

California Mental Health Services Authority

FINANCE COMMITTEE TELECONFERENCE

AGENDA

November 14, 2016
3:00 p.m. – 4:00 p.m.

Dial-in Number: 916-233-1968
Access Code: 3043



CalMHSa

3043 Gold Canal Drive, Suite 200
Rancho Cordova, CA 95670

Madera County

209 E. 7th Street
Madera, CA 93639

Sonoma County

3322 Chanate Road
Santa Rosa, CA 95404

Riverside County

4095 County Circle Drive, MS #3790
Riverside, CA 92503

Colusa County

162 E. Carson Street, Suite A
Colusa, CA 95932

Kern County Mental Health

2001 28th Street
Bakersfield, CA 93301

Los Angeles County

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

In compliance with the Americans with Disabilities Act, if you are a disabled person and you need a disability-related modification or accommodation to participate in this meeting, please contact Laura Li at (916) 859-4818 (telephone) or (916) 859-4805 (facsimile). Requests must be made as early as possible, and at least one full business day before the start of the meeting.

Materials relating to an item on this agenda submitted to this Board after distribution of the agenda packet are available for public inspection at 3043 Gold Canal Drive, Suite 200, Rancho Cordova, CA, 95670, during normal business hours.

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.....4

A. Routine Matters

- a. Minutes from the September 26, 2016 Finance Committee Teleconference

B. Reports/Correspondence

- a. Program Payments
- b. Treasurer’s Report as of September 2016

Recommendation: Approval of the consent calendar.

4. CASH FLOW MANAGEMENT AS OF October 31, 2016.....14

A. Cash Balance as of October 31, 201615

B. Projected Cash Flow at October 31, 2016.....16

Recommendation: For information and discussion.

5. NEW THREE YEAR FINANCIAL SUSTAINABILITY PLAN FOR THE STATEWIDE PEI PROJECT.....17

Recommendation: Approve the recommended Three Year financial sustainability plan for the Statewide PEI Project.

6. COMPLEXITIES RELATED TO NON-PAYING COUNTIES32

Recommendation: Discuss and provide direction to staff for Board Recommendation at December 15th, 2016 Board of Directors Meeting.

7. EXECUTIVE DIRECTOR FINANCE REPORT37

- A. Strategic Development of 2016/2017 Revenue
- B. Financial Modernization Pilot Program – Status
- C. Other Financial Matters

Recommendation: None, information only.

8. 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.

9. CLOSING COMMENTS

10. CLOSED SESSION

A. CALL TO ORDER

B. ROLL CALL AND INSTRUCTIONS

C. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION - Government Code section 54956.9(d)(2) Exposure to litigation based on receipt of demand for payment

11. ADJOURNMENT

The next Finance Committee Teleconference is scheduled to convene on December 5, 2016.

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 September 26, 2016 Finance Committee Teleconference

B. Reports/Correspondence

- a. Program Payments
b. Treasurer's Report as of September 30, 2016

FISCAL IMPACT:

None.

RECOMMENDATION:

Approval of the Consent Calendar.

TYPE OF VOTE REQUIRED:

Majority vote.

REFERENCE MATERIALS ATTACHED:

- Minutes from the September 26, 2016 Finance Committee Teleconference
- Program Payments
- Treasurer's Report as September 30, 2016



CalMHSAs Finance Committee

TELECONFERENCE MINUTES FROM SEPTEMBER 26, 2016

Finance Committee Members

Present

- Bill Walker, CalMHSAs Treasurer, Kern County
- Steve Steinberg, Riverside County
- Dennis P. Koch, Madera County
- Michael Lucid, Sonoma County

Absent

- Dr. William Arroyo, Los Angeles County
- Terence M. Rooney, Colusa County

CalMHSAs Staff

- Wayne Clark, Executive Director
- John Chaquica, Chief Operating Officer
- Kim Santin, Finance Director
- Ann Collentine, Program Director
- Laura Li, JPA Administrative Manager
- Theresa Ly, Program Manager

1. **Call to Order**

The CalMHSA Finance Committee teleconference was called to order at 4:05 p.m. on September 26, 2016 by Finance Committee Chair Bill Walker, Kern County.

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

JPA Administrative Manager, Laura Li, CalMHSA, called roll and a quorum was established. All participants were asked to introduce themselves. Treasurer, Bill Walker, Kern County, proceeded to review the public comment instructions, noting that items not on the agenda would be reserved for public comment at the end of the meeting.

3. **Consent Calendar**

Treasurer, Bill Walker asked the committee for any changes to the following items:

Routine Matters:

- Minutes from the August 1, 2016 Finance Committee Teleconference

Reports/Correspondence:

- Program Payments

None were proposed.

Action: Approval of the consent calendar.

Motion: Michael Lucid, Sonoma County

Seconded: Dennis Koch, Madera County

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

None

4. **Cash Flow Management as of August 31, 2016**

Treasurer, Bill Walker provided a brief overview of the current cash balance and projected cash flow. Cash Balance at the end of August is \$11.2 million. Finance Director, Kim Santin provided an overview of projected cash flow and indicated revisions are not included in the projections.

Action: For information and discussion.

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

None

5. **CalMHSA Financial Statement for Quarter Ending June 30, 2016**

Finance Director, Kim Santin, CalMHSA, provided a brief update, indicating the Financial Statements are presented to the Finance Committee late. Ms. Santin referred to page 14 of the packet for a summary of receivables and accounts payable. Ms. Santin referred to page 15

reflecting total revised net assets. Additionally, Ms. Santin indicated CalMHSA has \$3.2 million in obligated funds.

Action: Approval of the CalMHSA Financial Statements for the Quarters ending June 30, 2016 for presentation at the next scheduled Board of Directors Meeting.

Motion: Steve Steinberg, Riverside County
Seconded: Michael Lucid, Sonoma County

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

None

6. **CalMHSA Annual Revenue and Expenditure Report – June 30, 2017 – Proposed Revision**

Executive Director, Wayne Clark, provided an overview of the revised budget highlighting important increases and decreases in the new revised budget. County contributions, Program Management and oversight staffing were greatly decreased. A discussion ensued in order to clarify the Public/Private Partnership Development project with Lester Consulting Group. Members agreed in that a steady funding steam was needed versus growing CalMHSA at this time. Additionally, Mr. Walker proposed looking at the feasibility of counties taking funds off the top locally. This idea would require further assessments and development and could be further discussed at a later date.

Action: Finance Committee recommends to discuss and/or recommend to the Board of Directors, a revised June 30, 2017 budget.

Motion: Terence Rooney, Colusa County
Second: Steve Steinberg, Riverside County

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

None

7. **CalMHSA Executive Director Finance Report**

Executive Director, Wayne Clark, gave an overview of the following items.

- Strategic Development of 2016/2017 Revenue: Continually seeking funding.
- Drug Medi-Cal – Status: Given financial concerns, conversations of ending the project will start to take place.
- Financial Modernization Pilot Program – Status: A meeting will be held September 28, 2016.
- Private Sector Feasibility Study: To be discussed at the October Board Meeting.

Action: None, information only.

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

None

8. **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

9. **Closing Comments**

Treasurer, Bill Walker asked for any closing comments.

10. **Adjournment**

With no further comments, the meeting was adjourned at 5:01 p.m.

