

**California Mental Health Service Authority
FINANCE COMMITTEE TELECONFERENCE
AGENDA**

**July 27, 2015
3:00 p.m. – 4:00 p.m.**

**Dial-in Number: 877-339-2412
Access Code: 225-038-1321**

George Hills Company / CalMHSA
3043 Gold Canal Drive, Suite 200
Rancho Cordova, CA 95670

Madera County Behavioral Health
209 E. 7th Street
Madera, CA 93638

Fresno County Mental Health
3133 N. Millbrook
Fresno, CA 93703

Sonoma County Health Services
3313 Chante Road
Santa Rosa, CA 95404

Los Angeles County Mental Health
550 S. Vermont Avenue, 10th Floor
Los Angeles, CA 90020

The Finance Committee welcomes and encourages public participation in its meetings. Following each item, time is reserved for members of the public to address the Committee. Items not on the agenda are reserved for the end of the meeting.

Comments will be limited to three minutes per person and 20 minutes total. When it appears there are several members of the public wishing to address the Committee on a specific item, at the outset of the item, the Committee Chair may announce the maximum amount of time that will be allowed for presentation of testimony on that item.

A. FINANCE COMMITTEE MEETING

1. CALL TO ORDER

2. ROLL CALL AND PUBLIC COMMENT INSTRUCTION

The Committee welcomes and encourages public participation in its meetings. This time is reserved for members of the public (including stakeholders) to address the Committee concerning matters on the agenda. Items not on the agenda are reserved for the end of the meeting. Comments will be limited to three minutes per person and 20 minutes total.

For agenda items, public comment will be invited at the time those items are addressed. Each interested party is to complete the Public Comment Card and provide it to CalMHSA staff prior to start of item. When it appears there are several members of the public wishing to address the Committee on a specific item, at the outset of the item, the Committee President may announce the maximum amount of time that will be allowed for presentation of testimony on that item. Comment cards will be retained as a matter of public record.

3. CONSENT CALENDAR	3
A. Routine Matters	
a. Minutes from the May 11, 2015 Finance Committee Teleconference	
B. Reports / Correspondence	
a. Treasurer’s Report as of June 30, 2015	
b. Letter of Acknowledge Matrix	
<i>Recommendation: Approval of the consent calendar.</i>	
4. CASH FLOW MANAGEMENT	17
<i>Recommendation: None, information only.</i>	
5. CALMHSA ANNUAL REVENUE AND EXPENDITURE REPORT – BUDGET JUNE 30, 2016 – PROPOSED REVISION	18
<i>Recommendation: Approve proposed revision to adopted budget.</i>	
6. CALMHSA INVESTMENT UPDATE – FINAL PERFORMANCE AND INCOME REPORT	20
<i>Recommendation: None, information only.</i>	
7. EXECUTIVE DIRECTOR FINANCE REPORT	40
a. Revenue 2016/17	
b. Annual Adjustment Development	
<i>Recommendation: None, information only.</i>	
8. FINANCE COMMITTEE CALENDAR	41
a. Revise Meeting Schedule	
<i>Recommendation: Approve revised Finance Committee meeting schedule for Fiscal Year 2015-2016.</i>	
9. STATE HOSPITAL BEDS PROGRAM UPDATE	
10. PUBLIC COMMENT	
This time is reserved for members of the public to address the Committee relative to matters of CalMHSA not on the agenda. No action may be taken on non-agenda items unless authorized by law. Comments will be limited to three minutes per person and twenty minutes in total. The Committee may also limit public comment time regarding agenda items, if necessary, due to a lengthy agenda.	
11. CLOSING COMMENTS	
12. ADJOURNMENT	

Agenda Item 3

SUBJECT: CONSENT CALENDAR

ACTION FOR CONSIDERATION:

Approval of the Consent Calendar.

BACKGROUND AND STATUS:

The Consent Calendar consists of items that require approval or acceptance but are self-explanatory and require no discussion. If the Finance Committee would like to discuss any item listed, it may be pulled from the Consent Calendar.

- A. Routine Matters
 - a. Minutes from the May 11, 2015 Finance Committee Teleconference
- B. Reports / Correspondence
 - a. Treasurer's Report as of June 30, 2015
 - b. Letter of Acknowledgement Matrix

FISCAL IMPACT:

None.

RECOMMENDATION:

Approval of the Consent Calendar.

TYPE OF VOTE REQUIRED:

Majority vote.

REFERENCE MATERIALS ATTACHED:

- Minutes from the May 11, 2015 Finance Committee Teleconference
- Treasurer's Report as of June 30, 2015
- Statement for quarter ended March 31, 2015
- Letter of Acknowledgement Matrix



CalMHSA Finance Committee

TELECONFERENCE MINUTES FROM MAY 12, 2015

Finance Committee Members

Present

- Dawan Utecht, Fresno County, Treasurer
- Maureen Bauman, CalMHSA President (Ex-Officio)
- Tanya Bratton, San Bernardino County
- Tom Sherry, Sutter/Yuba County

Absent

- Dr. William Arroyo, Los Angeles County

CalMHSA Staff

- Wayne Clark, Executive Director
- John Chaquica, Chief Operating Officer
- Kim Santin, Finance Director
- Ann Collentine, Program Director
- Laura Li, JPA Administrative Manager
- Tami Cowgill, Executive Assistant
- Armando Bastida, Administrative Assistant
- Allan Rawland, CalMHSA Government Relations Consultant

Public

- Refujio (Cuco) Rodriguez, Santa Barbara County

1. **Call to Order**

The CalMHSA Finance Committee teleconference was called to order at 3:05 p.m. on March 23, 2015 by Dawan Utecht, Fresno County, Treasurer. All participants were asked to introduce themselves, followed by instructions for the teleconference process.

2. **Roll Call and Public Comment Instructions**

Laura Li, JPA Administrative Manager, called roll and a quorum was established as well as reviewed the public comment instructions and noted items not on the agenda would be reserved for public comment at the end of the agenda.

3. **Consent Calendar**

Dawan Utecht, Fresno County, Treasurer, asked for any changes to the following items:

Routine Matters

- December 1, 2014 Finance Committee Minutes
- March 23, 2015 Finance Committee Minutes

Reports / Correspondence

- Treasurer's Report as of December 31, 2014 and March 31, 2015
- CalMHSA Revenue and Expenditure Report for Fiscal Year Ended June 30, 2014 – Report to California Department of Health Care Services (CDHCS)

CalMHSA Financial Statements

- Statements for the Quarters Ended September 30, and December 31, 2014

CalMHSA Investment Update

- Performance and Income – Morgan Stanley
- CalMHSA Account Review

Action: Approval of the consent calendar.

Motion: Tom Sherry, Sutter/Yuba County

Seconded: Tanya Bratton, San Bernardino County

Public comment was heard from the following individual(s):

None

4. **CalMHSA Financial Statements for the Quarter Ending March 31, 2015**

Kim Santin, Finance Director gave an overview of the Financial Statements ending March 31, 2015. A total of 6.5m will be carried over from June 30, 2015 for future years. The committee would like to know if members will still be paying for Phase I, due to Phase I almost being over. Allan Rawland gave a brief update to clarify the status of Counties who have submitted a Letter of Acknowledgement but have yet to submit payment.

Action: Approval of the CalMHSA Financial Statements for the Quarter ending March 31, 2015 for presentation at the next scheduled Board of Directors Meeting.

Motion: Tom Sherry, Sutter/Yuba County

Seconded: Tanya Bratton, San Bernardino County

Public comment was heard from the following individual(s):

None

5. **Proposed Member Dues – Core Structure and Operations**

Wayne Clark, Executive Director gave an overview of the efforts being made in fund development, to include back up plans for sustaining CalMHSA Programs at a minimum, which included a breakdown of FTE . Committee members asked if this item required action, if so, they would not be comfortable recommending the item unless the positions identified included salary amounts. John Chaquica, Chief Operating Officer, indicated the item was informational, however appreciated the feedback as that would allow staff to make the necessary edits to the report.

Action: None, Information only.

Public comment was heard from the following individual(s):

None

6. **CalMHSA Annual Revenue and Expenditure Report – June 30, 2016**

Kim Santin, Finance Director, referred to page 53 of the packet, and did a thorough review of the proposed budget. Members asked questions and proposed staff add some clarification on what the columns mean.

Action: None, Information only.

Public comment was heard from the following individual(s):

None

7. **CalMHSA Financial Audit Engagement Letter**

Kim Santin, Finance Director, received a proposal/agreement from James Marta and Company to extend the length of the contract to June 30, 2015 in an effort to complete the audit. A recommendation was to extend the agreement for one year, however confirming an RFP would be required for the following year.

Action: Approval of Audit Engagement Letter with James Marta & Company for the year ended June 30, 2015.

Motion: Tom Sherry, Sutter/Yuba County

Seconded: Tanya Bratton, San Bernardino County

Public comment was heard from the following individual(s):

None

8. Finance Committee Membership

Ms. Utecht announced there were many members terming out this year and asked if any current committee member was interested in continuing on for another two year term. Hearing no interest, Maureen Bauman, CalMHSA President, Ex Officio, asked staff to provide a list of potential committee members to the CalMHSA President and Treasure so they may reach out to potential committee members.

Action: Action: None, Information only.

Public comment was heard from the following individual(s):

None

9. Finance Committee Teleconference Meetings for Fiscal Year 2015-2016

Kim Santin presented a calendar of meeting dates for the FY 2015-16. She indicated the dates are on Mondays 3:00pm to 4:00pm and correlate with important events that need action throughout the year.

Action: Approval of the Proposed Finance Committee Teleconference Calendar for Fiscal Year 2015-2016

Motion: Tom Sherry, Sutter/Yuba County

Seconded: Tanya Bratton, San Bernardino County

Public comment was heard from the following individual(s):

None

10. General Public Comment

This time is reserved for members of the public to address the Committee relative to matters of CalMHSA not on the agenda. No action may be taken on non-agenda items unless authorized by law. Comments will be limited to three minutes per person and twenty minutes in total. The Committee may also limit public comment time regarding agenda items, if necessary, due to a lengthy agenda.

Public comment was heard from the following individual(s):

None

11. Closing Comments

Dawan Utecht, Fresno County, Treasurer, asked for any closing comments.

12. Adjournment

Hearing no further comments, the meeting was adjourned at 4:01 p.m.

