

MEETING DATE:  
April 21 2022 1:00PM



Facilitator: Eric Harrold

In conformance with AB 361 and the Public Health Officer order of January 5, 2022, no in person meeting will be held this month and the public and members may participate in the meeting virtually via Zoom.

**Computer Link:**

<https://saccounty-net.zoomgov.com/j/1614891885?pwd=Y3cyTmF0aU1mR3podnVDV0xNcUdVQT09>

Meeting ID: 161 489 1885

Passcode: 797470

**Phone in:** 1-669-900-6833 US (San Jose)  
Using the same meeting id and password as above.

## FINANCIAL PLANNING COMMITTEE MEETING AGENDA

**Commission Members:** Beth Hassett (Chair), Lee Turner-Johnson, Scott Moak

**Advisory Committee Members:** Walter Wyniarczuk, Silvia Rodriguez (Vice-Chair)

1. Call to Order/Roll Call
2. Public Comments on Off-Agenda Items
3. Approve Draft Action Summary of January 20, 2022
4. Receive Staff Updates
5. Review and Approval of Proposition 10 Revenue Forecasting for 2024 Strategic Plan and Ten Year Financial Plan
6. Review and Approval of the FY 2022-23 Recommended Budget and Ten Year Financial Plan
7. Review and Comment on Quarterly Financial Statements
8. Committee Member Comment

Location: 2750 Gateway Oaks Dr., #330, Sacramento, CA 59833  
Quarterly/Third Thursday of the month  
First 5 Conference Room

If there is a need for an accommodation pursuant to Americans with Disabilities Act (ADA), medical reasons or for other needs, please contact the Clerk of the Board by telephone at (916) 874-5411 (voice) and CA Relay Services 711 (for the hearing impaired) or [WillsSt@saccounty.gov](mailto:WillsSt@saccounty.gov) prior to the meeting.

FIRST 5 SACRAMENTO COMMISSION  
2750 Gateway Oaks Dr., Suite 330  
Sacramento, CA 95833

# FINANCIAL PLANNING COMMITTEE

## DRAFT ACTION SUMMARY

Thursday, January 20, 2022 – 12:30 PM

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**Members Present:** Beth Hassett (Chair), Lee Turner-Johnson, Scott Moak  
**Advisory Committee Members Present:** Walter Wyniarczuk, Silvia Rodriguez (Vice-Chair),  
**Staff Present:** Eric Harrold, Stephanie Wills, Katie Cline, Troy Coronado  
**Absent:**

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1. Welcome/Call to order and Roll Call  
**Action:** The meeting was called to order at 12:37PM. A quorum was established.
2. Public Comments on Off-Agenda Items  
**Action:** None
3. Approve Draft Action Summary of October 21, 2021  
**Action:** Moved by Walter Wyniarczuk; 2nd by Lee Turner-Johnson  
Approved Unanimously
4. Nominate and Elect Chair and Vice Chair  
**Action:** Beth Hassett Nominated for Chair  
Motioned by Lee Turner-Johnson; 2nd by Walter Wyniarczuk  
Approved Unanimously  
Silvia Rodriguez Nominated for Vice Chair  
Motioned by Beth Hassett; 2nd by Walter Wyniarczuk  
Approved Unanimously
5. Receive Staff Updates  
**Action:** Eric Harrold updated members, including:
  - Scott Moak was nominated to fill Kathy Kossick's vacant seat on the Financial Planning Committee. Welcome Scott! Due to this change, the FPC meeting will now be from 1-2pm to accommodate Scott's schedule.
  - The State Department of Health Care Services has issued a Policy and Procedure Letter mandating First 5 to use a new on-line database system called MOVEit to determine Actual Client Counts for Medi-Cal claims.
  - Department of Human Assistance has committed to backfilling the funding reduction for the CalWORKs program for the current fiscal year.
  - American Rescue Plan Act funds will be provided to First 5 to contract with the Department of Child, Family and Adult Services to provide 9 Family Support Navigators at the Family Resource Centers.

- The Fiscal Year 2022-23 Budget process will begin January 21, 2022.
- There are currently no audits in process or scheduled at this time.

6. Presentation on Revenue Budgeting

**Action:** Eric Harrold gave a presentation on Revenue Budgeting.

7. Review and Comment on Quarterly Financial Statements

**Action:** Eric reviewed the Financial Statement for the quarter, and explained any accounts that are over 55% expended for this year. Some accounts are over expended due to office remodel, those charges are covered under the savings in lease costs.

8. Committee Member Comments

**Action:** No comments

Adjourned: 1:29PM

Respectfully submitted,

Stephanie Wills, Clerk  
First 5 Sacramento Commission

**FIRST 5 SACRAMENTO COMMISSION**  
**Financial Planning Committee Staff Report**  
**April 21, 2022**

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**1. Medical Administrative Activities (MAA):**

We are now submitting client data to the State using the Movelt database to determine eligibility. Prior to using this system, MAA claims typically had around 75 to 80% client eligibility. With the new system, client eligibility is down to 60 to 65% which will reduce the amount that is reimbursed. Staff is working with the Local Government Agency (LGA), which is the Department of Health Services Accountants, to 1) Persuade the State to expand their window for submission to match claim deadlines from 18 to 24 months, and 2) allow resubmission of client data to allow for corrections and improve reimbursement rates.

**2. America Rescue Plan Act (ARPA):**

Several meetings have, and continue to occur with Department of Child, Family and Adult Services (DCFAS) in order coordinate contract language and program goals. ARPA funding has special requirements that need to be captured in the contracts as well as designations of sub-recipient or sub-contractor made. Additionally, what data is collected and how it is reported must be determined so that it will meet the ARPA requirements.

**3. Budget:**

Work on the recommended budget for fiscal year 22/23 is completed and was sent to the County Executive's Office (CEOs) for review and comment as required by County Code. The budget was accepted with no comments for consideration.

**4. Audits:**

There currently are no audits in process or scheduled at this time.