DRAFT

Program Payments

	PEI			State Hospitals	
	FY 16-17 LOA Rcvd & Funding Projected	(Phase II)	PHASE II Funding Received FY 16-17	Annual Operation Costs FY 16-17	Funding Received FY 16-17
County	\$	%	\$	\$	\$
Alameda County	\$ 290,883.00	3%	\$ 290,883.00	\$ 29,442.00	\$ 29,442.00
Alpine County	\$ 15,000.00	7%	\$ 15,000.00		
*Amador County					
Butte County	\$ 25,000.00			\$ 1,402.00	\$ 1,402.00
*Calaveras County					
City of Berkeley					
Colusa County					
Contra Costa County				\$ 29,442.00	\$ 29,442.00
Del Norte County					
El Dorado County	\$ 9,471.00	1%	\$ 9,471.00	\$ 1,402.00	\$ 1,402.00
Fresno County	\$ 455,864.02	7%	\$ 455,864.02	\$ 1,402.00	\$ 1,402.00
Glenn County	\$ 18,000.00	3%	\$ 18,000.00		
Humboldt County	\$ 8,198.31		\$ 8,198.31	\$ 1,402.00	\$ 1,402.00
Imperial County	\$ 48,915.00	4%	\$ 48,915.00	\$ 4,206.00	\$ 4,206.00
Inyo County					
Kern County	\$ 120,019.19	2%	\$ 120,019.19	\$ 11,216.00	\$ 11,216.00
Kings County	\$ 48,373.00	5%	\$ 48,373.00	\$ 1,402.00	\$ 1,402.00
Lake County					
Lassen County	\$ 11,000.00	4%	\$ 11,000.00		
Los Angeles County				\$ 269,000.00	
Madera County	\$ 15,200.00	2%	\$ 15,200.00	\$ 1,402.00	\$ 1,402.00
Marin County	\$ 75,000.00	5%	\$ 75,000.00	\$ 5,608.00	\$ 5,608.00
Mariposa County					
Mendocino County	\$ 8,625.00	1%	\$ 8,625.00		
*Merced County					
Modoc County	\$ 6,522.00	4%	\$ 6,522.00		
Mono County					
Monterey County	\$ 252,000.00	7%	\$ 252,000.00	\$ 5,608.00	\$ 5,608.00
Napa County	\$ 10,471.00	1%	\$ 10,471.00	\$ 4,206.00	\$ 4,206.00
Nevada County	\$ 5,000.00	1%	\$ 5,000.00		
Orange County	\$ 900,000.00	4%	\$ 900,000.00	\$ 23,834.00	\$ 23,834.00
Placer County	\$ 162,000.00	6%	\$ 162,000.00	\$ 4,206.00	\$ 4,206.00
Plumas County	\$ 25,000.00	6%	\$ 25,000.00		
Riverside County	\$ 526,379.00	4%	\$ 526,379.00	\$ 26,638.00	\$ 26,638.00
Sacramento County	\$ 320,325.00	3%	\$ 320,325.00	\$ 25,236.00	\$ 25,236.00
San Benito County					
San Bernardino County	\$ 561,894.00	4%	\$ 561,894.00		
San Diego County	\$ 400,000.00	1%	\$ 400,000.00	\$ 22,432.00	\$ 22,432.00
San Francisco City And County	\$ 100,000.00	2%	\$100,000.00		
San Joaquin County	\$ 174,662.54	4%		\$ 4,206.00	\$ 4,206.00
San Luis Obispo County	\$ 67,308.00	4%	\$ 67,308.00	\$ 1,402.00	\$ 1,402.00
San Mateo County	\$ 95,965.00	2%	\$ 95,965.00	\$ 7,010.00	\$ 7,010.00
Santa Barbara County	\$ 5,000.00	0.10%	\$ 5,000.00	\$ 1,402.00	\$ 1,402.00
Santa Clara County				\$ 51,874.00	
Santa Cruz County				\$ 1,402.00	\$ 1,402.00
Shasta County	\$ 13,000.00	1%	\$ 13,000.00		
*Sierra County					
Siskiyou County					
Solano County	\$ 60,611.00	2%	\$ 60,611.00	\$ 4,206.00	\$ 4,206.00
Sonoma County	\$ 109,200.00	2.78%	\$ 109,200.00	\$ 1,402.00	\$ 1,402.00
Stanislaus County				\$ 4,206.00	\$ 4,206.00
Sutter/Yuba County	\$ 39,185.00	4%	\$ 39,185.00		
*Tehama County					
Tri-City Mental Health Center	\$ 15,181.00	1%	\$ 7,590.50		
Trinity County	\$ 10,000.00	4%	\$ 10,000.00		
Tulare County	\$ 31,443.17	1%	\$ 31,443.17	\$ 4,206.00	\$ 4,206.00
Tuolumne County	\$ 16,715.00	5%	\$ 16,715.00		
Ventura County	\$ 53,500.00	1%	\$ 53,500.00	\$ 1,402.00	\$ 1,402.00
Yolo County	\$ 35,000.00	2.2%		\$ 1,402.00	\$ 1,402.00
TOTAL	\$ 5,145,910.23	3%	\$ 4,903,657.19	\$ 553,606.00	\$ 232,732.00
Balance Due			\$ 242,253.04		\$ 320,874.00



"A George Hills Company Administered JPA"

Treasurer's Report As of September 30, 2016

	Book Balance	Market Value	Effective Yield
Local Agency Investment Fund	\$10,701,726	\$10,705,001	0.63%
Morgan Stanley – Money Trust	1,471	1,471	0.00%
Cash with California Bank & Trust	392,385	392,385	0.00%
Total Cash and Investments	\$11,095,582	\$11,098,857	0.61%

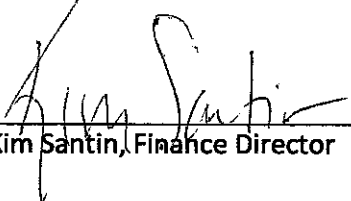
Attached are the Local Agency Investment Fund (LAIF) statements detailing all investment transactions.

The LAIF market value was derived by applying the September 2016 fair value factor of 1.000306032 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

William Walker, Treasurer

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

www.treasurer.ca.gov/pmia-laif/laif.asp
 August 10, 2016

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

July 2016 Statement

Effective Date	Transaction Date	Tran Type	Tran Number	Confirm Authorized Caller	Amount
7/15/2016	7/14/2016	QRD	1509150	SYSTEM	11,977.78
7/22/2016	7/21/2016	RD	1510464	KIM SANTIN	1,200,000.00

Account Summary

Total Deposit:	1,211,977.78	Beginning Balance:	7,649,747.96
Total Withdrawal:	0.00	Ending Balance:	8,861,725.74

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

www.treasurer.ca.gov/pmia-laif/laif.asp
 September 09, 2016

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

August 2016 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Authorized Caller	Amount
8/22/2016	8/19/2016	RD	1512547	KIM SANTIN	1,840,000.00

Account Summary

Total Deposit:	1,840,000.00	Beginning Balance:	8,861,725.74
Total Withdrawal:	0.00	Ending Balance:	10,701,725.74

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

www.treasurer.ca.gov/pmia-laif/laif.asp
October 07, 2016

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

September 2016 Statement

Account Summary

Total Deposit:	0.00	Beginning Balance:	10,701,725.74
Total Withdrawal:	0.00	Ending Balance:	10,701,725.74

Agenda Item 4

SUBJECT: CASH FLOW MANAGEMENT AS OF OCTOBER 31, 2016

ACTION FOR CONSIDERATION:

For Information and discussion.

BACKGROUND AND STATUS:

Historically, CalMHSA has held adequate balances of cash and investments. Cash balances are decreasing as we payout on the contract obligations. After the August cash disbursements, our cash balance is \$10.6 million. CalMHSA has currently received \$4.9 million for Phase II FY 16-17. Cash Management is now a priority for CalMHSA, therefore becoming a regular item in the agenda.

We received 99% of the Phase II Fiscal Year 2015-2016 LOA funding from counties by October 31, 2016.

FISCAL IMPACT:

None.

RECOMMENDATION:

For Information and discussion.

TYPE OF VOTE REQUIRED:

Majority vote.

