

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

September 26, 2016  
4:00 p.m. – 5:00 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. 7<sup>th</sup> 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 28<sup>th</sup> Street  
Bakersfield, CA 93301

**Los Angeles County**  
550 S. Vermont Avenue, 10<sup>th</sup> 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.

<b>3. CONSENT CALENDAR</b> .....	<b>4</b>
A. Routine Matters	
a. Minutes from the August 1, 2016 Finance Committee Teleconference	
B. Reports/Correspondence	
a. Program Payments	
<i><b>Recommendation: Approval of the consent calendar.</b></i>	
<b>4. CASH FLOW MANAGEMENT AS OF AUGUST 31, 2016</b> .....	<b>10</b>
A. Cash Balance as of August 31, 2016 .....	<b>11</b>
B. Projected Cash Flow at August 31, 2016.....	<b>12</b>
<i><b>Recommendation: For information and discussion.</b></i>	
<b>5. CALMHSA FINANCIAL STATEMENT FOR QUARTER ENDING JUNE 30, 2016</b> .....	<b>13</b>
<i><b>Recommendation: Approval of the CalMHSA Financial Statements for the Quarters ending June 30, 2016 for presentation at the next scheduled Board of Directors Meeting.</b></i>	
<b>6. CalMHSA ANNUAL REVENUE AND EXPENDITURE REPORT – BUDGET JUNE 30, 2017 – PROPOSED REVISION</b> .....	<b>18</b>
<i><b>Recommendation: Finance Committee to discuss and/or recommend to the Board of Directors, a revised June 30, 2017 budget.</b></i>	
<b>7. EXECUTIVE DIRECTOR FINANCE REPORT</b> .....	<b>31</b>
A. Strategic Development of 2016/2017 Revenue	
B. Drug Medi-Cal – Status	
C. Financial Modernization Pilot Program – Status	
D. Private Sector Fund Development - Status	

E. 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. ADJOURNMENT**

### **Agenda Item 3**

#### **SUBJECT: CONSENT CALENDAR**

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#### **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 August 1, 2016 Finance Committee Teleconference

B. Reports/Correspondence

- a. Program Payments

#### **FISCAL IMPACT:**

None.

#### **RECOMMENDATION:**

Approval of the Consent Calendar.

#### **TYPE OF VOTE REQUIRED:**

Majority vote.

#### **REFERENCE MATERIALS ATTACHED:**

- Minutes from the August 1, 2016 Finance Committee Teleconference
- Program Payments



## CalMHSAs Finance Committee

### TELECONFERENCE MINUTES FROM AUGUST 1, 2016

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#### Finance Committee Members

##### Present

- Bill Walker, CalMHSAs Treasurer, Kern County
- Dr. William Arroyo, Los Angeles County
- Terence M. Rooney, Colusa County
- Steve Steinberg, Riverside County

##### Absent

- Dennis P. Koch, Madera County
- Michael Lucid, Sonoma 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
- Armando Bastida, Executive Assistant

##### Public

- Diane Lampe, CCESSA
- Melen Vue, NAMICA
- Becky Stein, Active Minds
- Mariana Baserga, RSE
- Colleen Ammerman, FCCC
- Elaine Allred, Lake County
- Jana Sczersputowski, Your Social Marketer

1. **Call to Order**

The CalMHSA Finance Committee teleconference was called to order at 3:34 p.m. on August 1, 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 for any changes to the following items:

Routine Matters:

- Minutes from the May 9, 2016 Finance Committee Teleconference

Reports/Correspondence:

- Treasurers Report as of June 30, 2016
- Letter of Acknowledgement Matrix

None were proposed.

**Action: Approval of the consent calendar.**

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

**Seconded: Steve Steinberg, Riverside County**

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

*None*

4. **Cash Flow Management as of June 30, 2016**

Finance Director, Kim Santin, CalMHSA, gave an overview of the Cash Flow Management as of June, indicating cash flow is \$9.6 million for all programs. \$2.8 million was received in July with a substantial amount for the Phase II sustainability program.

**Action: For information and discussion.**

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

*None*

5. **Update on Application for a Business Line of Credit for CalMHSA with California Bank and Trust**

Finance Director, Kim Santin, CalMHSA, provided a brief update, indicating the application has been submitted and awaiting a response from the bank. In order for the Board to approve the Business line of Credit, a 2/3 vote of the entire Board is required.

**Action: None, discussion only.**

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

*None*

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

Finance Committee Chair, Bill Walker, Kern County, provided an overview of five revenue streams, of which two are in place (LOA and current contracts) and three are potential projects. Dr. Arroyo, Los Angeles County, indicated that the Los Angeles PEI Program, is contingent on the solicitation process and CalMHSA succeeding in securing the contract.

Given the afore mentioned reduced county funding, in collaboration with the Sustainability Taskforce and Finance Committee, staff is prepared to implement reductions to current PEI contracts. Reductions were made strategically vs across the board, however if reductions were to leave a contractor unstable then the contract would be terminated. Program 1 was the highest priority, however a conservative approach was taken.

Recommendations were presented to the board for contract reductions and/or termination.

