

MEETING DATE:
July 27, 2023 1:15pm



Facilitator: Eric Harrold

FINANCIAL PLANNING COMMITTEE MEETING AGENDA

This is an In Person Meeting for Committee Members

2750 Gateway Oaks Drive, Suite 330

Sacramento, CA 95833

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 March 23, 2023
4. Receive Staff Updates
5. Review and Approval of Revised Recommended Budget for FY 2023-24
6. Review and Comment on Quarterly Financial Statements
7. Committee Member Comment

Community/Public May Join By Zoom:

<https://saccounty-net.zoomgov.com/j/1619577987?pwd=UVlJcmdpOXBJdnVqS2d5WFdmRmE5dz09>

Meeting ID: 161 957 7987

Passcode: 654674

Phone in: 1-669-900-6833

Using the same meeting id and password as above.

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@saccouty.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, March 23, 2023 – 1:15 PM

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

1. Welcome/Call to order and Roll Call
Action: The meeting was called to order at 1:23pm. A quorum was established.
2. Public Comments on Off-Agenda Items
Action: None
3. Approve Draft Action Summary of January 19, 2023
Motion Moved by Scott Moak; 2nd by Robin Blanks Guster
Action: AYES: Hassett, Moak, Turner-Johnson, Rodriguez, Blanks-Guster, Wyniarczuk
4. Receive Staff Updates
Eric Harrold updated members, including:
 - F5 Sac is conducted additional research about organizational staffing among other F5 in similar size.
 - Prop 31 impacts are still unknown at this point.
 - Eric explained some changes in the County Budget process.The committee had an in-depth discussion regarding adding 2 new positions to F5 Sac; Eric and Julie explained how the positions would be funded and the duties that will need to be performed.
5. Review and Comment: Intent to apply for Home Visiting Coordination Collaboration grant funds totaling \$1,864,058 over two years from First 5 California
Motion Moved by Scott Moak; 2nd by Lee Turner-Johnson
Action: AYES: Hassett, Moak, Turner-Johnson, Rodriguez, Blanks-Guster, Wyniarczuk

6. Public Hearing: Review and Approval of the FY 2023-24 Recommended Budget, Addition of 2.0 Full-Time Equivalent Positions, and Ten-Year Financial Plan
Motion Moved by Scott Moak; 2nd by Lee Turner-Johnson
Action: AYES: Hassett, Moak, Turner-Johnson, Rodriguez, Blanks-Guster, Wyniarczuk

No comments for Public Hearing

7. Review and Comment on Financial Statements

8. Committee Member Comments

Action:

Adjourned: 2:34PM

Respectfully submitted,

Stephanie Wills, Clerk
First 5 Sacramento Commission

FIRST 5 SACRAMENTO COMMISSION

For the Agenda of:
August 7, 2023

To: Commission Members

From: Julie Gallelo
Executive Director

Subject: Public Hearing: Approval of the Fiscal Year 2023-24 Revised Recommended Budget and Ten Year Financial Plan

Contact: Eric Harrold, 876-5868

RECOMMENDATION:

Approve the Fiscal Year (FY) 2023-24 Revised Recommended Budget and Ten Year Financial Plan.

Budget Background

The revised recommended budget is a process used to make corrections occurring since the June budget hearings and to capture any recent developments in funding levels. The County Executive's Office (CEO) requests that budget changes be minimal from what was requested in the June hearings. Therefore, this process typically will not include immaterial changes or \$0 net effect adjustments. On April 3, 2023, the Commission approved the recommended budget authorizing \$22.3 million in expenditures offset by \$18.6 million in revenues, \$12 thousand in carryforward fund balance financing, and a reserve release of \$3.8 million. The revised recommended budget was submitted to the CEO on July 25, 2023, for review and comment as required by county ordinance. Any comments from the CEO will be reviewed and incorporated in the revised recommended budget, if warranted, to go before the First 5 Commission for consideration in a public hearing on August 7, 2023.

Approved Recommended vs. Revised Recommended Budget Changes

Overall, total budget authority requested in the revised recommended budget has increased from \$22.3 to \$22.6 million. Total revenues have decreased from \$18.6 to \$18.2 million.

