

Annual Revenue and Expenditure Report – Adopted Budget June 30, 2017



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Budget Narrative & Notes

Budget Background Notes – Executive Director

CalMHSA Board members directed staff to prepare the Fiscal Year 2016-2017 budget to reflect CalMHSA continued operations at its lowest level without causing CalMHSA to shut down. Revenue projections are based upon current estimate of funds to be received and program administrative requirements are based on size and source of funds expected for each revenue stream. Staff have developed a bare bones budget, considering the minimal levels of staffing necessary, as compared to the level of effort to meet members' expectations and strategic plans as expressed at the planning session. Members were quite clear CalMHSA should continue to be a "go to" organization, with a foundational base of funding which allows CalMHSA to be able to respond to new requests while meeting current obligations. With that direction, staff is presenting a living and breathing organization budget that has sufficient back office support and front office knowledge to be responsive, and sustain current and future CalMHSA programs. We have reduced the program support and trimmed administrative expenses by one FTE. While this may appear small, it is significant since most of CalMHSA program staff are not solely dedicated to one project and funding stream. For instance, the Plumas county project requires the effort of several staff but nobody devoted full time, keeping a foundational base means we cut portions of staff allocated efforts from say .20 to .10, which can accumulate to the FTE reductions presented here. Another key element in our budgeting is the efficiency derived from our partnership with George Hills where most administrative (human resources, information technology, and fiscal) staff are shared, so when cutting portions of an accountants time we can have these employee work on other George Hills contracts.

A. Budget Assumptions and Criteria Applied

1. This budget has been compiled based on the minimum program and administration needed to run the organization and manage the activities requested. This was determined through an FTE analysis.
2. Efficiency recognized for job sharing of CalMHSA staff with other George Hills Contracts. CalMHSA has 6 Full time dedicated staff and an additional 4.9 positions are shared between CalMHSA and other George Hills contracts.
3. Managing the programs requested and building in the member's expectations of having the staff expertise to research potential projects for CalMHSA.
4. Member relations is critical and recognizing that the membership is large/vast/varying and evolving, and requires staff resources to succeed in this relationship.
5. Effort in working with associated agencies CBHDA, CIBHS, OAC, and DHCS.
6. Compliance with statutory requirements of the MHSA, government code, JPA Agreement, and Bylaws.
7. Resources for Fund Raising to continue with the work we do to break down the stigma and connect people to mental health support.
8. Meeting member's request in CalMHSA being efficient to assist in regional or joint member projects.
9. The budget attempts to acknowledge slow payment, reduced contracts, and noncontributing members.
10. Base staffing for research and development.

B. Revenue

	Total
Letters of Acknowledgement Contributions	\$6,000,000
Statewide Hospital Beds	\$652,252
Suicide Prevention – Regional Programs	\$6,625,000
Other Contracts	\$38,940
Total estimated deposits as of June 30, 2017	<u>\$13,316,192</u>

1. Letters of Acknowledgement Contributions FY 16-17 – Letters of Acknowledgement of \$6 million were received in prior fiscal year and the same level of contribution has been estimated for the current year. The target set four years ago of 4%-7% is \$10.4 million – \$18.2 million. 1% would have been \$2.6 million.
2. State Hospital Bed contributions are based on the participation agreements of counties in the program.
3. Contributions by Counties for Regional Suicide prevention activities and other statewide projects. Revenue of \$1,937,000 has been allocated to prevention statewide activities.

C. Expenditures

Program Service Expenditures

Program Partners and Program Contracts	\$11,365,500
Program Management and Oversight	1,874,995
Program Legal Expenses	10,500
Program Travel & Meetings	<u>10,000</u>
	<u>\$13,260,995</u>

TTACB, State Hospital Beds, and Feasibility Study Program Expenses have been estimated by participation agreements.

General and Administrative Expenses

1. General and Administrative Staffing – Staffing services to manage the general and fiscal operations of CalMHSA.
2. Legal Expenses – CalMHSA has retained legal services to provide counsel to the board and support of the governing documents and contracts.
3. Travel and Meeting Expenses – CalMHSA is governed by a Board of Directors and has established standing committees and must comply with the Brown Act to conduct public meetings for JPA business.
4. Other Contracts – CalMHSA has entered into contracts for general information dissemination and information technology.
5. Insurance – CalMHSA procures its general liability insurance from CSAC-EIA on a policy term of July 1 to June 30.

D. Additional Budget Notes

1. Staff has not included budget estimates for the following current prospective activities the Executive Director is engaged in:
 - a. Grants
 - b. County Contracts
 - c. Foundations
 - d. State Funding
 - e. Private Funding

2. The budget variables in the document are:
 - a. Available Cash – County Commitments versus collections and timing thereof
 - b. Or new prospective activities and programs
 - c. Funds Available to contract with Program Partners
 - d. Potential Financial costs for delay in cash collections

