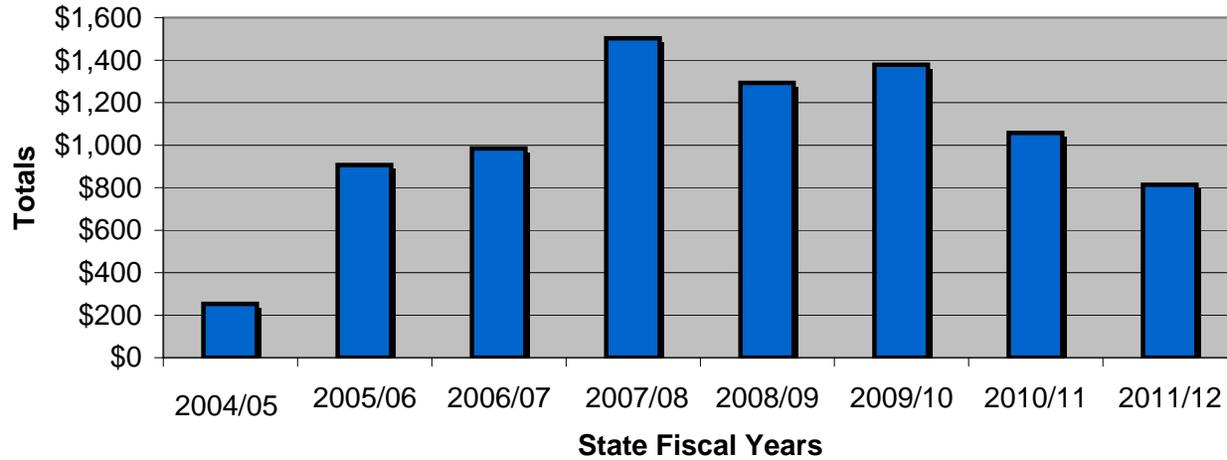




**Mental Health Funding & Policy Committee
Financial Report
May 27, 2010**

TABLE 1 AND VISUAL 1: MHSA REVENUES RECEIVED
(Millions)

MHSA Revenues Received (Cash Basis)
2004/05 through 2011/12



	SFY 04/05 (actual)	SFY 05/06 (actual)	SFY 06/07 (actual)	SFY 07/08 (actual)	SFY 08/09 (actual)	SFY 09/10 (estimated)	SFY 10/11 (projected)	SFY 11/12 (projected)
Cash Transfers	169.5	894.6	935.1	\$983.9	\$797.0	\$787.0	\$824.0	\$861.1
Annual Adjustment	83.6	\$0.0	\$0.0	\$423.7	\$438.0	\$581.0	\$225.0	-\$57.0
Interest Income	0.7	\$11.2	\$49.2	\$94.4	\$57.6	\$10.1	\$8.7	\$9.1
TOTAL	\$253.8	\$905.8	\$984.3	\$1,502.0	\$1,292.6	\$1,378.1	\$1,057.7	\$813.2

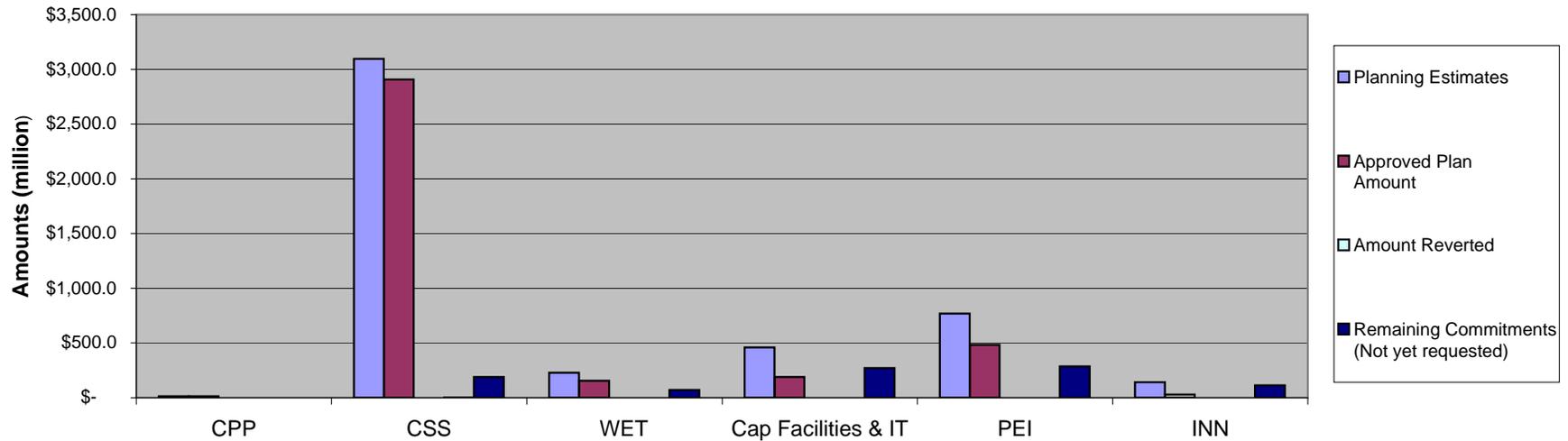
A comparison of MHSA revenues on an accrual basis and a cash basis can be found in the Department of Mental Health's (DMH) MHSA Expenditure Report Addendum for FY 2009/10.