REFERENCE MATERIAL ATTACHED:

- Cash Balance as of October 31, 2016
- Projected Cash Flow as of October 31, 2016

CalMHSA
Cash Balance
As of October 31, 2016

Cash Balance, 6/30/2016	7,709,093.70
Cash Received 07/01 to 10/31/2016	5,682,882.71
Cash Payments 07/01 to 10/31/2016	(2,782,688.97)
Cash Balance, 10/31/2016	<u><u>10,609,287.44</u></u>

Cash Balance by Institution	
California Bank & Trust	91,826.28
Morgan Stanley Smith Barney	1,471.01
Local Agency Investment Fund	10,515,990.15
Cash Total 10/31/2016	10,609,287.44

California Mental Health Services Authority
Projected Cash Flow
2016/2017

As of Oct 31, 2016

	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Totals
Beginning Cash Balance	7,709,094	9,648,712	11,342,521	11,095,582	10,609,287	9,997,587	9,340,339	8,854,797	7,898,628	6,942,460	5,994,291	5,038,122	7,709,094
Cash Receipts:													
Phase II -1- Sustainability 15-16	409,471	8,198		27,028	35,000								479,697
Phase II-2 - Sustainability 16-17	2,131,811	2,324,063	63,115	18,625	94,854	94,854	94,854						4,822,175
Suicide Prevention Hotline 16-17	15,063	30,451	109,235										154,749
State Hospital Beds 15-16	168,941	16,824	73,605		135,201	135,201							529,772
State Hospital Beds 16-17	86,924	44,864	89,728	4,206	199,429	199,429	199,429						824,008
Fiscal Modernization Project					4,427	4,427	4,427						13,281
Other Strategic Programs	18,500		3,000		20,500								42,000
Private Fund Develop - Member Fee					166,667	166,667	166,667						500,000
Other (LAIF Interest, etc.)	11,978	12,989		14,264			9,000			8,000			56,231
Total Cash Receipts	2,842,687	2,437,389	338,683	64,123	656,077	600,577	474,376	-	-	8,000	-	-	7,421,912
Cash Expenses:													
PEI/Phase I Obligations 2014/15	63,769	-	-	-	297,906	297,906	-	-	-	-	-	-	659,581
Phase II Obligations 2015/16 & 2016/17	559,871	344,159	318,925	189,327	591,431	591,431	591,431	591,431	591,431	591,431	591,431	591,431	6,143,732
Suicide Prevention Hotline	45,022	47,383	51,094	49,393	68,519	68,519	68,519	68,519	68,519	68,519	68,519	68,519	741,040
Plumas Wellness Center		116,061	43,116	92,305	27,536	27,536	27,536	27,536	27,536	27,536	27,536	27,536	471,773
Community Response Plan	3,848	2,250	8,923	90									15,111
TTACB Contract					22,006	22,006	22,006	22,006	22,006	22,006	22,006	22,006	176,048
State Hospital Beds	52,414	309	887	51,190	66,709	66,709	66,709	66,709	66,709	66,709	66,709	66,709	638,476
Fiscal Modernization Project	922	30,270		1,866	12,151	12,151	12,151	12,151	12,151	12,151	12,151	12,151	130,268
Drug Medi-Cal	1,604	1,554		388	3,988	3,988	3,988	3,988	3,988	3,988	3,988	3,988	35,448
PNWE	257	338											595
EDC	675	4,378	496										5,549
Orange County													-
WET Program Expenditures					16,497	16,497	16,497	16,497	16,497	16,497	16,497	16,497	131,973
Private Fund Develop - Consulting						15,000	15,000	15,000	15,000	15,000	15,000	15,000	105,000
Program Management	127,378	127,378	127,378	127,378	116,563	116,563	116,563	116,563	116,563	116,563	116,563	116,563	1,442,016
Executive Director	23,562	23,562	23,562	23,562	23,562	23,562	23,562	23,562	23,562	23,562	23,562	23,562	282,744
Program Management Direct & Indirect	150,940	150,940	150,940	150,940	140,125	140,125	140,125	140,125	140,125	140,125	140,125	140,125	1,724,760
Legal	3,848	3,751		7,923	625	625	625	625	625	625	625	625	20,521
Travel & Meetings	600	400	3,483	1,886	1,581	1,581	1,581	1,581	1,581	1,581	1,581	1,581	19,019
Insurance		29,920											29,920
Financial Audit				665	6,835	3,750	3,750						15,000
Other Administrative Expenses	19,299	11,867	7,759	4,445	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	83,371
Total Administrative Expenses	174,687	196,878	162,182	165,859	161,034	151,081	151,081	147,331	147,331	147,331	147,331	147,331	1,899,459
Total Cash Expenses	903,069	743,580	585,622	550,417	1,267,777	1,257,825	959,919	956,169	956,169	956,169	956,169	956,169	11,154,052
Ending Cash Balance	9,648,712	11,342,521	11,095,582	10,609,287	9,997,587	9,340,339	8,854,797	7,898,628	6,942,460	5,994,291	5,038,122	4,081,954	3,976,954

Agenda Item 5

SUBJECT: New Three Year Financial Sustainability Plan for the Statewide PEI Project

ACTION FOR CONSIDERATION:

Recommend to the Board of Directors a new three year financial plan for counties to sustain The Statewide PEI Project.

BACKGROUND AND STATUS:

In 2013 CalMHSA members developed a three year plan for sustaining the \$147 million County investment in Statewide PEI Project to reduce stigma, prevent suicides and improve student mental health. The plan called for direct County contributions with a range between four and seven percent of a County's annual PEI funds. This funding would generate approximately \$15-20 million annually to sustain the projects. Most members participated at the 4-7% range; however, some contributed less, and others did not contribute at all. The current funding dilemma that CalMHSA is experiencing is in large part due to the wide discrepancy in County financial participation. CalMHSA staff were directed to develop a new three year plan to attempt to resolve this problem and stabilize the CalMHSA funding. As a result, CalMHSA staff is proposing for counties to contribute a minimum of an equivalent of 4% of their annual MHSA PEI funds for the next three years beginning in FY 2017/2018. Counties can use non MHSA funds for this contribution if other funding is available and is better suited for the counties fiscal needs.

The attached excel workbook presents a three year history of the amount each county has been contributing, an average amount of the dollars contributed, an estimate of the contribution if it were to be at 4% or 7%, a target set at the 4% range, and a total contributed over three years. If the proposed three year 4% target is adopted by all counties, then CalMHSA would have approximately \$13 million dollars to continue the implementation of the Statewide PEI Project. Activities implemented under the Statewide PEI Project beginning in FY 2017/2018 will be discussed at the Sustainability Task Force Meeting in November 2016, and will be presented to the Board for discussion in December 2016. CalMHSA staff expect implementation of the statewide social marketing campaigns as well as statewide evaluation to be top priorities. This funding plan establishes foundational county contributions to the Statewide PEI Project that will later be leveraged to encourage private sector contributions.

FISCAL IMPACT:

Annual contribution by each County

RECOMMENDATION:

Approve the recommended Three Year financial sustainability plan for the Statewide PEI Project.

TYPE OF VOTE REQUIRED:

Majority of Finance Committee.

