

California Mental Health Services Authority

FINANCE COMMITTEE TELECONFERENCE

AGENDA

February 5, 2019
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

Kern County
Behavioral Health & Recovery Services
2001 28th Street
Bakersfield, CA 93301

Madera County
Behavioral Health Services
209 E. 7th Street
Madera, CA 93637

Los Angeles County
Department of Mental Health
550 S. Vermont Avenue, 12th 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.

By joining this meeting, you are giving your consent to be recorded.

FINANCE COMMITTEE MEETING

1. CALL TO ORDER

2. ROLL CALL AND PUBLIC COMMENT INSTRUCTION

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

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

3. CONSENT CALENDAR.....3

A. Routine Matters

- a. Minutes from December 10, 2018 Finance Committee Teleconference

B. Treasurer’s Report as of December 31, 2018

Recommendation: Approval of the consent calendar.

4. GEORGE HILLS CONTRACT.....18

A. One-year extension

Recommendation: Finance Committee to provide a recommendation for Board approval of its decision regarding the George Hills Contract.

5. CALMHSA ANNUAL REVENUE AND EXPENDITURE REPORT.....20

A. Revised Budget as of June 30, 2019

Recommendation: Approval of the CalMHSA Revised Budget.

6. EXECUTIVE DIRECTOR FINANCE REPORT.....23

A. AB 1299 Participation Status

B. 501c3 Survey results for participation

C. Reversion

Recommendation: None, information only.

7. 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.

8. CLOSING COMMENTS

9. ADJOURNMENT

Agenda Item 3

SUBJECT: CALMHSA CONSENT CALENDAR

ACTION FOR CONSIDERATION:

Approval of Consent Calendar. Review cash position.

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 December 10, 2018 Finance Committee Teleconference
- B. Reports / Correspondence
 - a. Cash Balance as of December 31, 2018 (Treasurer's Report)

FISCAL IMPACT:

None.

RECOMMENDATION:

Approval of the Consent Calendar

TYPE OF VOTE REQUIRED:

Majority vote.

REFERENCE MATERIAL(S) ATTACHED:

- Minutes from the December 10, 2018 Finance Committee Teleconference
- Cash Balance as of December 31, 2018 (Treasurer's report)



CalMHSA Finance Committee

TELECONFERENCE MINUTES FROM December 10, 2018

Finance Committee Members

Present

- Bill Walker, CalMHSA Treasurer
- Mimi McKay, Los Angeles County
- Veronica Kelley, San Bernardino County

Absent

- Terence M. Rooney, Colusa County
- Dennis Koch, Madera County
- Jenine Miller, Mendocino County
- Steve Steinberg, Riverside County

CalMHSA Staff

- Wayne Clark, Executive Director
- Kim Santin, Finance Director
- Ann Collentine, Program Director
- Laura Li, JPA Administrative Manager
- Jeremy Wilson, Program Coordinator
- Doug Alliston, Legal Counsel
- Emma Snuggs, Member Services Manager
- Jennifer Ballis, Administrative Analyst
- Moody Jahan, Financial Accountant

Public

- Michael Manduca, James Marta & Company, LLP

1. Call to Order

The CalMHSA Finance Committee teleconference was called to order at 3:02pm on December 10, 2018, by Bill Walker, CalMHSA Treasurer.

2. Roll Call and Public Comment Instructions

JPA Administrative Manager, Laura Li, CalMHSA, called roll and established a quorum. All participants were asked to introduce themselves. Executive Director Wayne Clark proceeded to review the public comment instructions, noting that times not on the agenda would be reserved for public comment at the end of the meeting.

3. Consent Calendar

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

Reports / Correspondence

- CalMHSA Summary of Contributions by Program
- Cash Flow Management

No changes were proposed. There was discussion about which counties have not contributed to the programs and how the counties receive the invoices.

Action: Approval of the consent calendar.

Motion: Mimi McKay, Los Angeles County
Seconded: Veronica Kelley, Madera County

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

None

4. Review of Draft CalMHSA Financial Audit, Fiscal Year ended June 30, 2018 and 2017

Michael Manduca of James Marta & Company, LLP provided a review of the financial audit with outcomes.

Ms. Santin reminded the Committee that the report is to assist with fiduciary responsibility.

Action: Finance Committee to discuss and/or recommend to the Board of Directors filing of the draft Financial Audit.