**FIRST 5**  
**SACRAMENTO COMMISSION**  
Financial Planning Committee

For the Agenda of:  
April 21, 2022

**To:** Financial Planning Committee

**From:** Julie Gallelo, Executive Director

**Subject:** Review and Approval of the Proposition 10 Revenue Projections  
Beginning Fiscal Year 2023-24 Through Fiscal Year 2029-30

**Contact:** Eric Harrold, Chief of Administration 876-5868

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**RECOMMENDATION:**

Approve the Proposition 10 revenue projections that utilize the average of three projection methods; Historical trend, average annual reduction, and State provided estimates.

Approve the use of only half of the State's projected revenue impact from the statewide ban on sales of flavored tobacco products to mitigate the effect if the law is, or is not repealed.

**BACKGROUND:**

The Commission produces a three year strategic plan that relies heavily on a projection of revenues that will be available during that time period. Accurate forecasts are important to ensure the Commission does not run out funding and conversely is providing the maximum amount of services to the community. Currently, Proposition 10 revenues make up over 90% of the funding available in the 2021 Strategic Plan.

The California Legislature passed a law (Senate Bill 793) in 2020 banning the sale of flavored tobacco products within the state. This law is expected to reduce Proposition 10 revenues by up to 20.5%. Before the law was enacted, enough signatures were gathered to put a referendum on the

November 2022 ballot to repeal the law. If the ballot initiative fails, there will be no impact on Prop 10 revenues, as the sale of flavored tobacco will remain legal in the state. However, if the ballot initiative passed, it would uphold the contested legislation and the flavored tobacco ban will begin immediately.

**DISCUSSION:**

In an effort to get an accurate revenue projection for Proposition 10, two projection models were used and the results were compared to the State provided forecast (see Attachment 1). One model used the four year average reduction rate which came to 3.28%. The other method is a statistical trend analysis. The State did not provide additional information on their Projections.

Staff compared the three sets of projections and also calculated the average of all three. Utilizing the average to the estimates would provide \$33,956,589 for the 2024 Strategic Plan Period.

The State has forecasted that enacting the flavor ban will reduce revenues as follows:

<b>FY</b>	<b>FY</b>	<b>FY</b>	<b>FY</b>	<b>FY</b>
<b>23/24</b>	<b>24/25</b>	<b>25/26</b>	<b>26/27</b>	<b>27/28</b>
-8.6%	-15.7%	-18.1%	-20.5%	-
				20.5%

While the outcome of the referendum is not known before the recommended FY22/23 and 10-Year Financial Plan is due, it should not be ignored. If the budget is created with no impact and the referendum passes, the Commission could be forced to make cuts during the strategic plan period or release millions more from the reserves than anticipated. If the budget is created with full impacts to the revenue and the referendum fails, millions of dollars' worth of services will not be provided that could have been provided.

Staff believes it is best to 'split the difference' and use half of the projected impact to mitigate the full effects of the referendum passing or failing. This would make the available funds for the 2024 Strategic Plan \$30,625,167. This amount would be enough to keep the same level of funding at \$14,880,000 per year beginning in 2024.

**FISCAL IMPACT:**

Approval of the Proposition 10 projections will make available a total of \$30,625,167 for the 2024 Strategic Plan period.

**CONFLICT OF INTEREST:**

None.

**CONCLUSION:**

Staff recommends approval of the average of the 3 projections with a flavor ban reduction of half that suggested by the State.

Respectfully submitted,

Julie Galelo  
Executive Director

Attachments:

1. Proposition 10 Revenue Projections

**PROPOSITION 10 REVENUE PROJECTIONS**

**#5 - ATT 1**

<b>No Flavor Ban Impact</b>									
Comparison (no flavor ban)									
	<b>FY 22/23</b>	<b>FY 23/24</b>	<b>FY 24/25</b>	<b>FY 25/26</b>	<b>FY 26/27</b>	<b>FY 27/28</b>	<b>FY 28/29</b>	<b>FY 29/30</b>	
<b>Ave Reduction</b>	\$ 12,280,194	\$ 11,877,380	\$ 11,487,780	\$ 11,110,959	\$ 10,746,498	\$ 10,393,993	\$ 10,053,050	\$ 9,723,291	
<b>State</b>	\$ 13,232,998	\$ 12,985,341	\$ 12,624,300	\$ 12,268,712					
<b>Trend Analysis</b>	\$ 12,489,586	\$ 11,989,722	\$ 11,493,242	\$ 11,000,035	\$ 10,509,995	\$ 10,023,018	\$ 9,539,002	\$ 9,057,852	
<b>Estimate Ave</b>	\$ 12,667,593	\$ 12,284,148	\$ 11,868,440	\$ 11,459,902	\$ 10,628,247	\$ 10,208,505	\$ 9,796,026	\$ 9,390,572	

<b>2024</b>
<b>SP Amount</b>
\$33,345,237
\$33,003,272
\$33,956,589

<b>Flavor Ban Impact:</b>	<b>8.61%</b>	<b>15.74%</b>	<b>18.07%</b>	<b>20.46%</b>	<b>20.46%</b>	<b>20.46%</b>	<b>20.46%</b>	<b>20.46%</b>	<b>20.46%</b>
Comparison (flavor ban)									
	<b>FY 22/23</b>	<b>FY 23/24</b>	<b>FY 24/25</b>	<b>FY 25/26</b>	<b>FY 26/27</b>	<b>FY 27/28</b>	<b>FY 28/29</b>	<b>FY 29/30</b>	
<b>Ave Reduction</b>	\$ 11,222,966.66	\$ 10,008,102.54	\$ 9,412,385.63	\$ 8,837,936.01	\$ 8,548,035.00	\$ 8,267,643.30	\$ 7,996,448.97	\$ 7,734,150.33	
<b>State</b>	\$ 12,093,742.00	\$ 10,941,691.00	\$ 10,343,581.00	\$ 9,758,842.00					
<b>Trend Analysis</b>	\$ 11,414,332.22	\$ 10,102,763.50	\$ 9,416,860.76	\$ 8,749,704.65	\$ 8,359,914.54	\$ 7,972,560.41	\$ 7,587,562.35	\$ 7,204,843.07	
<b>Estimate Ave</b>	\$ 11,577,014	\$ 10,350,852	\$ 9,724,276	\$ 9,115,494	\$ 8,453,975	\$ 8,120,102	\$ 7,792,006	\$ 7,469,497	