Treasurer's Report

As of June 30, 2015

	Book Balance	Market Value	Effective Yield
Local Agency Investment Fund	\$13,968,135	\$13,973,387	0.30%
Morgan Stanley – Money Trust	1,630	1,630	.010%
Cash with California Bank & Trust	245,647	245,647	0.00%
Total Cash and Investments	\$14,215,412	\$14,220,664	0.29%


Attached are the Local Agency Investment Fund (LAIF) and Morgan Stanley Smith Barney statements detailing all investment transactions.

The LAIF market value was derived by applying the June 2015 fair value factor of 1.000375979 to the book balance.

I certify that this report reflects all cash and investments and is in conformance with the Authority's Investment Policy. The investment program herein shown provides sufficient cash flow liquidity to meet the Authority's expenditures for the next six (6) months.

Respectfully submitted,

Accepted,



Kim Santin, Finance Director

Dawan Utecht, Treasurer

Local Agency Investment Fund
 P.O. Box 942809
 Sacramento, CA 94209-0001
 (916) 653-3001

www.treasurer.ca.gov/pmia-laif/laif.asp
 May 08, 2015

CALIFORNIA MENTAL HEALTH SERVICES
 AUTHORITY
 STAFF
 3043 GOLD CANAL DRIVE, SUITE 200
 RANCHO CORDOVA, CA 95670

PMIA Average Monthly Yields

Account Number:

Tran Type Definitions

April 2015 Statement

Effective Date	Transaction Date	Tran Type	Tran Confirm Number	Authorized Caller	Amount
4/10/2015	4/9/2015	RW	1463041	KIM SANTIN	-1,620,000.00
4/15/2015	4/14/2015	QRD	1463995	SYSTEM	6,753.46

Account Summary

Total Deposit:	6,753.46	Beginning Balance:	15,831,381.63
Total Withdrawal:	-1,620,000.00	Ending Balance:	14,218,135.09

Local Agency Investment Fund
P.O. Box 942809
Sacramento, CA 94209-0001
(916) 653-3001

www.treasurer.ca.gov/pmia-laif/laif.asp
June 09, 2015

CALIFORNIA MENTAL HEALTH SERVICES
AUTHORITY
STAFF
3043 GOLD CANAL DRIVE, SUITE 200
RANCHO CORDOVA, CA 95670

PMIA Average Monthly Yields

Account Number:

Tran Type Definitions

May 2015 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Authorized Caller	Amount
5/14/2015	5/13/2015	RW	1467745	KIM SANTIN	-1,000,000.00

Account Summary

Total Deposit:	0.00	Beginning Balance:	14,218,135.09
Total Withdrawal:	-1,000,000.00	Ending Balance:	13,218,135.09

Local Agency Investment Fund
P.O. Box 942809
Sacramento, CA 94209-0001
(916) 653-3001

www.treasurer.ca.gov/pmia-laif/laif.asp
July 07, 2015

CALIFORNIA MENTAL HEALTH SERVICES
AUTHORITY
STAFF
3043 GOLD CANAL DRIVE, SUITE 200
RANCHO CORDOVA, CA 95670

PMIA Average Monthly Yields

Account Number:

Tran Type Definitions

June 2015 Statement

Effective Date	Transaction Date	Tran Type	Tran Confirm Number	Authorized Caller	Amount
6/12/2015	6/11/2015	RW	1469685	KIM SANTIN	-2,150,000.00
6/29/2015	6/26/2015	RD	1470783	KIM SANTIN	2,900,000.00

Account Summary

Total Deposit:	2,900,000.00	Beginning Balance:	13,218,135.09
Total Withdrawal:	-2,150,000.00	Ending Balance:	13,968,135.09

Morgan Stanley

Account Detail

Consulting and Evaluation Services Active Assets Account

CALIFORNIA MENTAL HEALTH SERVICES AUTHORITY (PFM)
Nickname: PFM ACCT

Face Value Percentage of Assets %	Orig. Total Cost Adj. Total Cost	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income Accrued Interest	Current Yield %
2,365,000.000	\$2,464,590.15 \$2,373,377.65	\$2,373,679.55	\$301.90 LT	\$37,840.00 \$27,959.55	1.59%

TOTAL CORPORATE FIXED INCOME
(Incl. accr. int.) 98.9%

Percentage of Assets %	Total Cost	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income Accrued Interest	Current Yield %
100.0%	\$2,373,377.65	\$2,400,832.25	\$301.90 LT	\$37,842.72 \$27,959.55	1.56%

TOTAL MARKET VALUE

\$2,428,791.80

TOTAL VALUE (includes accrued interest)
Unrealized Gain/(Loss) totals only reflect positions that have cost basis and/or market value information available. Cash, MMF, Deposits and positions stating 'Please Provide' are not included.

ACTIVITY

INVESTMENT RELATED ACTIVITY

TAXABLE INCOME AND DISTRIBUTIONS

Date	Activity Type	Description	Comments	Credits/(Debits)
4/29	Dividend	MS ACTIVE ASSETS MONEY TRUST DIV PAYMENT		\$0.26

TOTAL TAXABLE INCOME AND DISTRIBUTIONS

TOTAL OTHER DIVIDENDS

\$0.26
\$0.26

CASH RELATED ACTIVITY

OTHER CREDITS AND DEBITS

Date	Activity Type	Description	Comments	Credits/(Debits)
4/15	Service Fee Adj	2ND QTR ADVISORY FEE		\$248.87
4/21	Service Fee	1ST QTR ADVISORY FEE *		(978.19)
4/21	Service Fee	1ST QTR ADVISORY FEE *		(639.01)

TOTAL OTHER CREDITS AND DEBITS

TOTAL OTHER DEBITS

\$(1,368.33)
\$(1,368.33)

CLIENT STATEMENT | For the Period May 1-31, 2015

Account Detail

Consulting and Evaluation Services Active Assets Account

CALIFORNIA MENTAL HEALTH SERVICES AUTHORITY (PFM)
 Nickname: PFM ACCT

Percentage of Assets	Face Value	Orig Total Cost Adj Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income Accrued Interest	Current Yield %
	2,385,000.000	\$2,464,590.15	\$2,367,861.65	\$(52.31) LT	\$37,840.00	1.60%
98.9%		\$2,367,913.96	\$2,402,338.09		\$34,476.44	
TOTAL CORPORATE FIXED INCOME (incl.accr.int.)						
Percentage of Assets	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income Accrued Interest	Current Yield %	
	\$2,367,913.96	\$2,394,814.94	\$(52.31) LT	\$37,842.70	1.56%	
100.0%		\$2,428,291.38		\$34,476.44		
TOTAL MARKET VALUE						
TOTAL VALUE (includes accrued interest)						

Unrealized Gain/(Loss) totals only reflect positions that have cost basis and/or market value information available. Cash, MMF, Deposits and positions stating 'Please Provide' are not included.

ACTIVITY

INVESTMENT RELATED ACTIVITY

TAXABLE INCOME AND DISTRIBUTIONS

Date	Activity Type	Description	Comments
5/28	Dividend	MS ACTIVE ASSETS MONEY TRUST	
		DIV PAYMENT	

TOTAL TAXABLE INCOME AND DISTRIBUTIONS

TOTAL OTHER DIVIDENDS

CASH RELATED ACTIVITY

OTHER CREDITS AND DEBITS

Date	Activity Type	Description	Comments
5/21	Service Fee	2ND QTR ADVISORY FEE *	

TOTAL OTHER CREDITS AND DEBITS

TOTAL OTHER DEBITS

Credits/(Debits)
\$0.25

\$0.25

\$0.25

Credits/(Debits)
\$(199.66)

\$(199.66)

\$(199.66)

Morgan Stanley

Account Detail

Active Assets Account

CALIFORNIA MENTAL HEALTH SERVICES AUTHORITY (PFM)
Nickname: PFM ACCT

ACTIVITY

INVESTMENT RELATED ACTIVITY

PURCHASES, DIVIDEND REINVESTMENTS, SALES AND REDEMPTIONS

Trade Date	Settlement Date	Activity Type	Description	Quantity	Price	Credits/Debits
6/17	6/17	Redemption	TOYOTA MOTOR 3200 15JN17	2,365,000.000	\$100.0000	\$2,365,000
			REDEMPTION OF MATURED BOND CUSIP: 89233P4B9			\$2,365,000

TOTAL PURCHASES, DIVIDEND REINVESTMENTS, SALES AND REDEMPTIONS

TOTAL SALES AND REDEMPTIONS

TAXABLE INCOME AND DISTRIBUTIONS

Date	Activity Type	Description	Credits/Debits
6/17	Interest Income	TOYOTA MOTOR 3200 15JN17	\$37.8
6/29	Dividend	MS ACTIVE ASSETS MONEY TRUST DIV PAYMENT	\$37.8

TOTAL TAXABLE INCOME AND DISTRIBUTIONS

TOTAL OTHER DIVIDENDS

TOTAL INTEREST

CASH RELATED ACTIVITY

ELECTRONIC TRANSFERS

Check disbursements from branch offices are displayed as Electronic Transfers.