Motion: Mimi McKay, Los Angeles County
Seconded: Veronica Kelley, San Bernardino County

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

None

5. George Hills Contract with CalMHSA

Mr. Walker reviewed the current contract terms and request for an extension with the Committee. Ms. Santin provided a summary of options to consider which included going out to RFP or to extend the contract to mirror the Innovation contract dates. Ms. Santin also reminded the Committee that there is a termination clause without cause of 90 days.

The Committee suggested a recommendation to approve a one-year extension and hold dialog with the Board of Directors create a plan for moving forward.

Action: Staff is bringing this to the attention of the Finance Committee for discussion and direction to staff of next steps.

Motion: Bill Walker, Kern County
Seconded: Mimi McKay, Los Angeles County

Public comment was heard from the following individual(s):
None

6. MHUSD Information Notice No.: 18-033

Mr. Walker provided a review of the information notice, noting important dates and reversion issue.

Mr. Walker suggested that the Notice should be brought to the Boards attention for discussion.

Action: None, Discussion only

7. Executive Director Finance Report

Wayne Clark, Executive Director, proposed that the Committee cancel the teleconference scheduled for January 21 and reschedule for March or April 2019. Mr. Walker agreed to this.

Wayne Clark introduced Moody Jahan, stating that Moody will work on CalMHSA with Kim.

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

Executive Director, Wayne Clark, asked for any closing comments.

10. Adjournment

With no further comments, the meeting ended at 3:43pm.



"A George Hills Company Administered JPA"

Treasurer's Report

As of December, 2018

	Book Balance	Market Value	Effective Yield
Cash with California Bank & Trust	\$243,846	\$243,846	0.00%
Local Agency Investment Fund	6,964,411	6,971,026	2.29%
Morgan Stanley – Money Trust	12,133,504	12,133,504	2.01%
Morgan Stanley - Investments	12,948,455	12,959,942	2.06%
Total Cash and Investments	\$32,342,977	\$32,308,318	2.04%

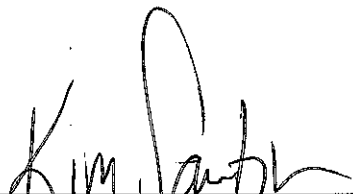
The Local Agency Investment Fund (LAIF) market value was derived by applying the December 2018 fair value factor of 0.999051127 to the book balance.

Attached are Morgan Stanley and LAIF reports detailing all investment transactions.

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
 January 22, 2019

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

PMIA Average Monthly Yields

Account Number:
 40-34-021

Tran Type Definitions

December 2018 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Authorized Caller	Amount
12/10/2018	12/7/2018	RD	1591603	KIM SANTIN	2,000,000.00
12/14/2018	12/14/2018	RW	1592013	KIM SANTIN	-2,300,000.00
12/28/2018	12/28/2018	RW	1593009	KIM SANTIN	-1,300,000.00
12/31/2018	12/31/2018	RD	1593102	KIM SANTIN	1,800,000.00

Account Summary

Total Deposit:	3,800,000.00	Beginning Balance:	6,771,026.07
Total Withdrawal:	-3,600,000.00	Ending Balance:	6,971,026.07

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

www.treasurer.ca.gov/pmia-laif/laif.asp
 November 02, 2018

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

PMIA Average Monthly Yields

Account Number:
 40-34-021

Tran Type Definitions

October 2018 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Authorized Caller	Amount
10/1/2018	9/28/2018	RW	1584834	KIM SANTIN	-1,000,000.00
10/15/2018	10/12/2018	QRD	1587423	SYSTEM	46,370.01
10/16/2018	10/15/2018	RW	1588159	KIM SANTIN	-1,100,000.00
10/29/2018	10/29/2018	RW	1589064	KIM SANTIN	-1,000,000.00

Account Summary

Total Deposit:	46,370.01	Beginning Balance:	10,824,656.06
Total Withdrawal:	-3,100,000.00	Ending Balance:	7,771,026.07

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

www.treasurer.ca.gov/pmia-laif/laif.asp
 December 07, 2018

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

PMIA Average Monthly Yields

Account Number:
 40-34-021

Tran Type Definitions

November 2018 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Authorized Caller	Amount
11/6/2018	11/6/2018	RW	1589592	KIM SANTIN	-1,000,000.00

Account Summary

Total Deposit:	0.00	Beginning Balance:	7,771,026.07
Total Withdrawal:	-1,000,000.00	Ending Balance:	6,771,026.07