**Action: Finance Committee recommends to the Board of Directors, PEI Statewide Projects contract reductions of \$1.2M, effective October 1, 2016. Specific recommendations for contract reductions and/or contract terminations totaling \$1.2M shall be presented for Board consideration at the August Board Meeting.**

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

*None*

7. **CalMHSA Executive Director Finance Report**

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

- Strategic Development of 2016/2017 Revenue: Very active in various projects which could assist with funding. Pursuit of various funding projects is ongoing.
- Drug Medi-Cal – Status: A proposal has been submitted to continue work on the DMC-ODS project.
- Financial Modernization Pilot Program – Status: Harbage Consulting has presented their Phase 1a at CBHDA meeting which overviewed the numbers of how Mental Health is financed in California.
- Private Sector Feasibility Study: Lester Consulting Group will provide an presentation on the findings of the Feasibility study at the Board Meeting on August 11, 2016.

**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, Kern County, asked for any closing comments.

10. **Adjournment**

With no further comments, the meeting was adjourned at 4:12 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
<b>Fresno County</b>	\$ 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	
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%			
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	
Mariposa County					
Mendocino County	\$ 8,625.00	1%			
*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		
<b>Riverside County</b>	\$ 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%		\$ 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	
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%			
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
<b>TOTAL</b>	<b>\$ 5,145,910.23</b>	<b>3%</b>	<b>\$ 4,806,724.19</b>	<b>\$ 553,606.00</b>	<b>\$ 221,516.00</b>
<b>Balance Due</b>			<b>\$ 339,186.04</b>		<b>\$ 332,090.00</b>

## **Agenda Item 4**

### **SUBJECT: CASH FLOW MANAGEMENT AS OF AUGUST 31, 2016**

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#### **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 \$11.2 million. CalMHSA has currently received \$4.8 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 August 31, 2016.

#### **FISCAL IMPACT:**

None.

#### **RECOMMENDATION:**

For Information and discussion.

#### **TYPE OF VOTE REQUIRED:**

Majority vote.

#### **REFERENCE MATERIAL ATTACHED:**

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

**CalMHSA  
Cash Balance  
As of August 31, 2016**

Cash Balance, 6/30/2016	7,709,093.70
Cash Received 07/01 to 08/31/2016	5,205,076.71
Cash Payments 07/01 to 08/31/2016	(1,646,649.44)
Cash Balance, 8/31/2016	<u><u>11,267,520.97</u></u>

<b>Cash Balance by Institution</b>	
California Bank & Trust	564,324.25
Morgan Stanley Smith Barney	1,470.98
Local Agency Investment Fund	10,701,725.74
<b>Cash Total 08/31/2016</b>	<b>11,267,520.97</b>

**California Mental Health Services Authority**  
**Projected Cash Flow**  
**2016/2017**

As of August 31, 2016

	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Totals
<b>Beginning Cash Balance</b>	7,709,094	9,648,712	11,342,521	10,906,981	10,192,266	9,202,063	8,272,888	7,228,682	6,179,226	5,129,769	4,088,313	3,038,857	7,709,094
<b>Cash Receipts:</b>													
Phase II -1- Sustainability 15-16	409,471	8,198	17,500	17,500									452,669
Phase II-2 - Sustainability 16-17	2,131,811	2,324,063	148,767	148,767	148,767								4,902,175
Suicide Prevention Hotline 16-17	15,063	30,451	54,618	54,618									154,749
State Hospital Beds 15-16	168,941	16,824	172,004	172,004									529,772
State Hospital Beds 16-17	86,924	44,864	124,031	124,031	124,031	124,031							627,912
Fiscal Modernization Project			4,427	4,427	4,427								13,281
Other Strategic Programs	18,500		300,000										318,500
Other (LAIF Interest, etc.)	11,978	12,989		12,000			9,000			8,000			53,967
<b>Total Cash Receipts</b>	<b>2,842,687</b>	<b>2,437,389</b>	<b>821,346</b>	<b>533,346</b>	<b>277,225</b>	<b>124,031</b>	<b>9,000</b>	<b>-</b>	<b>-</b>	<b>8,000</b>	<b>-</b>	<b>-</b>	<b>7,053,024</b>
<b>Cash Expenses:</b>													
PEI/Phase I Obligations 2014/15	63,769	-	198,604	198,604	198,604	-	-	-	-	-	-	-	659,582
Phase II Obligations 2015/16 & 2016/17	559,871	344,159	674,618	674,618	674,618	674,618	674,618	674,618	674,618	674,618	674,618	674,618	7,650,209
Suicide Prevention Hotline	45,022	47,383	45,054	45,054	45,054	45,054	45,054	45,054	45,054	45,054	45,054	45,054	542,949
Plumas Wellness Center		116,061	41,609	41,609	41,609	41,609	41,609	41,609	41,609	41,609	41,609	41,609	532,152
Community Response Plan	3,848	2,250											6,098
TTACB Contract			19,805	19,805	19,805	19,805	19,805	19,805	19,805	19,805	19,805	19,805	198,054
State Hospital Beds	52,414	309	65,246	65,246	65,246	65,246	65,246	65,246	65,246	65,246	65,246	65,246	705,185
Fiscal Modernization Project	922	30,270	11,123	11,123	11,123	11,123	11,123	11,123	11,123	11,123	11,123	11,123	142,419
Drug Medi-Cal	1,604	1,554	3,628	3,628	3,628	3,628	3,628	3,628	3,628	3,628	3,628	3,628	39,436
PNWE	257	338											595
EDC	675	4,378											5,053
Orange County													-
WET Program Expenditures			14,847	14,847	14,847	14,847	14,847	14,847	14,847	14,847	14,847	14,847	148,470
Research & Development			19,971	19,971	19,971	19,971	19,971	19,971	19,971	19,971	19,971	19,971	199,706
<b>Total Administrative Expenses</b>	<b>174,687</b>	<b>196,878</b>	<b>162,381</b>	<b>153,555</b>	<b>172,923</b>	<b>157,305</b>	<b>157,305</b>	<b>153,555</b>	<b>153,555</b>	<b>153,555</b>	<b>153,555</b>	<b>153,555</b>	<b>1,942,810</b>
<b>Total Cash Expenses</b>	<b>903,069</b>	<b>743,580</b>	<b>1,256,886</b>	<b>1,248,060</b>	<b>1,267,428</b>	<b>1,053,206</b>	<b>1,053,206</b>	<b>1,049,456</b>	<b>1,049,456</b>	<b>1,049,456</b>	<b>1,049,456</b>	<b>1,049,456</b>	<b>12,772,717</b>
<b>Ending Cash Balance</b>	<b>9,648,712</b>	<b>11,342,521</b>	<b>10,906,981</b>	<b>10,192,266</b>	<b>9,202,063</b>	<b>8,272,888</b>	<b>7,228,682</b>	<b>6,179,226</b>	<b>5,129,769</b>	<b>4,088,313</b>	<b>3,038,857</b>	<b>1,989,401</b>	<b>1,989,401</b>

