

A RESOLUTION APPROVING A DEFICIT ELIMINATION PLAN FOR THE MENTAL HEALTH FUND

WASHTENAW COUNTY BOARD OF COMMISSIONERS

April 15, 1998

WHEREAS, the Mental Health Fund had an operating surplus of \$560,992 for fiscal year 1997 and prior period adjustments of \$1,587,449; and

WHEREAS, these amounts when added to the year end 1996 Mental Health fund deficit of (\$1,558,136) produced a fund deficit of (\$2,584,593) at year end 1997; and

WHEREAS, Mental Health has requested reimbursement from the State of Michigan for approximately \$2 million in State funding due to over-reporting Medicaid revenues in prior years for the Mental Health Fund; and

WHEREAS, Mental Health has \$1.2 million in cost settlements pending with the State of Michigan for certain services provided by the Mental Health Board since 1992; and

WHEREAS, these amounts have not been recorded as receivables in the September 30, 1997 financial statements for the Mental Health Fund because their collection from the State is not guaranteed, and

WHEREAS, Act 275 of the Public Acts of 1980 requires that a Deficit Elimination Plan be formulated by the County, be formally approved by the Board of Commissioners, and filed with the Michigan Department of Treasury; and

WHEREAS, this matter has been reviewed by the Finance Department, County Administrator's Office, and the Ways and Means Committee

NOW THEREFORE BE IT RESOLVED that the Washtenaw County Board of Commissioners hereby adopts the following as the Deficit Elimination Plan for the Mental Health Fund: \$260,000 per year for the next 10 (ten) years will be transferred from the Delinquent Tax Reserve Fund to the Mental Health Fund. This additional appropriation will be reserved solely for deficit reduction in the Mental Health Fund.

BE IT FURTHER RESOLVED that the County Administrator may pursue any and all actions necessary to recover State funds due to Washtenaw County including but not limited to, formal or informal appeals and/or legal action.

BE IT FURTHER RESOLVED that any collection of these requested amounts from the State of Michigan be reserved solely for deficit reduction and reduce one for one the amount of the transfer from the Delinquent Tax Revolving Fund, starting from year 10 and working backwards.

BE IT FURTHER RESOLVED that the County Administrator submit the Deficit Elimination Plan to the Michigan Department of Treasury for certification.

 [Return to Board of Commissioners April 15, 1998 Agenda](#)