Source: FY 2010/11 Governor's Budget, DMH MHSA Expenditure Report (FY 04/05 through 10/11 amounts) and the Legislative Analyst Office (LAO) Overview of the May Revision for the 2010-11 Budget. FY 11/12 cash transfers and interest income are projected amounts based on personal income tax estimates from the LAO. Estimated numbers are for FY 09/10 and projected numbers are for FY 10/11 and 11/12.

Updated 5/24/2010

Will be Updated Semi-Annually

**TABLE 3 AND VISUAL 3: MHPA Funding
Committed/Distributed/Undistributed/Reverted
2004/05 through 2009/10
(millions)**



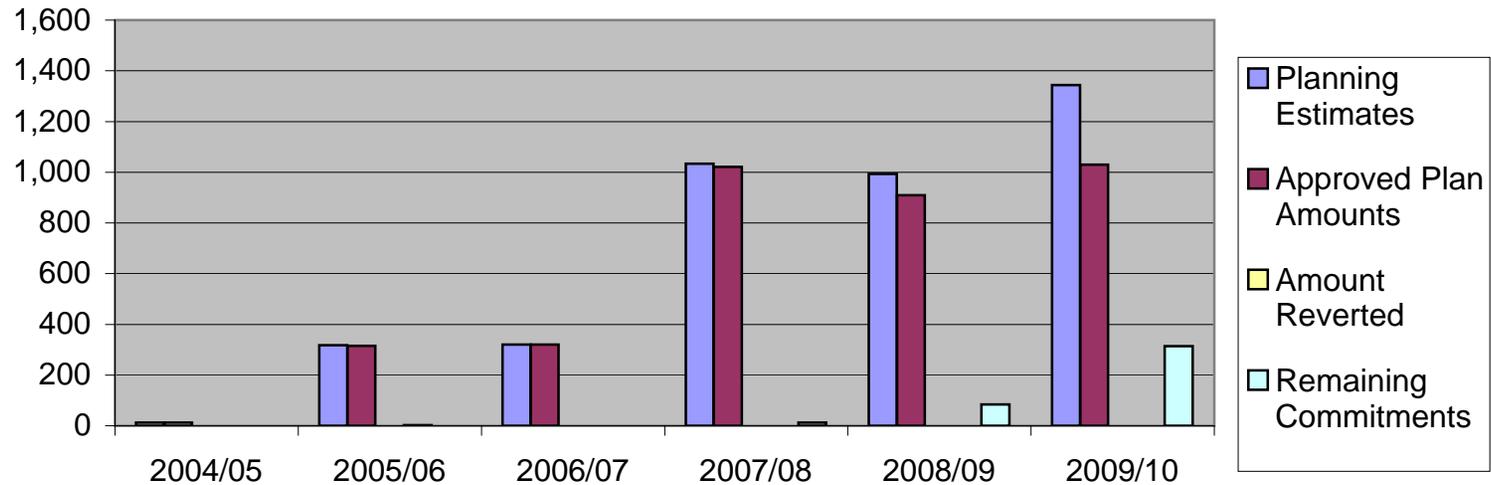
MHPA Funding: County-Level Committed/Distributed/Undistributed/Reverted (By Fiscal Year) 2004/05 through 2009/10				
	Planning Estimates	Approved Plan Amount	Amount Reverted	Remaining Commitments (Not yet requested)
2004/05	\$ 12.7	\$ 12.7	\$ 0.0	0.0
2005/06	\$ 317.3	\$ 315.2	\$ 2.1	0.0
2006/07	\$ 426.3	\$ 390.2	\$ -	\$ 36.0
2007/08	\$ 1,488.2	\$ 1,256.2	\$ -	\$ 231.9
2008/09	\$ 1,117.0	\$ 937.9	\$ -	\$ 179.1
2009/10	\$ 1,347.0	\$ 934.3	\$ -	\$ 412.7
Total (FY 04/05 - 09/10)	\$ 4,708.4	\$ 3,846.7	\$ 2.1	\$ 859.7

Source: DMH MHPA Summary Comparison (Posted 4/29/09)

Updated 4/29/2010

Will be Updated Quarterly

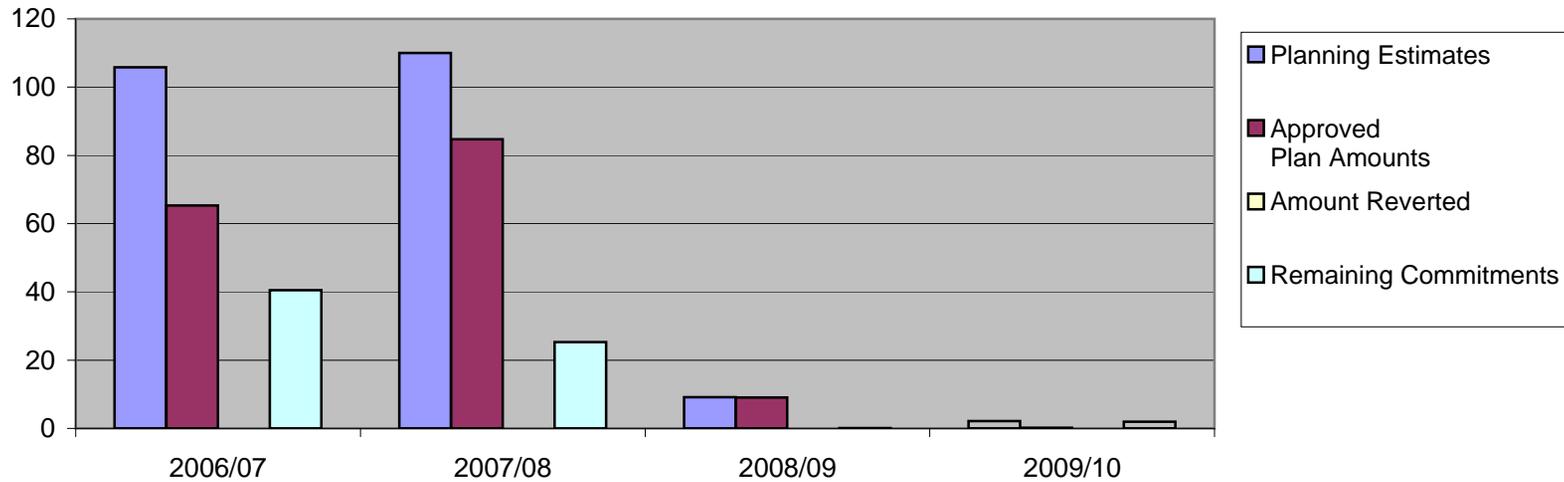
**MHSA Funding: Combined CSS, PEI and INN
Committed/Distributed/Undistributed/Reverted
2004/05 through 2009/10
Three Year Reversion
(millions)**



MHSA Funding: County-Level Committed/Distributed/Undistributed/Reverted (By Fiscal Year) 2004/05 through 2009/10				
	Planning Estimates	Approved Plan Amounts	Amount Reverted	Remaining Commitments
2004/05	\$ 12.7	\$ 12.7	\$ 0.0	0.0
2005/06	\$ 317.3	\$ 315.2	\$ 2.1	0.0
2006/07	\$ 320.5	\$ 320.5		\$ -
2007/08	\$ 1,033.2	\$ 1,020.6		\$ 12.6
2008/09	\$ 993.7	\$ 909.0		\$ 84.7
2009/10	\$ 1,343.6	\$ 1,030.0		\$ 313.6
Total	\$ 4,020.9	\$ 3,608.0	\$ 2.1	\$ 410.9

Source: DMH MHSA Summary Comparison (Posted 4/29/2010)