## **Agenda Item 5**

### **SUBJECT: CALMHSA FINANCIAL STATEMENT FOR THE QUARTER ENDING JUNE 30, 2016**

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#### **ACTION FOR CONSIDERATION:**

Approval of the CalMHSA Financial Statement for the Quarter ending June 30, 2016 for presentation at the next scheduled Board of Directors Meeting.

#### **BACKGROUND AND STATUS:**

The Finance Committee will review and discuss the financial statement for the quarter ending June 30, 2016. Upon committee approval, the financial statement will be presented at the next Board of Directors Meeting.

Some key items are noted in the financial statement cover memo.

#### **FISCAL IMPACT:**

None.

#### **RECOMMENDATION:**

Approval of the CalMHSA Financial Statement for the Quarter ending June 30, 2016 for presentation at the next scheduled Board of Directors Meeting.

#### **TYPE OF VOTE REQUIRED:**

Majority vote of the Finance Committee.

#### **REFERENCE MATERIALS ATTACHED:**

- CalMHSA Financial Statement Quarter Ending June 30, 2016

**SUMMARY OF SIGNIFICANT CHANGES IN FINANCIAL STATEMENTS  
FOR THE NINE MONTHS ENDED JUNE 30, 2016**

**BALANCE SHEET:**

**Cash and Cash Equivalents** – The total cash balance as of June 30, 2016 is \$7.7 million. This is a decrease of \$2.5 million compared to the \$10.2 million in cash as of March 31, 2016. The decrease in cash relates to issuance of payments to program partners for Phase II/Sustainability.

**Receivables** – The balance in accounts receivable as of June 30, 2016, is \$1.0 million. The categories with the most significant balances are as follows:

• Phase II Sustainability Funding	\$ 452,669
• State Hospital Beds Program	<u>529,772</u>
	\$ 982,441

**Accounts Payable** – The balance in accounts payable as of June 30, 2016, is approximately \$1.5 million. The payables are primarily for payments to program partners. The vendors with the most significant balances are as follows:

• Runyon, Saltzman & Einhorn, Inc.	\$ 273,174
• RAND	291,451
• University of California	<u>595,813</u>
	\$ 1,160,438

**Deferred Revenue** – The balance of deferred revenue as of June 30, 2016, is \$780,361. This represents monies received from member counties for 2016/2017 Phase II Sustainability funding and Suicide Prevention Hotline and will be recognized as revenue in 2016/2017.

**STATEMENT OF REVENUE AND CHANGES IN NET ASSETS:**

**Operating Revenue** – Total revenue for the fiscal year ended June 30, 2016 was \$8.5 million consisting primarily of revenue for Phase II Sustainability, as well as other strategic programs such as Wellness Center, Suicide Prevention Hotline, the Community Response Plan and the State Hospital Beds Program.

**Expenses** – Overall expenses for the fiscal year ended June 30, 2016 were \$12.5 million. The expenses consisted mainly of contract expenses for the Statewide Program (Phase I and Phase II.)

**CALIFORNIA MENTAL HEALTH SERVICES AUTHORITY**

**UNAUDITED  
BALANCE SHEET**

	<u>June 30, 2016</u>	<u>June 30, 2015</u>
<b>ASSETS</b>		
Current Assets:		
Cash & Cash Equivalents	\$ 7,713,846	\$ 14,220,664
Investments - Current Portion		
Contractor Prepayments	60,000	
Receivables:		
State Hospital Bed Funds	529,772	23,834
Fiscal Modernization	13,281	14,953
Phase I Sustainability		618,597
Phase II Sustainability	452,669	
Application Fees		500
SDR Conference Registration Fees		116,378
Other	31,348	4,600
Interest	11,978	9,519
Total Current Assets	<u>8,812,894</u>	<u>15,009,044</u>
Noncurrent Assets:		
Investments		
Total Assets	<u>\$ 8,812,894</u>	<u>\$ 15,009,044</u>
<b>LIABILITIES AND NET ASSETS</b>		
Current Liabilities:		
Accounts Payable and Accrued Expenses	\$ 1,541,735	\$ 4,365,602
Program Partner Holdbacks		116,339
Deferred Revenue	780,361	122,345
Total Current Liabilities	<u>2,322,096</u>	<u>4,604,287</u>
Net Assets:		
Operations	776,518	823,361
Obligated Funds Under Contract:		
International SDR Conference	(50,116)	(26,578)
Tech Asst/Capacity Building	203,272	203,448
WET Program Funding	148,470	148,470
Fiscal Modernization	169,915	259,566
SHB Program Funding	1,347,307	540,030
Wellness Center	620,938	
Suicide Prevention Hotline	34,015	
Community Response Plan	10,745	
PNWE	7,576	
Drug Medi-Cal	(4,797)	
Orange County	2,862	
Education Development Center, Inc.	2,968	
Statewide PEI Project	3,221,124	8,456,460
Total Net Assets	<u>6,490,798</u>	<u>10,404,757</u>
Total Liabilities and Net Assets	<u>\$ 8,812,894</u>	<u>\$ 15,009,044</u>