Reconciliation Status

Status Reconciled
 Last Reconciled For 01/22/2019

Value
 12,133,504.01
 12,959,869.40
 0.099
 0.001
 0.100
 0.100
 0.100
 2.345
 2.334
 AAA/Aaa/AAA

Market Sectors

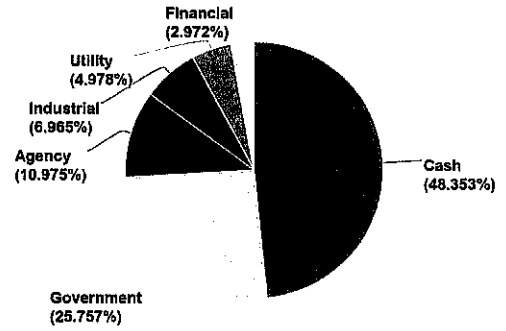


Chart calculated by: % of Market Val.

Base Exposure - Industry Sector

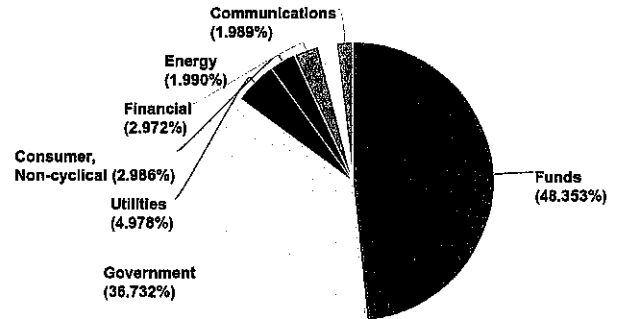


Chart calculated by: Base Market Value + Accrue

<i>Base Book Value + Accrued</i>	<i>Base Net Market Unrealized Gain/Loss</i>
12,133,504.01	0.00
4,715,986.45	-1,146.45
2,993,288.75	0.00
2,743,723.70	71.30
1,748,979.63	-605.23
759,867.62	-296.37
25,095,350.16	-1,976.75

Face	Sector	Coupon	Maturity, Eff Maturity	Pur Yield, Yield	S&P Rating, Moodys Rating	Orig Cost	Amort Cost	Price	Accr Int	Unreal G/L	Fair Value	Mkt Value
.00	Utility	0.000	01/08/2019 01/08/2019	2.370 2.364	NA P-1	497,486.81	499,771.53	99.9543	0.00	0.00	499,771.53	499,771.53
.00	Industrial	0.000	01/17/2019 01/17/2019	2.418 2.416	A-1+ P-1	498,733.34	499,466.67	99.8933	0.00	0.00	499,466.67	499,466.67
.00	Agency	0.000	01/16/2019 01/16/2019	2.304 2.124	A-1+ P-1	745,953.65	749,285.94	99.9070	0.00	16.56	749,302.50	749,302.50
.01	Cash	2.300	12/31/2018 12/31/2018	2.300 2.300	AAAm Aaa	12,133,504.01	12,133,504.01	1.0000	0.00	0.00	12,133,504.01	12,133,504.01
.00	Utility	0.000	01/15/2019 01/15/2019	2.495 2.368	AA+ Aaa	746,392.50	749,288.66	99.9080	0.00	21.34	749,310.00	749,310.00
.01	--	--	01/02/2019 01/02/2019	2.317 2.301	AAA Aaa	14,622,070.31	14,631,316.81	--	0.00	37.90	14,631,354.71	14,631,354.71

