

**Current Programming - No Reductions**

	MHSA	BHSA				
	FY2025-26	FY2026-27	FY2027-28	FY2028-29	FY2029-30	FY2030-31
<b>Beginning Fund Balance</b>	13,585,092	8,806,975	51,732	(9,729,252)	(20,587,264)	(32,576,154)
<b>Annual Revenue</b>	14,759,793	16,799,374	16,799,374	16,799,374	16,799,374	16,799,374
<b>Expenses:</b>						
<i>BHSA: FSP/BHSS</i>	19,537,910	20,514,806	21,540,546	22,617,573	23,748,452	24,935,874
<i>Housing Allocation</i>	-	5,039,812	5,039,812	5,039,812	5,039,812	5,039,812
<b>Annual Surplus/Deficit</b>	(4,778,117)	(8,755,244)	(9,780,984)	(10,858,011)	(11,988,890)	(13,176,313)
<b>Fund Balance</b>	8,806,975	51,732	(9,729,252)	(20,587,264)	(32,576,154)	(45,752,466)

\* Does not include Innovations category fund balance in FY2025-26 Beginning Fund Balance due to the restriction on use

\* \*Revenue for FY2027-28 through FY2030-31 is based on average revenue received for the last 5 fiscal years

\*\*\* Assumes annual expenditures increases of 5%

\*\*\*\*BHSA allocates 30% of revenues to Housing Interventions; This largely contributes to the BHSA structural deficit (Annual Surplus/Deficit)

\*\*\*\*\*Fund Balance in FY2025-26 excludes Innovation Category Revenue and Expenses as these funds are treated differently under MHSA

**BHSA Forecast - Scenario 1**

	MHSA	BHSA				
	FY2025-26	FY2026-27	FY2027-28	FY2028-29	FY2029-30	FY2030-31
<b>Beginning Fund Balance</b>	13,585,092	12,019,952	12,581,972	12,385,665	11,591,565	10,169,781
<b>Annual Revenue</b>	14,759,793	16,799,374	16,799,374	16,799,374	16,799,374	16,799,374
<b>Expenses:</b>						
<i>BHSA: FSP/BHSS</i>	19,537,910	17,294,480	11,757,419	12,553,662	13,181,345	13,840,413
<i>Housing Allocation</i>	-	5,039,812	5,039,812	5,039,812	5,039,812	5,039,812
<b>Annual Surplus/(Deficit)</b>	(4,778,117)	(5,534,918)	2,143	(794,100)	(1,421,784)	(2,080,851)
<b>Proposed Changes:</b>						
<i>Program shifts to Other Funding Sources</i>	(428,188)					
<i>Board Directed Project Funding/Cannabis Revenue</i>	(146,000)					
<i>FY2025-26 Reduce Internal Programming</i>	(2,638,789)					
<i>FY2026-27 Reduce Internal Programming</i>	-	(3,461,608)	-	-	-	-
<i>Community Organizations Unfunded (100%)</i>	-	(2,635,330)	-	-	-	-
<i>Cost of Davis Co-Responder position in FY2027-28</i>	-	-	198,450	-	-	-
<b>Fund Balance</b>	12,019,952	12,581,972	12,385,665	11,591,565	10,169,781	8,088,931

\* Does not include Innovations category fund balance in FY2025-26 Beginning Fund Balance due to the restriction on use

\* \*Revenue for FY2027-28 through FY2030-31 is based on average revenue received for the last 5 fiscal years

\*\*\* Assumes annual expenditures increases of 5%

\*\*\*\*BHSA allocates 30% of revenues to Housing Interventions; This largely contributes to the BHSA structural deficit (Annual Surplus/Deficit)

\*\*\*\*\*Fund Balance in FY2025-26 excludes Innovation Category Revenue and Expenses as these funds are treated differently under MHSA

