violation of Oregon Budget law by increasing budget authority to accommodate estimated operating expenses.

9. Do any personnel actions result from this budget modification?

There are no personnel actions associated with this budget modification.

10. If a grant, is 100% of the central and department indirect recovered? If not, please explain why.

All indirect costs are recovered from Multnomah Mental Health Fund revenues.

11. Is the revenue one-time-only in nature? Will the function be ongoing? What plans are in place to identify a sufficient ongoing funding stream?

This revenue is a one-time-only use of beginning working capital funds currently held in contingency.

12. If a grant, what period does the grant cover? When the grant expires, what are funding plans? Are there any particular stipulations required by the grant (e.g. cash match, in kind match, reporting requirements, etc)?

This budget modification is not grant related.

Required Signature

**Elected Official or
Dept. Director:** _____

Date: _____

Budget Analyst: _____

Date: _____

Department HR: _____

Date: _____

Countywide HR: _____

Date: _____