Date	Activity Type	Description	Credits/Debits
6/25	Funds Transferred	WIRED FUNDS SENT	\$(2,428,000)

TOTAL ELECTRONIC TRANSFERS

TOTAL ELECTRONIC TRANSFERS-DEBITS

OTHER CREDITS AND DEBITS

Date	Activity Type	Description	Credits/Debits
6/23	Service Fee Adj	ADVISORY FEE REBATE	\$2
6/23	Service Fee	ADVISORY FEE REBATE	(2)
6/25	Service Fee	2ND QTR ADVISORY FEE *	(2)

TOTAL OTHER CREDITS AND DEBITS

TOTAL OTHER DEBITS

TOTAL OTHER DEBITS

TOTAL OTHER DEBITS



**JOHN CHIANG
TREASURER
STATE OF CALIFORNIA**



PMIA Performance Report

LAIF Performance Report

Date	Daily Yield*	Quarter to Date Yield	Average Maturity (in days)
07/02/15	0.32	0.32	245
07/03/15	0.32	0.32	244
07/04/15	0.32	0.32	244
07/05/15	0.32	0.32	244
07/06/15	0.32	0.32	243
07/07/15	0.32	0.32	240
07/08/15	0.32	0.32	239
07/09/15	0.32	0.32	238
07/10/15	0.32	0.32	239
07/11/15	0.32	0.32	239
07/12/15	0.32	0.32	239
07/13/15	0.32	0.32	238
07/14/15	0.32	0.32	237
07/15/15	0.32	0.32	238

Quarter Ending 06/30/15

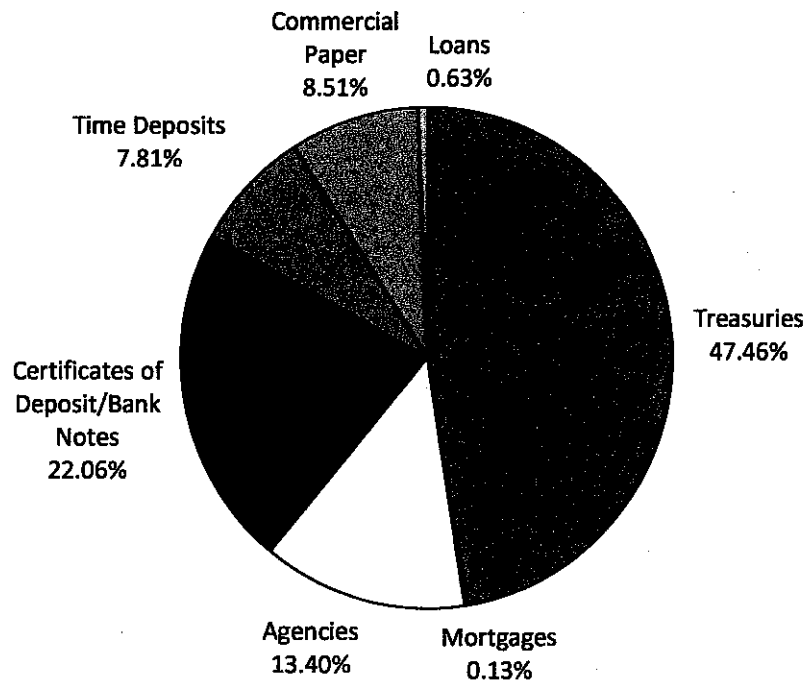
Apportionment Rate: 0.28%
 Earnings Ratio: 0.00000776875573384
 Fair Value Factor: 1.000375979
 Daily: 0.31%
 Quarter to Date: 0.29%
 Average Life: 239

**PMIA Average Monthly
Effective Yields**

JUN 2015 0.299%
 MAY 2015 0.290%
 APR 2015 0.283%

*Daily yield does not reflect capital gains or losses

**Pooled Money Investment Account
Portfolio Composition
\$69.6 billion
6/30/15**



Letters of Acknowledgement

County	PHASE I FUNDING FY 14-15 Funding		Date Payment Received	PHASE I Funding Received	Comments	PHASE II FUNDING FY 15-16 LOA Rcvd & Funding Projected		Date Payment Received	PHASE II Funding Received FY 15-16	Comments	FY 16-17 LOA Rcvd & Funding Projected (Phase II)		Date Payment Received	PHASE II Funding Received FY 16-17	Comments
	\$	%				\$	%				\$	%			
Alameda County	\$ 380,240.00	4%				\$ 342,215.00	3%		\$		\$ 290,883.00	3%		\$	
*Alpine County															
*Amador County	\$ 8,000.00	4%	8/12/2014	\$ 8,000.00											
Butte County	\$ 15,000.00	2%	6/18/2015	\$ 15,000.00											
*Calaveras County	\$ 2,693.64	1%	2/25/2014	\$ 2,694.00											
City of Berkeley															
Colusa County	\$ 11,413.72	7%	7/10/2014	\$ 11,414.00											
Contra Costa County															
Del Norte County															
El Dorado County															
Fresno County	\$ 550,974.00	7%	8/19/2014	\$ 455,864.00											
Glenn County	\$ 8,800.00	5%	9/22/2014	\$ 8,800.00		\$ 12,536.00	3%	5/27/2015	\$ 12,536.00		\$ 13,493.00	3%	5/27/2015	\$ 13,493.00	
Humboldt County					BOD in January/feb										
Imperial County	\$ 48,915.00	4%	5/7/2015	\$ 48,915.00	BOD approved P1 on 1/6/2015	\$ 48,915.00	4%				\$ 48,915.00	4%			
Inyo County															
Kern County	\$ 120,019.19	2%				\$ 120,019.19	2%				\$ 120,019.19	2%			
Kings County	\$ 48,915.50	5%	7/10/2014	\$ 48,916.00		\$ 48,373.00	5%	7/21/2015	\$ 48,373.00		\$ 48,373.00	5%			
Lake County	\$ 27,027.69	7%	7/11/2014	\$ 27,028.00											
Lassen County															
Los Angeles County															
Madera County						\$ 15,200.00	2%	7/23/2015	\$12,200		\$ 15,000.00	2%			
Marin County	\$ 101,536.00	7%	10/8/2014	\$ 101,536.00		\$ 75,000.00	5%				\$ 75,000.00	5%			
Mariposa County	\$ 11,413.72	7%	7/30/2014	\$ 11,414.00											
Mendocino County	\$ 5,348.14	1%	8/7/2014	\$ 5,348.00		\$ 7,180.00	1%				\$ 8,625.00	1%			
*Merced County	\$ 40,000.00	4%	8/5/2014	\$ 40,000.00											
Modoc County	\$ 6,522.13	4%	7/10/2014	\$ 6,522.00		\$ 6,522.00	4%				\$ 6,522.00	4%			
Mono County															
Monterey County	\$ 208,460.20	7%	7/30/2014	\$ 208,460.00		\$ 252,000.00	7%				\$ 252,000.00	7%			
Napa County	\$ 10,551.00	1%	4/15/2015	\$ 10,551.00		\$ 9,391.00	1%				\$ 10,471.00	1%			
Nevada County															
Orange County	\$ 900,000.00	4%	4/27/2015	\$ 900,000.00		\$ 900,000.00	4%				\$ 900,000.00	4%			
Placer County	\$ 162,000.00	6%	10/3/2014	\$ 162,000.00		\$ 162,000.00	6%				\$ 162,000.00	6%			
*Plumas County	\$ 20,000.00	7%	7/8/2015	\$ 20,000.00		\$ 25,000.00	7%				\$ 25,000.00	7%			
Riverside County	\$ 494,695.00	4%	10/14/2014	\$ 482,953.00		\$ 516,058.00	4%				\$ 526,379.00	4%			
Sacramento County	\$ 460,302.00	5%	7/16/2014	\$ 460,302.00		\$ 342,486.00	3%	7/21/2015	\$ 342,486.00						
San Benito County															
San Bernardino County	\$ 561,894.23	4%	7/30/2014	\$ 561,894.00		\$ 561,894.00	4%				\$ 561,894.00	4%			
San Diego County	\$ 650,000.00	3%	11/25/2014	\$ 650,000.00		\$ 650,000.00	3%								
San Francisco City And County	\$ 100,000.00	2%	7/22/2014	\$ 100,000.00		\$ 100,000.00	2%	7/15/2015	\$ 100,000.00		\$ 100,000.00	2%			
San Joaquin County	\$ 174,662.54	4%	1/8/2015	\$ 174,663.00		\$ 174,662.54	4%		verbal commitment		\$ 174,662.54	4%		verbal commitment	
San Luis Obispo County	\$ 67,308.34	4%	9/3/2014	\$ 67,308.00		\$ 67,308.00	4%				\$ 67,308.00	4%			
San Mateo County	\$ 85,139.00	2%				\$ 90,508.00	2%				\$ 95,965.00	2%			
Santa Barbara County															
Santa Clara County	\$ 502,699.41	4%	6/16/2015	\$ 502,699.00		\$ 550,000.00	4%								
Santa Cruz County															
Shasta County	\$ 11,485.46	1%	1/5/2015	\$ 11,485.00		\$ 11,485.00	1%				\$ 11,485.00	1%			
*Sierra County															
Siskiyou County	\$ 11,674.61	5%	10/7/2014	\$ 11,674.00											
Solano County	\$ 54,922.00	2%	1/27/2015	\$ 54,922.00		\$ 53,930.00	2%				\$ 60,611.00	2%			
Sonoma County	\$ 57,355.58	2%	3/23/2015	\$ 57,356.00		\$ 109,000.00	4%								
Stanislaus County	\$ 232,931.00	7%	8/15/2014	\$ 232,931.00		\$ 90,000.00	1%								
Sutter/Yuba County	\$ 39,185.00	4%	6/26/2014	\$ 39,185.00		\$ 39,185.00	4%				\$ 39,185.00	4%			3/30/15 Patrick Larrigan - intend to fund
*Tehama County															
Tri-City Mental Health Center	\$ 13,324.70	1%	9/25/2014	\$ 13,325.00		\$ 14,852.00	1%				\$ 15,181.00	1%			
Trinity County	\$ 6,522.13	6%	7/21/2014	\$ 6,522.13		\$ 10,000.00	4%				\$ 10,000.00	4%			
Tulare County	\$ 31,443.17	1%	7/22/2014	\$ 31,443.00		\$ 31,443.17	1%	4/27/2015	\$ 31,443.17		\$ 31,443.17	1%	4/24/2015	\$ 31,443.17	
Tuolumne County	\$ 15,750.94	5%	7/9/2014	\$ 15,751.00		\$ 16,715.00	5%	5/20/2015	\$ 16,715.00		\$ 16,715.00	5%	5/20/2015	\$ 16,715.00	
Ventura County	\$ 55,000.00	1%	9/23/2014	\$ 55,000.00		\$ 52,500.00	1%				\$ 53,500.00	1%			
Yolo County	\$ 70,000.00	5%	9/17/2014	\$ 70,000.00											
TOTAL	\$ 6,384,125.04	4%				\$ 5,506,377.90	3%		\$ 563,753.17		\$ 3,740,629.90	3%		\$ 61,651.17	
Balance Due				\$ 692,249.91					\$ 4,942,624.73					\$ 3,678,978.73	

KEYS
BLUE = PHASE I FY 14-15
GREEN = PHASE II FY 15-16
PURPLE = PHASE II FY 16-17
ORANGE = HAS IDENTIFIED FUNDING FOR SPECIFIC PROGRAM
RED = VERBAL COMMITMENT

Agenda Item 4

SUBJECT: CASH FLOW MANAGEMENT

ACTION FOR CONSIDERATION:

For Information and discussion.