REFERENCE MATERIAL(S) ATTACHED:

- Three year financial plan for Statewide Prevention (SWP)
- Funding Task Force Meeting January 9, 2014 Staff Report
- CalMHSA Executive Committee January 30, 2014 Minutes

Three Year Plan for Sustaining CalMHSAs Statewide PEI programs

	Average DHCS MHSAs Allocation Funds for FY 14/15, 15/16, 16/17:		\$1,536,300,000 (c)	20% of MHSAs Funds (c):	\$ 307,260,000.00	
County	Average LOA 3 yrs (a)	Average % (b)	4% of 307M (County Contribution) (c)	7% of 307M (County Contribution) (c)	Target Funding Level (1 Year) (d)	Target Funding Level for 3 Years (e)
Alameda County	\$ 337,779.33	3%	\$ 439,935.36	\$ 769,886.88	\$ 439,935.36	\$ 1,319,806.09
Alpine County	\$ 15,000.00	7%	\$ 12,672.26	\$ 22,176.45	\$ 15,000.00	\$ 45,000.00
*Amador County	\$ 8,000.00	4%	\$ 21,818.10	\$ 38,181.68	\$ 21,818.10	\$ 65,454.31
Butte County	\$ 21,666.67	4%	\$ 37,262.85	\$ 65,209.98	\$ 37,262.85	\$ 111,788.54
*Calaveras County	\$ 2,694.00	1%	\$ 72,066.15	\$ 126,115.77	\$ 72,066.15	\$ 216,198.46
City of Berkeley	\$ -	0%	\$ 23,272.23	\$ 40,726.40	\$ 23,272.23	\$ 69,816.69
Colusa County	\$ 11,413.86	7%	\$ 19,912.82	\$ 34,847.44	\$ 19,912.82	\$ 59,738.46
Contra Costa County	\$ -	0%	\$ 278,079.34	\$ 486,638.84	\$ 278,079.34	\$ 834,238.02
Del Norte County	\$ -	0%	\$ 20,688.17	\$ 36,204.30	\$ 20,688.17	\$ 62,064.51
El Dorado County	\$ 9,471.00	1%	\$ 50,839.08	\$ 88,968.39	\$ 50,839.08	\$ 152,517.24
Fresno County	\$ 455,864.01	7%	\$ 296,412.45	\$ 518,721.79	\$ 455,864.01	\$ 1,367,592.03
Glenn County	\$ 13,112.00	4%	\$ 20,712.98	\$ 36,247.71	\$ 20,712.98	\$ 62,138.93
Humboldt County	\$ 8,198.00	1%	\$ 44,514.50	\$ 77,900.38	\$ 44,514.50	\$ 133,543.51
Imperial County	\$ 48,915.00	4%	\$ 61,543.83	\$ 107,701.71	\$ 61,543.83	\$ 184,631.50
Inyo County	\$ -	0%	\$ 14,153.76	\$ 24,769.08	\$ 14,153.76	\$ 42,461.28
Kern County	\$ 120,019.19	2%	\$ 257,369.21	\$ 450,396.12	\$ 257,369.21	\$ 772,107.64
Kings County	\$ 48,553.87	5%	\$ 52,057.83	\$ 91,101.20	\$ 52,057.83	\$ 156,173.49
Lake County	\$ 27,028.00	7%	\$ 25,927.60	\$ 45,373.30	\$ 27,028.00	\$ 81,084.00
Lassen County	\$ 11,000.00	4%	\$ 20,839.16	\$ 36,468.53	\$ 20,839.16	\$ 62,517.49
Los Angeles County	\$ -	0%	\$ 3,508,409.71	\$ 6,139,717.00	\$ 3,508,409.71	\$ 10,525,229.14
Madera County	\$ 15,200.00	2%	\$ 54,205.25	\$ 94,859.18	\$ 54,205.25	\$ 162,615.74
Marin County	\$ 83,845.33	6%	\$ 69,799.43	\$ 122,149.00	\$ 83,845.33	\$ 251,535.99
Mariposa County	\$ 11,414.00	7%	\$ 14,297.45	\$ 25,020.55	\$ 14,297.45	\$ 42,892.36
Mendocino County	\$ 7,051.00	1%	\$ 31,517.98	\$ 55,156.46	\$ 31,517.98	\$ 94,553.93
Merced County	\$ 40,000.00	4%	\$ 90,137.91	\$ 157,741.35	\$ 90,137.91	\$ 270,413.74
Modoc County	\$ 6,522.00	4%	\$ 13,502.70	\$ 23,629.72	\$ 13,502.70	\$ 40,508.09
Mono County	\$ -	0%	\$ 13,966.13	\$ 24,440.73	\$ 13,966.13	\$ 41,898.40
Monterey County	\$ 237,486.73	7%	\$ 144,808.70	\$ 253,415.22	\$ 237,486.00	\$ 712,458.00
Napa County	\$ 10,137.67	1%	\$ 42,225.41	\$ 73,894.46	\$ 42,225.41	\$ 126,676.23
Nevada County	\$ 5,000.00	1%	\$ 35,097.08	\$ 61,419.89	\$ 35,097.08	\$ 105,291.24
Orange County	\$ 900,000.00	4%	\$ 996,850.95	\$ 1,744,489.16	\$ 996,850.95	\$ 2,990,552.85
Placer County	\$ 162,000.00	6%	\$ 82,780.38	\$ 144,865.66	\$ 162,000.00	\$ 486,000.00
Plumas County	\$ 23,333.33	6%	\$ 19,374.48	\$ 33,905.34	\$ 25,000.00	\$ 75,000.00
Riverside County	\$ 512,377.33	4%	\$ 629,263.41	\$ 1,101,210.97	\$ 629,263.41	\$ 1,887,790.24
Sacramento County	\$ 374,371.00	4%	\$ 389,308.88	\$ 681,290.55	\$ 389,308.88	\$ 1,167,926.65
San Benito County	\$ 25,000.00	5%	\$ 25,573.77	\$ 44,754.09	\$ 25,573.77	\$ 76,721.30

Three Year Plan for Sustaining CalMHSAs Statewide PEI programs

San Bernardino County	\$ 561,894.00	4%	\$ 644,175.81	\$ 1,127,307.67	\$ 644,175.81	\$ 1,932,527.43
San Diego County	\$ 566,666.67	2%	\$ 1,008,224.62	\$ 1,764,393.08	\$ 1,008,224.62	\$ 3,024,673.86
San Francisco City And County	\$ 100,000.00	2%	\$ 226,444.26	\$ 396,277.46	\$ 226,444.26	\$ 679,332.78
San Joaquin County	\$ 174,662.69	4%	\$ 205,691.36	\$ 359,959.88	\$ 205,691.36	\$ 617,074.08
San Luis Obispo County	\$ 67,308.00	4%	\$ 84,419.44	\$ 147,734.02	\$ 84,419.44	\$ 253,258.33
San Mateo County	\$ 97,112.00	2%	\$ 200,422.83	\$ 350,739.96	\$ 200,422.83	\$ 601,268.49
Santa Barbara County	\$ 5,000.00	0%	\$ 143,036.53	\$ 250,313.92	\$ 143,036.53	\$ 429,109.58
Santa Clara County	\$ 451,299.50	4%	\$ 570,774.32	\$ 998,855.06	\$ 570,774.32	\$ 1,712,322.95
Santa Cruz County	\$ -	0%	\$ 91,537.20	\$ 160,190.09	\$ 91,537.20	\$ 274,611.59
Shasta County	\$ 11,990.00	1%	\$ 60,215.41	\$ 105,376.96	\$ 60,215.41	\$ 180,646.22
*Sierra County	\$ -	0%	\$ 12,885.07	\$ 22,548.86	\$ 12,885.07	\$ 38,655.20
Siskiyou County	\$ 11,674.00	5%	\$ 22,357.95	\$ 39,126.42	\$ 22,357.95	\$ 67,073.86
Solano County	\$ 56,487.67	2%	\$ 125,748.94	\$ 220,060.65	\$ 125,748.94	\$ 377,246.82
Sonoma County	\$ 91,852.00	3%	\$ 140,436.27	\$ 245,763.47	\$ 140,436.27	\$ 421,308.81
Stanislaus County	\$ 161,465.50	4%	\$ 156,982.39	\$ 274,719.18	\$ 156,982.39	\$ 470,947.17
Sutter/Yuba County	\$ 39,185.00	4%	\$ 60,003.66	\$ 105,006.40	\$ 60,003.66	\$ 180,010.97
*Tehama County	\$ -	0%	\$ 25,297.42	\$ 44,270.48	\$ 25,297.42	\$ 75,892.25
Tri-City Mental Health Center	\$ 11,922.50	1%	\$ 68,269.17	\$ 119,471.04	\$ 68,269.17	\$ 204,807.50
Trinity County	\$ 8,840.71	5%	\$ 13,897.24	\$ 24,320.17	\$ 13,897.24	\$ 41,691.71
Tulare County	\$ 31,439.78	1%	\$ 148,893.34	\$ 260,563.35	\$ 148,893.34	\$ 446,680.03
Tuolumne County	\$ 16,393.65	5%	\$ 24,844.60	\$ 43,478.04	\$ 24,844.60	\$ 74,533.79
Ventura County	\$ 53,666.67	1%	\$ 258,477.03	\$ 452,334.80	\$ 258,477.03	\$ 775,431.09
Yolo County	\$ 70,000.00	3%	\$ 66,167.85	\$ 115,793.74	\$ 66,167.85	\$ 198,503.56
TOTAL	\$ 6,141,313.65	3%	\$ 12,290,400.00	\$ 21,508,200.00	\$ 12,644,848.05	\$ 37,934,544.15
Counties have not contributed 1 or more years						
Counties have not contributed.						
County is missing payments.						
* Non Member Counties						
If all 58 counties and 2 cities participate, target amount will remain, if not, target amount will increase for those participating.						