**CALIFORNIA MENTAL HEALTH SERVICES AUTHORITY**

**UNAUDITED  
STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET ASSETS**

**For The Fiscal Year Ended June 30, 2016**

	<u>Operations</u>	<u>Strategic Programs</u>	<u>Statewide PEI Program</u>	<u>June 2016 Total</u>	<u>June 2015 Total</u>
<b>OPERATING REVENUES:</b>					
Program Funding Contributions		\$ 2,593,150	\$ 5,959,792	\$ 8,552,942	\$ 7,055,077
Conference Registration		(20,421)		(20,421)	(1,762)
Donations				-	40,000
Application Fee	\$ 250			250	-
Total Operating Revenue	<u>250</u>	<u>2,572,729</u>	<u>5,959,792</u>	<u>8,532,771</u>	<u>7,093,315</u>
<b>PROGRAM EXPENSES:</b>					
SDR Conference		3,117		3,117	393,241
Program Contract		869,481	8,929,354	9,798,835	24,321,839
Program Mgmt. & Oversight		205,670	1,720,504	1,926,174	1,032,495
Other Contract Services	6,051	115,685	62,270	184,006	253,052
Legal	19,122	1,499	-	20,621	21,496
Marketing	1,396			1,396	80,544
Meeting and Other	36,995	9,058	32,941	78,994	96,161
Total Program Expense	<u>63,564</u>	<u>1,204,510</u>	<u>10,745,069</u>	<u>12,013,143</u>	<u>26,198,828</u>
<b>INDIRECT EXPENSES:</b>					
General Management			322,407	322,407	1,040,424
Other Contract Services	4,459		23,927	28,386	28,891
Legal Services	17,610		5,342	22,952	53,762
Insurance			29,203	29,203	31,431
Investment Management Fees	439			439	37,098
Dissemination Materials			64,263	64,263	600
Meeting and Other	11,595		4,917	16,512	143,946
Total General And Administrative	<u>34,102</u>	<u>-</u>	<u>450,059</u>	<u>484,161</u>	<u>1,336,152</u>
Total Expenses	<u>97,665</u>	<u>1,204,510</u>	<u>11,195,128</u>	<u>12,497,303</u>	<u>27,534,980</u>
Income/(Loss) from Operations	(97,415)	1,368,219	(5,235,336)	(3,964,532)	(20,441,665)
<b>NONOPERATING INCOME:</b>					
Investment Income	51,073			51,073	261,113
Change in Investment Value	(500)			(500)	(169,640)
Total Nonoperating Income	<u>50,573</u>			<u>50,573</u>	<u>91,473</u>
Change in Net Assets	(46,843)	1,368,219	(5,235,336)	(3,913,959)	(20,350,192)
Beginning Net Assets	<u>823,361</u>	<u>1,124,936</u>	<u>8,456,460</u>	<u>10,404,757</u>	<u>30,754,949</u>
Ending Net Assets	<u>\$ 776,518</u>	<u>\$ 2,493,155</u>	<u>\$ 3,221,124</u>	<u>\$ 6,490,798</u>	<u>\$ 10,404,757</u>



CALIFORNIA MENTAL HEALTH SERVICES AUTHORITY

UNAUDITED  
STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET ASSETS

For The Fiscal Year Ended June 30, 2016

	Strategic Programs												Total Strategic Programs	June 2015 Total
	International SDR Conference	Tech Asst/ Capacity Building	WET Program	Fiscal Modernization	SHB Program	Wellness Center	Suicide Prevention Hotline	Community Response Plan	PNWE	Drug Medi-Cal	Orange County	EDC		
OPERATING REVENUES:														
Program Funding Contributions					\$ 905,508	\$ 1,000,000	\$ 627,642	\$ 34,000	\$ 10,000		\$ 12,500	\$ 3,500	\$ 2,593,150	\$ 436,179
Conference Registration	\$ (20,421)												(20,421)	326,663
Total Operating Revenue	(20,421)	-	-	-	905,508	1,000,000	627,642	34,000	10,000	-	12,500	3,500	2,572,729	762,842
PROGRAM EXPENSES:														
SDR Conference	3,117												3,117	393,241
Program Contract						370,000	499,481						869,481	35,533
Program Mgmt. & Oversight		176		5,280	88,268	8,800	94,146	5,100	1,500		1,875		205,670	81,224
Other Contract Services				84,367				18,145	924	4,486	7,763	525	115,685	8,658
Legal					1,499								1,499	5,735
Meeting and Other				4	8,464	262		10		311		7	9,058	7,026
Total Program Expense	3,117	176	-	89,651	98,231	379,062	593,627	23,255	2,424	4,797	9,638	532	1,204,510	531,417
Change in Net Assets	(23,538)	(176)	-	(89,651)	807,277	620,938	34,015	10,745	7,576	(4,797)	2,862	2,968	1,368,219	231,425
Beginning Net Assets	(26,578)	203,448	148,470	259,566	540,030	-	-	-	-	-	-	-	1,124,936	853,511
Ending Net Assets	\$ (50,116)	\$ 203,272	\$ 148,470	\$ 169,915	\$ 1,347,307	\$ 620,938	\$ 34,015	\$ 10,745	\$ 7,576	\$ (4,797)	\$ 2,862	\$ 2,968	\$ 2,493,155	\$ 1,084,936

