



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: 3-11-08  
Placement: Departmental  
Estimated Tme: 1 Hour  
Continued Item: No  
If Yes, date from: 2-5-08  
Vote Required: 4/5

---

**TO:** Board of Supervisors

**FROM:** Department Ann Detrick, PhD, Director  
Director(s) Alcohol, Drug & Mental Health Services 805-681-5220  
Contact Info: Marianne Garrity, Assistant Director, Administration 681-5220

**SUBJECT: ADMHS FY 08-09 Draft Restructuring Plan**

---

**County Counsel Concurrence**

As to form: N/A

**Other Concurrence:** N/A

As to form: N/A

**Auditor-Controller Concurrence**

As to form: Yes

**Recommended Actions:**

Consider recommendations regarding the Mental Health Division of the Alcohol, Drug and Mental Health Services Department (ADMHS), as follows:

- a. Receive a report regarding the ADMHS Draft Restructuring Plan which brings expenditures in the Adult Mental Health Division into balance with available revenue for FY 2008-09;
- b. Approve any necessary Budget Revision Requests to transfer funds for mental health services as determined by the Board (4/5 vote required) for FY 2007-2008.

**Summary Text:** At the February 5, 2008 Board of Supervisors hearing, ADMHS presented the Department's financial status and the FY 2007-2008 Budget Reforecast for adult mental health programs to address a budgetary shortfall of approximately \$6.97 million. At that meeting, the Board authorized a transfer of potentially \$6.97M and approved the first transfer of \$2.3M. In addition, the Board directed that \$1.18M of the first transfer amount be allocated to the Casa Del Mural Facility and the North County Cares Residential Center as previously approved by the Board. Further, ADMHS was directed to return to the Board on March 11, 2008 with a draft restructuring plan, including a reduction and implementation plan for internal and contract services in order to bring the expenditures of the ADMHS Adult Division into balance with available revenue for FY 2008-09. Board approval of additional funding

transfers for FY 2007-2008 would be contingent upon Board approval of the restructuring plan.

**Background:**

The attached report provides information regarding ADMHS' preliminary FY 2008-2009 budget and restructuring plan, with a focus on the Adult Mental Health Division. The report provides background information regarding ADMHS mandates; identifies various issues that have contributed to the Department's financial challenges including persistent delays in State Medi-Cal payments; and provides information regarding the preliminary FY 2008-2009 budget, the objectives and process of the restructuring plan, and an implementation plan.

ADMHS has developed a balanced FY 2008-2009 Budget to match expenditures to available resources. In order to achieve a balanced budget for FY 2008-2009, expenditure reductions in services and staffing throughout ADMHS and contracts with CBOs must be implemented. ADMHS requests the Board accept the attached FY 2008-2009 preliminary budget and restructuring plan and approve the transfer of additional funds for adult mental health services to cover FY 2007-2008 shortfalls.

**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:**

FY 08-09 Preliminary Budget and Restructuring Plan  
Budget Revision

**Authored by:**

Christina Toma

**cc:**

County Executive Officer