



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: ADMHS
Department No.: 043
For Agenda Of: 1/8/08
Placement: Set Hearing
Estimated Tme: 1 hr. on 1/15/08
Continued Item: No
If Yes, date from:
Vote Required: 4/5

TO: Board of Supervisors

FROM: Department Douglas C. Barton, Interim Director
Director(s) Alcohol, Drug & Mental Health Services 805-681-5220
Contact Info: Marianne Garrity, Assistant Director, Administration 681-5220

SUBJECT: ADMHS FY 07-08 Budget Reforecast

County Counsel Concurrence

As to form: N/A

Auditor-Controller Concurrence

As to form: N/A

Other Concurrence:

As to form:

Recommended Actions:

Set a hearing for January 15, 2008 to consider recommendations regarding the FY 07-08 Budget Reforecast for the Mental Health Division of the Alcohol, Drug and Mental Health Services Department.

Summary Text:

In June 2007, the Board received a Financial Status Report from Alcohol, Drug and Mental Health Services (ADMHS) summarizing the department's financial challenges. The report to be submitted on January 15, 2008 will provide an update on ADMHS' financial status and FY 07-08 Budget Reforecast.

Background: As outlined in the staff report to the Board on September 26, 2006, ADMHS has faced significant financial challenges since FY 05-06 due to a higher number of uninsured clients, increases in out-of-county hospitalizations, and increased costs of pharmaceuticals, contracted services, temporary doctors to meet staff shortages and extra help. These increased costs were compounded by chronic delays in Medi-Cal reimbursement and resulting interest charges on funds borrowed to meet normal operating costs.

After a thorough review of the Mental Health Division, the department has identified a \$3.4 million shortfall for FY 07-08. Despite the department's ongoing efforts, the current shortfall will require additional steps be taken to balance the FY 07-08 Budget. Consequently, ADMHS, in concert with the County Executive Office, has prepared a FY 07-08 Budget Reforecast Plan which expands on the department's previous efforts. In addition, ADMHS has been working with community based

organizations to develop elements of the Plan, and will present the Plan with the Departmental Board Letter for the January 15, 2008 hearing.

Fiscal and Facilities Impacts: None with the requested action

Special Instructions:

Please send one (1) copy of the minute order to:

Alcohol, Drug & Mental Health Services
ATTN: Contracts Division
300 N. San Antonio Road Bldg. 3
Santa Barbara, CA 93110

Attachments:

Authored by:

Christina Toma

cc: