

Annual Revenue and Expenditure Report – Adopted Budget June 30, 2013



"A George Hills Company Administered JPA"

- Adopted Budget – June 30, 2013
- Budget Narrative

California Mental Health Services Authority Annual Revenue and Expenditure Report - Proposed Budget June 30, 2013								
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	Sum of
	Estimated	Actual	Adopted Budget	Estimated Actual	Proposed Budget	Estimated	Estimated	(B) (D) (E) (F) (G)
	6/30/2011	6/30/2011	6/30/2012	6/30/2012	6/30/2013	6/30/2014	6/30/2015	Total
Unexpended Funds Available from Prior Fiscal Years								
Technical Assist/Capacity Building Unexpended Funds	-		303,572	295,572	-	-		
MHSA Program Unexpended Funds	-		88,849,910	83,162,375	109,125,800	45,974,736	5,486,262	
MHSA Community Planning Unexpended Funds			2,787,370	2,742,608	3,869,658	500,000	-	
WET Program Funds					155,220	-		
Interest Earnings	-			108,314	358,314	1,558,314	2,074,314	
Total Unexpended Funds Available from Prior Fiscal Years	-		91,940,852	86,308,869	113,508,992	48,033,050	7,560,576	-
Deposits to CalMHSA Funds during Fiscal Year								
Technical Assist/Capacity Building Funds	339,612	339,612		229,600	623,400 (3)			1,192,612
Phase I - PEI Statewide Planning Funds (5%)	5,107,890	4,640,125	1,702,630	2,579,550				7,219,675
Phase I - PEI Statewide Planning Funds (5%) transfer to Program Funds					(2,869,658)			(2,869,658)
Phase I - PEI Planning \$ Total								4,350,017
Phase II - PEI Statewide Program Funds	97,049,910	88,162,375	32,349,969	49,011,450				137,173,825
Phase II - PEI Statewide Program Funds - Additional Funds from Planning					2,869,658			2,869,658
Phase II - PEI Statewide Program Funds								140,043,483
Fiduciary Program Management Wet Program				155,220	-			155,220 (4)
Interest Income		108,314		250,000	1,200,000	516,000	25,686	2,100,000
Total Deposits to CalMHSA	102,497,412	93,250,426	34,052,599	52,225,820	1,823,400	516,000	25,686	147,841,332
Expenditures								
Technical Assist/Capacity Building	36,040	44,040	303,573	525,172	623,400			1,192,612
Phase I - PEI Statewide Planning (5%) - Expenditures	2,320,520	1,897,517	2,380,000	1,452,500	500,000	500,000		4,350,017 (1)
Phase I - Planning Funds Transfer to Program Funds								
Phase II - PEI Statewide Program - Expenditures	2,500,000		40,000,000	12,937,941	54,100,000	36,053,474		103,091,415 (1)
Phase II - PEI Statewide Program - Expenditures - Transferred from Planning					2,869,658			2,869,658 (1)
Phase II - PEI Program Expenditures					56,969,658			105,961,073
Evaluation	200,000		2,500,000	2,143,250	2,200,000	2,000,000	4,486,267	10,829,517 (1)
WET Program Expenditures					147,720			147,720 (4)
General and Administrative - Wet Program					7,500			7,500 (4)
General and Administrative - PEI	500,000		5,200,000	543,453	2,435,000	2,435,000	1,000,000	6,413,453 (1)
Total Expenditures	5,556,560	1,941,557	50,383,573	17,602,316	62,883,278	40,988,474	5,486,267	128,901,892
General and Administrative - PEI Directed to Future Programs					4,416,064			4,416,059
Contributions to Operating Reserve	5,000,000	5,000,000	5,000,000	7,423,381	-	-		12,423,381
Total Operating Reserve								16,839,440 (1),(2),(5)
Total Unexpended Funds	91,940,852	86,308,869	70,609,878	113,508,992	48,033,050	7,560,576	2,099,995	2,100,000

Assumptions:

(1) Sum of these lines is \$144,393,500 which is the total of the Phase I and II funding as submitted to MHOAC for the Work Plan (\$136,210,400) and Amendment #1 (\$8,183,100). Expenditures for 2013 are based on the assumption of expenditures at 75% of total funding.

(2) For the proposed budget as of June 30, 2013 the Operating Reserve has not been budgeted for allocation or expenditure to other categories.

(3) Based on participation indicated for future years as follows:

Placer	21,000
Los Angeles	600,000
Modoc	2,400
	<u>623,400</u>

Additional counties may participate.

(4) Contra Costa County has contracted with CalMHSA to provide the Fiduciary duties for their program.