**BHSA Forecast - Scenario 2**

	MHSA	BHSA				
	FY2025-26	FY2026-27	FY2027-28	FY2028-29	FY2029-30	FY2030-31
<b>Beginning Fund Balance</b>	13,585,092	12,715,285	13,312,072	13,152,270	12,396,500	11,014,963
<b>Annual Revenue</b>	14,759,793	16,799,374	16,799,374	16,799,374	16,799,374	16,799,374
<b>Expenses:</b>						
<i>BHSA: FSP/BHSS</i>	19,537,910	16,564,380	11,720,914	12,515,332	13,141,099	13,798,153
<i>Housing Allocation</i>	-	5,039,812	5,039,812	5,039,812	5,039,812	5,039,812
<b>Annual Surplus/(Deficit)</b>	(4,778,117)	(4,804,818)	38,648	(755,770)	(1,381,537)	(2,038,592)
<b>Proposed Changes:</b>						
<i>Program shifts to Other Funding Sources</i>	(428,188)	-	-	-	-	-
<i>Board Directed Project Funding/Cannabis Revenue</i>	(146,000)	-	-	-	-	-
<i>Community Organizations Unfunded by 25%</i>	(695,333)	-	-	-	-	-
<i>FY2025-26 Reduce Internal Programming</i>	(2,638,789)	-	-	-	-	-
<i>FY2026-27 Reduce Internal Programming</i>	-	(3,461,608)	-	-	-	-
<i>Community Organizations Unfunded (100%)</i>	-	(1,939,997)	-	-	-	-
<i>Cost of Davis Co-Responder position in FY2027-28</i>	-	-	198,450	-	-	-
<b>Fund Balance</b>	12,715,285	13,312,072	13,152,270	12,396,500	11,014,963	8,976,371

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\* \*Revenue for FY2027-28 through FY2030-31 is based on average revenue received for the last 5 fiscal years

\*\*\* Assumes annual expenditures increases of 5%

\*\*\*\*BHSA allocates 30% of revenues to Housing Interventions; This largely contributes to the BHSA structural deficit (Annual Surplus/Deficit)

\*\*\*\*\*Fund Balance in FY2025-26 excludes Innovation Category Revenue and Expenses as these funds are treated differently under MHSA

**BHSA Forecast - Scenario 3**

	MHSA	BHSA				
	FY2025-26	FY2026-27	FY2027-28	FY2028-29	FY2029-30	FY2030-31
<b>Beginning Fund Balance</b>	13,585,092	13,271,551	13,896,151	13,765,553	13,040,447	11,691,107
<b>Annual Revenue</b>	14,759,793	16,799,374	16,799,374	16,799,374	16,799,374	16,799,374
<b>Expenses:</b>						
<i>BHSA: FSP/BHSS</i>	19,537,910	15,980,301	11,691,710	12,484,668	13,108,901	13,764,346
<i>Housing Allocation</i>	-	5,039,812	5,039,812	5,039,812	5,039,812	5,039,812
<b>Annual Surplus/(Deficit)</b>	(4,778,117)	(4,220,740)	67,852	(725,106)	(1,349,339)	(2,004,785)
<b>Proposed Changes:</b>						
<i>Program shifts to Other Funding Sources</i>	(428,188)	-	-	-	-	-
<i>Board Directed Project Funding/Cannabis Revenue</i>	(146,000)	-	-	-	-	-
<i>Community Organizations Unfunded by 45%</i>	(1,251,599)	-	-	-	-	-
<i>FY2025-26 Reduce Internal Programming</i>	(2,638,789)	-	-	-	-	-
<i>FY2026-27 Reduce Internal Programming</i>	-	(3,461,608)	-	-	-	-
<i>Community Organizations Unfunded (100%)</i>	-	(1,383,732)	-	-	-	-
<i>Cost of Davis Co-Responder position in FY2027-28</i>	-	-	198,450	-	-	-
<b>Fund Balance</b>	13,271,551	13,896,151	13,765,553	13,040,447	11,691,107	9,686,323

\* Does not include Innovations category fund balance in FY2025-26 Beginning Fund Balance due to the restriction on use

\* \*Revenue for FY2027-28 through FY2030-31 is based on average revenue received for the last 5 fiscal years

\*\*\* Assumes annual expenditures increases of 5%

\*\*\*\*BHSA allocates 30% of revenues to Housing Interventions; This largely contributes to the BHSA structural deficit (Annual Surplus/Deficit)

\*\*\*\*\*Fund Balance in FY2025-26 excludes Innovation Category Revenue and Expenses as these funds are treated differently under MHSA

NOTE: In all three (3) scenarios above, the structural deficit improves by FY2027-28, however, the structural deficit starts to incrementally become an issue again in FY2028-29 due to the assumption that Expenditures will continue to outpace Revenues, the Fund Balance in all three (3) scenarios will assist in keeping the BHSA program healthy should revenues come in lower than the \$16.8 million projected throughout the forecast and provide funding needed to keep programs in-tact after FY2030-31 should the projected deficits materialize.