County	PHASE I FUNDING FY 14-15		PHASE II FUNDING FY 15-16		PHASE II FUNDING FY 16-17 LOA	
	Funding		LOA Rcvd		Rcvd	
	\$	%	\$	%	\$	%
Alameda County	\$ 380,240.00	4%	\$ 342,215.00	3%	\$ 290,883.00	3%
Alpine County					\$ 15,000.00	7%
*Amador County	\$ 8,000.00	4%				
Butte County	\$ 15,000.00	2%	\$ 25,000.00	6%		
*Calaveras County	\$ 2,694.00	1%				
City of Berkeley						
Colusa County	\$ 11,414.00	7%	\$ 11,414.00			
Contra Costa County						
Del Norte County						
El Dorado County			\$ 9,471.00	1%	\$ 9,471.00	1%
Fresno County	\$ 455,864.00	7%	\$ 455,864.00	7%	\$ 455,864.02	7%
Glenn County	\$ 8,800.00	5%	\$ 12,536.00	3%	\$ 18,000.00	3%
Humboldt County	\$8,198.31	1%	\$ 8,198.31		\$ 8,198.31	
Imperial County	\$ 48,915.00	4%	\$ 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	\$ 48,916.00	5%	\$ 48,373.00	5%	\$ 48,373.00	5%
Lake County	\$ 27,028.00	7%	\$ 27,028.00	7%		
Lassen County					\$ 11,000.00	4%
Los Angeles County						
Madera County			\$15,200	2%	\$ 15,200.00	2%
Marin County	\$ 101,536.00	7%	\$ 75,000.00	5%	\$ 75,000.00	5%
Mariposa County	\$ 11,414.00	7%				
Mendocino County	\$ 5,348.00	1%	\$ 7,180.00	1%	\$ 8,625.00	1%
Merced County	\$ 40,000.00	4%				
Modoc County	\$ 6,522.00	4%	\$ 6,522.00	4%	\$ 6,522.00	4%
Mono County						
Monterey County	\$ 208,460.00	7%	\$ 252,000.00	7%	\$ 252,000.00	7%
Napa County	\$ 10,551.00	1%	\$ 9,391.00	1%	\$ 10,471.00	1%
Nevada County	\$ 5,000.00	1%	\$ 5,000.00	1%	\$ 5,000.00	1%
Orange County	\$ 900,000.00	4%	\$ 900,000.00	4%	\$ 900,000.00	4%
Placer County	\$ 162,000.00	6%	\$ 162,000.00	6%	\$ 162,000.00	6%
Plumas County	\$ 20,000.00	5%	\$ 25,000.00	6%	\$ 25,000.00	6%
Riverside County	\$ 494,695.00	4%	\$ 516,058.00	4%	\$ 526,379.00	4%
Sacramento County	\$ 460,302.00	5%	\$ 342,486.00	3%	\$ 320,325.00	3%
San Benito County			\$ 25,000.00	5%		
San Bernardino County	\$ 561,894.00	4%	\$ 561,894.00	4%	\$ 561,894.00	4%
San Diego County	\$ 650,000.00	3%	\$ 650,000.00	3%	\$ 400,000.00	1%
San Francisco City And County	\$ 100,000.00	2%	\$ 100,000.00	2%	\$100,000.00	2%
San Joaquin County	\$ 174,663.00	4%	\$ 174,662.54	4%		4%
San Luis Obispo County	\$ 67,308.00	4%	\$ 67,308.00	4%	\$ 67,308.00	4%
San Mateo County	\$ 104,863.00	2%	\$ 90,508.00	2%	\$ 95,965.00	2%
Santa Barbara County					\$ 5,000.00	0.10%
Santa Clara County	\$ 502,699.00	4%	\$ 400,000.00	4%		
Santa Cruz County						
Shasta County	\$ 11,485.00	1%	\$ 11,485.00	1%	\$ 13,000.00	1%
*Sierra County						
Siskiyou County	\$ 11,674.00	5%				
Solano County	\$ 54,922.00	2%	\$ 53,930.00	2%	\$ 60,611.00	2%
Sonoma County	\$ 57,356.00	2%	\$ 109,000.00	4%	\$ 109,200.00	2.78%
Stanislaus County	\$ 232,931.00	7%	\$ 90,000.00	1%		
Sutter/Yuba County	\$ 39,185.00	4%	\$ 39,185.00	4%	\$ 39,185.00	4%
*Tehama County						
Tri-City Mental Health Center	\$ 13,325.00	1%	\$ 14,852.00	1%	\$ 7,590.50	1%
Trinity County	\$ 6,522.13	6%	\$ 10,000.00	4%	\$ 10,000.00	4%
Tulare County	\$ 31,443.00	1%	\$ 31,443.17	1%	\$ 31,443.17	1%
Tuolumne County	\$ 15,751.00	5%	\$ 16,715.00	5%	\$ 16,715.00	5%
Ventura County	\$ 55,000.00	1%	\$ 52,500.00	1%	\$ 53,500.00	1%
Yolo County	\$ 70,000.00	5%		2.2%		2.2%
TOTAL	\$ 6,321,937.63	4%	\$ 5,923,353.21	3%	\$ 4,903,657.19	3%

A The average **funding amount** identified by county via Letter of Acknowledgment for FY 14/15, 15/16, 16/17--please see tab with detail for each year

B The average **percent** a county has identified via Letter of Acknowledgment for FY 14/15, 15/16, 16/17 --please note that the average is calculated by the number of years an LOA was provided, as several counties did not participate all three years

C The average DHCS Allocation of total MHSA Funds for FY 14/15, 15/16, 16/17 equals \$1.53B, 20% PEI is \$307M of total MHSA (\$1.53B) funds. County Contribution columns demonstrates an option of 4% or 7% of local MHSA PEI funds. The 4-7% was derived through from CalMHSA Executive Committee action in 2014.

D The target funding level for 1 year is an average of 4% (MHSA PEI funds) or sustaining previous commitment which ever is greater for a total of \$12.6M for CalMHSA Statewide PEI programs.

E The target funding level for 3 years is approx. \$37.9M for CalMHSA Statewide PEI programs

PROGRAM MATTERS
Agenda Item 5.A

SUBJECT: Funding Task Force Meeting January 9, 2014

ACTION FOR CONSIDERATION:

The CalMHSA Sustainability Funding Task Force seeks endorsement by the Executive Committee of the funding recommendation from the Funding Task Force and approval to seek further action on the recommendation for Board action at the February 13, 2014 Board Meeting. The Funding Task

Force recommendation is:

- The local (county) annual funding will have a flat rate range of 4-7% of annual local PEI MHSA funding for each county from FY 2014-2015 through FY 2016-2017, with exceptions for both lower than 4% and higher than 7%. All exception requests shall be submitted by May 1st, to the Finance Committee for approval.