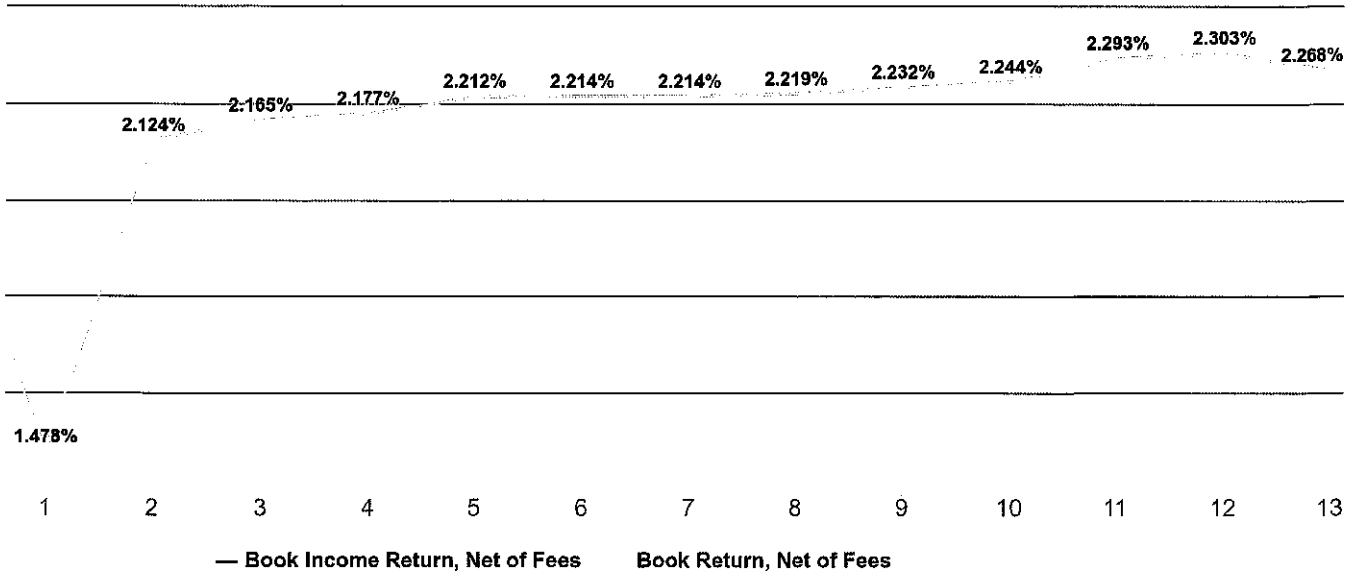
Face	Sector	Coupon	Maturity, Eff Maturity	Pur Yield, Yield	S&P Rating, Moodys Rating	Orig Cost	Amort Cost	Price	Accr Int	Unreal G/L	Fair Value	Mkt Value
.00	Industrial	0.000	01/29/2019 01/29/2019	2.326 2.315	A-1+ P-1	494,697.22	499,105.56	99.8211	0.00	0.00	499,105.56	499,105.56
.00	Agency	0.000	01/16/2019 01/16/2019	2.153 2.124	A-1+ P-1	742,278.75	749,334.38	99.9070	0.00	-31.88	749,302.50	749,302.50
.00	Agency	0.000	05/03/2019 05/03/2019	2.498 2.466	A-1+ P-1	495,060.00	495,814.72	99.1760	0.00	65.28	495,880.00	495,880.00
.00	Agency	3.750	03/27/2019 03/27/2019	2.284 2.475	AA+ Aaa	757,245.00	752,523.87	100.2970	7,343.75	-296.37	752,227.50	759,571.25
.00	Financial	0.000	03/25/2019 03/25/2019	2.509 2.503	A-1+ P-1	741,733.33	745,711.66	99.4282	0.00	0.00	745,711.66	745,711.66
.00	Industrial	0.000	01/17/2019 01/17/2019	2.320 2.314	A-1+ P-1	745,543.75	749,233.33	99.8978	0.00	0.00	749,233.33	749,233.33
.00	Government	0.000	02/28/2019 02/28/2019	2.339 2.385	A-1+ P-1	742,342.43	747,241.37	99.6160	0.00	-121.37	747,120.00	747,120.00
.00	Government	0.000	04/25/2019 04/25/2019	2.302 2.469	A-1+ P-1	492,184.14	496,450.17	99.2280	0.00	-310.17	496,140.00	496,140.00
.00	Government	0.000	05/23/2019 05/23/2019	2.330 2.511	A-1+ P-1	491,402.40	495,527.99	99.0260	0.00	-397.99	495,130.00	495,130.00
.00	Government	0.000	06/20/2019 06/20/2019	2.535 2.540	A-1+ P-1	493,758.92	494,170.42	98.8240	0.00	-50.42	494,120.00	494,120.00
.00	Government	0.000	03/07/2019 03/07/2019	2.374 2.394	A-1+ P-1	495,711.67	497,904.20	99.5690	0.00	-59.20	497,845.00	497,845.00
.00	Government	0.000	03/14/2019 03/14/2019	2.366 2.407	A-1+ P-1	496,619.58	497,682.00	99.5210	0.00	-77.00	497,605.00	497,605.00
.00	Government	0.000	04/11/2019 04/11/2019	2.447 2.456	A-1+ P-1	493,972.51	496,688.19	99.3250	0.00	-63.19	496,625.00	496,625.00
.00	Government	0.000	05/02/2019 05/02/2019	2.490 2.480	A-1+ P-1	493,867.61	495,922.97	99.1780	0.00	-32.97	495,890.00	495,890.00
.00	Government	0.000	06/13/2019 06/13/2019	2.540 2.537	A-1+ P-1	493,746.28	494,399.14	98.8730	0.00	-34.14	494,365.00	494,365.00
.00	Government	0.750	02/15/2019 02/15/2019	2.223 2.300	AA+ Aaa	743,935.55	748,662.25	99.8060	2,124.66	-117.25	748,545.00	750,669.66
.00	Government	1.000	03/15/2019 03/15/2019	2.236 2.374	AA+ Aaa	496,562.50	498,769.91	99.7190	1,491.71	-174.91	498,595.00	500,086.71
.00	Government	0.875	05/15/2019 05/15/2019	2.327 2.469	AA+ Aaa	494,785.16	497,363.06	99.4100	568.02	-313.06	497,050.00	497,618.02