BACKGROUND AND STATUS:

CalMHSA is finalizing the Program Partner Agreements related to the initial Prevention and Early Intervention contracts and Phase I. Historically, CalMHSA has held adequate balances of cash and investments. Cash balances are decreasing as we payout on the contract obligations. After the July cash disbursements, our cash balance is \$13.5 million. Approximately \$9 million is obligated for Phase I contracts and will be expended in the next six months. CalMHSA has currently received \$160,000 for Phase II, which is substantially less than the approved contract amounts. Cash Management is becoming a priority for CalMHSA, therefore becoming a regular item in the agenda. As such, staff is proposing to add meeting dates to the Finance Committee calendar for Cash Flow updates. CalMHSA's current priority is to collect Phase II funds from counties early in this fiscal year.

We received 38% of the Phase I LOA funding from counties by September 30, 2014.

Amount from Phase I remaining to be collected is \$692,249.91

FISCAL IMPACT:

None.

RECOMMENDATION:

For Information and discussion.

TYPE OF VOTE REQUIRED:

Majority vote.

REFERENCE MATERIAL ATTACHED:

- None.

Agenda Item 5

SUBJECT: CALMHSA ANNUAL REVENUE AND EXPENDITURE REPORT – BUDGET JUNE 30, 2016 – PROPOSED REVISION

ACTION FOR CONSIDERATION:

Approve proposed revision to adopted budget.

BACKGROUND AND STATUS:

The CalMHSA Board of Directors adopted the annual budget at their June 2015 meeting. Since adoption of the budget, staff has proposed the revisions below.

Total unexpended funds/ Reserves – adopted budget June 30, 2016	\$2,428,385
Proposed Revisions:	
Plumas County Contract - \$1,000,000 over 2 years	1,000,000
Allocation for General and Admin costs Plumas County	75,000
Funding to NAMI	(200,000)
Plumas County Expenditures – 1 st year	(500,000)
Proposed Consultant Agreements	<u>(82,000)</u>
(Two contracts at maximum of \$36,000 and one contract to \$10,000)	
Revised Unexpended Funds/ Reserves at June 30, 2016	<u>\$2,721,385</u>

FISCAL IMPACT:

Increase Reserves as of June 30, 2016 by \$293,000

RECOMMENDATION:

Approve proposed revision to adopted budget.

TYPICAL OF VOTE REQUIRED:

Majority vote.

REFERENCE MATERIALS ATTACHED:

- CalMHSA Annual Revenue and Expenditure Report – Proposed Budget Revisions for June 30, 2016

California Mental Health Services Authority
Annual Revenue and Expenditure Report - Proposed Budget
June 30, 2016

	Approved budget 2014/15	Current Year 2014/15 Projected Actuals	Adopted Budget 2015/16	Proposed Revised 2015/16	A Proposed Revised 2015/16	B Known Additional Funding	C Potential Funding	D Potential Funding	E Potential Funding	F Research and Development	Sum of A to F Total
Revenue to CalMHSA 2015/2016						Plumas County	SAMHSA	Los Angeles	Drug Medical	TBD	
Phase 1 - Sustainability Contributions FY 15-16	12,895,000	6,133,998	-	-	-	-	-	-	-	-	-
Phase 2 - Sustainability Contributions FY 15-16	-	-	4,820,775	4,820,775	4,820,775	-	-	-	-	-	-
Statewide Hospital Beds	450,000	438,642	438,642	438,642	438,642	-	-	-	-	-	-
Proposed Contract Beds	-	-	-	-	-	-	-	-	-	-	-
Total Revenue to CalMHSA 2015/16	13,345,000	6,572,640	5,259,417	5,259,417	5,259,417	1,000,000	-	-	-	-	6,259,417
Transfer of Funds to Programs	2,939,997	-	-	-	-	-	-	-	-	-	-
Total Funds Available 2015/16	16,284,997	6,572,640	5,259,417	5,259,417	5,259,417	1,000,000	-	-	-	-	6,259,417
Expenditures											
PEI Program Services	42,676,123	29,486,266	8,099,737	200,000.00	8,299,737	425,000	-	-	-	-	8,724,737
WELI Program Expenditures	-	148,470	-	-	-	-	-	-	-	-	-
ITALB Contract	-	89,597	120,000	-	120,000	-	-	-	-	-	120,000
State Hospital Beds	450,080	143,551	438,422	-	438,422	-	-	-	-	-	438,422
Short Doyle Fiscal Pilot	248,703	21,134	210,527	-	210,527	-	-	-	-	-	210,527
Total Program Services Expenditures	43,374,906	29,889,018	8,868,686	200,000	9,068,686	425,000	-	-	-	-	9,493,686
General and Administrative Expenses											
General & Administrative Staffing	-	-	-	(75,000)	(75,000)	75,000	-	-	-	-	-
Legal	-	113,578	322,407	-	322,407	-	-	-	-	-	322,407
Travel & Meetings	-	60,000	21,500	-	21,500	-	-	-	-	-	21,500
Other Contracts	-	40,000	17,000	-	17,000	-	-	-	-	-	17,000
Insurance	-	40,000	20,000	-	20,000	-	-	-	-	82,000	102,000
Financial Audit	-	31,431	35,000	-	35,000	-	-	-	-	-	35,000
	-	15,000	25,000	-	25,000	-	-	-	-	-	25,000
Total General And Administrative Expenditures	3,155,583	960,009	440,907	(75,000)	365,907	75,000	-	-	-	82,000	522,907
Total Expenditures	46,530,489	30,849,027	9,309,593	125,000	9,434,593	500,000	-	-	-	82,000	10,016,593
Net Increase/(Decrease) Unexpended funds (1)-(2)	(30,245,492)	(24,276,388)	(4,050,177)	(125,001)	(4,175,177)	500,000	-	-	-	(82,000)	(3,757,176)
Total Unexpended Funds Available from Prior Fiscal Years	34,016,422	30,754,949	6,478,561	-	6,478,561	-	-	-	-	-	6,478,561
Total Unexpended Funds/Reserves - June 30, 2016	3,770,930	6,478,561	2,428,384	(125,001)	2,303,384	500,000	-	-	-	(82,000)	2,721,385
Funds Restrictd for Run out of JPA Operations	-	790,000	650,000	-	650,000	-	-	-	-	-	650,000
Restricted Program Obligations	-	4,191,696	681,369	-	681,369	-	-	-	-	-	681,369
Restricted for Plumas County Contract	-	-	-	-	-	-	-	-	-	-	500,000
Contingency for Phase 1 Funds not collected (Committed vs. Collected)	-	1,243,865	1,097,016	-	972,015	-	-	-	-	-	890,016
Prudent Reserve	3,770,930	253,000	-	-	-	-	-	-	-	-	-
Total Unexpended Funds/Reserves	3,770,930	6,478,561	2,428,385		2,303,384						2,721,385

Total Unexpended Funds/Reserves - June 30, 2016	2,428,385
Proposed Revisions to Adopted Budget	
Plumas County Contract - \$1,000,000 over 2 years	1,000,000
Allocation for G&A from Plumas County Contract	75,000
Funding to NAMI	(200,000)
Plumas County Expenditures	(500,000)
Proposed consultant agreements	(82,000)
	2,721,385

2 @ \$36k 8

Agenda Item 6

SUBJECT: CALMHSA INVESTMENT UPDATE – FINAL PERFORMANCE AND INCOME UPDATE

RECOMMENDATION:

None, information only.

BACKGROUND AND STATUS:

John Liddle, Morgan Stanley Smith Barney, has prepared a report on the results of CalMHSA investments. All investment have matured and transferred to LAIF. MSSB reviews PFM's performance and stability on an ongoing basis while meeting CalMHSA's cash flow needs.

PFM was initially tasked with:

1. Maintaining safety of principle
2. Meeting liquidity need
3. Meeting market rate of return
4. Investing according to the CalMHSA Investment Policy
5. MSSB had prepared a final report for investment performance.

FISCAL IMPACT:

None, Information only.

RECOMMENDATION:

None, Information only.

TYPE OF VOTE REQUIRED:

Majority vote.

REFERENCE MATERIALS ATTACHED:

- Account – Executive Summary – Report to come from MSSB.

Performance and Income, through 6/30/15

Prepared on July 20, 2015

Prepared For: **CalMHSA Finance Committee, July 27, 2015**

Account No. 178-116821

John T Liddle

Financial Advisor

Senior Vice President

Tel: +1 916 567-2030

John.T.Liddle@morganstanley.com

Your Branch:

400 CAPITOL MALL, SUITE 1900
SACRAMENTO, CA 95814

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ACCOUNT(S) INCLUDED IN THIS REPORT

Account No. 178-116821

Reporting Currency: USD

ACCOUNT(S) DETAIL

Account Name and Address	Account Type	Advisory/Brokerage	Account Number	Date Opened	Date Closed
PFM ACCT 3043 GOLD CANAL DRIVE SUITE 200 RNCHO CORDOVA	AAA	Brokerage	178-116821	06/03/11	

Account No. 178-116821

As of June 30, 2015 | Reporting Currency: USD

CASH, MMF AND BANK DEPOSITS

Security Description	Quantity	Average Unit Cost / Total Cost	Price	Total Value	Unrealized Gain/Loss	Current Yield / Yield to Cost	% of Portfolio
MS ACTIVE ASSETS MONEY TRUST	1,629.80	-	\$1.00	\$1,629.80	-	-	100.00%
		-				0.00%	
<i>AAMT, Cusip: 004940102</i>							
Cash, MMF and Bank Deposits Total	-	-		\$1,629.80	-		100.00%
TOTAL PORTFOLIO	-	-		\$1,629.80	-		100.00%

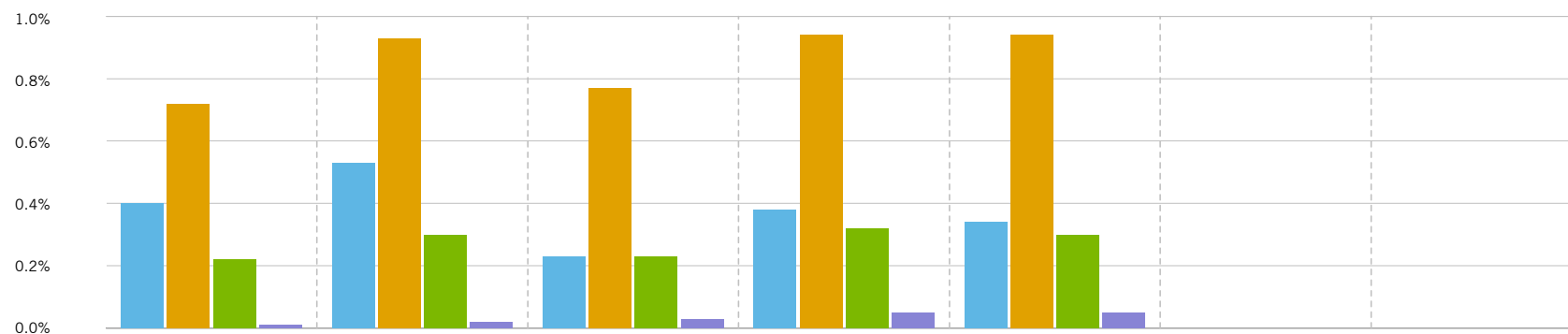
Unrealized Gain/Loss value does not reflect interest and dividend accruals. For mutual funds and ETFs, Asset Allocations are based on the fund's asset allocation objectives. Other category generally includes securities which cannot be categorized by Sectors such as mutual funds, Exchange Traded Funds and Unit Investment Trusts.