The two changes included in the revised recommended budget include:

- #1 Adding \$233,800 new federal funding for the Community Activation Grant in order to provide parents from vulnerable populations with the skills and tools

needed to advocate and address system inequities. Includes \$208,600 expenditure contract to implement cohort(s) and the balance of \$25,200 will be used fund existing First 5 staff.

- #2 The May revise to the Proposition 10 revenue projections was released by the State. For Sacramento County there will be reduction of \$594,945 down from \$10,269,385 in the June budget to the revised recommended budget amount of \$9,674,440. Later fiscal year projections have been incorporated in the Ten Year Financial Plan.

Fund Balance

The carryforward fund balance is the difference between what is allocated in the budget compared to what is actually spent. This concept also applies to the revenue side as well. Any savings in the current fiscal year creates a positive fund balance for the next fiscal year resulting in less funds being released from the reserve fund.

The carryforward fund balance is estimated to be \$1,366,729 (see Attachment 1 – Budget Highlights). For the FY 2023-24 revised recommended budget a reserve release of \$2,970,870 is required in additional financing above the anticipated revenues in the budget.

Ten Year Financial Plan

The Ten Year Financial Plan (see Attachment 2) has been adjusted to incorporate the new May 2023 projection figures from the State and are contained in the revised recommended budget. Over the eight years the Prop 10 revenues have been reduced by \$2.5 million causing the 2027 Strategic Plan allocation to be reduced by \$530 thousand per year. This increases the anticipated cut for 2027 by 3.6% from 33.7% to 37.3%. It is hoped that this figure will reduce as more carryforward fund balance is realized in each budget year leading to the 2027 Strategic Plan.

CONFLICT OF INTEREST:

None.

Staff Recommendations

1. Approve Fiscal Year 2023-24 Revised Recommended Budget
2. Approve the Ten Year Financial Plan

Respectfully submitted,

Julie Galello
Executive Director

Attachments:

1. Budget Highlights

2. Ten Year Financial Plan

cc: Ashley Wisniewski, County Counsel
Stephanie Wills, Clerk of the Commission



**First 5 Sacramento
Fiscal Year 2023-24 Budget Highlights**

Recommended Budget Totals \$ 22.56 million

► **Overall Expenditure Categorical Breakdown**

Administration	5.4%	\$ 1.22 million	Personnel	11.8%	\$ 2.66 million
Evaluation	2.1%	\$ 0.47 million	Contractors	85.5%	\$ 19.29 million
Program	92.5%	\$ 20.88 million	Services/Supplies	2.7%	\$ 0.61 million
100.0% \$ 22.56 million			100.0% \$ 22.56 million		

► **Program Expenditures by Result Area**

Health	6.6%	\$ 1.50 million	Reducing African American Child Death
Nutrition	2.3%	\$ 0.53 million	Lactation Consultants
Medical, Dental, MH Access	0.2%	\$ 0.04 million	System Change Efforts to Ensure Families Have Access to Affordable Medical, Dental, and Mental Health Services.
Child Care Access	0.2%	\$ 0.05 million	Countywide Child Care Coalition advocacy to increase access to affordable childcare.
Quality Childcare	3.2%	\$ 0.73 million	Quality Childcare Programs
School Readiness	15.9%	\$ 3.59 million	Preschool Enhancements, Parent Education, Literacy, Screenings, Play Groups, Transition Camps
Empowered Families	28.3%	\$ 6.38 million	Family Resource Centers, Home Visits, Crisis Intervention, Parent Education, Emergency Child Care
CalWORKs	20.7%	\$ 4.68 million	Home Visiting Initiative
ARPA Programs/PLTI	7.2%	\$ 1.63 million	Family Support Navigators and Child Abuse Prevention Augmented Services. Parent/Community Involvement.
Home Visiting/Refugee	5.1%	\$ 1.15 million	Home Visiting Coordination Collaboration and Refugee Family Support Services
Evaluation	2.1%	\$ 0.47 million	Documents Qualitative and Quantitative Results of Programs
Program Management	1.4%	\$ 0.32 million	Costs that are shared by all programs
Systems Optimization	1.3%	\$ 0.28 million	Policy Advocacy and Sustainability and System Change Efforts
Administration	5.4%	\$ 1.22 million	
		100.0% \$ 22.56 million	