## **Agenda Item 6**

### **SUBJECT: CALMHSA ANNUAL REVENUE AND EXPENDITURE REPORT – BUDGET JUNE 30, 2017 – PROPOSED REVISION**

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#### **ACTION FOR CONSIDERATION:**

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

#### **BACKGROUND AND STATUS:**

The CalMHSA Board of Directors adopted the CalMHSA 16/17 budget at their June 2016 meeting. However, since adopting the budget there remains to be some unknown variables in the Revenue Projections included in the budget. The budgeted revenue is on page 3 of attached the Adopted budget document.

Implementation of the Phase 2 (FY 15/16 and 16/17) Statewide PEI Programs began on July 1, 2015. Based on Board authorization, CalMHSA executed contracts with 10 program partners, for a sum of \$11.4 million for the Phase 2 Statewide PEI Programs. Current funding for Phase 2 Statewide PEI Programs is based on county contributions. Despite many efforts, CalMHSA has not been able to secure other non-county sources of funding to support the Phase 2 Statewide PEI Programs. As a result, staff is recommending a reduction in contracts for Phase 2. Potential sources of funding listed below may bolster the Phase 2 Statewide PEI Programs in the near future but at this time, the funding is not secure. CalMHSA is at a critical junction to enact some program reductions for FY 16/17 in order to continue the implementation of a streamlined version of Statewide PEI Programs until other sources of funding are confirmed. If additional funding cannot be confirmed, CalMHSA may have to consider further funding reductions in Spring 2017.

CalMHSA staff believes reducing current budgets by \$1.2 million strikes a balance between the current funding shortfall and the potential for increased funding should these funding opportunities solidify. CalMHSA has explored many avenues of potential funding that could directly or indirectly support the implementation of Statewide PEI Programs.

Additionally, at the September 15, 2016 Officers Strategy Session, they requested staff further review other CalMHSA budgeted items for reconsideration and presentation to the Finance Committee at the September 26, 2016 meeting.

The unknown variables are:

1. Status of Program Contracts as of June 30, 2016. Staff is in the process of reviewing the incoming invoices and reviewing the completion of scope of work for the first half of the contract term.
2. Final Letter of Acknowledgement (LOA) amount expected. We initially estimated the LOA to be same as last year, but we have had some members submit LOA's less than last year, and we are still waiting for commitments from members we had last year that have not submitted for this year. CalMHSA Executive Director is conducting follow up with members.
3. Los Angeles PEI Program: CalMHSA staff is working with LA County to discuss PEI projects that CalMHSA can do on behalf of the county. LA County may contribute funding between \$1.5 and \$2 million to CalMHSA to implement programs. If confirmed, funds are expected to be transferred to CalMHSA in the fall of 2016 for program implementation.
4. Statewide Suicide Prevention Hotlines: In the adopted budget, \$4 million was allocated to support the Statewide Suicide Prevention Hotlines. CalMHSA is currently in discussions with the DHCS to determine if CalMHSA would be a viable entity to administer these funds.

**RECOMMENDATION:**

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

**TYPICAL OF VOTE REQUIRED:**

Majority vote.

**REFERENCE MATERIALS ATTACHED:**

- CalMHSA Annual Revenue and Expenditure Report – Adopted Budget for June 30, 2017.
- Proposed Revised CalMHSA Annual Revenue and Expenditure Report –June 30, 2017.

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



- Budget Narrative & Notes
- Adopted Budget – June 30, 2017

## **Budget Narrative & Notes**

### **Budget Background Notes – Executive Director**

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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
<b>Revenue to CalMHSA 2016/2017</b>			
<b>County Contributions</b>			
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	
<b>Other Contracts</b>		29,000	38,940
<b>Admin Fees</b>		250	
<b>Total Revenue to CalMHSA</b>	<b>6,259,417</b>	<b>8,512,676</b>	<b>13,316,192</b>
<b>Expenditures</b>			
<b>Total Program Expenditure</b>	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	-
<b>Total Program Services Expenditures</b>	<b>9,493,686</b>	<b>13,894,598</b>	<b>13,987,887</b>
<b>General And Administration</b>			
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
<b>Total General And Administration Expenditures</b>	<b>522,907</b>	<b>482,608</b>	<b>380,510</b>
<b>Total Expenditures</b>	<b>10,016,593</b>	<b>14,377,206</b>	<b>14,368,397</b>
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
<b>Projected Reserves at the Fiscal Year Ended June 30, 2017</b>	<b>2,721,385</b>	<b>2,735,470</b>	<b>1,683,265</b>



California Mental Health Services Authority  
Annual Revenue and Expenditure Report - Adopted Budget  
June 30, 2017

