

**Before the Board of Supervisors in and for the
County of Monterey, State of California**

Resolution No.:)
)
Adopt a Resolution to:)
a. Amend the FY 2025-26 Adopted Budget for the Health Department’s Behavioral Health)
Bureau, (025-0256-8410-HEA013) to increase appropriations by \$5,856,690 to fund)
increased behavioral health service expenditures, financed by available fund balance)
(4/5ths Vote Required); and)
b. Amend the FY 2025-26 Adopted Budget for the Health Department’s Behavioral Health)
Bureau (023-8410-HEA012) to increase appropriations by \$5,856,690 to support contract)
amendments and increased client treatment and placement expenditures, financed by a)
transfer-in from (025-0256-8410-HEA013) of \$5,856,690 (4/5ths vote required); and)
c. Authorize and direct the Auditor-Controller and County Administrative Office to)
incorporate the changes in the FY 2025-26 Health Department’s Behavioral Health)
Bureau’s Adopted Budget (025-0256-8410-HEA013 and 023-8410-HEA012) (4/5ths vote)
required).)

WHEREAS, the Monterey County Health Department’s Behavioral Health Bureau (BHB) is requesting an increase in appropriations of \$5,856,690 in Fund 023 and \$5,856,690 for Fiscal Year 2025–26.

WHEREAS, on May 19, 2026, the Board of Supervisors approved an appropriation increase of \$11,900,813 to address projected FY 2025–26 expenditures, and subsequent to that action, the Bureau initiated additional contract amendments and continued to experience growth in acute psychiatric inpatient hospitalization and long-term treatment placement expenditures.

WHEREAS, a portion of the requested increase is attributable to mid-year contract amendments approved during FY 2025–26, including amendments for Drug Medi-Cal Organized Delivery System (DMC-ODS) providers totaling \$1,770,651, Specialty Mental Health Services providers totaling \$167,809, and other contracted service providers totaling \$15,219. These amendments were necessary to provide additional funding for contracted services where utilization exceeded original contract assumptions and to ensure the continued availability of services necessary to meet community behavioral health needs.

WHEREAS, the remaining requested appropriation increase of approximately \$3.9 million reflects continued growth in expenditures associated with acute psychiatric hospitalization and long-term treatment placements. During FY 2025–26, the Bureau has experienced increased costs associated with acute psychiatric inpatient hospitalization, as well as growing utilization of Mental Health Rehabilitation Centers (MHRCs), Institutes for Mental Disease (IMDs), and other specialized treatment facilities for clients with complex behavioral health needs requiring higher levels of care. Placement costs, hospitalization costs, and lengths of stay have continued to exceed original budget assumptions, resulting in higher-than-anticipated expenditures.

WHEREAS, this request is financed entirely by existing 1991 Realignment Fund Balance, with no impact on County General Fund contributions.

NOW, THEREFORE, the Monterey County Board of Supervisors hereby resolved to approve the following:

- a. Amend the FY 2025-26 Adopted Budget for the Health Department’s Behavioral Health Bureau, (025-0256-8410-HEA013) to increase appropriations by \$5,856,690 to fund increased behavioral health service expenditures, financed by available fund balance (4/5ths Vote Required); and
- b. Amend the FY 2025-26 Adopted Budget for the Health Department’s Behavioral Health Bureau (023-8410-HEA012) to increase appropriations by \$5,856,690 to support contract amendments and increased client treatment and placement expenditures, financed by a transfer-in from (025-0256-8410-HEA013) of \$5,856,690 (4/5ths vote required); and
- c. Authorize and direct the Auditor-Controller and County Administrative Office to incorporate the changes in the FY 2025-26 Health Department’s Behavioral Health Bureau’s Adopted Budget (025-0256-8410-HEA013 and 023-8410-HEA012) (4/5ths vote required).

PASSED AND ADOPTED on this ____ day of _____, 2026, by the following vote, to-wit:

AYES:

NOES:

ABSENT:

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book ___ for the meeting on _____.

Dated:

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

By _____
, Deputy