<b>2024</b>
<b>SP Amount</b>
\$26,798,357
\$26,526,480
\$27,293,745

<b>1/2 Flavor Ban Impact:</b>	<b>4.30%</b>	<b>7.87%</b>	<b>9.03%</b>	<b>10.23%</b>	<b>10.23%</b>	<b>10.23%</b>	<b>10.23%</b>	<b>10.23%</b>	<b>10.23%</b>
Comparison (flavor ban split difference)									
	<b>FY 22/23</b>	<b>FY 23/24</b>	<b>FY 24/25</b>	<b>FY 25/26</b>	<b>FY 26/27</b>	<b>FY 27/28</b>	<b>FY 28/29</b>	<b>FY 29/30</b>	
<b>Ave Reduction</b>	\$ 11,751,580.23	\$ 10,942,741.38	\$ 10,450,082.67	\$ 9,974,447.41	\$ 9,647,266.69	\$ 9,330,818.11	\$ 9,024,749.64	\$ 8,728,720.79	
<b>State</b>	\$ 12,663,370.00	\$ 11,963,516.00	\$ 11,483,940.50	\$ 11,013,777.00					
<b>Trend Analysis</b>	\$ 11,951,959.30	\$ 11,046,242.56	\$ 10,455,051.18	\$ 9,874,869.97	\$ 9,434,954.94	\$ 8,997,789.13	\$ 8,563,282.37	\$ 8,131,347.43	
<b>Estimate Ave</b>	\$ 12,122,303	\$ 11,317,500	\$ 10,796,358	\$ 10,287,698	\$ 9,541,111	\$ 9,164,304	\$ 8,794,016	\$ 8,430,034	

<b>2024</b>
<b>SP Amount</b>
\$30,071,797
\$29,764,876
\$30,625,167



**FIRST 5  
SACRAMENTO COMMISSION**

For the Agenda of:  
May 2, 2022

**To:** Commissioners

**From:** Julie Gallelo, Executive Director

**Subject:** Public Hearing: Approval of the Fiscal Year 2022-23  
Recommended Budget and Ten-Year Financial Plan

**Contact:** Eric Harrold, Chief of Administration 876-5868

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**RECOMMENDATION:**

Approve the Fiscal Year (FY) 2022-23 Recommended Budget and Ten Year Financial Plan.

**BACKGROUND:**

Sacramento County Code Section 2.99.130, First 5 Sacramento Commission Budget, states "The Commission's proposed budget for any fiscal year shall be submitted to the County for review and comment prior to its adoption by the Commission." The FY 2022-23 Recommended Budget package was submitted to the County Executive's Office on February 17, 2022, for review and comment.

The FY 2022-23 budget is the second year of the 2021 Strategic Plan (SP) approved by the Commission, which will continue through FY 2023-24. Each year is funded at \$14,880,000 and is adjusted by other actions taken by the Commission. The most common adjustments include grants awarded to the Commission and contractors that elect to take different amounts each year of the SP.

**DISCUSSION:**

(Attachment 1 – Budget Highlights)

The FY 2022-23 Recommended Budget includes \$20 million in total expenditures. These are financed by \$19.2 million in revenues, a \$734

thousand carryover fund balance, and a reserve fund release of \$119 thousand.

The Recommended Budget reflects a \$285,721 (1.4%) increase in total appropriations, a \$1,041,657 (5.7%) increase in revenue, and a reduction of \$754,404 (47%) use of available fund balance and release of reserves from the prior year Adopted Budget.

### **Summary of Changes** (Attachment 2 – Budget Detail)

#### **Expenditures**

The increase in total appropriations is due to increased cost for personnel and contracted service delivery providers.

Increased costs in personnel of \$124 thousand includes a 4% cost of living adjustment (COLA). Direct services contracts were increased by \$243 thousand in line with the 2021 Implementation Plan allowing contractors to budget for less in the first year in order to allow for COLAs in subsequent years. Other service and supplies accounts increased a total of \$35 thousand while allocated costs were reduced by \$116 thousand primarily due to an office lease negotiation for 30% less space.

#### **Revenue**

The increase revenue is due to the American Rescue Plan Act (ARPA) initiatives for Building Strong Families and child abuse prevention grant (CBCAP) augmentation. Proposition 10 revenues increased to reflect the historical performance of the excise tax. Increases were offset by a reduction to the CalWORKs Home Visiting Program (HVP). The State's revised CalWORKs allocation eliminates funding historically not claimed by the program and therefore should not impact service delivery.

The ARPA funding is passed through the Department of Child, Family and Adult Services (DCFAS) and includes \$429 thousand for CBCAP augmentation and \$990 thousand for Building Strong Families. Proposition 10 projections provided by the State and used for budgeting have been significantly low. A historical analysis of the revenue resulted in an increase of \$1 million projected for FY 2022-23. Future year Proposition 10 revenue projections were reviewed and approved by the Commission's Financial Planning Committee on April 21, 2002.

Revenue increases were offset by a \$954 thousand reduction to CalWORKs HVP made by the State. Additional reductions are forecasted for interest income and Medi-Cal reimbursements totaling \$424 thousand.

### **Reserve Balance**

In FY 2022-23, the Children and Families Fund will decrease by \$853 thousand. Use of Fund Balance reflects (the net of) a carryover of \$734 thousand in available fund balance, and \$119 thousand to be released from reserves.

The budget year will begin with an estimated reserve balance of \$20 million and end with a proposed reserve balance of \$19.9 million. Year-end actuals will have an effect on these estimates and are updated in the Final Budget process.

The \$734 thousand carryover fund balance is comprised of \$2.4 million in reduced expenditures offset by \$1.7 million in reduced revenue.