► **Revenues; Reserve Fund and Fund Balance**

First 5 Reserve Fund	\$ 4,337,599
Proposition 10	\$ 9,674,440
MAA Claiming	\$ 405,923
CBCAP	\$ 51,521
CAPIT	\$ 444,000
Intergovernmental Revenue	\$ 4,688,443
Interest Income	\$ 163,040
Other Programs	\$ 2,796,972
TOTAL FY 23/24 FUNDING	\$ 22,561,938

RESERVE BALANCE	
Beginning Reserve Balance	\$ 19,137,093
Available for use in FY 23/24	
<i>Carryforward Fund Balance</i>	\$ 1,366,729
<i>Reserve Release</i>	\$ 2,970,870
	\$ 4,337,599
Ending Reserve Balance	\$ 16,166,223
\$ 18,224,339	Total Revenue

First 5 Sacramento Commission Ten Year Financial Plan
 Fiscal Year 2023-24 Revised Recommended Budget
 August 7, 2023 Item - ATTACHMENT 3



Dollars in Thousands

2021 Strategic Plan

2024 Strategic Plan

2027 Strategic Plan

2030 SP

RESERVE FUND	2021-22 Actual	2022-23 Estimated	2023-24 Budget	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Beginning Reserve Balance	\$ 16,477	\$ 20,021	\$ 19,137	\$ 16,166	\$ 11,845	\$ 7,196	\$ 2,242	\$ 2,529	\$ 2,514	\$ 2,242
Carryforward Fund Balance	\$ 5,152	\$ 1,458	\$ 1,367							
Reserve Release/(Prov for Reserve)	\$ (3,544)	\$ (517)	\$ 2,971	\$ 4,321	\$ 4,649	\$ 4,955	\$ (288)	\$ 15	\$ 273	\$ -
Year End Reserve Balance	\$ 20,021	\$ 20,537	\$ 16,166	\$ 11,845	\$ 7,196	\$ 2,242	\$ 2,529	\$ 2,514	\$ 2,242	\$ 2,242
REVENUE										
Proposition 10	13,015	12,679	9,674	9,464	9,163	8,888	8,621	8,362	8,112	7,868
MAA Claiming	442	396	406	400	400	400	400	400	400	400
B & B CBCAP (Federal)	53	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	140	142	163	199	173	142	106	61	55	44
CalWORKs	3,725	4,688	4,688							
ARPA	0	842	1,419							
F5CA: Home Visiting, Refugee	101	450	1,144							
Total Revenue	\$ 17,919	\$ 19,692	\$ 17,991	\$ 10,559	\$ 10,231	\$ 9,925	\$ 9,622	\$ 9,319	\$ 9,062	\$ 8,808
EXPENSES										
				SP Reduction: 0%		SP Reduction: 37.3%				
Health	1,219	1,289	1,499							
Nutrition	523	525	527							
Preventive Services Access	57	38	38							
Child Care Access	42	45	45							
Quality Child Care	702	707	733							
School Readiness	3,366	3,505	3,595							
Empowered Families (EF)	6,267	6,344	6,377							
EF CalWORKS Funded	3,746	4,676	4,680							
F5CA: Home Visiting, Refugee	104	506	1,148							
ARPA - BSF/CBCAP	0	897	1,424							
Program Management	288	312	321							
Evaluation	464	413	468							
Systems Improvement	269	276	282							
Administration	1,022	1,088	1,216							
Future Allocations				14,880	14,880	14,880	9,334	9,334	9,334	8,808
Total Expenses	\$ 18,070	\$ 20,621	\$ 22,353	\$ 14,880	\$ 14,880	\$ 14,880	\$ 9,334	\$ 9,334	\$ 9,334	\$ 8,808