TIME WEIGHTED PERFORMANCE SUMMARY

Account No. 178-116821

As of June 30, 2015 | Reporting Currency: USD

RETURN % (GROSS AND NET OF FEES) VS. BENCHMARKS



	Year to Date 12/31/14 - 06/30/15	Last 12 Months 06/30/14 - 06/30/15	Previous Year 12/31/13 - 12/31/14	Last 3 Years 06/30/12 - 06/30/15	Performance Inception 06/09/11 - 06/30/15
Beginning Total Value	\$18,686,450.22	\$44,220,757.74	\$62,013,890.58	\$91,523,459.08	\$41,500,000.00
Net Contributions/Withdrawals	-18,688,000.00	-44,242,700.00	-43,404,700.00	-92,045,047.00	-42,218,897.00
Investment Earnings	3,179.58	23,572.06	77,259.64	523,217.72	720,526.80
Ending Total Value	\$1,629.80	\$1,629.80	\$18,686,450.22	\$1,629.80	\$1,629.80
Return % (Gross of Fees)	0.52	0.74	0.41	0.56	0.48
Return % (Net of Fees)	0.40	0.53	0.23	0.38	0.34
BC Gov/Cr 1-3 Yr	0.72	0.93	0.77	0.94	0.94
Citi TSY 1 Yr	0.22	0.30	0.23	0.32	0.30
90-Day T-Bills	0.01	0.02	0.03	0.05	0.05

The investment returns shown on this page are time-weighted measurements which exclude the effect of the timing and amount of your contributions and withdrawals.

Account No. 178-116821

June 01, 2011 to June 30, 2015 | Reporting Currency: USD

CASH

Date	Security Description	Taxable Dividends & Income	Non Taxable Dividends & Income	Taxable Interest	Non Taxable Interest
07/05/11	LEGG MASON WA INST LIQUID RES A (CILXX) Cusip:52470G882	\$616.86	-	-	-
01/11/12	LEGG MASON WA US TSY RES INST (CIIXX) Cusip:52470G841	200.23	-	-	-
01/02/13	MS ACTIVE ASSETS MONEY TRUST (AAMT) Cusip:004940102	28.41	-	-	-
01/02/14	MS ACTIVE ASSETS MONEY TRUST (AAMT) Cusip:004940102	10.04	-	-	-
01/02/15	MS ACTIVE ASSETS MONEY TRUST (AAMT) Cusip:004940102	27.21	-	-	-
01/30/15	MS ACTIVE ASSETS MONEY TRUST (AAMT) Cusip:004940102	20.99	-	-	-
01/31/13	MS ACTIVE ASSETS MONEY TRUST (AAMT) Cusip:004940102	14.72	-	-	-
01/31/14	MS ACTIVE ASSETS MONEY TRUST (AAMT) Cusip:004940102	9.41	-	-	-
02/27/15	MS ACTIVE ASSETS MONEY TRUST (AAMT) Cusip:004940102	7.79	-	-	-
02/28/13	MS ACTIVE ASSETS MONEY TRUST (AAMT) Cusip:004940102	28.89	-	-	-
02/28/14	MS ACTIVE ASSETS MONEY TRUST (AAMT) Cusip:004940102	11.35	-	-	-
03/28/13	MS ACTIVE ASSETS MONEY TRUST (AAMT) Cusip:004940102	10.37	-	-	-
03/31/14	MS ACTIVE ASSETS MONEY TRUST (AAMT) Cusip:004940102	5.63	-	-	-
03/31/15	MS ACTIVE ASSETS MONEY TRUST (AAMT) Cusip:004940102	22.86	-	-	-
04/30/13	MS ACTIVE ASSETS MONEY TRUST (AAMT) Cusip:004940102	10.64	-	-	-
04/30/14	MS ACTIVE ASSETS MONEY TRUST (AAMT) Cusip:004940102	11.81	-	-	-
04/30/15	MS ACTIVE ASSETS MONEY TRUST (AAMT) Cusip:004940102	0.26	-	-	-
05/29/15	MS ACTIVE ASSETS MONEY TRUST (AAMT) Cusip:004940102	0.25	-	-	-
05/30/14	MS ACTIVE ASSETS MONEY TRUST (AAMT)	24.02	-	-	-

Non-Taxable dividends/interest are not subject to Federal income taxation but may be subject to the Alternative Minimum Tax and state and local taxation. This information is provided for informational purposes only and should not be used for tax preparation. The information reported on your Form(s) 1099 supersedes the information provided above and should be exclusively relied upon for tax preparation.

Account No. 178-116821

June 01, 2011 to June 30, 2015 | Reporting Currency: USD

CASH (CONTINUED)

Date	Security Description	Taxable Dividends & Income	Non Taxable Dividends & Income	Taxable Interest	Non Taxable Interest
	Cusip:004940102				
05/31/13	MS ACTIVE ASSETS MONEY TRUST (AAMT) Cusip:004940102	8.51	-	-	-
06/28/13	MS ACTIVE ASSETS MONEY TRUST (AAMT) Cusip:004940102	0.36	-	-	-
06/30/14	MS ACTIVE ASSETS MONEY TRUST (AAMT) Cusip:004940102	0.68	-	-	-
06/30/15	MS ACTIVE ASSETS MONEY TRUST (AAMT) Cusip:004940102	5.53	-	-	-
07/25/11	MS ACTIVE ASSETS MONEY TRUST (AAMT) Cusip:004940102	9.05	-	-	-
07/31/12	MS ACTIVE ASSETS MONEY TRUST (AAMT) Cusip:004940102	4.72	-	-	-
07/31/13	MS ACTIVE ASSETS MONEY TRUST (AAMT) Cusip:004940102	2.72	-	-	-
07/31/14	MS ACTIVE ASSETS MONEY TRUST (AAMT) Cusip:004940102	6.17	-	-	-
08/01/12	MS ACTIVE ASSETS MONEY TRUST (AAMT) Cusip:004940102	4.72	-	-	-
08/02/12	MS ACTIVE ASSETS MONEY TRUST (AAMT) Cusip:004940102	-4.72	-	-	-
08/08/11	MS ACTIVE ASSETS MONEY TRUST (AAMT) Cusip:004940102	4.61	-	-	-
08/29/14	MS ACTIVE ASSETS MONEY TRUST (AAMT) Cusip:004940102	0.58	-	-	-
08/30/13	MS ACTIVE ASSETS MONEY TRUST (AAMT) Cusip:004940102	23.76	-	-	-
08/31/11	MS ACTIVE ASSETS MONEY TRUST (AAMT) Cusip:004940102	1.64	-	-	-
08/31/12	MS ACTIVE ASSETS MONEY TRUST (AAMT) Cusip:004940102	15.69	-	-	-
09/19/11	MS ACTIVE ASSETS MONEY TRUST (AAMT) Cusip:004940102	29.20	-	-	-
09/28/12	MS ACTIVE ASSETS MONEY TRUST (AAMT) Cusip:004940102	5.93	-	-	-
09/30/13	MS ACTIVE ASSETS MONEY TRUST (AAMT) Cusip:004940102	25.17	-	-	-
09/30/14	MS ACTIVE ASSETS MONEY TRUST (AAMT)	62.92	-	-	-

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Account No. 178-116821

June 01, 2011 to June 30, 2015 | Reporting Currency: USD

CASH (CONTINUED)

Date	Security Description	Taxable Dividends & Income	Non Taxable Dividends & Income	Taxable Interest	Non Taxable Interest
10/31/13	Cusip:004940102 MS ACTIVE ASSETS MONEY TRUST (AAMT)	3.85	-	-	-
10/31/14	Cusip:004940102 MS ACTIVE ASSETS MONEY TRUST (AAMT)	0.95	-	-	-
11/02/12	Cusip:004940102 MS ACTIVE ASSETS MONEY TRUST (AAMT)	22.93	-	-	-
11/28/14	Cusip:004940102 MS ACTIVE ASSETS MONEY TRUST (AAMT)	0.81	-	-	-
11/29/13	Cusip:004940102 MS ACTIVE ASSETS MONEY TRUST (AAMT)	5.16	-	-	-
11/30/12	Cusip:004940102 MS ACTIVE ASSETS MONEY TRUST (AAMT)	18.14	-	-	-
Total Cash		\$1,320.82	-	-	-

FIXED INCOME & PREFERRED

Date	Security Description	Taxable Dividends & Income	Non Taxable Dividends & Income	Taxable Interest	Non Taxable Interest
05/15/12	BANK OF NEW YORK 4300 14MY15 Cusip:06406HBL2	-	-	\$59,340.00	-
05/15/13	BANK OF NEW YORK 4300 14MY15 Cusip:06406HBL2	-	-	59,340.00	-
05/15/14	BANK OF NEW YORK 4300 14MY15 Cusip:06406HBL2	-	-	59,340.00	-
11/15/12	BANK OF NEW YORK 4300 14MY15 Cusip:06406HBL2	-	-	59,340.00	-
11/15/13	BANK OF NEW YORK 4300 14MY15 Cusip:06406HBL2	-	-	59,340.00	-
03/13/13	COCA-COLA CO 0750 15MH13 Cusip:191216AX8	-	-	17,501.25	-
03/13/14	COCA-COLA CO 0750 15MH13 Cusip:191216AX8	-	-	17,501.25	-
03/13/15	COCA-COLA CO 0750 15MH13 Cusip:191216AX8	-	-	17,501.25	-
09/13/13	COCA-COLA CO 0750 15MH13 Cusip:191216AX8	-	-	17,501.25	-
09/15/14	COCA-COLA CO 0750 15MH13	-	-	17,501.25	-