Contracts used to provide services to First 5 clients resulted in the biggest savings of \$2.3 million. A contract with the Child Abuse Prevention Center (CAPC) to provide CalWORKs funded home visiting services is the largest contributor to the savings at \$1.1 million. The Empowered Families contracts also contributed \$700 thousand in savings. The remaining \$500 thousand in contract savings is spread among the remaining 30 contracts but falls within the normal amounts contracts typically underspend. There is also a savings in salary and benefits of \$45 thousand and services and supplies of \$85 thousand.

The reduction in revenues are from CalWORKs (\$1.1 million), interest (\$344 thousand), Medi-Cal (\$246 thousand). The net of the remaining revenues result in an increase of \$24 thousand.

### **Ten Year Financial Plan (Attachment 3 – Ten Year Financial Plan)**

The Ten Year Financial Plan reflects the funding level set by the 2021 Implementation Plan approved by the Commission. The plan includes Proposition 10 revenues that were reviewed and approved by the Commission's Financial Planning Committee which also considered the impacts of a potential flavored tobacco ban.

Also included are two additional three-year strategic planning periods beginning in 2024 and 2027. In FY 2029-30, the reserve balance will be \$3 million and held in perpetuity for cash flow and emergency contingencies.

The Ten Year Plan notes the next reduction in funding for the 2024 Strategic Plan at 0% and 28% in the 2027 Strategic Plan.

### **FISCAL IMPACT:**

The Fiscal Year 2021-22 Recommended Budget totals \$20 million in expenditures and is funded by revenues of \$19.2 million, \$734 thousand fund balance carry forward, and a \$119 thousand reserve release. This action will leave a year-end reserve balance of \$19.9 million.

**CONFLICT OF INTEREST:**

None.

**CONCLUSION:**

Staff recommends approval of the Fiscal Year 2022-23 Recommended Budget and Ten Year Financial Plan.

Respectfully submitted,

Julie Galello  
Executive Director

Attachments:

1. Budget Highlights
2. Budget Detail
3. Ten Year Financial Plan



## First 5 Sacramento Fiscal Year 2022-23 Budget Highlights

Recommended Budget Totals ..... \$ ..... 20.05 million

► Overall Expenditure Categorical Breakdown

Administration	5.2%	\$ 1.04 million	Personnel	11.4%	\$ 2.28 million
Evaluation	2.0%	\$ 0.41 million	Contractors	85.9%	\$ 17.22 million
Program	92.8%	\$ 18.60 million	Services/Supplies	2.7%	\$ 0.55 million
100.0%			\$ 20.05 million		

► Program Expenditures by Result Area

	<b>Health</b>	7.4%	\$ 1.48 million	Reducing African American Child Death
	<b>Nutrition</b>	2.6%	\$ 0.52 million	Lactation Consultants
<b>Medical, Dental, MH Access</b>	0.2%	\$ 0.04 million	Systems work to increase utilization of medical, dental, and mental health services for children and pregnant women.	
<b>Childcare Access</b>	0.2%	\$ 0.04 million	Systems work to improve access to affordable childcare	
	<b>Quality Childcare</b>	3.6%	\$ 0.72 million	Quality Childcare Programs
	<b>School Readiness</b>	17.9%	\$ 3.59 million	Preschool Enhancements, Parent Education, Literacy, Screenings, Play Groups, Transition Camps
	<b>Empowered Families</b>	31.8%	\$ 6.37 million	Family Resource Centers, Home Visits, Crisis Intervention, Parent Education, Emergency Child Care
	<b>CalWORKs</b>	18.6%	\$ 3.74 million	Home Visiting Initiative
	<b>Other Programs</b>	7.6%	\$ 1.52 million	Family Support Navigators, Home Visiting Coordination, Child Abuse Prevention Augmented Services.
	<b>Evaluation</b>	2.0%	\$ 0.41 million	Measure program success
	<b>Program Management</b>	1.5%	\$ 0.30 million	Costs that benefit all programs
	<b>Systems Optimization</b>	1.4%	\$ 0.27 million	Policy advocacy and sustainability efforts
	<b>Administration</b>	5.2%	\$ 1.04 million	
100.0%			\$ 20.05 million	

► Revenues; Reserve Fund and Fund Balance

First 5 Financing	\$	852,683
Proposition 10	\$	12,850,665
MAA Claiming	\$	396,103
CBCAP	\$	51,521
CAPIT	\$	444,000
Intergovernmental Revenue	\$	3,734,537
Interest Income	\$	199,016
Other Programs	\$	1,518,895
<b>TOTAL FY 22/23 FUNDING</b>	<b>\$</b>	<b>20,047,420</b>

<b>RESERVE BALANCE</b>	
Beginning Reserve Balance	\$ 20,020,506
Available for use in FY 22/23	
<i>Fund Balance</i>	\$ 733,788
<i>Reserve Release</i>	\$ 118,895
	\$ 852,683
Ending Reserve Balance	\$ 19,901,611