Face	Sector	Coupon	Maturity, Eff Maturity	Pur Yield, Yield	S&P Rating, Moody's Rating	Orig Cost	Amort Cost	Price	Accr Int	Unreal G/L	Fair Value	Mkt Value
.00	--	--	03/26/2019 03/26/2019	2.357 2.408	AAA Aaa	10,405,446.80	10,452,505.20	--	11,528.15	-2,014.65	10,450,490.55	10,462,018.70

Face	Sector	Coupon	Maturity, Eff Maturity	Pur Yield, Yield	S&P Rating, Moody's Rating	Orig Cost	Amort Cost	Price	Accr Int	Unreal G/L	Fair Value	Mkt Value
.01	--	--	02/06/2019 02/06/2019	2.334 2.345	AAA Aaa	25,027,517.11	25,083,822.01	--	11,528.15	-1,976.75	25,081,845.26	25,093,373.41

by: Mkt Value, except Pur Yield by Base Book Value + Accrued. * Holdings Displayed by: Lot.

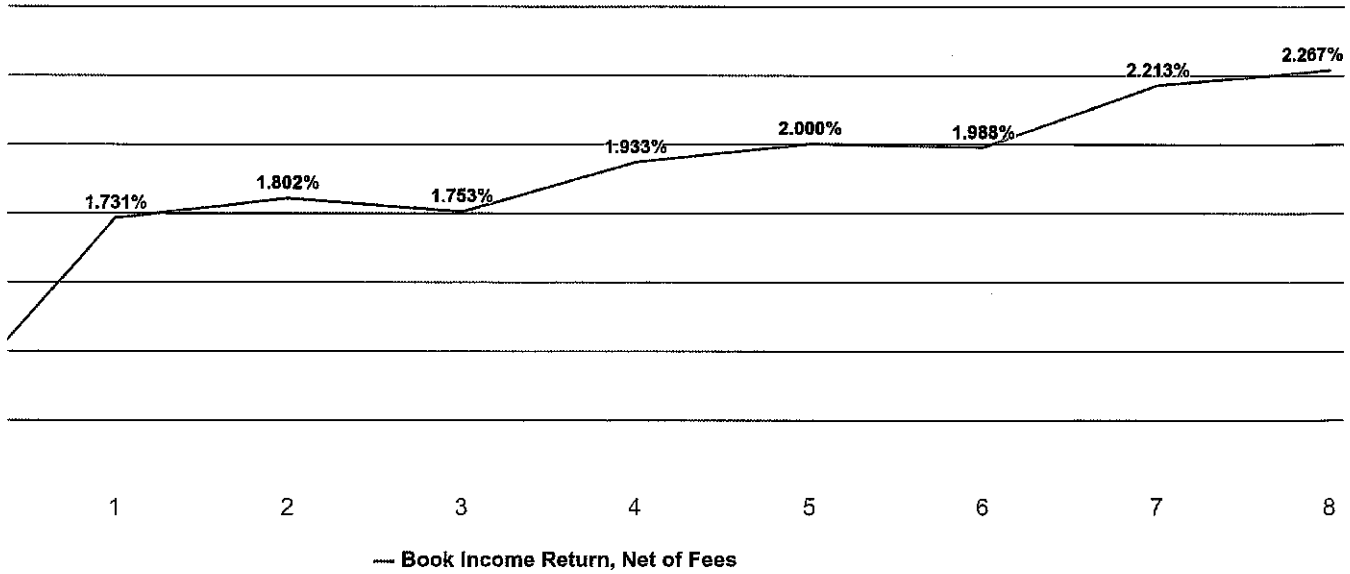
Weekly Returns



Period End	Beginning Book Value	Book Income Return, Net of Fees	Book Return, Net of Fees
1/6/2018	26,821,532.37	2.108%	2.108%
1/3/2018	26,825,367.77	1.478%	1.478%
1/0/2018	26,826,658.98	2.124%	2.124%
12/7/2017	26,831,171.93	2.165%	2.165%
12/3/2017	26,835,759.86	2.177%	2.177%
12/0/2017	26,865,027.14	2.212%	2.212%
11/7/2017	26,869,931.66	2.214%	2.214%
11/4/2017	26,877,027.40	2.214%	2.214%
11/1/2017	26,881,935.65	2.219%	2.219%
10/8/2017	26,910,642.71	2.232%	2.232%
10/5/2017	26,915,382.33	2.244%	2.244%
10/2/2017	26,920,339.16	2.293%	2.293%
9/29/2017	26,925,368.65	2.303%	2.303%
9/26/2017	26,930,417.44	2.268%	2.268%
	26,874,040.22	—	—

Index	Index Start Date	Index End Date
NO BENCHMARK REQUIRED	---	---
NO BENCHMARK REQUIRED	---	---
NO BENCHMARK REQUIRED	---	---

Monthly Returns



Period End	Book Income Return, Net of Fees
04/30/2018	1.012%
05/31/2018	1.731%
06/30/2018	1.802%
07/31/2018	1.753%
08/31/2018	1.933%
09/30/2018	2.000%
10/31/2018	1.988%
11/30/2018	2.213%
12/31/2018	2.267%

Index	Index Start Date	Index End Date
NO BENCHMARK REQUIRED	--	--
NO BENCHMARK REQUIRED	--	--
NO BENCHMARK REQUIRED	--	--

te of: 04/01/2018.

verage of its simple accounts, unless historical returns have specifically been provided for the aggregate, in which case the provided historical returns will be used for the Account Total row. The index total or total ased on the weighted average of the index returns of its simple accounts.

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research report and will not be updated. Past performance is not indicative of future returns.

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Agenda Item 4