Adopted Budget - June 30, 2017

California Mental Health Services Authority Annual Revenue and Expenditure Report - Adopted Budget June 30, 2017			
	Approved Budget 2015/16	Current Year 2015/16 Projected Actuals	Adopted Budget 2016/2017
Revenue to CalMHSA 2016/2017			
County Contributions			
Letters of Acknowledgement	4,820,775	5,966,399	6,000,000
State Hospital Beds	438,642	889,385	652,252
Suicide Prevention - Regional Programs		627,642	6,625,000
Plumas County Wellness	1,000,000	1,000,000	
Other Contracts		29,000	38,940
Admin Fees		250	
Total Revenue to CalMHSA	6,259,417	8,512,676	13,316,192
Expenditures			
Total Program Expenditure	8,724,737	13,734,098	13,260,995
WET Program Expenditures			148,470
TTACB Contract	120,000	500	140,000
State Hospital Beds	438,422	100,000	438,422
Feasibility Study	210,527	60,000	-
Total Program Services Expenditures	9,493,686	13,894,598	13,987,887
General And Administration			
General & Administration Staffing	322,407	322,405	305,510
Legal	21,500	22,000	10,000
Travel & Meetings	17,000	26,000	20,000
Other Contracts	102,000	68,000	
Insurance	35,000	29,203	30,000
Financial Audit	25,000	15,000	15,000
Total General And Administration Expenditures	522,907	482,608	380,510
Total Expenditures	10,016,593	14,377,206	14,368,397
Net Increase/(Decrease) Unexpended Funds	(3,757,176)	(5,864,530)	(1,052,205)
Total Obligated Funds Carried Over from Prior Fiscal Years	6,478,561	8,600,000	2,735,470
Projected Reserves at the Fiscal Year Ended June 30, 2017	2,721,385	2,735,470	1,683,265

California Mental Health Services Authority
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	Operations	Research and Development	Tech Asst/Capacity Building	Wet Program Funding	Feasibility Study Funding	State Hospital Bed Funding	Plumas Wellnes Center	Suicide Prevention - Regional Program	PEI Programs	Drug Medical	Total
Revenue to CalMHSA 2016/2017	-		-	-	-				-		-
County Contributions						652,252		6,625,000	6,000,000		13,277,252
Funds provided for PEI								(1,937,000)	1,937,000		-
Admin Fees	-	-								38,940	38,940
Total Revenue to CalMHSA 2016/17	-	-	-	-	-	652,252	-	4,688,000	7,937,000	38,940	13,316,192
Expenditures											
Program Services Expenditures											
PEI Statewide Program Services											
Program Contracts					36,500		425,000	3,915,000	6,989,000	-	11,365,500
Program Management & Oversight Staffing	537,139	171,725	49,920	-	89,856	175,718	63,898	199,680	557,107	29,952	1,874,995
Subtotal Program Services	537,139	171,725	49,920	-	126,356	175,718	488,898	4,114,680	7,546,107	29,952	13,240,495
Other Contracts											
Legal					500	5,000			5,000		10,500
Evaluation											-
Travel & Meetings						5,000			2,000	3,000	10,000
Total Program Expenditure	537,139	171,725	49,920	-	126,856	185,718	488,898	4,114,680	7,553,107	32,952	13,260,995
WET Program Expenditures				148,470							148,470
TTACB Contract			140,000								140,000
State Hospital Beds						438,422					438,422
Feasibility Study											-
Total Program Services Expenditures	537,139	171,725	189,920	148,470	126,856	624,140	488,898	4,114,680	7,553,107	32,952	13,987,887
General And Administrative Expenses											
General & Administrative Staffing	87,521	27,981	8,134	-	14,641	28,631	10,411	32,536	90,775	4,880	305,510
Legal	10,000										10,000
Travel & Meetings	20,000										20,000
Other Contracts											-
Insurance	30,000										30,000
Financial Audit	15,000										15,000
Total General And Administravive Expenditures	162,521	27,981	8,134	-	14,641	28,631	10,411	32,536	90,775	4,880	380,510
Total Expenditures	699,660	199,706	198,054	148,470	141,497	652,771	499,309	4,147,216	7,643,882	37,832	14,368,397
Net Increase/(Decrease) Unexpended Funds	(699,660)	(199,706)	(198,054)	(148,470)	(141,497)	(519)	(499,309)	540,784	293,118	1,108	(1,052,205)
Total Obligated Funds Carried Over from Prior Fiscal Years	600,000		200,000	148,470	137,000	1,100,000	500,000		50,000		2,735,470
Projected Reserves at the Fiscal Year Ended June 30, 2017	(99,660)	(199,706)	1,946	-	(4,497)	1,099,481	691	540,784	343,118	1,108	1,683,265

CalMHSA Contract

2016/2017 Program FTE

Department/Position	Prior Year Mid Level 15-16 FTE	Recommended 16-17 FTE	Operations	Research and Development	Tech Asst/ Capacity Building	WET program	Feasibility Study /Capitation Plan	State Hospital Bed Funding	Plumas Wellnes Center	Suicide Prevention - Regional Programs	PEI Programs	Drug Medical	Total Percentage
<i>Administrative Services</i>	2.96	4.04	1.03	0.37	0.03	-	0.23	0.75	0.04	0.55	0.98	0.06	4.04
<i>Program Services</i>	6.38	4.76	0.95	0.30	0.15	-	0.15	-	0.21	0.60	2.36	0.04	4.76
<i>Financial Services</i>	2.56	2.12	0.71	0.19	0.07	0.00	0.07	0.13	0.07	0.38	0.45	0.05	2.12
Total FTE	11.90	10.92	2.69	0.86	0.25	0.00	0.45	0.88	0.32	1.53	3.79	0.15	10.92