\$ 19,194,737 Total Revenue



**FY 22/23**

Monday, May 2, 2022

		FY 20/21 Actual	FY 21/22 Final Budget	FY 21/22 Estimated Expenditures	FY 22/23 Recommended Budget	TOTAL ADMIN	TOTAL PROGRAM
					FTE	4.20	7.80
<b>TOTAL EXPENSES</b>		20,197,525	19,761,699	17,348,323	20,047,420	1,042,781	19,004,638
GL Account #	GL Account					5.20%	94.80%
10111000	REGULAR EMPLOYEES	1,319,503	1,375,922	1,336,541	1,445,908	469,086	976,822
10114100	PREMIUM PAY	37,262	37,494	36,321	38,990	7,682	31,308
10114300	ALLOWANCES	5,423	10,008	5,310	10,008	2,736	7,272
10121000	RETIREMENT	294,875	326,968	325,229	352,553	112,864	239,689
10121300	HEALTH SVGS-ER	7,830	7,800	7,680	7,800	2,600	5,200
10121400	401A - PLAN	10,997	11,570	11,380	12,029	2,370	9,659
10122000	OASDHI	94,175	100,073	87,781	104,381	35,393	68,988
10123000	GROUP INS	150,767	154,173	168,632	176,963	55,452	121,511
10112400	COMMITTEE MEMBER	0	1,450	1,450	1,450	1,450	0
10121100	1995 Pension Obligation Bonds - ACP	90,434	90,695	90,695	88,721	31,052	57,669
10121200	2004 Pension Obligation Bonds - ACP	43,840	44,712	44,712	42,695	14,943	27,752
10124000	Workers' Compensation - ACP	2,121	0	0	0	0	0
10125000	Unemployment Insurance - ACP	161	319	319	313	110	203
<b>10 - SALARIES AND EMPLOYEE BENEFITS</b>		<b>2,057,386</b>	<b>2,161,184</b>	<b>2,116,050</b>	<b>2,281,811</b>	<b>735,738</b>	<b>1,546,072</b>
20205200	INS PREMIUM	31,745	40,325	40,325	40,325	14,114	26,211
20291000	Countywide IT Services - ACP	11,731	12,030	12,030	10,351	3,623	6,728
20291100	DTech Labor - ACP	5,824	5,824	5,824	5,824	2,038	3,786
20291200	DTech Fee - ACP	11,888	11,392	11,392	12,046	4,216	7,830
20291301	Finance General Accounting - ACP	1,407	1,306	1,306	1,263	442	821
20291302	Finance Payroll Services - ACP	593	581	581	557	195	362
20291303	Finance Payment Services - ACP	2,754	2,549	2,549	1,698	594	1,104
20291305	Finance Internal Audits - ACP	489	479	479	450	158	293
20291306	Finance System Control & Recon - ACP	874	807	807	881	308	573
20291400	County Executive Cabinet - ACP	7,485	8,314	8,314	8,479	2,968	5,511
20291600	WAN Charges - ACP	21,524	22,140	22,140	17,231	6,031	11,200
20291700	Alarm Services - ACP	3,090	2,998	2,998	3,122	1,093	2,029
20292300	Messenger Services - ACP	3,544	3,680	3,680	4,427	1,549	2,878
20292500	Purchasing Services - ACP	1,853	1,815	1,815	1,161	406	755
20294200	Facility Use - ACP	657	662	662	641	224	417
20294300	Lease Property - ACP	150,879	186,785	82,005	80,003	28,001	52,002
20295102	Benefit Admin Svcs - ACP	1,959	1,862	1,862	2,081	728	1,353
20295103	Employment Services - ACP	4,482	4,475	4,475	4,387	1,535	2,852
20295104	Training Svcs - ACP	961	927	927	1,308	458	850
20295105	DPS Dept Svcs Teams - ACP	6,478	12,347	12,347	8,457	2,960	5,497
20295106	401A Plan Admin Svcs - ACP	196	217	217	207	72	135
20295107	Labor Relations - ACP	847	1,699	1,699	1,628	570	1,058
20295400	Safety Program - ACP	135	0	0	0	0	0
20298300	Surplus Property - ACP	411	473	473	510	179	332
20298700	Telecommunication - ACP	17,950	5,109	17,985	17,986	6,295	11,691
20202400	PERIODICAL/SUSCRIPTS	102	50	55	55	55	0
20202900	BUS/CONFERENCE EXP	1,334	6,000	260	9,000	6,000	3,000
20203100	BUSINESS TRAVEL	(1,402)	1,200	0	1,200	1,200	0
20203500	ED/TRAINING SVC	22,857	21,800	21,800	21,800	2,000	19,800
20203600	ED/TRAINING SUP	16,420	17,475	17,475	19,370	170	19,200
20203800	EMPLOYEE RECOGN	0	100	100	100	100	0
20203900	EMP TRANSPORTAT	86	3,000	200	3,000	3,000	0
20206100	MEMBERSHIP DUES	31,673	32,540	32,540	32,540	32,540	0
20207600	OFFICE SUPPLIES	1,724	6,000	732	6,000	4,809	1,191
20208100	POSTAL SVC	76	100	100	100	100	0
20208500	PRINTING SVC	2,361	3,000	2,508	3,000	0	3,000
20211700	ALARM SERVICES	0	0	321	0	0	0
20222700	CELL PHONES	2,976	2,318	2,869	3,000	3,000	0
20226100	DTECH EQUIPMENT MAINTENANCE	609	609	609	609	609	0
20226400	OFFICE EQUIPMENT MOD FURNITURE	0	0	46	0	0	0
20250500	ACCOUNTING SVC	31,099	35,345	35,345	38,138	38,138	0
20250600	INVESTMENT SVC	37,023	20,100	25,397	30,741	6,631	24,110
20253100	LEGAL SVC	12,890	13,000	13,000	13,000	13,000	0
20259100	OTHER PROF SVC	17,598,276	16,975,783	14,692,773	17,218,626	50,000	17,168,626
20259105	MEDIA SERVICES	32,863	55,000	55,000	56,000	0	56,000
20271100	DTECH DESKTOP SUPPORT	7,502	11,780	11,532	12,000	12,000	0
20281100	DATA PROCESSING SVC	0	0	300	0	0	0
20281200	DATA PROCESSING SUP	1,042	5,129	15,884	5,129	5,129	0
20281202	MS ENTERPRISA AGRMT (EA)	689	871	871	871	871	0
20289800	OTHER OP EXP SUP	4,931	0	6,823	11,000	0	11,000
20289900	OTHER OP EXP SVC	588	700	588	700	700	0
20291300	AUDITOR/CONTROL SVS	27,500	38,100	32,345	38,100	38,100	0
20292100	GS PRINTING SVC	7,411	1,000	4,504	4,500	4,500	0
20292200	GS MAIL/POSTAGE	311	200	200	200	200	0
20296200	GS PARKING CHGS	28	2,000	22	2,000	2,000	0
20298900	TELEPHONE INSTALLATION	0	0	2,662	0	0	0
<b>20 - SERVICES AND SUPPLIES</b>		<b>18,130,725</b>	<b>17,581,996</b>	<b>15,213,753</b>	<b>17,755,802</b>	<b>303,610</b>	<b>17,452,192</b>
30348000	CW Cost Plan - ACP	9,414	18,520	18,520	9,807	3,432	6,375
<b>30 -</b>		<b>9,414</b>	<b>18,520</b>	<b>18,520</b>	<b>9,807</b>	<b>3,432</b>	<b>6,375</b>
94941000	INTEREST INCOME	158,340	348,974	4,444	199,016	199,016	0
95953000	MISC INTERGOVERNMENTAL REVENUE	3,486,745	4,688,443	3,576,500	3,734,537	0	3,734,537
95955500	MEDI-CAL ADMIN STATE	617,046	670,000	423,279	396,103	94,731	301,372
95956900	STATE AID - MONTHLY ALLOC	14,337,149	12,394,663	12,417,747	13,394,665	12,850,665	544,000
95959900	FED AID - CBCAP	27,093	51,000	51,521	1,470,416	51,521	1,418,895
97979032	SETTLEMENT AGREEMENT	2,207	0	0	0	0	0
<b>95 - INTERGOVERNMENTAL REVENUE</b>		<b>18,628,580</b>	<b>18,153,080</b>	<b>16,473,492</b>	<b>19,194,737</b>	<b>13,195,933</b>	<b>5,998,804</b>

