

April 2, 2008



**SAN LUIS OBISPO COUNTY MENTAL HEALTH SERVICES
DEDICATION OF MENTAL HEALTH SERVICES ACT - COMMUNITY
SERVICES AND SUPPORTS (CSS) FUNDS
TO A LOCAL PRUDENT RESERVE**

What:

The Department of Mental Health (DMH) Information Notice No. 08-01 requires the County to establish a local prudent reserve by July 1, 2010, funded at fifty percent of the most recent annual Community Services and Supports (CSS) State MHSA allocation. The prudent reserve is necessary so that the County can continue to serve children, adults and seniors during years in which State MHSA revenues are insufficient to fully fund planned MHSA services. State DMH recommended a 50% reserve based on a model of expected MHSA revenue decreases during a typical economic downturn. San Luis Obispo County is choosing to fund this reserve now versus later because unspent monies are currently available and FY 2005-06 one-time start-up funds will revert back to the State if not expended or moved to a reserve by June 30, 2008.

Fifty percent of the approved CSS funding level is \$2,005,600. Funds dedicated by the County to the local prudent reserve can only be accessed in accordance with WIC Sections 5847(a)(7) and 5847(f) which requires a Plan update to the County's Three-Year-Program and Expenditure Plan. A County will be able to access these funds only with DMH approval.

What's Next:

The public is invited to review and comment on the proposed dedication of existing MHSA funds to the local prudent reserve from April 2 – May 1, 2008.

At the close of that period, the proposal will be forwarded to the Department of Mental Health for approval.

The funds are expected to be moved to a reserve by June 30, 2008.

To Comment on the Proposed Amendments:

Please contact Nancy Mancha-Whitcomb, MHSA Division Manager, at 805-781-4868.
or email to: nmancha-whitcomb@co.slo.ca.us

To Review the Full Community Services and Supports (CSS) Plan and to learn more about MHSA: <http://www.slocounty.ca.gov/health/mentalhealthservices/mhsa.htm>

**Mental Health Services Act (MHSA)
Request to Dedicate Funds to the
Community Services and Supports (CSS)
Local Prudent Reserve**

City/County: San Luis Obispo

Date: _____

Approved CSS Component Amount	
CSS Plan Component Amount	\$4,011,200
Maximum Prudent Reserve (50%)	\$2,005,600
Prudent Reserve	
Prudent Reserve Balance from Prior Approvals	
Amount Requested to Dedicate to Prudent Reserve	
Approved Unspent Funds	\$2,005,600
Unapproved Funds in Planning Estimate	
Total Request	\$2,005,600
Prudent Reserve Balance	\$2,005,600

I HEREBY request that the above amounts be dedicated to a local Prudent Reserve in accordance with Welfare and Institutions Code Section 5847(a)(7). Funds dedicated to the Prudent Reserve may not be accessed unless approved by the Department of Mental Health through an update to the Three-Year Program and Expenditure Plan. I certify that the County has complied with Title 9, California Code of Regulations Sections 3300 and 3315(b).

Signature _____

Name and Title _____