

**Mental Illness and Drug Dependency Fund / 1135**

|                                              | <b>2006<br/>Actual</b> | <b>2007 Adopted</b> | <b>2007<br/>Estimated</b> | <b>2008 Adopted</b> | <b>2009<br/>Projected <sup>1</sup></b> | <b>2010<br/>Projected <sup>1</sup></b> |
|----------------------------------------------|------------------------|---------------------|---------------------------|---------------------|----------------------------------------|----------------------------------------|
| <b>Beginning Fund Balance</b>                |                        |                     |                           | 0                   | 8,640,718                              | 6,354,007                              |
| <b>Revenues</b>                              |                        |                     |                           |                     |                                        |                                        |
| * Operating Revenues                         |                        |                     |                           | 30,852,323          | 54,780,741                             | 58,001,848                             |
| * CX Revenues                                |                        |                     |                           |                     |                                        |                                        |
| *                                            |                        |                     |                           |                     |                                        |                                        |
| <b>Total Revenues</b>                        | 0                      | 0                   | 0                         | 30,852,323          | 54,780,741                             | 58,001,848                             |
| <b>Expenditures</b>                          |                        |                     |                           |                     |                                        |                                        |
| * Operating Expenditures                     |                        |                     |                           | (22,211,605)        | (50,648,850)                           | (53,181,292)                           |
| * Capital Reserve Expenditure                |                        |                     |                           |                     | (6,418,602)                            |                                        |
| *                                            |                        |                     |                           |                     |                                        |                                        |
| <b>Total Expenditures</b>                    | 0                      | 0                   | 0                         | (22,211,605)        | (57,067,452)                           | (53,181,292)                           |
| <b>Estimated Underexpenditures</b>           |                        |                     |                           |                     |                                        |                                        |
| <b>Other Fund Transactions</b>               |                        |                     |                           |                     |                                        |                                        |
| *                                            |                        |                     |                           |                     |                                        |                                        |
| *                                            |                        |                     |                           |                     |                                        |                                        |
| <b>Total Other Fund Transactions</b>         |                        |                     |                           |                     |                                        |                                        |
| <b>Ending Fund Balance</b>                   | 0                      | 0                   | 0                         | 8,640,718           | 6,354,007                              | 11,174,563                             |
| <b>Reserves &amp; Designations</b>           |                        |                     |                           |                     |                                        |                                        |
| * Revenue Stabilization Reserve <sup>2</sup> |                        |                     |                           | (2,000,000)         | (4,000,000)                            | (6,000,000)                            |
| * Capital Reserves <sup>3</sup>              |                        |                     |                           | (6,418,602)         |                                        |                                        |
| <b>Total Reserves &amp; Designations</b>     |                        |                     |                           | (8,418,602)         | (4,000,000)                            | (6,000,000)                            |
| <b>Ending Undesignated Fund Balance</b>      | 0                      | 0                   | 0                         | 222,116             | 2,354,007                              | 5,174,563                              |

**Financial Plan Notes:**

<sup>1</sup> 2009 and 2010 expenditures are inflated 5% from 2007 Action Plan full year cost estimate.

<sup>2</sup> Two million dollars per year will be placed in a revenue stabilization reserve until the reserve is funded at \$10 million. During 2008, DCHS will lead a group of stakeholders to develop policies for use of the rate stabilization reserve and establish a target fund balance.

<sup>3</sup> Excess revenues in 2008 that arise from a start-up expenditure lag will be placed in capital reserves pending approval, with expenditures expected to occur in 2009.

<sup>4</sup> Target fund balance will be discussed and established in 2008.