Result Area	IP Adjustments	Note
Cal WORKs HVI	\$ 4,680	Commission approved program not included in strategic planning process
ARPA - BSF/CBCAP	\$ 1,424	Commission approved program not included in strategic planning process
F5CA - Refugee/HVCC	\$ 1,148	Commission approved program not included in strategic planning process
All Result Areas	\$ 221	Adjustments due to contractors electing to take different amounts in each year to allow for COLAs
Total Adjustments	\$ 7,473	
Adjusted Fiscal 22/23 Budget	\$ 14,880	

FIRST 5 SACRAMENTO COMMISSION
Financial Planning Committee
July 27, 2023

7

Analysis of Financials for Period July 1, 2022 to June 30, 2023

Report Period: 12 months
% of Fiscal Year Complete: 100%

▶▶▶ Detail review of selected accounts and accounts greater than 105% expended compared to budget:

20202900 Bus/Conf Expense

Budget: \$9,000
Expended: \$17,583 (195%)

20203100 Business Travel

Budget: \$1,200
Expended: \$3,863 (322%)

Accounts Combined

Budget: \$10,200
Expended: \$21,466 (210%)

These two accounts reflect cost associated with business and conference expenses. Normal charges are for First 5 Staff members attended multiple conferences throughout the year. This year many Sacramento residents were trained in PLTI cohorts as well as other areas. These trainings were funded by various funding streams and budgeted under 20289800 Other Operating Sup and the Charges recorded in this account.

20281202 MS Enterprise Agrmt (EA)

Budget: \$871
Expended: \$6,859 (787%)

An unplanned one-time Microsoft licensing charge of \$5,720 is included in this account causing the account anomaly. Will work with DTECH to determine if this will be ongoing annual charge and how much.

3034800 CW Cost Plan-ACP

Budget: \$9,807
Expended: \$11,147 (114%)

These expenses are a distribution from the County Wide Allocated Cost Plan for the indirect charges to each department. Allocated costs budget amounts are non-negotiable and provided to the Commission by the selling department, estimates are usually accurate but not always.

▶▶▶ Revenue Summary

Revenues are accurate for the reporting period except for the remaining two months Proposition 10 which were accrued at \$1,606,896 total.

First 5 Sacramento Commission
Results of Operations
For the Fiscal Year Through June 30, 2023