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Account No. 178-116821

June 01, 2011 to June 30, 2015 | Reporting Currency: USD

FIXED INCOME & PREFERRED (CONTINUED)

Date	Security Description	Taxable Dividends & Income	Non Taxable Dividends & Income	Taxable Interest	Non Taxable Interest
	Cusip:191216AX8				
12/18/14	CRE SUISSE NY YCD 0510 14DE18 Cusip:22549TQD3	-	-	25,783.34	-
02/20/14	FHLB 0250 15FB20 Cusip:313381YP4	-	-	3,875.00	-
08/20/13	FHLB 0250 15FB20 Cusip:313381YP4	-	-	3,875.00	-
02/28/12	FHLB 0500 13AU28 Cusip:313374Y61	-	-	12,425.00	-
02/28/13	FHLB 0500 13AU28 Cusip:313374Y61	-	-	12,425.00	-
08/28/12	FHLB 0500 13AU28 Cusip:313374Y61	-	-	12,425.00	-
08/28/13	FHLB 0500 13AU28 Cusip:313374Y61	-	-	12,425.00	-
06/14/12	FHLB 3875 13JN14 Cusip:31339X2M5	-	-	91,837.50	-
06/14/13	FHLB 3875 13JN14 Cusip:31339X2M5	-	-	56,962.50	-
12/14/12	FHLB 3875 13JN14 Cusip:31339X2M5	-	-	91,837.50	-
04/30/12	FHLMC 0375 13OC30 Cusip:3137EACX5	-	-	9,356.25	-
04/30/13	FHLMC 0375 13OC30 Cusip:3137EACX5	-	-	9,356.25	-
10/30/12	FHLMC 0375 13OC30 Cusip:3137EACX5	-	-	9,356.25	-
10/30/13	FHLMC 0375 13OC30 Cusip:3137EACX5	-	-	9,356.25	-
01/15/13	FHLMC 4500 13JL15 Cusip:3134A4TZ7	-	-	105,750.00	-
07/15/13	FHLMC 4500 13JL15 Cusip:3134A4TZ7	-	-	105,750.00	-
07/16/12	FHLMC 4500 13JL15 Cusip:3134A4TZ7	-	-	105,750.00	-
01/15/13	FHLMC 5000 14JL15 Cusip:3134A4UU6	-	-	67,375.00	-
01/15/14	FHLMC 5000 14JL15	-	-	67,375.00	-

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Account No. 178-116821

June 01, 2011 to June 30, 2015 | Reporting Currency: USD

FIXED INCOME & PREFERRED (CONTINUED)

Date	Security Description	Taxable Dividends & Income	Non Taxable Dividends & Income	Taxable Interest	Non Taxable Interest
	Cusip:3134A4UU6				
07/15/13	FHLMC 5000 14JL15 Cusip:3134A4UU6	-	-	67,375.00	-
07/15/14	FHLMC 5000 14JL15 Cusip:3134A4UU6	-	-	67,375.00	-
07/16/12	FHLMC 5000 14JL15 Cusip:3134A4UU6	-	-	67,375.00	-
01/30/12	FHLMC MTN 1000 14JL30 Cusip:3137EACU1	-	-	19,436.67	-
01/30/13	FHLMC MTN 1000 14JL30 Cusip:3137EACU1	-	-	14,700.00	-
01/30/14	FHLMC MTN 1000 14JL30 Cusip:3137EACU1	-	-	14,700.00	-
07/30/12	FHLMC MTN 1000 14JL30 Cusip:3137EACU1	-	-	14,700.00	-
07/30/13	FHLMC MTN 1000 14JL30 Cusip:3137EACU1	-	-	14,700.00	-
07/30/14	FHLMC MTN 1000 14JL30 Cusip:3137EACU1	-	-	14,700.00	-
02/09/12	FNMA 0500 13AU09 Cusip:3135G0BR3	-	-	12,425.00	-
02/11/13	FNMA 0500 13AU09 Cusip:3135G0BR3	-	-	12,425.00	-
08/09/12	FNMA 0500 13AU09 Cusip:3135G0BR3	-	-	12,425.00	-
08/09/13	FNMA 0500 13AU09 Cusip:3135G0BR3	-	-	12,425.00	-
06/18/12	FNMA 0750 13DE18 Cusip:31398A5W8	-	-	21,037.50	-
06/18/13	FNMA 0750 13DE18 Cusip:31398A5W8	-	-	21,037.50	-
12/18/12	FNMA 0750 13DE18 Cusip:31398A5W8	-	-	21,037.50	-
12/18/13	FNMA 0750 13DE18 Cusip:31398A5W8	-	-	21,037.50	-
02/05/13	FNMA 2750 14FB05 Cusip:31398AVD1	-	-	38,843.75	-
02/05/14	FNMA 2750 14FB05	-	-	38,843.75	-

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June 01, 2011 to June 30, 2015 | Reporting Currency: USD

FIXED INCOME & PREFERRED (CONTINUED)

Date	Security Description	Taxable Dividends & Income	Non Taxable Dividends & Income	Taxable Interest	Non Taxable Interest
	Cusip:31398AVD1				
02/06/12	FNMA 2750 14FB05 Cusip:31398AVD1	-	-	38,843.75	-
08/05/13	FNMA 2750 14FB05 Cusip:31398AVD1	-	-	38,843.75	-
08/06/12	FNMA 2750 14FB05 Cusip:31398AVD1	-	-	38,843.75	-
03/13/12	FNMA 2750 14MH13 Cusip:31398AVZ2	-	-	8,662.50	-
03/16/12	FNMA 3000 14SP16 Cusip:31398AYY2	-	-	41,775.00	-
03/17/14	FNMA 3000 14SP16 Cusip:31398AYY2	-	-	41,775.00	-
03/18/13	FNMA 3000 14SP16 Cusip:31398AYY2	-	-	41,775.00	-
09/16/13	FNMA 3000 14SP16 Cusip:31398AYY2	-	-	41,775.00	-
09/16/14	FNMA 3000 14SP16 Cusip:31398AYY2	-	-	41,775.00	-
09/17/12	FNMA 3000 14SP16 Cusip:31398AYY2	-	-	41,775.00	-
04/15/13	FNMA 4125 14AP15 Cusip:31359MUT8	-	-	56,512.50	-
04/16/12	FNMA 4125 14AP15 Cusip:31359MUT8	-	-	56,512.50	-
10/15/12	FNMA 4125 14AP15 Cusip:31359MUT8	-	-	56,512.50	-
10/15/13	FNMA 4125 14AP15 Cusip:31359MUT8	-	-	56,512.50	-
03/17/14	GEN ELEC CAP CORP 4750 14SP15 Cusip:36962GK86	-	-	66,975.00	-
09/15/14	GEN ELEC CAP CORP 4750 14SP15 Cusip:36962GK86	-	-	66,975.00	-
09/16/13	GEN ELEC CAP CORP 4750 14SP15 Cusip:36962GK86	-	-	66,975.00	-
01/07/13	GENERAL ELEC CAP 2100 14JA07 Cusip:36962G4X9	-	-	30,922.50	-
07/09/12	GENERAL ELEC CAP 2100 14JA07	-	-	30,922.50	-

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FIXED INCOME & PREFERRED (CONTINUED)

Date	Security Description			Taxable Dividends & Income	Non Taxable Dividends & Income	Taxable Interest	Non Taxable Interest
	Cusip:36962G4X9						
03/04/13	JOHN DEERE CAP 1600 14MH03 Cusip:24422ERA9			-	-	18,200.00	-
03/05/12	JOHN DEERE CAP 1600 14MH03 Cusip:24422ERA9			-	-	18,200.00	-
09/03/13	JOHN DEERE CAP 1600 14MH03 Cusip:24422ERA9			-	-	18,200.00	-
09/04/12	JOHN DEERE CAP 1600 14MH03 Cusip:24422ERA9			-	-	18,200.00	-
06/01/12	JP MORGAN CHASE 4650 14JN01 Cusip:46625HHN3			-	-	64,983.75	-
06/03/13	JP MORGAN CHASE 4650 14JN01 Cusip:46625HHN3			-	-	64,983.75	-
12/02/13	JP MORGAN CHASE 4650 14JN01 Cusip:46625HHN3			-	-	64,983.75	-
12/03/12	JP MORGAN CHASE 4650 14JN01 Cusip:46625HHN3			-	-	64,983.75	-
12/04/12	MIZUHO CORP BK CD 0390 12DE03 Cusip:60687GP51			-	-	6,608.34	-
03/05/14	PEPSICO INC 0750 15MH05 Cusip:713448BX5			-	-	9,318.75	-
03/05/15	PEPSICO INC 0750 15MH05 Cusip:713448BX5			-	-	9,318.75	-
09/05/14	PEPSICO INC 0750 15MH05 Cusip:713448BX5			-	-	9,318.75	-
04/25/12	PEPSICO INC 0875 13OC25 Cusip:713448BQ0			-	-	21,656.25	-
04/25/13	PEPSICO INC 0875 13OC25 Cusip:713448BQ0			-	-	21,656.25	-
10/25/12	PEPSICO INC 0875 13OC25 Cusip:713448BQ0			-	-	21,656.25	-
10/25/13	PEPSICO INC 0875 13OC25 Cusip:713448BQ0			-	-	21,656.25	-
01/17/14	RYL BK CANADA YCD 0300 14AP17 Cusip:78009NMK9			-	-	3,627.78	-
04/23/14	RYL BK CANADA YCD 0300 14AP17 Cusip:78009NMK9			-	-	3,430.55	-
07/17/13	RYL BK CANADA YCD 0300 14AP17			-	-	3,884.73	-

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FIXED INCOME & PREFERRED (CONTINUED)