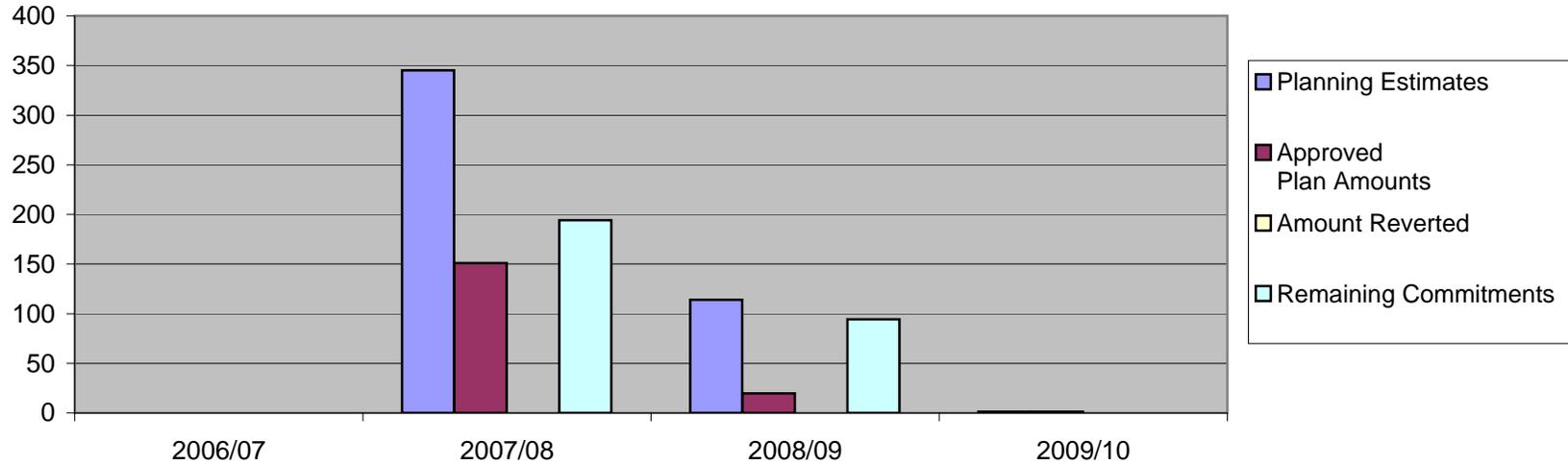
**MHSA WET Funding
Committed/Distributed/Reverted
2006/07 through 2009/10
Ten Year Reversion
(millions)**



MHSA Funding: County-Level Committed/Distributed/Undistributed/Reverted (By Fiscal Year) 2006/07 through 2009/10				
	Planning Estimates	Approved Plan Amounts	Amount Reverted	Remaining Commitments
2006/07	\$ 105.8	\$ 65.3		\$ 40.5
2007/08	\$ 110.0	\$ 84.7		\$ 25.3
2008/09	\$ 9.2	\$ 9.1		\$ 0.1
2009/10	\$ 2.1	\$ 0.1		\$ 2.0
Total	\$ 227.1	\$ 159.2	\$ -	\$ 68.0

Source: DMH MSA Summary Comparison (Posted 4/29/2010)

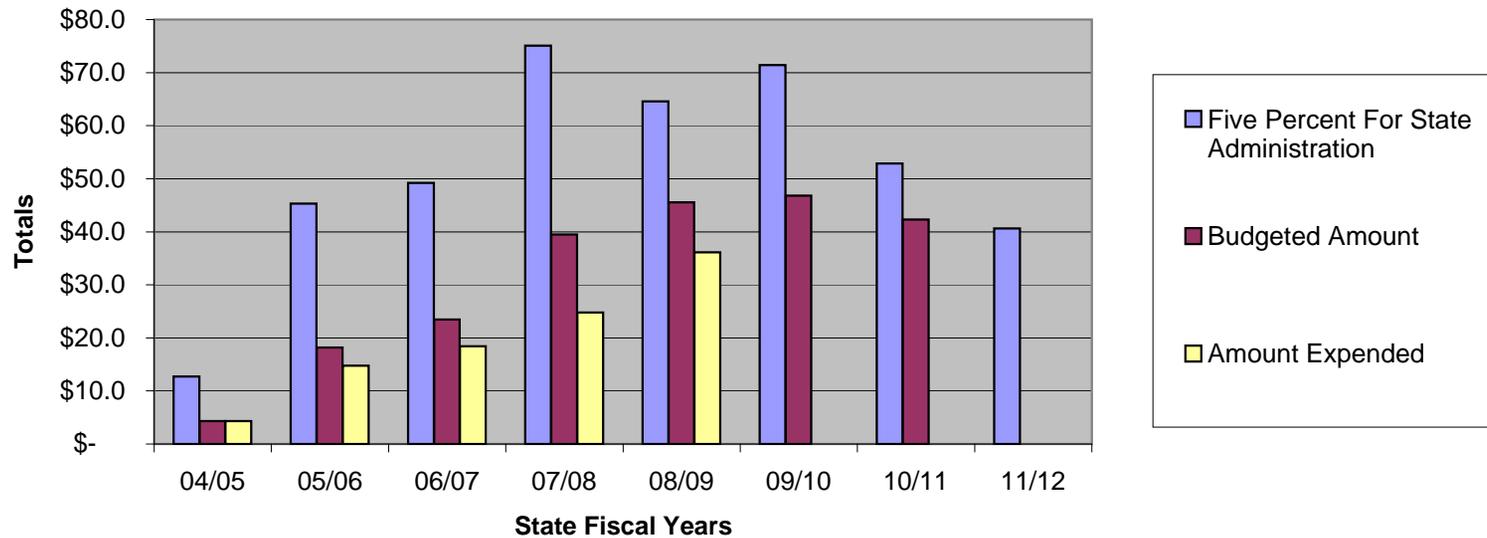
**MHSA CFTN Funding
Committed/Distributed/Reverted
2006/07 through 2009/10
Ten Year Reversion
(millions)**