BACKGROUND AND STATUS:

The recommendation of the Funding Task Force is the most recent step in the effort to continue PEI Statewide Projects. Since the adoption and implementation of the existing CalMHSA PEI Statewide Implementation Plan in 2011, the investment by counties and the impact of the projects resulted in Board actions to continue to find a funding solution for continuing PEI Statewide Projects.

Summary of CalMHSA Board Actions:

April 2013 – Board validates the continuation of Statewide PEI Projects past June 2014, at its Strategic Planning meeting.

June 2013 – CalMHSA Board forms a Sustainability Task Force to make programmatic recommendation to the Board on PEI Statewide projects. This Task Force meets monthly, is chaired by Alfredo Aguirre, and has county representation from each CMHDA region. Recommendations from the Task Force are vetted (as possible) with CalMHSA Advisory Committee and then presented to the Board.

August 2013 – Board adopts Task Force recommendation on Criteria and Rating for Current and Future PEI projects.

October 2013 – Board adopts Task Force recommendation for development of a Phase One Plan for FY 14/15 and development of a Phase Two Plan to be implemented beginning in FY 15/16.

– Board approves the use of up to \$250,000 in planning funds for development of a draft Phase Two plan by July 2014 for presentation to the Board at the August Board meeting.

December 2013 - Board approves the Phase One Plan without a funding recommendation and forms the Sustainability Funding Task Force. The goal of the Task Force is to: determine a county funding model for PEI Statewide Initiatives and address FY 2014-2015 funding solution.

Current Activity:

On January 9, 2014, the Funding Task Force met and discussed a funding framework and three different funding levels prepared by CalMHSA staff. Each model included the same proposed funding framework but showed a varying funding level for FY14/15 and beyond. The framework and funding framework were developed from prior feedback received from Board members through prior meetings and discussions. The funding framework:

1. Utilizes carryover, unspent, and interest earned funds,
2. Initializes the need for partnering which requires match contributions from program partners,
3. Recognizes and establishes the need for private/federal/foundation funds and builds toward a diverse funding stream to sustain future projects,
4. Creates direct funding relationship between State and JPA—similar to CiMH, and
5. Aligns CalMHSA JPA PEI funding with local funding by:
 - a. Establishing three year plans
 - b. Establishing minimum member funding participation
 - c. Allowing for county flexibility and choice
 - d. Continuing stakeholder involvement.

Following discussion by Taskforce members, additional parameters of the final recommendation include:

1. One-time funds (contingency, unspent and interest) to be fully utilized in the first three year plan and split equally over the three years
2. Matching funds required from program partners ranging from 10-50% match, with emphasis on education
3. Private funding to include all other funding beyond State and County—i.e. private, foundation, endowment, grant, federal
4. State funding sought annually ranging from \$5-10M (if none attained the first year due to time or other constraints, current program partner contracts with unexpended funds shall be inserted)
5. Local Funding
 - a. All members to annually fund PEI Statewide Plans within the target range of 4-7% of local annual PEI funds.
 - b. Minimum annual funding shall be established at 1%
 - c. Exception requests below 4% or above 7%, shall be submitted to CalMHSA by May 1st and reviewed by the Finance Committee with recommendations to the CalMHSA Board each June with the approval of the annual budget.

The Task Force passed the following motion:

- The local (county) annual funding will have a flat rate range of 4-7% for each county from FY 2014-2015 through FY 2016-2017, with exceptions for both lower than 4% and higher than 7%. All exception requests will be made by May 1st, submitted to the Finance Committee for approval.

Operationalizing this recommendation will require:

1. Applying the rating and priority criteria adopted by the Board
2. Funding for each initiatives based will be contingent on county investment in each initiative
3. Contingency plans in the event of funding shortfalls
4. Recognition that annual local funding contributions will fluctuate based in fluctuations in the local revenues received from the MHSAs fund

CalMHSA staff prepared revised draft models based on the recommendation approved by the Task Force which are attached for reference.

FISCAL IMPACT:

Funding for Phase One Plan – FY 2014-2015

RECOMMENDATION:

The CalMHSA Executive Committee to endorse the recommendation as follows:

- The local (county) annual funding will have a flat rate range of 4-7% for each county from FY 2014-2015 through FY 2016-2017, with exceptions for both lower than 4% and higher than 7%. Criteria for exceptions will be developed, which will be vetted through the Task Force. Exception requests will be made by May 1st, submitted to the Finance Committee for approval.

TYPE OF VOTE REQUIRED:

Majority vote of the Executive Committee.

REFERENCE MATERIAL(S) ATTACHED:

- Model 2 – Funding Components
- Model 2 – Source of Funds
- Model 2 – Local Annual Funding
- Model 2 – Appendix 1
- Rating Criteria for prioritizing projects



"A George Hills Company Administered JPA"

CalMHSAs Executive Committee Meeting Minutes from January 30, 2014

MEMBERS PRESENT:

Wayne Clark, PhD, CalMHSAs President, Monterey County
Maureen Bauman, LCSW, CalMHSAs Vice President, Placer County
CaSonya Thomas, MPA, CHC, CalMHSAs Secretary, San Bernardino County,
William Arroyo, MD, Los Angeles County, Los Angeles Region
Alfredo Aguirre, San Diego County, Southern Region
Karen Stockton, PhD, MSW, Modoc County, Superior Region
Rita Austin, LCSW, Tuolumne County, Central Region

MEMBERS ABSENT:

Scott Gruendl, MPA, CalMHSAs Treasurer, Glenn County, Superior Region
Michael Kennedy, MFT, Sonoma County, Bay Area Region
Jo Robinson, San Francisco City & County, Bay Area Region
Vic Singh, San Joaquin County, Central Region
Mary Hale Orange County, Southern Region
Marvin Southard, DSW, Los Angeles County, Los Angeles Region

STAFF:

John Chaquica, CalMHSAs Executive Director
Ann Collentine, CalMHSAs Program Director
Stephanie Welch, CalMHSAs Senior Program Manager
Sarah Brichler, CalMHSAs Program Manager
Doug Alliston, Murphy, Campbell, Alliston & Quinn
Laura Li, CalMHSAs JPA Administrative Manager
Michelle Yang, CalMHSAs Executive Assistant

OTHERS:

Karen Lyle, Long Beach
Anara Guard, Education Development Center – Know the Signs Campaign

1. CALL TO ORDER

Wayne Clark, PhD, Monterey County, CalMHSAs President, Executive Committee Chair, called the teleconference to order at 3:30 p.m.

2. ROLL CALL AND INTRODUCTIONS

Laura Li, CalMHSA, called roll and a quorum was established at 3:32 p.m. President Clark asked for members of the public and staff to introduce themselves.

3. INSTRUCTIONS FOR PUBLIC COMMENT AND STAKEHOLDER IMPUT

Doug Alliston, Legal Counsel, reviewed the meeting process, noting changes in the Brown Act require all voting matters to have roll call moving forward. The Chair will take comment from members first. Once members have commented, he will open the subject up for public comment by call-in location followed by comment by those calling in from unposted locations.

4. CONSENT CALENDAR

President Clark acknowledged the consent calendar and asked for comment from Committee members. Hearing none, President Clark entertained a motion to approve the consent calendar.