	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
<b>Revenue to CalMHSA 2016/2017</b>	-		-	-	-				-		-
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
<b>Total Revenue to CalMHSA 2016/17</b>	-	-	-	-	-	652,252	-	4,688,000	7,937,000	38,940	13,316,192
<b>Expenditures</b>											
<b>Program Services Expenditures</b>											
<b>PEI Statewide Program Services</b>											
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
<b>Subtotal Program Services</b>	<b>537,139</b>	<b>171,725</b>	<b>49,920</b>	<b>-</b>	<b>126,356</b>	<b>175,718</b>	<b>488,898</b>	<b>4,114,680</b>	<b>7,546,107</b>	<b>29,952</b>	<b>13,240,495</b>
Other Contracts											
Legal					500	5,000			5,000		10,500
Evaluation											-
Travel & Meetings						5,000			2,000	3,000	10,000
<b>Total Program Expenditure</b>	<b>537,139</b>	<b>171,725</b>	<b>49,920</b>	<b>-</b>	<b>126,856</b>	<b>185,718</b>	<b>488,898</b>	<b>4,114,680</b>	<b>7,553,107</b>	<b>32,952</b>	<b>13,260,995</b>
WET Program Expenditures				148,470							148,470
TTACB Contract			140,000								140,000
State Hospital Beds						438,422					438,422
Feasibility Study											-
<b>Total Program Services Expenditures</b>	<b>537,139</b>	<b>171,725</b>	<b>189,920</b>	<b>148,470</b>	<b>126,856</b>	<b>624,140</b>	<b>488,898</b>	<b>4,114,680</b>	<b>7,553,107</b>	<b>32,952</b>	<b>13,987,887</b>
<b>General And Administrative Expenses</b>											
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
<b>Total General And Administravive Expenditures</b>	<b>162,521</b>	<b>27,981</b>	<b>8,134</b>	<b>-</b>	<b>14,641</b>	<b>28,631</b>	<b>10,411</b>	<b>32,536</b>	<b>90,775</b>	<b>4,880</b>	<b>380,510</b>
<b>Total Expenditures</b>	<b>699,660</b>	<b>199,706</b>	<b>198,054</b>	<b>148,470</b>	<b>141,497</b>	<b>652,771</b>	<b>499,309</b>	<b>4,147,216</b>	<b>7,643,882</b>	<b>37,832</b>	<b>14,368,397</b>
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
<b>Projected Reserves at the Fiscal Year Ended June 30, 2017</b>	<b>(99,660)</b>	<b>(199,706)</b>	<b>1,946</b>	<b>-</b>	<b>(4,497)</b>	<b>1,099,481</b>	<b>691</b>	<b>540,784</b>	<b>343,118</b>	<b>1,108</b>	<b>1,683,265</b>

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
<b>Total FTE</b>	<b>11.90</b>	<b>10.92</b>	<b>2.69</b>	<b>0.86</b>	<b>0.25</b>	<b>0.00</b>	<b>0.45</b>	<b>0.88</b>	<b>0.32</b>	<b>1.53</b>	<b>3.79</b>	<b>0.15</b>	<b>10.92</b>

**CalMHSA PROPOSED REVISED BUDGET**

Presented to Finance Committee September 26, 2016

	Adopted Budget	Revised Budget with Member Fee for Public /Private Partnership Development
<b>Revenue to CalMHSA 2016/2017</b>		
County Contributions	\$ 13,277,252	\$ 6,423,162
Private Funding		
Other Contracts	38,940	-
Funds provided for PEI		
<b>Member Fees - Fund Raising Consulting Project</b>		<b>500,000</b>
<b>Total Revenue to CalMHSA 2016/17</b>	<b>13,316,192</b>	<b>6,923,162</b>
<b>Expenditures</b>		
<b>Program Services Expenditures</b>		
<b>PEI Statewide Program Services</b>		
Program Contracts	11,365,500	8,069,952
Program Management & Oversight Staffing	1,596,149	1,112,924
Executive Director/Support	278,846	278,846
<b>Subtotal Program Services</b>	<b>13,240,495</b>	<b>9,461,722</b>
Legal	10,500	28,952
Evaluation		
Travel & Meetings	10,000	35,000
<b>Total Program Expenditure</b>	<b>13,260,995</b>	<b>9,525,674</b>
Other Program Expenditures	726,892	821,246
<b>Total Program Services Expenditures</b>	<b>13,987,887</b>	<b>10,346,920</b>
<b>General And Administrative Expenses</b>		
General & Administrative Staffing	305,510	265,574
Fund Raising Consulting Project		200,000
Legal	10,000	10,000
Travel & Meetings	20,000	66,000
Other Contracts	-	45,000
Insurance	30,000	30,000
Financial Audit	15,000	15,000
<b>Total General And Administrative Expenditures</b>	<b>380,510</b>	<b>631,574</b>
<b>Total Expenditures</b>	<b>14,368,397</b>	<b>10,978,494</b>
<b>Net Increase/(Decrease) Unexpended Funds</b>	<b>(1,052,205)</b>	<b>(4,055,332)</b>
<b>Total Reserves at Fiscal Year Ended June 30, 2016</b>	2,735,470	6,491,784
<b>Less Obligated Reserves</b>	(985,470)	(2,343,350)
<b>Total Available Reserves at Fiscal Year Ended June 30, 2016</b>	1,750,000	4,148,434
<b>Total Unobligated Reserves at the Fiscal Year Ended June 30, 2017</b>	\$ <b>697,795</b>	\$ <b>93,102</b>