First 5 Sacramento Commission Ten Year Financial Plan

Fiscal Year 2022-23 Recommended Budget

April 21, 2022 Item 6 - ATTACHMENT 3



\*\*\*Dollars in Thousands\*\*\*

2021 Strategic Plan

2024 Strategic Plan

2027 Strategic Plan

<b>RESERVE FUND</b>	<b>2020-21 Actual</b>	<b>2021-22 Estimate</b>	<b>2022-23 Budget</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>	<b>2026-27</b>	<b>2027-28</b>	<b>2028-29</b>	<b>2029-30</b>
Beginning Reserve Balance	\$ 18,722	\$ 16,477	\$ 20,021	\$ 19,902	\$ 17,331	\$ 14,213	\$ 10,555	\$ 6,115	\$ 5,453	\$ 4,414
Fund Balance	\$ 4,808	\$ 5,152	\$ 734							
Reserve Release	\$ 1,913	\$ (3,544)	\$ 119	\$ 2,571	\$ 3,118	\$ 3,658	\$ 4,441	\$ 662	\$ 1,039	\$ 1,413
<b>Year End Reserve Balance</b>	<b>\$ 16,808</b>	<b>\$ 20,021</b>	<b>\$ 19,902</b>	<b>\$ 17,331</b>	<b>\$ 14,213</b>	<b>\$ 10,555</b>	<b>\$ 6,115</b>	<b>\$ 5,453</b>	<b>\$ 4,414</b>	<b>\$ 3,001</b>
<b>REVENUE</b>										
Proposition 10	13,785	11,873	12,851	11,317	10,796	10,288	9,541	9,164	8,794	8,430
MAA Claiming	617	423	396	297	297	297	297	297	297	297
B & B CBCAP (Federal)	51	52	52	52	52	52	52	52	52	52
B&B CAPIT (State)	444	444	444	444	444	444	444	444	444	444
Interest Income	158	4	199	199	173	142	106	61	55	44
CalWORKs	3,487	3,577	3,735							
ARPA	0	0	1,419							
HVCC	85	100	100							
<b>Total Revenue</b>	<b>\$ 18,628</b>	<b>\$ 16,473</b>	<b>\$ 19,195</b>	<b>\$ 12,309</b>	<b>\$ 11,762</b>	<b>\$ 11,222</b>	<b>\$ 10,439</b>	<b>\$ 10,018</b>	<b>\$ 9,641</b>	<b>\$ 9,267</b>
<b>EXPENSES</b>										
					SP Reduction: 0%		SP Reduction: 28%			
Health	1,142	1,398	1,485							
Nutrition	802	509	525							
Preventive Services Access	154	53	37							
Child Care Access	0	42	44							
Quality Child Care	1,018	650	719							
School Readiness	4,043	3,284	3,591							
Empowered Families (EF)	7,396	5,785	6,371							
EF CalWORKS Funded	3,389	3,549	3,735							
Community Connections	381	0	0							
Home Visiting Coordination	80	108	100							
ARPA - BSF/CBCAP	0	0	1,419							
Program Management	299	285	299							
Evaluation	427	447	407							
Systems Improvement	165	270	274							
Administration	902	968	1,043							
Future Allocations				14,880	14,880	14,880	14,880	10,680	10,680	10,680
<b>Total Expenses</b>	<b>\$ 20,198</b>	<b>\$ 17,348</b>	<b>\$ 20,047</b>	<b>\$ 14,880</b>	<b>\$ 14,880</b>	<b>\$ 14,880</b>	<b>\$ 14,880</b>	<b>\$ 10,680</b>	<b>\$ 10,680</b>	<b>\$ 10,680</b>

Result Area	IP Adjustments	Note
Cal WORKs HVI	\$ 3,735	Commission approved program not included in strategic planning process
ARPA	\$ 1,419	Commission approved program not included in strategic planning process
All Result Areas	\$ 13	Adjustments due to contractors electing to take different amounts in each year to allow for COLAs
<b>Total Adjustments</b>	<b>\$ 5,168</b>	
<b>Adjusted Fiscal 22/23 Budget</b>	<b>\$ 14,880</b>	

**FIRST 5 SACRAMENTO COMMISSION**  
**Financial Planning Committee**  
**April 21, 2022**

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**Analysis of Financials for Period July 1, 2021 to March 31, 2022**

Report Period: 9 months  
% of Fiscal Year Complete: 75%

▶▶▶ Detail review of selected accounts and accounts greater than 80% expended compared to budget:

**20202400 Periodical/Subscriptions**

Budget: \$50  
Expended: \$55 (110%)

These expenses reflect cost associated for our subscription to the online Sacramento Bee. This is a one-time payment, no further expenses are anticipated. Subscription price was increase for this year.