SUBJECT: GEORGE HILLS CONTRACT WITH CALMHSA

ACTION FOR CONSIDERATION:

Finance Committee to provide a recommendation for Board approval of its decision regarding the George Hills contract.

BACKGROUND AND STATUS:

On June 15, 2017 CalMHSA Treasurer, Bill Walker provided an overview of the George Hills contract and the recommendation from the Finance and Executive Committees to approve a contract extension for a term of two years with an optional one year.

The Fourth Amendment to the George Hills contract was approved unanimously. The Fourth Amendment term is effective July 1, 2017 and will expire June 30, 2019 with an option to extend for one year.

CalMHSA's Procurement Policy generally requires competitive selection processes but includes exceptions recognizing that noncompetitive contracting may better serve CalMHSA in some cases. The Procurement Policy lists factors that may justify sole source contracting, including the following: "Retaining professional services, such as but not limited to, an attorney, auditor, manager or administrator, to maintain expertise, continuity, consistency and knowledge of CalMHSA." In this case the extension of the GHC contract will allow continuation of programs without disruption. GHC's involvement in CalMHSA's creation and operation of these programs has been instrumental and its knowledge and experience could not easily be replaced. This includes retention of essential staff, relationships with stakeholders and program partners, and connections with key people at relevant state agencies. In inability of a different administrator to provide employment to current staff could result in a significant loss to CalMHSA's institutional memory. In addition, the Finance Committee has found the cost of GHC's services as a percentage of program dollars has been well within standards.

Since this time, GHC has continued to function as the Administrator performing all contractual obligations while keeping CalMHSA's indirect costs at or below 7.5%, as previously stated.

- Staff is bringing this to the attention of the Finance Committee for discussion and direction to staff of next steps.

FISCAL IMPACT:

None.

RECOMMENDATION:

Finance Committee to provide a recommendation for Board approval of its decision regarding the George Hills contract.