Date	Security Description	Taxable Dividends & Income	Non Taxable Dividends & Income	Taxable Interest	Non Taxable Interest
	Cusip:78009NMK9				
10/17/13	RYL BK CANADA YCD 0300 14AP17 Cusip:78009NMK9	-	-	3,629.17	-
03/20/13	STD CHARTD BK YCD 0470 13MH19 Cusip:85325BRY2	-	-	9,856.95	-
06/17/14	TOYOTA MOTOR 3200 15JN17 Cusip:89233P4B9	-	-	37,840.00	-
06/17/15	TOYOTA MOTOR 3200 15JN17 Cusip:89233P4B9	-	-	37,840.00	-
12/17/13	TOYOTA MOTOR 3200 15JN17 Cusip:89233P4B9	-	-	37,840.00	-
12/17/14	TOYOTA MOTOR 3200 15JN17 Cusip:89233P4B9	-	-	37,840.00	-
02/01/13	WACHOVIA CORP 5700 13AU01 Cusip:92976WBA3	-	-	142,500.00	-
06/02/14	WALT DISNEY CO 0875 14DE01 Cusip:25468PCQ7	-	-	17,500.00	-
06/03/13	WALT DISNEY CO 0875 14DE01 Cusip:25468PCQ7	-	-	17,500.00	-
12/02/13	WALT DISNEY CO 0875 14DE01 Cusip:25468PCQ7	-	-	17,500.00	-
12/02/14	WALT DISNEY CO 0875 14DE01 Cusip:25468PCQ7	-	-	17,500.00	-
12/03/14	WALT DISNEY CO 0875 14DE01 Cusip:25468PCQ7	-	-	17,500.00	-
12/04/14	WALT DISNEY CO 0875 14DE01 Cusip:25468PCQ7	-	-	-17,500.00	-
02/13/14	WELLS FARGO & CO 1250 15FB13 Cusip:94974BFA3	-	-	25,000.00	-
02/13/15	WELLS FARGO & CO 1250 15FB13 Cusip:94974BFA3	-	-	25,000.00	-
08/13/13	WELLS FARGO & CO 1250 15FB13 Cusip:94974BFA3	-	-	25,000.00	-
08/13/14	WELLS FARGO & CO 1250 15FB13 Cusip:94974BFA3	-	-	25,000.00	-
12/10/13	WESTPAC BKG YCD 0380 13DE03 Cusip:96121TRH3	-	-	19,263.89	-
01/22/13	WESTPAC BKG YCD 0730 13JA22	-	-	37,006.95	-

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FIXED INCOME & PREFERRED (CONTINUED)

Date	Security Description	Taxable Dividends & Income	Non Taxable Dividends & Income	Taxable Interest	Non Taxable Interest
	Cusip:96121TLK2				
Total Fixed Income & Preferreds		-	-	\$3,567,249.62	-
Total		\$1,320.82	-	\$3,567,249.62	-

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DISCLOSURES

Explanatory Notes and Disclosures: This document is designed to assist you and your Financial Advisor in understanding portfolio positions, composition and subsets thereof. It is designed solely for your individual use, is for informational purposes only and is not intended as an offer or solicitation with respect to the purchase or sale of any security. Do not take action relying on this information without confirming its accuracy and completeness. Please read carefully all accompanying notes and disclosures provided in this Document.

For convenience purposes, your Financial Advisor may have assigned a designated name for this Document. The list of the accounts covered in this document is noted herein and may not include all of your accounts with us. Furthermore, the information included in this document may not include all asset classes/securities held by you at the firm. Please review this document carefully and discuss any questions you may have with your Financial Advisor. If you do not understand an entry, suspect an error, or want more details on current values or other information, contact your Financial Advisor. This document is based upon your Morgan Stanley account holdings and may include other holdings/information that you or a third party provided about assets custodied elsewhere. Morgan Stanley will not verify any other holdings/information. If any information reflects assets held away from Morgan Stanley, that will be indicated. The information contained in this document is subject to, and does not supersede the confirmations and account statements you receive from us. Values shown in your official account statement may differ from the values shown in this document due to, among other things, different reporting methods, delays, market conditions and interruptions. If there are discrepancies between your official account statement and this document, rely on your official account statement.

The information in this document is approximate and subject to updating, correction and other changes. We are not obligated to notify you if information changes. Although the statements of fact and data in this document have been obtained from, and are based upon sources that we believe to be reliable, we do not guarantee their accuracy, or timeliness, and any such information may be incomplete or condensed. Percentage values shown in this document are subject to rounding, which may impact total values. The values of securities and other investments not actively traded may be estimated or may not be available.

This information is provided for informational purposes only and should not be used for tax preparation. The information reported on your Form(s) 1099 supersedes the information provided in this report and should be exclusively relied upon for tax preparation. Morgan Stanley, its affiliates and its employees are not in the business of providing tax or legal advice. This Document and any tax-related statements are not intended or written to be used, and cannot be used or relied upon, by any taxpayer for the purpose of avoiding tax penalties. Tax-related statements, if any, may have been written in connection with promotion or marketing of the transaction(s) or matters addressed by these materials, to the extent allowed by applicable law. Any taxpayer should seek advice based on the taxpayer's particular circumstances from an independent tax advisor. Morgan Stanley Smith Barney LLC, member SIPC.

Asset Classification: We classify assets based on general characteristics such as: income generation, underlying capital structure, or exposure to certain market sectors. As many assets contain characteristics of more than one asset class, allocations may be under or over inclusive. Asset allocations may differ from product allocations.

The Other asset class contains securities that are not included in the various asset class classifications. This can include, but is not limited to, non-traditional investments such as some Equity Unit Trusts, Index Options and Structured Investments issued outside of Morgan Stanley. Additionally, investments for which we are unable to procure market data to properly classify them will appear in the Other category.

Additional information about your Floating Rate Notes: For floating rate securities, the estimated accrued interest and estimated annual income are based on the current floating coupon rate and may not reflect historic rates within the accrual period.

Performance: Performance results are annualized for time periods greater than one year and include all cash and cash equivalents, realized and unrealized capital gains and losses, and dividends, interest and income. The investment results depicted herein represent historical performance. As a result of recent market activity, current performance may vary from the figures shown. Please contact your Financial Advisor for up to date performance information. Past performance is not a guarantee of future results. Market values used for performance calculation do not include performance ineligible assets and thus may differ from asset allocation market values. Common examples of performance ineligible assets include life insurance, some annuities and assets held externally. Unless otherwise indicated, performance is a composite calculation on the

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entire portfolio and may include brokerage and investment advisory accounts, as well as assets for different accounts included in this report. The accounts included in the composite may have (or have had) different investment objectives and strategies, been subject to different restrictions, and incurred different types of fees, markups, commissions and other charges. Accordingly, performance results may blend the performance of assets and strategies that may not have been available in all of the accounts at all times during the reporting period. In addition, accounts in the composite may have changed from brokerage to advisory or vice versa. Accounts may also have moved from one advisory program to another (including from a discretionary program to a non-discretionary program).

Performance information may cover the full history of the account(s) or just the performance of an account(s) since the inception of the current program(s). Performance results on individual accounts will vary and may differ from the composite returns. Your Financial Advisor can provide you with individual account portfolio composition and performance information. For investment advisory accounts, please see the Morgan Stanley Smith Barney Form ADV Part 2 or applicable disclosure brochure and any applicable brokerage commission and/or fee schedule for a full disclosure of fees and expenses. Your Financial Advisor will provide those documents to you upon request. Performance inception date does not necessarily correspond to the account opening date. Where multiple accounts are included in performance calculations, the inception date is the oldest performance inception. Performance data may not be available for all periods as some accounts included in performance may have more recent performance inception dates. Consequently, the actual performance for a group of accounts may differ from reported performance. Please ask your Financial Advisor for the performance inception date for each account.

Gross of Fees: As fees are deducted quarterly, the compounding effect will be to increase the impact of the fees by an amount directly related to the gross account performance. For example, for an account with an initial value of \$100,000 and a 2% annual fee, if the gross performance is 10% per year over a three year period, the compounding effect of the fees will result in a net annual compound rate of return of approximately 7.81% per year over a three year period, and the total value of the client's portfolio at the end of the three year period would be approximately \$133,100 without the fees and \$125,307 with the fees.

Indices: Benchmark indices and blends included in this material are for informational purposes only, are provided solely as a comparison tool and may not reflect the underlying composition and/or investment objective(s) associated with the account(s). In some circumstances, the benchmark index may not be an appropriate benchmark for use with the specific composite portfolio. For instance, an index may not take into consideration certain changes that may have occurred in the portfolio since the inception of the account(s), (e.g., changes from a brokerage to an advisory account or from one advisory program to another, asset class changes, or index changes for individual managers). The volatility of the index used for comparison may be materially different from that of the performance shown. Indices are unmanaged and not available for direct investment. Index returns do not take into account fees or other charges. Such fees and charges would reduce performance. Please see the Benchmark Definitions section of this material for additional information on the indices used for comparison.

Realized/Unrealized Gain/Loss: The gain and loss information is provided for informational purposes only, may not be complete, is not a substitute 1099 form (or any other appropriate tax form), and should not be used for tax planning or preparation. Gain and loss values are estimates and should be independently verified. We are not responsible for any gain and loss information provided by you or another financial institution. You are responsible for ensuring the accuracy of such information.

Projected Next 12 Months income: Projected Next 12 Months income includes cash income such as interest and cash dividends, based on current yields and does not include income from external accounts. These are projections and the actual income may be lower or higher than the projections.

Bank Deposit Program: Morgan Stanley Smith Barney LLC is a registered broker-dealer, not a bank. Unless specifically disclosed in writing, other investments and services offered through Morgan Stanley Smith Barney LLC are not insured by the Federal Deposit Insurance Corporation (FDIC), are not deposits or other obligations of, or guaranteed by, a Bank and involve risks, including possible loss of principal amount invested. Bank Deposit Program balances are held at (1) Morgan Stanley Bank, N.A., and/or Morgan Stanley Private Bank, National Association, affiliates of Morgan Stanley Smith Barney, or (2) Citibank, N.A., each Members FDIC.

Certificates of Deposit (CD's): CDs are insured by the FDIC, an independent agency of the U.S. Government, up to a maximum amount of \$250,000 (including principal and

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accrued interest) for all deposits held in the same insurable capacity (e.g. individual account, joint account, IRA etc.) per CD depository. Investors are responsible for monitoring the total amount held with each CD depository. All deposits at a single depository held in the same insurable capacity will be aggregated for purposes of the \$250,000 federal deposit insurance limit, including deposits (such as bank accounts) maintained directly with the depository and CDs of the depository held through Morgan Stanley Smith Barney. A secondary market in CDs may be limited. CDs sold prior to maturity are subject to market risk and therefore investors may receive more or less than the amount invested or the face value. Callable CDs are callable at the sole discretion of the issuer. For more information about FDIC insurance, please visit the FDIC website at www.fdic.gov.