MHSA Funding: County-Level Committed/Distributed/Undistributed/Reverted (By Fiscal Year) 2006/07 through 2009/10				
	Planning Estimates	Approved Plan Amounts	Amount Reverted	Remaining Commitments
2006/07	\$ -	\$ -		\$ -
2007/08	\$ 345.0	\$ 151.0		\$ 194.0
2008/09	\$ 114.1	\$ 19.9		\$ 94.2
2009/10	\$ 1.3	\$ 1.2		\$ 0.0
Total (All Years)	\$ 460.4	\$ 172.1	\$ -	\$ 288.3

Source: DMH MHSA Summary Comparison (Posted 4/29/2010)

TABLE 6 AND VISUAL 6: MHSA STATE ADMINISTRATION



MHSA: State Administrative Funds				
	Five Percent Statutory Maximum For State Administration	Amount of State Administration Budgeted	Amount of State Administration Expended	
2004/05	\$ 12.7	\$ 4.3	\$	4.3
2005/06	\$ 45.3	\$ 18.2	\$	14.8
2006/07	\$ 49.2	\$ 23.5	\$	18.5
2007/08	\$ 75.1	\$ 39.5	\$	24.8
2008/09	\$ 64.6	\$ 45.6	\$	36.1
2009/10	\$ 71.4	\$ 46.8		
2010/11*	\$ 52.9	\$ 42.3		
2011/12	\$ 40.7			
Total (All Years)	\$ 411.8	\$ 220.2	\$	98.4

Unrequested State Administrative funds revert the MHSF after one year.

Unexpended State Administrative funds revert to the MHSF after two years

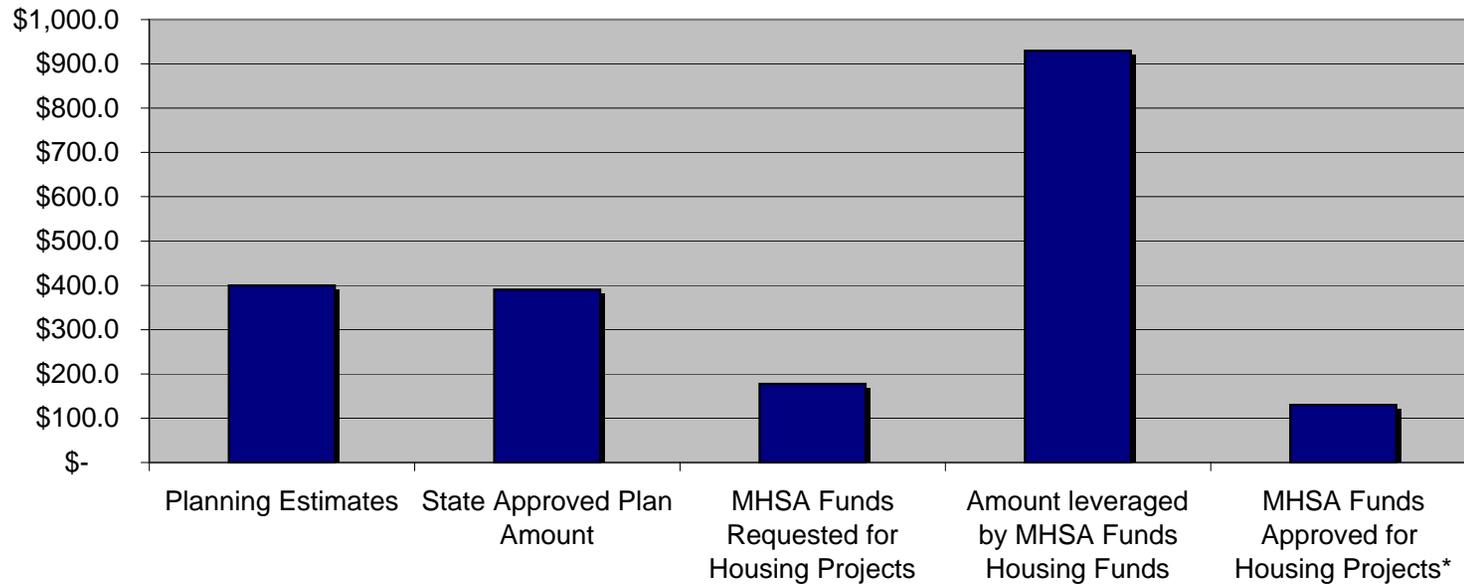
*For FY 2010/11 only the 5% statutory maximum for state administration was updated. The amounts of state administration budgeted and expended will be updated as information becomes available.