**20222700 Cell Phones**

Budget: \$2,318  
Expended: \$2,112 (91%)

This general ledger item is for cost associated with staff cell phones, due to COVID, staff are using cell phones more than before. Monthly charges are slightly more than originally budgeted for.

**20250500 Accounting Svc**

Budget: \$35,345  
Expended: \$28,318 (80%)

This general ledger item is for accounting support from Department of Finance. Much of budget is used for accounting support during the independent audit which occurs largely in the first quarter.

**20292100 GS Printing Svc**

Budget: \$1,000  
Expended: \$2,308 (231%)

This general ledger item is for cost associated with General Services Printing Services. For this quarter our Evaluation Team had printed multiple forms that are needed by our contracted partners. It was anticipated to transition to more paperless processes but has not come to fruition at this point.

**20298700 Telecommunication-ACP**

Budget: \$5,109  
Expended: \$13,190 (258%)

This general ledger item is for cost associated with land line and external land line phone charges. Charges are set by DTECH and given to First 5 during the budget process based on Sept 2020 charges which have been found to be incorrect; which lead to an inaccurate budget amount for this general ledger account.

**G/L Account variances attributed to costs associated with suite downsize/remodel:**

**2117 Alarm Services**

Budget: \$0  
Expended: \$321



**20226400 Modular Furniture**

Budget: \$0

Expended: \$46

**20271100 DTECH Desktop Support**

Budget: \$11,780

Expended: \$10,354 (88%)

**20281200 Data Processing Sup**

Budget: \$5,129

Expended: \$10,144 (198%)

**20281202 MS Enterprise Agrmt (EA)**

Budget: \$871

Expended: \$973 (112%)

**20289800 Other Oper. Sup**

Budget: \$0

Expended: \$3,411

**20298900 Telephone Installation**

Budget: \$0

Expended: \$2,662

Cost associated with expenses for alarm installation, disposal of old cubicle furniture, new IT equipment for the office and conference room, new modular cubicle furniture to accommodate new floor plan, re-wiring phones and computers for new office configuration.

Total Costs to date \$27,911 – budget allocation \$17,780 = **\$10,131 covered by lease savings.**

**20294300 Lease Property – ACP**

Budget \$186,785

Expended \$56,251 (30%)

Lease cost projected savings to fund extra costs of remodel and technology upgrades:

9 month actuals \$56,251 (includes 3 free months) + \$8,584/mo. X 3 mos. = \$82,003 estimated cost.

Budget \$186,785 - \$82,003 = **\$104,782 savings available** for remodel.

**▶▶▶ Revenue Summary**

- Interest Income \$32,408 FY21/22 Q2
- Prop 10 – \$9,385,614 (Through February)
- MAA \$227,004 (FY 19/20 Q2 & partial Q3; deferred revenue)
- CalWorks HVI \$2,302,255 (Through February; cost reimbursement)
- HVCC \$66,166 FY21/22 Q1 & Q2

Total Revenue \$12,137,421

First 5 Sacramento Commission  
Results of Operations  
For the Fiscal Year Through March 31, 2022

Account Description	Budget	Total Actual	% of Budget
Salaries	\$1,423,424	\$981,294	69%
Benefits	737,760	537,361	73%
<b>Total Salaries &amp; Benefits</b>	<b>\$2,161,184</b>	<b>\$1,518,655</b>	<b>70%</b>
20202400 Periodical/Suscripts	50	55	110%
20202900 Bus/Conference Exp	6,000	4,178	70%
20203100 Business Travel	1,200	-	0%
20203500 Ed/Training Svc	21,800	17,011	78%
20203600 Ed/Training Sup	17,475	7,362	42%
20203800 Employee Recogn	100	-	0%
20203900 Emp Transportation	3,000	-	0%
20205200 Ins Premium	40,325	-	0%
20206100 Membership Dues	32,540	69	0%
20207600 Office Supplies	6,000	782	13%
20208100 Postal Svc	100	-	0%
20208500 Printing Svc	3,000	1,838	61%
20211700 Alarm Svc	-	321	
20222700 Cell Phones	2,318	2,112	91%
20226100 DTECH Equipment Maintenance	609	457	75%
20226400 Modular Furniture	-	46	
20250500 Accounting Svc	35,345	28,318	80%
20250600 Investment Svc	20,100	13,620	68%
20253100 Legal Svc	13,000	-	0%
<b>20259100 Other Prof Svc</b>	<b>16,975,783</b>	<b>8,774,861</b>	<b>52%</b>
20259105 Media Svc	55,000	26,977	49%
20271100 DTECH Desktop Support	11,780	10,354	88%
20281101 DTECH Fee	-	240	
20281200 Data Processing Sup	5,129	10,144	198%
20281202 MS Enterprise Agrmt (EA)	871	973	112%
20289800 Other Oper. Sup	-	3,411	
20289900 Other Oper. Svc	700	441	63%
20291000 Countywide IT Services - ACP	12,030	9,021	75%
20291100 DTech Labor - ACP	5,824	4,369	75%
20291200 DTech Fee - ACP	11,392	8,643	76%
20291300 Auditor Svcs	38,100	27,345	72%
20291301 Finance General Accounting - ACP	1,306	979	75%
20291302 Finance Payroll Services - ACP	581	436	75%
20291303 Finance Payment Services - ACP	2,549	1,912	75%
20291305 Finance Internal Audits - ACP	479	359	75%
20291306 Finance System Control & Recon - ACP	807	605	75%
20291400 Co Exec Cab Svc	8,314	5,901	71%
20291600 Wan Allocation	22,140	16,602	75%
20291700 Alarm Svcs - ACP	2,998	2,248	75%
20292100 GS PRINTING SVC	1,000	2,308	231%
20292200 GS MAIL/POSTAGE	200	42	21%
20292300 Messenger Services - ACP	3,680	2,731	74%
20292500 Purchasing Services - ACP	1,815	1,361	75%
20294200 Facility Use - ACP	662	497	75%
20294300 Lease Property - ACP	186,785	56,251	30%
20295102 Benefit Admin Svcs - ACP	1,862	1,397	75%
20295103 Employment Services - ACP	4,475	3,356	75%
20295104 Training Svcs - ACP	927	695	75%
20295105 DPS Dept Svcs Teams - ACP	12,347	9,260	75%
20295106 401A Plan Admin Svcs - ACP	217	163	75%
20295107 Labor Relations - ACP	1,699	1,278	75%
20296200 GS PARKING CHGS	2,000	11	1%
20298300 Surplus Property - ACP	473	355	75%
20298700 Telecommunication - ACP	5,109	13,190	258%
20298900 Telephone Installation	-	2,662	
30348000 CW Cost Plan - ACP	18,520	13,887	75%
<b>Total Services &amp; Supplies</b>	<b>17,600,516</b>	<b>9,091,434</b>	<b>52%</b>
<b>Total Expenditures</b>	<b>\$19,761,700</b>	<b>\$10,610,089</b>	<b>54%</b>
94941000 Interest	\$348,974	32,408	9%
95953000 CalWORKs	\$4,688,443	2,302,255	49%
95955500 Medi-Cal State Aid	670,000	227,004	34%
95956900 State - Prop 10	11,819,281	9,385,614	79%
95956900 State - CAPIT	444,000	111,094	25%
95956900 State - SMIF	31,382	-	0%
95956900 State - HVCC	100,000	66,166	66%
95959900 Federal Aid - CBCAP	51,000	12,881	25%
<b>Total Revenue</b>	<b>\$18,153,080</b>	<b>12,137,421</b>	<b>67%</b>