CalMHSA
General & Administrative Expense - PEI
Fiscal Years 2013 & 2014 Estimate

General and Administrative Expenses	2013	2014	
	Indirect	Indirect	Total
General Management	1,200,000	1,200,000	2,400,000
Other Contract Services	500,000	500,000	1,000,000
Legal Services	120,000	120,000	240,000
Financial Audit	15,000	15,000	30,000
Insurance	50,000	50,000	100,000
<u>Meetings:</u>			-
Stakeholder Participation	25,000	25,000	50,000
Meetings	100,000	100,000	200,000
Statewide Panel of Subject Matter Experts			-
Statewide Coordination Group	-	-	-
Member Services	75,000	75,000	150,000
Investment Management	100,000	100,000	200,000
Web Site & CalMatrix	30,000	30,000	60,000
Travel & Lodging	50,000	50,000	100,000
Marketing/PR Materials	50,000	50,000	100,000
Miscellaneous	120,000	120,000	240,000
Total General and Administrative Expenses	2,435,000	2,435,000	4,870,000

CalMHSA Budget Narrative

Background

The CalMHSA June 30, 2013 Annual Revenue and Expenditure Report – Proposed Budget has been developed based on the PEI Statewide Program Funding Request – Budget form – Enclosure F, Appendix 1 of the CalMHSA Statewide Implementation Plan, the addendum to the implementation plan approved by MHSOAC on January 27, 2011, and the First Amendment to the CalMHSA Statewide Implementation Work Plan approved on March 23, 2012.

The June 30, 2013 budget presents the current operations of CalMHSA. The current operations presented in this budget are:

- Training/Technical Assistance and Capacity Building
- PEI Statewide Programs – Phase I – PEI Statewide Planning (5%)
- PEI Statewide Programs – Phase II – PEI Statewide Program Implementation
- Workforce Education and Training (WET) – Program Administration

CalMHSA, at time of approval of the plan, had projected participation of counties. The June 30, 2013 budget continues to be based on these participation projections and projected funding. The summary detail is as follows:

PEI Statewide Program Total Projected Funding:

	Implementation Plan	March 23, 2012 First Amendment	Total
Phase I – Planning Funds	\$6,810,520	\$409,155	\$7,219,675
Phase II – Program Funds	<u>129,399,879</u>	<u>7,773,946</u>	<u>137,173,825</u>
Total	<u>\$136,210,399</u>	<u>\$8,183,100</u>	<u>\$144,393,500</u>

Budget Notes

1. By June 30, 2012 we anticipate total funds received by CalMHSA are as follows:

Training/Technical Assistance and Capacity Building Funds	\$569,212
Phase I – PEI Statewide Planning Funds	155,220
Phase II – PEI Statewide Program Funds (3 years of the 4 year estimated program funds of \$129,399,879)	7,219,675
Workforce Education and Training – Program Administration	137,173,825
Interest Earnings	<u>358,314</u>
Total funds projected to be received by June 30, 2012	<u>\$145,476,246</u>

2. CalMHSA has projected the unexpended funds to be carried over to the Budget of Annual Revenue and Expenditures as of June 30, 2012 to be \$113,508,992.

Training/Technical Assistance and Capacity Building Funds	\$0
Phase I – PEI Statewide Planning Funds	3,869,658
Phase II – PEI Statewide Program Funds (3 years of the 4 year estimated program funds of \$129,399,879)	109,125,800
Workforce Education and Training – Program Administration	155,220
Interest Earnings	<u>358,314</u>
Total funds projected to be carried to budget year ended June 30, 2013	<u>\$113,508,992</u>

3. Deposits to CalMHSA during June 30, 2013 are estimated as:

Training/Technical Assistance and Capacity Building Funds	\$623,400
Interest Earnings	<u>\$1,200,000</u>
Total estimated deposits as of June 30, 2013	<u>\$1,823,400</u>

4. Expenditures for June 30, 2013 have been estimated based on anticipated payout of the budget approved with the implementation plan:

	Total Approval in PEI Statewide Implementation Work Plan and First Amendment	Estimated Expenditures June 30, 2012	Estimated Expenditures June 30, 2013
Training/Technical Assistance and Capacity Building Funds	N/A	\$525,172	\$623,400
Workforce Education and Training Program	N/A	0	155,220
Phase I – PEI Statewide Planning Funds	7,219,675	1,452,500	500,000
Phase II – PEI Statewide Program Funds	103,091,713	12,937,941	56,969,658
Evaluation	10,829,513	2,143,250	2,200,000
General and Administrative	<u>10,829,513</u>	<u>543,453</u>	<u>2,435,000</u>
Subtotal		<u>17,602,316</u>	<u>62,883,278</u>
Contribution to Operating Reserve	<u>12,423,386</u>		
Total	<u>\$144,393,470</u>		

5. CalMHSA will comply with the DMH Guidelines for PEI Statewide Programs in managing and contracting costs for indirect admin expenses as disclosed on page 3 of the budget package. Some indirect expenses to note are:
 - Legal Expenses – CalMHSA has retained legal services to provide counsel to the board and support of the governing documents. Legal services will decrease for fiscal year ended 2013 due to negotiations of contracts related to execution of the Implementation Plan.
 - Meeting Expenses – CalMHSA is governed by a Board of Directors and has established standing committees and must conduct public meetings to carry out the regular business of the JPA. Conference attendance is also integral to the members maintaining and updating knowledge in Mental Health Services. The JPA currently has 34 members. CalMHSA has provided iPads to distribute the agendas to members electronically. At the last board meeting, only five paper copies of the agenda were distributed.
6. See page 3 of budget package for detail of estimated general administration expenses.