TYPE OF VOTE REQUIRED:

Majority vote.

Agenda Item 5

SUBJECT: CALMHSA ANNUAL REVENUE AND EXPENDITURE REPORT - PROPOSED REVISED BUDGET JUNE 30, 2019

ACTION FOR CONSIDERATION:

- Finance Committee to discuss and / or recommend to the Board of Directors, the CalMHSA Revenue and Expenditure Report- Proposed Revised Budget June 30, 2019;

BACKGROUND AND STATUS:

At the June 15, 2018 Board of Directors meeting, the members approved the proposed June 2019 budget and the contingent budget (which included Innovative Technology, LA Media Campaign and additional Innovation programs) for the year ending June 30, 2019.

With the attainment of the target budget, this increases the need for FTE, therefore requiring adjustment to the George Hills contract indicated in the Fourth Amendment. The increase in FTE is directly a result of the various new programs.

FISCAL IMPACT:

Fiscal impact of \$535,004 due to increase in Program Revenues, Expenditures and FTE.

RECOMMENDATION:

Finance Committee to discuss and/or recommend to the Board of Directors the CalMHSA Revenue and Expenditure Report- Proposed Revised Budget June 30, 2019.

TYPE OF VOTE REQUIRED:

Majority vote.

REFERENCE MATERIAL(S) ATTACHED:

- CalMHSA Revenue and Expenditure Report- Proposed Revised Budget June 30, 2019.

**California Mental Health Services Authority
2018/2019 Operating Budget
Combined Totals**

	(A)	(B)	(C)	(D)	(E)	Notes
	Approved Budget 2017/2018	Audited Actuals 2017/2018	Approved Budget June 2018 2018/2019	Adopted Target Budget 2018/2019	Proposed Revised Budget 2018/2019	
Revenues:						
PEI Sustainability	7,730,037	8,206,539	7,700,000	7,400,000	7,400,000	
Innovations	50,000,000	20,735,684	25,000,000	37,500,000	35,857,078	
Private Fund Development Fees	435,209	384,105	400,000	1,000,000	500,005	
State Hospital Bed Program	627,912	549,400	727,912	877,912	629,314	
Suicide Prevention Program	543,834	664,292	590,872	590,872	546,101	
LA County Media Campaign	-	13,500,000	-	-	18,385,758	(1)
Transfers In - AB 1299	-	-	4,000,000	10,000,000	4,000,000	
AB 1299 - Admin Fee	-	-	200,000	500,000	200,000	
Other Programs and Income	300,000	300,688	-	5,000,000	425,000	
Total Revenues	59,636,992	44,340,708	38,618,784	62,868,784	67,943,256	(2)
Program Expenses (Direct):						
Program Contracts	14,733,586	14,708,589	27,695,027	38,295,027	45,885,999	(3)
Program Management	1,577,347	2,819,482	2,519,976	2,800,512	3,224,832	
Other Contracts	56,000	28,689	50,000	75,000	75,000	
Legal	34,952	356,041	183,801	185,000	250,000	
Transfers Out - AB 1299	-	-	4,000,000	10,000,000	4,000,000	
Travel & Meetings	104,900	40,985	110,000	150,000	200,000	
Other program related expenses	-	15,000	-	-	-	
Total Program Expenses	16,506,785	17,968,786	34,558,804	51,505,539	53,635,831	
General & Administrative Expenses (Indirect):						
General & Administrative						
Staffing	842,213	273,874	988,360	1,219,920	1,432,080	(3)
Legal	10,000	101,794	60,000	75,000	100,000	
Travel & Meetings	16,000	113,992	30,000	75,000	80,000	
Other Contracts and expenses	10,000	17,799	25,000	25,000	25,000	
Insurance	39,500	29,583	43,000	43,000	60,000	
Financial Audit	17,500	13,100	15,000	15,000	25,000	
Total General & Administrative Expenses	935,213	550,142	1,161,360	1,452,920	1,722,080	(4)
Total Expenditures	17,441,998	18,518,928	35,720,164	52,958,459	55,357,911	
Income/(Loss) From Operations	-	25,821,780	-	-	-	
Non-Operating Income						
Investment Income		226,257				
Net Increase/(Decrease) Unexpended Funds	42,194,994	26,048,037	2,898,620	9,910,325	12,585,346	
Prior Year Reserves	5,421,953	5,256,378	2,648,099	2,648,099	2,648,099	
Projected Reserves as of June 30	47,616,947	31,304,415	5,546,719	12,558,424	15,233,445	
Less: Obligated Reserves	(47,564,954)	(25,043,532)	(4,437,375)	(10,046,739)	(12,186,756)	
Total Available Reserves at June 30	51,993	6,260,883	1,109,344	2,511,685	3,046,689	