**First 5 Commission Sacramento**  
**Results of Operations**  
**For the Period Ending March 31, 2022**

Descriptions	Budget	Actual	(Over) Under Budget	% Remaining Budget
<b>A. REVENUE</b>				
Tobacco Tax Allocation	11,850,663	9,385,614	2,465,049	
MAA - Federal Funding	670,000	227,004	442,996	
CBCAP/CAPIT	495,000	123,974	371,026	
Interest Earnings	348,974	32,408	316,566	
CalWORKs HVP	4,688,443	2,302,255	2,386,188	
HVCC	100,000	66,166	33,834	
<b>TOTAL SOURCES OF FUNDS</b>	<b>18,153,080</b>	<b>12,137,421</b>	<b>6,015,659</b>	<b>33%</b>
<b>B. FUNDED PROGRAMS</b>				
<b>Health</b>	<b>1,469,522</b>	<b>495,416</b>	<b>974,105</b>	<b>66%</b>
Personnel	168,330	119,462	48,868	
Professional Svcs	1,269,643	357,015	912,627	
Media & Program Support	31,549	18,939	12,610	
<b>Nutrition</b>	<b>525,049</b>	<b>262,050</b>	<b>263,000</b>	<b>50%</b>
Personnel	38,127	27,013	11,114	
Professional Svcs	477,134	225,115	252,019	
Media & Program Support	9,789	9,921	(133)	
<b>Medical, Dental &amp; Mental Health Access</b>	<b>59,394</b>	<b>17,740</b>	<b>41,654</b>	<b>70%</b>
Personnel	48,158	13,620	34,539	
Professional Svcs	-	-	-	
Media & Program Support	11,236	4,120	7,115	
<b>Child Care Access</b>	<b>44,341</b>	<b>29,771</b>	<b>14,570</b>	<b>33%</b>
Personnel	38,552	27,179	11,373	
Professional Svcs	-	-	-	
Media & Program Support	5,789	2,592	3,197	
<b>Quality Childcare</b>	<b>705,978</b>	<b>302,976</b>	<b>403,003</b>	<b>57%</b>
Personnel	38,552	27,179	11,373	
Professional Svcs	642,013	265,875	376,138	
Media & Program Support	25,414	9,921	15,492	
<b>School Readiness</b>	<b>3,591,659</b>	<b>1,462,438</b>	<b>2,129,221</b>	<b>59%</b>
Personnel	133,772	106,967	26,805	
Professional Svcs	3,418,002	1,332,368	2,085,634	
Media & Program Support	39,885	23,102	16,783	
<b>Empowered Families</b>	<b>6,367,875</b>	<b>4,286,992</b>	<b>2,080,883</b>	<b>33%</b>
Personnel	144,373	104,715	39,657	
Professional Svcs	6,140,998	4,144,429	1,996,569	
MAA Fees	20,100	13,620	6,480	
Media & Program Support	62,404	24,228	38,177	
<b>CalWORKs</b>	<b>4,668,443</b>	<b>2,351,666</b>	<b>2,316,777</b>	<b>50%</b>
Personnel	176,295	122,710	53,585	
Professional Svcs	4,465,810	2,216,516	2,249,294	
Media & Program Support	26,338	12,441	13,898	
<b>Home Visiting Collaboration</b>	<b>141,645</b>	<b>78,872</b>	<b>62,772</b>	<b>44%</b>
Personnel	121,280	65,741	55,539	
Professional Svcs	-	-	-	
Media & Program Support	20,365	13,132	7,234	
<b>Systems Optimization &amp; Sustainability</b>	<b>274,690</b>	<b>188,621</b>	<b>86,069</b>	<b>31%</b>
<b>Program Management</b>	<b>298,448</b>	<b>200,770</b>	<b>97,678</b>	<b>33%</b>
<b>Total Funded Programs</b>	<b>18,147,044</b>	<b>9,677,311</b>	<b>8,406,961</b>	<b>46%</b>
<b>C. OPERATING EXPENSES</b>	<b>1,043,942</b>	<b>646,614</b>	<b>397,328</b>	<b>38%</b>
Personnel	704,671	492,157	212,514	
Contracts	50,000	10,516	39,484	
Direct Operating Expenses	162,211	86,981	75,230	
Allocated Operating Expenses	127,060	56,960	70,100	
<b>D. PROGRAM EVALUATION</b>	<b>570,713</b>	<b>286,164</b>	<b>284,549</b>	<b>50%</b>
<b>TOTAL EXPENDITURES</b>	<b>19,761,700</b>	<b>10,610,089</b>	<b>9,088,838</b>	<b>46%</b>