Action: *Staff recommends approval of the consent calendar.*

Motion: *Maureen Bauman, Placer County*

Second: *William Arroyo, Los Angeles County*

Member		Alternate	
Wayne Clark, Monterey County	YES		
Maureen Bauman, Placer County	YES		
CaSonya Thomas, San Bernardino County	YES		
Scott Gruendl, Glenn County			
Michael Kennedy, Sonoma County		Jo Robinson, San Francisco City & County	
Vic Singh, San Joaquin County		Rita Austin, Tuolumne County	YES
Marvin Southard, Los Angeles County		William Arroyo, Los Angeles County	YES
Mary Hale, Orange County		Alfredo Aguirre, San Diego County	YES
Karen Stockton, Modoc County	YES	VACANT, Superior Region	
<i>At large Member</i>			

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

None

5. PROGRAM MATTERS

A. Sustainability Plan Funding Task Force Meeting January 9, 2014

Maureen Bauman, Vice President, Placer County, gave a brief overview regarding the background of the Sustainability Funding Task Force. Ms. Bauman stated the Board had decided to move forward with sustaining the current projects, and during the August Board meeting, had approved the criteria through which programs would be vetted to decide on sustainability. Staff had requested developing a funding task force during the October Board meeting, asking for guidance from the Board members.

Ms. Bauman stated the initial recommendation to have a target range of an annual flat rate of 4-7% of local PEI funds be dedicated towards statewide PEI projects, with a minimum of 1% required from all member counties. Any exceptions below 4% or above 7% would be reviewed by the Finance Committee annually. William Arroyo, Los Angeles County, asked if the recommendation could be replaced by the parameter #5 listed in the agenda packet. John Chaquica, CalMHSA Executive Director, stated the motion may be more comprehensive if parameters #1-5 were all included. Alfredo Aguirre, San Diego County, voiced his concern regarding counties seeking exceptions, stating the recommendation did not state the ability that counties can and will use the exception clause to seek and invest in one initiative. President Clark responded, stating it was assumed that counties had options.

Dr. Arroyo mentioned the parameters #1-5, stating the criteria for exceptions should be included within the recommendation, and that despite this recommendation and what the Board approves, the local processes will still need to ensure alignment with the Mental Health Services Act (MHSA). Karen Stockton, Modoc County, expressed her great concern with the exception statement and approval of the Finance Committee for exceptions. Ms. Stockton stated the approval process goes against what the MHSA stands for, and it would affect the credibility and operationalization of the JPA. The counties should have the choice and option to participate in the different programs recommended and offered by the JPA. Ms. Bauman responded, saying the Funding Task Force has had extensive discussion regarding the issue of county option and control over funds being spent.

Mr. Aguirre stated the exception clause should be consistent with the MHSA, with the right to submit exceptions. Ms. Stockton requested change in the language, stating the word exception was unnecessary. Ms. Bauman suggested a waiver, as the Finance Committee would like a process in place to track approximately how much would be available in funding. Ms. Stockton recommended asking counties for a statement or letter of intent, to avoid implying counties need permission to vary from the recommended 4-7% funding level. The letter would be submitted to the Finance Committee by the May 1st deadline, so the Committee could inform the Board of the funding available. Ms. Bauman confirmed her support for having counties submit a letter, stating the letter would be for every member, not just the counties funding the JPA under 4% or above 7%. Dr. Arroyo also confirmed his support of amending the recommendation, and the Executive Committee endorsed the following motion:

Action: ***Approval of a Plan to Sustain PEI Statewide Programs with funding as follows:***

- 1. One-time funds (contingency, unspent, and interest) to be fully utilized in the first three-year plan, and split equally over the three years.***
- 2. Matching funds required from Program Partners ranging from 10-50% match, with emphasis on education***
- 3. Private funding to include all other funding beyond State and County – i.e. private, foundation, endowment, grant, federal***

4. State funding sought annually ranging from \$5-\$10M (if none attained the first year due to time or other constraints, current program partner contracts with unexpended funds shall be inserted)

5. Local Funding

A. All members to annually fund PEI Statewide Plans within the target range of 4-7% of local annual PEI funds

B. Minimum annual funding shall be established at 1%

C. Letters of Commitment shall be submitted by May 1st, in accordance with regulations and statutes that govern the Mental Health Services Act.

Motion: **Maureen Bauman, Placer County**

Second: **William Arroyo, Los Angeles County**

Member		Alternate	
Wayne Clark, Monterey County	YES		
Maureen Bauman, Placer County	YES		
CaSonya Thomas, San Bernardino County	YES		
Scott Gruendl, Glenn County			
Michael Kennedy, Sonoma County		Jo Robinson, San Francisco City & County	
Vic Singh, San Joaquin County		Rita Austin, Tuolumne County	YES
Marvin Southard, Los Angeles County		William Arroyo, Los Angeles County	YES
Mary Hale, Orange County		Alfredo Aguirre, San Diego County	YES
Karen Stockton, Modoc County	YES	VACANT, Superior Region	
<i>At large Member</i>			

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

None

B. State Hospital Beds

John Chaquica, CalMHSA Executive Director, updated the Committee, stating CalMHSA had a productive meeting with the Department of State Hospitals (DSH) discussing what will be important for FY 2014-2015. The 2013-2014 MOU is finalized, and will be sent out to all 58 counties very soon. Mr. Chaquica stated the next DSH meeting will be held on February 28th, prompting a meeting with the State Hospital Beds Work Group on either February 18th or 20th. The Work Group has stated its recommendation to move to become an advisory Committee, subject to the Brown Act. Mr. Chaquica stated the Work Group is in the process of developing the charter, and will be presenting it to the Board soon. The Work Group has also discussed at length various alternatives, and will be presenting its recommendations and suggestions to the Board soon.

Mr. Chaquica discussed the bed pooling concept, stating the plan is for it to become live on July 1st. Rita Austin, Tuolumne County, asked if all counties would be required to sign the MOU. Mr. Chaquica stated only the participating counties will need to sign and return the MOU to CalMHSA for execution.

Action: *None, information only.*

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

None

C. Alternatives to Short – Doyle 2

Sarah Brichler, CalMHSA Program Manager, gave a brief update to the Committee regarding the billing feasibility study. Ms. Brichler informed the Committee that CalMHSA has continued to work with CMHDA staff to represent counties. There have been several governing council meetings to share perspectives from both the counties and the state. Ms. Brichler stated possible opportunities and alternatives to the D-2 system are developing, and CalMHSA & CMHDA are currently working with Department of Health Care Services (DHCS) to develop the process to carry out the efforts. The feasibility study is moving towards consensus, attempting to finalize the broader details.

Action: *None, information only.*

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

None

6. GENERAL DISCUSSION

A. Report from CalMHSA President – Wayne Clark

President Clark gave a brief report regarding the meeting with Senator Pro Tem Darrell Steinberg and Kiyomi Burchill of the California Health and Human Services Agency, stating both meetings were well received.

Action: *None, information only.*

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

None

B. Report from CalMHSA Executive Director – John Chaquica

Mr. Chaquica provided a quick general update on several topics. CalMHSA staff is working with the California Institute for Mental Health (CiMH) regarding the International Stigma Conference, taking place in San Francisco in February, 2015. Mr. Chaquica stated staff is working with the third draft of the contract with CiMH, and will be finalizing it soon. Staff is also recommending development of various committees to bring feedback and input into organizing and structuring this conference.

Mr. Chaquica called upon Ann Collentine, CalMHSA Program Director, to give an update regarding the Phase 2 Sustainability Steering Committee Representatives. Ms. Collentine requested any Committee member who would be interested being a part of the Steering Committee to reach out to her, stating she was looking for at least 6 county representatives from across the state of California.

Mr. Chaquica gave a brief overview regarding the FPPC (Form 700) that all Board members and Alternates are required to complete annually. CalMHSA staff has procured a software program to make it more efficient and will be in touch with Board members soon regarding the process.

Mr. Chaquica updated the Executive Committee, stating CMHDA has confirmed an at-large member who will be a part of the Executive Committee to bring the total to 10 members, including the alternates.

Action: None, information only.

7. CLOSING COMMENTS

President Clark asked the Committee if there was any closing comments.

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

None

8. ADJOURNMENT

Hearing no further comments, the meeting was adjourned at 4:22 p.m.