Notes

(1) & (2)

Revenue increased \$5,074,472 as stated below:	
Decrease for Innovations	\$ (1,642,922)
Decrease for Private/Public Fund Development	(499,995)
Decrease for State Hospital Bed	(248,598)
Decrease for Suicide Prevention Hotline	(44,771)
Increase in LA County Media Campaign	(1) 18,385,758
Decrease for AB1299 and its admin fees	(6,300,000)
Decrease for Other Programs	(4,575,000)
	<u>5,074,472</u>

Previous contract ended 6/30/18 had fund bal of \$5.6M. Additional \$18.4M will be given to CalMHSA to fulfill the new \$24M contract

(3)

Program Contracts Expenses Increased \$2,130,292 -Related to Increased Funding and 2 year term for new LA Media Campaign

(4)

Total Paid to George Hills is \$4,656,912 - Increased due to need for additional recruits for new projects.

(5)

Total Expenses increased \$2,399,452 due to Program Related Expense Increase

**California Mental Health Services Authority
Administrative Expense Allocation
2017/2018 Program Year
Proposed Revised Target Budget**

	Private/Public Fund Development	Fiscal Modernization (Feasibility)	State Hospital Bed Program	Innovation	LA County Media Campaign	Presumptive Transfer AB1299	Suicide Prevention - Regional Program	PEI Sustainability Projects	Other Programs	Operations / R&D	Totals
Direct Expenses:											
Program Contracts	\$ 400,004	\$ -	\$ 503,451	\$ 28,685,663	\$ 9,600,000	\$ 4,000,000	\$ 436,881	\$ 5,920,000	\$ 340,000	\$ -	49,885,999
Program Management - Direct	\$ 85,441	\$ 10,683	\$ 53,416	\$ 1,679,401	148,924	154,255	74,442	589,309	17,018	411,942	3,224,832
Fundraising Counsel											0
Other Contracts	10,000			25,000	20,000			20,000			75,000
Legal	10,000		20,000	100,000	30,000	10,000	10,000	65,000	5,000		250,000
Travel & Meetings	30,000		5,000	80,000	45,000	2,000	2,000	30,000	1,000	5,000	200,000
Other Program Related Expenditures											0
Total Direct Expenses	535,445	10,683	581,868	30,570,064	9,843,924	4,166,255	523,322	6,624,309	363,018	416,942	53,635,831
General & Administrative:											
General & Administrative											
Staffing	187,977	24,980	124,900	538,147	46,035	53,780	13,528	181,016	4,380	257,337	1,432,080
Legal	6,801	887	4,435	39,326	4,849	5,174	2,188	19,160	532	16,647	100,000
Travel & Meetings	5,441	710	3,548	31,461	3,879	4,140	1,750	15,328	426	13,318	80,000
Other Contracts	1,700	222	1,109	9,831	1,212	1,294	547	4,790	133	4,162	25,000
Insurance	4,080	532	2,661	23,596	2,910	3,105	1,313	11,496	319	9,988	60,000
Financial Audit	1,700	222	1,109	9,831	1,212	1,294	547	4,790	133	4,162	25,000
Total Indirect Expenses	207,699	27,552	137,762	652,192	60,098	68,786	19,873	236,581	5,923	305,613	1,722,080
Total Expenditures	<u>\$ 743,144</u>	<u>\$ 38,236</u>	<u>\$ 719,629</u>	<u>\$ 31,222,256</u>	<u>\$ 9,904,022</u>	<u>\$ 4,235,041</u>	<u>\$ 543,195</u>	<u>\$ 6,860,890</u>	<u>\$ 368,941</u>	<u>\$ 722,556</u>	<u>\$ 55,357,911</u>

Agenda Item 6

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:

- A. AB 1299 participation status
- B. 501c3 survey results for participation
- C. Reversion
- D. Other Financial Matters

FISCAL IMPACT:

None.

RECOMMENDATION:

None. Information only.

TYPE OF VOTE REQUIRED:

Majority vote.

REFERENCE MATERIALS ATTACHED:

- None.