Global Currency Deposits: Global Currency deposits are held at Morgan Stanley Private Bank, National Association ("MSPBNA"), Member FDIC. Morgan Stanley Smith Barney LLC and MSPBNA are affiliates. Morgan Stanley Smith Barney LLC is a registered broker-dealer, not a bank. Unless specifically disclosed in writing, other investments and services offered through Morgan Stanley Smith Barney are not insured by the FDIC, are not deposits or other obligations of, or guaranteed by, a bank and involve investment risks, including possible loss of principal amount invested. FDIC insurance does not protect against losses due to exchange rate movements.

GENERAL DEFINITIONS

Total Value: Total Value represents the Market Value of the portfolio or of a given Asset Class inclusive of interest and dividend accruals. Total Value for Change in Portfolio Value and Asset Allocation before January 2014 does not include accruals.

Time-Weighted Return: A return calculation that measures the performance of one dollar invested over the reporting period. As time-weighted returns do not include the impact of timing of contributions and withdrawals, they can be compared to market indices and used to evaluate the performance of an investment or manager.

Gross of Fees: Performance results depicted as "gross" of fees do not reflect the deduction of any wrap fee, investment management fee, trade commissions, and/or other account fees. Your actual returns are lower after deducting these expenses. Please see the Morgan Stanley Smith Barney LLC Form ADV Part 2 Brochure for advisory accounts and/or any applicable brokerage account trade confirmation statements for a full disclosure of the applicable charges, fees and expenses. Your Financial Advisor will provide those documents to you upon request.

Net of Fees: Performance results depicted as "net" of fees shall mean that any wrap fee, investment management fees, trade commissions, and/or other account fees have been deducted. Any other fees or expenses associated with the account, such as third party custodian fees, may not have been deducted. Please see the Morgan Stanley Smith Barney LLC Form ADV Part 2 Brochure for advisory accounts and/or any applicable brokerage account trade confirmation statements for a full disclosure of the applicable charges, fees and expenses. Your Financial Advisor will provide those documents to you upon request.

Net Contributions/Withdrawals: The net value of cash and securities contributed to or withdrawn from the account(s) during the reporting period. Net contributions and withdrawals may include advisory fees for advisory accounts.

APY: The Annual Percentage Yield ("APY") for deposits represents the applicable rate in effect for your deposits at the period ending date. This APY may be different than the APY that was in effect during the statement period. For current Bank Deposit or Money Market Fund yields, go to <http://www.morganstanleyindividual.com/AccountOptions/ActiveAssets/InvestmentFeatures>

Call Date: The date on which a bond or preferred stock can be redeemed by the issuer before maturity.

Call Price: The price at which a bond or a preferred stock can be redeemed by the issuer before maturity.

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Current Yield: The indicated Estimated Annual Income divided by the Market Value/Current Cost.

Gross Accumulated Value (\$): Gross Accumulated Value is the most current market value provided by carriers of the Annuity or Life insurance product.

Net Invested Premium(\$): Net Invested Premium is the total amount invested minus the total amount withdrawn. The total amount invested includes the initial investment and any future contributions.

Taxable: Securities that generally give rise to taxable dividends or interest payments. This report generally excludes Partnerships, Options, Futures and other Derivatives.

Non-Taxable: Any security from which the income generally is not subject to Federal income taxation e.g. Municipal bonds. These securities may be subject to other taxes, including capital gains taxes, the Alternative Minimum Tax and state and local taxation.

Consulting Group Investment Advisor Research (CG IAR): Consulting Group Investment Advisor Research (CG IAR) reviews certain investment products in the Consulting and Evaluation Services, Fiduciary Services, Select UMA, TRAK Fund Solution, Institutional Consulting Group and Fiduciary Asset Management programs. CG IAR statuses for these products are:

Focus (FL): Investment products on the Focus List have been subject to an in-depth review and possess CG IAR's highest level of confidence.

Approved (AL): Investment products on the Approved List have typically been subject to a less rigorous review process and have been approved for recommendation to investors.

Not Approved (NL): Investment products that were previously on the Focus List or Approved List but are no longer on either of those lists. CG IAR no longer covers these products.

Morgan Stanley Research Ratings: Morgan Stanley uses a relative rating system using terms such as Overweight, Equal-weight, Not-Rated, or Underweight (see definition below). Morgan Stanley does not assign ratings of Buy, Hold or Sell to the stocks we cover. Overweight, Equal-weight, Not-Rated and Underweight are not the equivalent of buy, hold and sell. Investors should carefully read the definitions of all ratings used in Morgan Stanley Research. In addition, since Morgan Stanley Research contains more complete information concerning the analyst's view, investors should carefully read Morgan Stanley Research, in its entirety, and not infer the contents from the ratings alone. In any case, ratings (or research) should not be used or relied upon as investment advice. An investor's decision to buy or sell a stock should depend on individual circumstances (such as the investor's existing holdings) and other considerations.

Overweight (OVWEIGHT): The stock's total return is expected to exceed the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.

Equal-weight (EQWEIGHT): The stock's total return is expected to be in line with the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.

Underweight (UNWEIGHT): The stock's total return is expected to be below the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.

Not-Rated (NR): Currently, the analyst does not have adequate conviction about the stock's total return relative to the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.

Not Available (NAV): Indicates that the ratings for this company are not available because of a Morgan Stanley policy.

Discontinued Coverage (DC)

Moody's Investor Service and Standard & Poor's Credit Ratings: The credit ratings from Moody's Investors Service and Standard & Poor's may be shown for certain securities.

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All credit ratings represent the "opinions" of the provider and are not representations or guarantees of performance. Your Financial Advisor will be pleased to provide you with further information or assistance in interpreting these credit ratings.

Standard & Poor's Equity Research Ratings: For ease of comparison, Morgan Stanley Wealth Management has normalized Standard & Poor's proprietary research ratings to a 1 (Buy), 2 (Hold), and 3 (Sell), which differs from Standard & Poor's rating system. Please refer to a Standard & Poor's research report for a complete description of Standard & Poor's rating system and Standard & Poor's actual proprietary rating on any covered company. Standard & Poor's ratings are described below:

1 / 5-STARS (Strong Buy): Total return is expected to outperform the total return of a relevant benchmark, by a wide margin over the coming 12 months, with shares rising in price on an absolute basis

1 / 4-STARS (Buy): Total return is expected to outperform the total return of a relevant benchmark over the coming 12 months, with shares rising in price on an absolute basis

2 / 3-STARS (Hold): Total return is expected to closely approximate the total return of a relevant benchmark over the coming 12 months, with shares generally rising in price on an absolute basis

3 / 2-STARS (Sell): Total return is expected to underperform the total return of a relevant benchmark over the coming 12 months, and the share price not anticipated to show a gain

3 / 1-STARS (Strong Sell): Total return is expected to underperform the total return of a relevant benchmark by a wide margin over the coming 12 months, with shares falling in price on an absolute basis

Relevant benchmarks: In North America the relevant benchmark is the S&P 500 Index, in Europe and in Asia, the relevant benchmarks are generally the S&P Europe 350 Index and the S&P Asia 50 Index.

Not Rated: Not Rated is assigned to an unrated issuer, obligation and/or program and can also include mutual funds and ETFs.

Investment Earnings: A combination of the income received and total portfolio value increase or decrease, excluding net contributions and withdrawals, over the reporting period.

BENCHMARK DEFINITIONS

90-Day T-Bills: The 90-Day Treasury Bill is a short-term obligation issued by the United States government. T-bills are purchased at a discount to the full face value, and the investor receives the full value when they mature. The difference of discount is the interest earned. T-bills are issued in denominations of \$10,000 auction and \$1,000 increments thereafter.

Citi TSY 1 Yr: Total Returns for the current one-year Treasury that has been in existence for the entire month.

BC Gov/Cr 1-3 Yr: The Barclays 1-3 Year Government/Credit Bond Index contains bonds that are investment grade with maturities between one and three years.

Agenda Item 7

SUBJECT: EXECUTIVE DIRECTOR FINANCE REPORT

ACTION FOR CONSIDERATION:

None, Information only.

BACKGROUND AND STATUS:

CalMHSA Executive Director, Wayne Clark, will report on CalMHSA finance topics. The following topics may be discussed:

- Strategic Development of 2016/2017 Revenue
- Annual Adjustment
- Other Financial Matters

FISCAL IMPACT:

None.

RECOMMENDATION:

None, Information only.

TYPE OF VOTE REQUIRED:

Majority vote.

REFERENCE MATERIAL(S) ATTACHED:

- None

Agenda Item 8

SUBJECT: FINANCE COMMITTEE CALENDAR

ACTION FOR CONSIDERATION:

Approve revised Finance Committee Meeting schedule for Fiscal Year 2015-2016.

BACKGROUND AND STATUS:

Due to Cash Management becoming a priority for CalMHSA, staff is proposing to add meeting dates to the finance committee calendar, to allow for more frequent discussions/ updates relative to cash flow.

Attached for approval, a revised calendar of meetings for FY 2015-2016.

FISCAL IMPACT:

None.

RECOMMENDATION:

Approve revised Finance Committee Meeting schedule for Fiscal Year 2015-2016.

TYPE OF VOTE REQUIRED:

Majority vote.

REFERENCE MATERIAL(S) ATTACHED:

- Revised Finance Committee Calendar of Meetings.



**FINANCE COMMITTEE CALENDAR of MEETINGS
FISCAL YEAR 2015-2016**

<u>Date:</u>	<u>Time:</u>	<u>Location:</u>
July 27, 2015	3:00 pm – 4:00 pm	Teleconference <i>Financial Audit Engagement Letter State Hospital Beds</i>
September 14, 2015	3:00 pm – 4:00 pm	Teleconference Cash Flow Management
October 26, 2015	3:00 pm – 4:00 pm	Teleconference Cash Flow Management
December 7, 2015	3:00 pm – 4:00 pm	Teleconference <i>Review of Draft Financial Audit, June 30, 2015 Review of the first quarter financial statements for the period ending September 30, 2015</i>
January 25, 2015	3:00 pm – 4:00 pm	Teleconference Cash Flow Management
March 21, 2016	3:00 pm – 4:00 pm	Teleconference <i>Review of the second quarter financial statements for the period ending December 31, 2015</i>
May 9, 2016	3:00 pm – 4:30 pm	Teleconference <i>Review of the third quarter financial statements for the period ending March 31, 2016 Review of Annual Revenue and Expense Report – Proposed Budget, June 30, 2017 for presentation at next Board of Directors Meeting</i>