Source: DMH MHSA Expenditure Reports and Fund Condition Statements

Updated 5/24/2010

Will be Updated Semi-Annually

TABLE 9 AND VISUAL 9: MHSA HOUSING PROGRAM
(Millions)



MHSA Housing Program				
Planning Estimates	State Approved Plan Amount	MHSA Funds Requested for Housing Projects	Amount leveraged by MHSA Funds Housing Funds	MHSA Funds Approved for Housing Projects*
\$ 400.0	\$ 390.2	\$ 177.6	\$ 929.7	\$ 129.9

Source: DMH MHSA Housing Program Assignment (dated 4/30/10), DMH MHSA Housing Program Semi Annual Report (dated 10/30/09), MHSA Housing Program Application Status (dated 4/20/2010) and CMHDA.

*MHSA funds approved as committed loans not as closed loans. Currently \$6.9 million MHSA Housing funds are in closed loans.

The MHSA Housing program has funded approximately 933 MHSA units. A total of 2,781 units has been built to support a wider range of populations.

Updated 4/30/2010
Will be Updated Semi-annually

FINANCIAL REPORT INDEX

TABLES 2A-B & VISUAL 2A-B

State General Fund (SGF): The SGF is funded through personal income tax, sales and use tax, corporation tax, and other revenue and transfers. The primary obligations of the SGF provided to counties for mental health are to fund specialty mental health benefits of entitlement programs including Medi-Cal Managed Care, Early and Periodic Screening Diagnosis Treatment (EPSDT) and Mental Health Services to Special Education Pupils (AB 3632).

Realignment: Realignment is the shift of funding and responsibility from the State to the counties to provide mental health services, social services and public health. There are two sources of revenue that fund realignment; 1/2 cent of State sales taxes and a portion of State vehicle license fees. The primary mental health obligation of realignment is to provide services to individuals who are a danger to self/others or unable to provide for immediate needs. It is also a primary funding source for community-based mental

health services, State hospital services for civil commitments and Institutions for Mental Disease (IMDs) which provide

Federal Financial Participation (FFP): FFP is the federal reimbursement counties receive for providing specialty mental health treatment and Healthy Families Program beneficiaries. The amount of federal reimbursement received by counties is based on a percentage established for California called the Federal Medical Assistance Percentage (FMAP).

Proposition 63 Funds (MHSA): The MHSA is funded by a 1% tax on personal income in excess of \$1 million. The primary obligations of the MHSA is for counties to expand recovery based mental health services, to provide prevention and early intervention services, innovative programs, to educate, train and retain mental health professionals, etc.

Other: Other revenue comes from a variety of sources--county funds are from local property taxes, patient fees and insurance, grants, etc. The primary obligation of the county funds is the maintenance of effort (the amount of services required to be provided by counties in order to receive realignment funds).

TABLE 6 & VISUAL 6

The State Administration has up to 5% of the MHSF available. In order to have access to funds, within the 5%, the State Administration must request these funds through the State budget process. Upon approval, the requested amount is then budgeted in the requesting department's approved budget. The funds that are unrequested for a specific FY (within the 5%) revert back to the MHSF after one year. Once the funds are budgeted then the departments can expend these funds. The unexpended budgeted amounts will revert back to the MHSF after two years.