Agenda Item 6

SUBJECT: Complexities Related to Non-Paying Counties

ACTION FOR CONSIDERATION:

Discuss and provide direction to Staff for Board Recommendation at December 15th, 2016 Board of Directors Meeting.

BACKGROUND AND STATUS:

At the Strategic Planning Session on April 15, 2016, the Board of Directors requested staff (items number 5 and 6 under “Money – Sustainability”) to determine options for addressing the issue of non-paying counties. As such, staff prepared a comprehensive packet relative to sustainability, which includes potential proposed solutions for addressing the issue of member counties benefitting from certain CalMHSA managed programs, of which they do not financially contribute.

Please see attached documents for background. Here is a summary of the potential proposed solutions in order to achieve equality and ensure CalMHSA has sufficient funding to manage the approved programs:

- 1) Establish a percentage of minimum participation by all members, whereas the member can allocate the portion of support by program. This is analogous to our % solution previously entertained.
- 2) Any member who will directly benefit from a program must financially participate at the requisite level in order to remain as a member in good standing in CalMHSA and the program. Any member not in good standing will remain a member for up to one year and if good standing not restored shall no longer be a member of that program nor benefit directly from the program. An example is for those members not fiscally contributing to the State Hospital Program will not be allowed to be a party to the MOU and not receive the benefits and potentially the same rate.
- 3) Create tiers or classes of membership in CalMHSA and/or programs. For example, any member who wishes not to directly benefit from the program, nor financially participate, but does in fact receive indirect benefit (for example social media), that member shall pay an administrative fee equal to the minimum funding level determined for the program.

FISCAL IMPACT:

Increase in member contributions.

RECOMMENDATION:

Discuss and provide direction to Staff for Board Recommendation at December 15th, 2016 Board of Directors Meeting.

TYPE OF VOTE REQUIRED:

Majority vote of the Finance Committee.

REFERENCE MATERIAL(S) ATTACHED:

- Non-Paying Counties – Narrative of Strategic Planning Session

NON PAYING COUNTIES

- OBJECTIVE** - to address the issue of member counties benefitting from certain CalMHSA managed programs, of which they do not financially contribute.

Background - CalMHSA manages programs approved by the membership. Currently there are three programs whereas all members could participate. Each program is unique and will be discussed separately.

Statewide PEI; this program, initiated in 2010 was funded by one-time funds whereas the members assigned them directly to the JPA. The vast majority of counties assigned all their funds to the JPA. There were, however, several counties that did not join the JPA, but participated, and a few counties that joined the JPA but did not participate. A total of 7 counties (mostly small counties) did not financially participate in the original implementation of the PEI Statewide Projects. These non-paying counties received some benefit from the original one-time funding, but not to the same degree as counties that provided funding. Of note, by Phase 2, all counties, except 3 very small counties, had financially supported PEI Statewide Projects. Since the inception of the PEI Statewide Projects, the issue of equity has been an on-going concern relative to current funding structure, which is done through a volunteer Letter of Acknowledgement (LOA) basis.

In the LOA structure each county elects to participate or not participate; and to what degree they financially will participate (CalMHSA provides suggested parameters of fiscal participation, generally 4-7% of Annual PEI funding). . Prior board discussion of non-contributing or lesser contributing counties resulted in staff working with contractors to ensure counties received products and services based on the level of county contribution. As a CalMHSA member a county receives some benefits from this statewide prevention campaign. Currently, 15 counties out of 58 counties (25.9%) did not fund CalMHSA through an LOA.

Fiscal Year	Number Participating Members	Total Funds Committed	Total Funds Received
PEI FY 14-15	44	\$6,396,323.40	\$6,321,937.63
PEI FY 15-16	40	\$5,958,353.20	\$5,893,326.21
PEI FY 16-17	40	\$5,120,910.23	\$4,215,546.86*

* Collection during current fiscal year, more contributions are expected to reach \$5.2 million.

State Hospital Program; this program started primarily out of the need for collective contract bargaining to hold done costs and improve quality of patient care. Initially it was a program that was supported and funded by those counties currently procuring beds. However, the annual and

necessary funding for the effort has not been funded consistently by all counties who procure beds. Currently there are several counties have not paid and some where it is unknown whether payment will be made for past invoices or current invoices.

Fiscal Modernization; this project was initially focused on exploring options to transition from Short-Doyle 2 to a new billing system. CBHDA, CalMHSA and Counties proposed a migration from the state-operated Short-Doyle 2 system to a HIPPA-compliant, county-based encounter data systems that use certified vendors/systems to collect and store encounter information locally. Since the project began in 2013, the scope has changed from solely an information technology project to a project that is inclusive of fiscal and delivery system considerations. While this project conceptually benefits all counties nine have fiscally not participated.

CalMHSA Bylaws, Article 12 – Programs, Sections 12.1 – Formation of Programs

ARTICLE 12 - PROGRAMS

Section 12.1 - Formation of Programs

12.1.1 The Authority may establish Programs in such areas as the Board may determine.

12.1.2 The Authority may authorize and use administrative funds to study the development/feasibility of new Programs. In the event of such development, the estimated Member contributions shall be developed by the Executive Director and each Member will be given a stated time period to state in writing whether it intends to participate in the new Program. Unless written notice of intent to participate in a Program is provided to the Executive Director by the Member, it shall be presumed that the Member declines to participate. Upon conclusion of the notice period, Member contributions will be determined and billed to the Members committed to join. Receipt by the Authority of funds from third parties on behalf of, or as the assignee of, the Member will be deemed contributions on behalf of the Member. To the extent feasible, Member contributions to a Program shall be used reimburse the Authority's administrative funds used to study and develop the Program. Each Member that elects to participate will be bound to the new Program for the period of time so required by the Participation Agreement for that Program.

12.1.3 Establishment of a Program that may involve more than one member and contributions made directly by such Members requires a vote of the full Board. Once a Program is established, addition of other Members as participants does not require additional Board action. Single-County Programs and Programs funded entirely by grants or other non-Member sources may be established by vote of either the Board or the Executive Committee. As to such Programs, the Board or Executive Committee may delegate authority to the Executive Director to establish and execute Participation Agreements for such Programs, subject to the limits imposed in the delegation of authority.

12.1.4 The Participants in a Program shall adopt and maintain a Participation Agreement to establish the operating guidelines of that Program, except as to the Statewide PEI Program. As to the Statewide PEI Program, the relevant Information Notices, assignment documents executed on

behalf of Members, CalMHSA contract with the California Department of Mental Health and these Bylaws are deemed to constitute the Participation Agreement.

12.1.5 Participation Agreements shall, among other things, specify the conditions under which additional Members will be allowed to join in the Program after its inception.

Proposed Solutions—In order to hope to achieve equality and ensure CalMHSA has sufficient funding to manage the approved programs certain critical next steps should be considered:

1. Establish a percentage of minimum participation by all members, whereas the member can allocate the portion of support by program. This is analogous to our 1% solution previously entertained.
2. Any member who will directly benefit from a program must financially participate at the requisite level in order to remain as a member in good standing in CalMHSA and the program. Any member not in good standing will remain a member for up to one year and if good standing not restored shall no longer be a member of that program nor benefit directly from the program. An example is for those members not fiscally contributing to the State Hospital Program will not be allowed to be a party to the MOU and not receive the benefits and potentially the same rate.
3. Any member who wishes not to directly benefit from the program, not financially participate, but does in fact receive indirect benefit (for example social media), that member shall pay an administrative fee equal to the minimum funding level determined for the program.

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
- Financial Modernization Pilot Program – Status
- Other Financial Matters

FISCAL IMPACT:

None.

RECOMMENDATION:

None, Information only.

TYPE OF VOTE REQUIRED:

Majority vote.

REFERENCE MATERIAL(S) ATTACHED:

- None.