**California Mental Health Services Authority  
Annual Revenue and Expenditure Report - Draft Revised Budget  
June 30, 2017**

	Operations	Research and Development	Public/Private Partnership Development	Tech Asst/Capacity Building	Wet Program Funding	Fiscal Modernization Project	State Hospital Bed Funding	Plumas Wellnes Center	Suicide Prevention - Regional Program	PEI Programs	Total	Adopted Budget
<b>Revenue to CalMHSA 2016/2017</b>	-			-	-	-				-	-	
County Contributions							652,252		625,000	5,145,910	6,423,162	13,277,252
Private Funding											-	-
Other Contracts											-	-
Funds provided for PEI											-	-
Member Fees - Fund Raising Consulting Project	-	-	500,000								500,000	38,940
<b>Total Revenue to CalMHSA 2016/17</b>	-	-	500,000	-	-	-	652,252	-	625,000	5,145,910	6,923,162	13,316,192
<b>Expenditures</b>												
<b>Program Services Expenditures</b>												
<b>PEI Statewide Program Services</b>												
Program Contracts				-				554,359	659,411	6,856,182	8,069,952	11,365,500
Program Management/ Executive Director & Oversight Staffing	313,498	173,722	189,696	31,949	-	43,930	143,770	55,910	75,878	363,418	1,391,770	1,874,995
<b>Subtotal Program Services</b>	<b>313,498</b>	<b>173,722</b>	<b>189,696</b>	<b>31,949</b>	<b>-</b>	<b>43,930</b>	<b>143,770</b>	<b>610,269</b>	<b>735,289</b>	<b>7,219,600</b>	<b>9,461,722</b>	<b>13,240,495</b>
Other Contracts												
Legal						500	5,000			23,452	28,952	10,500
Evaluation											-	-
Travel & Meetings							5,000			30,000	35,000	10,000
<b>Total Program Expenditure</b>	<b>313,498</b>	<b>173,722</b>	<b>189,696</b>	<b>31,949</b>	<b>-</b>	<b>44,430</b>	<b>153,770</b>	<b>610,269</b>	<b>735,289</b>	<b>7,273,052</b>	<b>9,525,674</b>	<b>13,260,995</b>
Other Program Expenditures				165,227	148,470	36,500	471,049				821,246	726,892
<b>Total Program Services Expenditures</b>	<b>313,498</b>	<b>173,722</b>	<b>189,696</b>	<b>197,176</b>	<b>148,470</b>	<b>80,930</b>	<b>624,819</b>	<b>610,269</b>	<b>735,289</b>	<b>7,273,052</b>	<b>10,346,920</b>	<b>13,987,887</b>
<b>General And Administrative Expenses</b>												
General & Administrative Staffing	59,821	33,149	36,197	6,096	-	8,383	27,434	10,669	14,479	69,347	265,574	305,510
Public/Private Partnership Dev Personnel			0								-	-
Fundraising Counsel			200,000								200,000	10,000
Legal	10,000										10,000	10,000
Travel & Meetings	16,000		50,000								66,000	20,000
Other Contracts	10,000		15,000							20,000	45,000	-
Insurance	30,000										30,000	30,000
Financial Audit	15,000										15,000	15,000
<b>Total General And Administravive Expenditures</b>	<b>140,821</b>	<b>33,149</b>	<b>301,197</b>	<b>6,096</b>	<b>-</b>	<b>8,383</b>	<b>27,434</b>	<b>10,669</b>	<b>14,479</b>	<b>89,347</b>	<b>631,574</b>	<b>380,510</b>
<b>Total Expenditures</b>	<b>454,319</b>	<b>206,871</b>	<b>490,893</b>	<b>203,272</b>	<b>148,470</b>	<b>89,312</b>	<b>652,252</b>	<b>620,938</b>	<b>749,768</b>	<b>7,362,398</b>	<b>10,978,494</b>	<b>14,368,397</b>
Net Increase/(Decrease) Unexpended Funds	(454,319)	(206,871)	9,107	(203,272)	(148,470)	(89,312)	(0)	(620,938)	(124,768)	(2,216,488)	(4,055,332)	(1,052,205)
Prior Year Reserves	726,402		-	203,272	148,470	169,915	1,347,307	620,938	128,161	3,147,319	6,491,784	2,735,470
Projected Reserves at June 30, 2017	272,083	(206,871)	9,107	(0)	-	80,603	1,347,307	(0)	3,393	930,831	2,436,452	1,683,265
Less Obligated Reserves	(646,043)						(1,347,307)			(350,000)	(2,343,350)	(985,470)
<b>Fund Balance Transfer</b>	<b>373,960</b>	<b>206,871</b>								<b>(580,831)</b>	<b>-</b>	<b>-</b>
<b>Projected Unobligated Reserves at the Fiscal Year Ended June 30, 2017</b>	<b>0</b>	<b>0</b>	<b>9,107</b>	<b>(0)</b>	<b>-</b>	<b>80,603</b>	<b>(0)</b>	<b>(0)</b>	<b>3,393</b>	<b>(0)</b>	<b>93,102</b>	<b>697,795</b>

**Projected Program Staffing 16/17**

Department/Position	Staffing 15-16 FTE	Recommended Staffing 16-17 FTE	Operations	Research and Development	Public/Private Partnership development	Tech Asst/ Capacity Building	Feasibility Study /Capitation Plan	State Hospital Bed Funding	Suicide Prevention	Plumas Wellness Center	PEI Programs	indirect	Total Percentage	\$96 per hour/Annual Hours per employee	Annual Staffing Cost
<i>Administrative &amp; Program Services</i>	8.20	5.55	0.86	0.68	0.90	0.09	0.15	0.65	0.38	0.22	1.62	0.00	5.55	2080	1,108,224
<i>Fiscal Services</i>	2.25	1.50	0.71	0.19	0.05	0.07	0.07	0.07	0.00	0.06	0.20	0.08	1.50	2080	299,520
<i>Indirect Staff: IT, Corp Admin, HR, Admin Support</i>	1.45	1.25	0.00									1.25	1.25	2080	249,600
<b>Total</b>	<b>11.90</b>	<b>8.30</b>	<b>1.57</b>	<b>0.87</b>	<b>0.95</b>	<b>0.16</b>	<b>0.22</b>	<b>0.72</b>	<b>0.38</b>	<b>0.28</b>	<b>1.82</b>	<b>1.33</b>	<b>8.30</b>	<b>2080</b>	<b>1,657,344</b>

Annual Hours	2,080	2,080	2,080	2,080	2,080	2,080	2,080	2,080	2,080	2,080	2,080	2,080	2,080	2,080	2,080
	24,752	17,264	3,266	1,810	1,976	333	458	1,498	790	582	3,786	2,766	17,264		
All Inclusive Hourly Rate	\$ 93	\$ 96	\$ 96	\$ 96	\$ 96	\$ 96	\$ 96	\$ 96	\$ 96	\$ 96	\$ 96	\$ 96	\$ 96	\$ 96	\$ 96
Annual Estimated Compensation	2,301,936	1,657,344	313,498	173,722	189,696	31,949	43,930	143,770	75,878	55,910	363,418	265,574	1,657,344		

	22.53%	12.48%	13.63%	2.30%	3.16%	10.33%	5.45%	4.02%	26.11%	100%					
	59,821	33,149	36,197	6,096	8,383	27,434	14,479	10,669	69,347	265,574					
	373,319	206,871	225,893	38,045	52,312	171,203	90,357	66,579	432,764	1,657,344					

Allocation of Indirect to Programs

Contract Analysis	14/15 Actual	15/16 Actual	16/17 Current Staffing	16/17 Proposed Staffing
Executive Director/Support Contract	88,747	278,846	278,846	278,846
JPA Admin & Accounting Contract	1,991,695	1,874,614	1,530,859	734,107
Public/Private Partnership Development				225,893
TTACB		176	58,054	38,045
Wet Program		-		
Fiscal Modernization Project	4,664	5,280	104,497	52,312
State Hospital Bed	76,560	88,268	204,350	171,203
Plumas Wellnes Center			74,309	66,579
Suicide Prevention			232,216	90,357
Drug Medical			34,832	
	2,161,666	2,247,184	2,239,117	1,657,344
<b>FTE</b>	<b>12.70</b>	<b>11.90</b>	<b>10.92</b>	<b>8.30</b>

**CalMHSA Budget Revision Narrative**  
**June 30, 2017**

<b>Adopted Budget Projected Reserves at the Fiscal Year ended June 30, 2017</b>	<b>1,683,265</b>
<b>Less Obligated Reserves Available at the Fiscal Year Ended June 30,2017</b>	<b>(985,470)</b>
<b>Adopted Budget Reserves at June 30, 2017</b>	<b>697,795</b>
<b>Proposed Revisions:</b>	
<b>Change in Projected Carry Over from Prior Year Mostly related to Unexpended PEI &amp; SHB from PY</b>	<b>3,756,314</b>
<b>Change In Obligated Reserves Available from Prior Year</b>	<b>(1,357,880)</b>
<b>Reserves Carried Over From Prior Year</b>	<b>2,398,434</b>
<b>Revenue Revisions:</b>	
Member Fees - Fundraising Consulting Project	500,000
Drug Medical Program Eliminated	(38,940)
Suicide and Other Prevention Funding for LA County Removed from Budget	(6,000,000)
LOA's Reduced from \$6 million to Actual received to date of \$5,145,910	(854,090)
<b>Proposed Revisions to Revenue</b>	<b>(6,393,030)</b>
<b>Expenditure Revisions:</b>	
Suicide Prevention & PEI expenses reduced related to Funding removed	(3,295,548)
Program Mgmt & Oversight and General & Admin - Staffing Reductions	(523,161)
Program Legal Increased	18,452
PEI Travel & Meeting Expense Increased for Fund Raising	25,000
Other Program Expenditures Increased related to Carryover of Prior Year Unexpended	94,354
Fundraising Consulting Project Expenses (Staffing filled by current CalMHSA Staff)	265,000
General & Admin Increases related to legal and other contracts	26,000
<b>Proposed Revisions to Expenditures</b>	<b>(3,389,903)</b>
<b>Revised Reserves at the Fiscal Year Ended June 30, 2017</b>	<b>93,102</b>

**Agenda Item 7**

**SUBJECT: EXECUTIVE DIRECTOR FINANCE REPORT**

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**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
- Drug Medi-Cal – Status
- Financial Modernization Pilot Program – Status
- Private Sector Fund Development - Status
- Other Financial Matters

**FISCAL IMPACT:**

None.

**RECOMMENDATION:**

None, Information only.

**TYPE OF VOTE REQUIRED:**

Majority vote.

**REFERENCE MATERIAL(S) ATTACHED:**

- None.