#7 Att 1

	Account Description	Budget	Total Actual	% of Budget
	Salaries	\$1,534,712	\$1,520,370	99%
	Benefits	835,961	823,632	99%
	Total Salaries & Benefits	\$2,370,673	\$2,344,001	99%
20202400	Periodical/Suscripts	55	50	91%
20202900	Bus/Conference Exp	9,000	17,583	195%
20203100	Business Travel	1,200	3,863	322%
20203500	Ed/Training Svc	26,800	6,009	22%
20203600	Ed/Training Sup	29,370	7,222	25%
20203800	Employee Recogn	100	-	0%
20203900	Emp Transportation	3,000	419	14%
20205200	Ins Premium	40,325	33,362	83%
20206100	Membership Dues	32,540	31,583	97%
20207600	Office Supplies	13,511	1,877	14%
20208100	Postal Svc	100	-	0%
20208500	Printing Svc	3,000	2,078	69%
20222700	Cell Phones	3,000	2,542	85%
20226100	DTECH Equipment Maintenance	609	582	96%
20250500	Accounting Svc	38,138	25,558	67%
20250600	Investment Svc	30,741	27,740	90%
20253100	Legal Svc	13,000	11,878	91%
20259100	Other Prof Svc	18,597,532	16,401,285	88%
20259105	Media Svc	56,000	28,548	51%
20271100	DTECH Desktop Support	12,000	7,389	62%
20281200	Data Processing Sup	5,129	1,623	32%
20281202	MS Enterprise Agrmt (EA)	871	6,859	787%
20289800	Other Oper. Sup	47,432	4,866	10%
20289900	Other Oper. Svc	700	588	84%
20291000	Countywide IT Services - ACP	10,351	9,639	93%
20291100	DTech Labor - ACP	5,824	5,824	100%
20291200	DTech Fee - ACP	12,046	12,560	104%
20291300	Auditor Svcs	38,100	12,028	32%
20291301	Finance General Accounting - ACP	1,263	1,263	100%
20291302	Finance Payroll Services - ACP	557	557	100%
20291303	Finance Payment Services - ACP	1,698	1,698	100%
20291305	Finance Internal Audits - ACP	450	450	100%
20291306	Finance System Control & Recon - ACP	881	881	100%
20291400	Co Exec Cab Svc	8,479	7,594	90%
20291600	Wan Allocation	17,231	17,231	100%
20291700	Alarm Svcs - ACP	3,122	3,122	100%
20292100	GS PRINTING SVC	4,500	4,690	104%
20292200	GS MAIL/POSTAGE	200	49	25%
20292300	Messenger Services - ACP	4,427	4,392	99%
20292500	Purchasing Services - ACP	1,161	1,161	100%
20294200	Facility Use - ACP	641	641	100%
20294300	Lease Property - ACP	80,003	80,011	100%
20295102	Benefit Admin Svcs - ACP	2,081	2,081	100%
20295103	Employment Services - ACP	4,387	4,387	100%
20295104	Training Svcs - ACP	1,308	1,308	100%
20295105	DPS Dept Svcs Teams - ACP	8,457	7,080	84%
20295106	401A Plan Admin Svcs - ACP	207	207	100%
20295107	Labor Relations - ACP	1,628	1,628	100%
20296200	GS PARKING CHGS	2,000	956	48%
20298300	Surplus Property - ACP	510	510	100%
20298700	Telecommunication - ACP	17,986	16,989	94%
30348000	CW Cost Plan - ACP	9,807	11,147	114%
	Total Services & Supplies	19,203,458	16,833,586	88%
	Total Expenditures	\$21,574,131	\$19,177,587	89%
94941000	Interest	\$199,016	703,054	353%
95953000	CalWORKs	\$4,688,443	4,523,834	96%
95955500	Medi-Cal State Aid	396,103	462,341	117%
95956900	State - Prop 10 Monthly Allocation	9,687,058	8,693,965	90%
95956900	State - Prop 10 Backfill (Prop 56)	3,136,479	2,881,682	92%
95956900	State - SMIF	27,128	6,237	23%
95956900	State - HVCC	13,943	9,000	65%
95956900	State - CAPIT	444,000	444,374	100%
95959900	State - F5CA Refugee Assistance	570,000	410,595	72%
95959900	Federal Aid - CBCAP	51,521	119,811	233%
95959900	Federal Aid - CBCAP (ARPA)	428,895	-	0%
95959900	Federal Aid - BSF (ARPA)	990,000	117,388	12%
	Total Revenue	\$20,632,586	18,372,281	89%

**First 5 Commission Sacramento
Results of Operations
For the Period Ending June 30, 2023**

#7 Att2

Descriptions	Budget	Actual	(Over) Under Budget	% Remaining Budget
A. REVENUE				
Tobacco Tax Allocation	12,850,665	11,581,884	1,268,782	
Medi-Cal Administrative Activities (MAA)	396,103	462,341	(66,238)	
CBCAP/CAPIT	495,521	564,185	(68,664)	
Interest Earnings	199,016	703,054	(504,038)	
CalWORKs HVP	4,688,443	4,523,834	164,609	
HVCC	13,943	9,000	4,943	
ARPA BSF/CBCAP	1,418,895	117,388	1,301,507	
F5CA Refugee Support	570,000	410,595	159,405	
TOTAL SOURCES OF FUNDS	20,632,586	18,372,281	2,260,306	11%
B. FUNDED PROGRAMS				
Health	1,496,357	1,472,938	23,418	2%
Personnel	187,710	182,693	5,017	
Professional Svcs	1,285,535	1,268,275	17,259	
Media & Program Support	23,112	21,970	1,142	
Nutrition	527,864	524,843	3,021	1%
Personnel	42,817	41,211	1,605	
Professional Svcs	477,134	477,107	26	
Media & Program Support	7,914	6,524	1,389	
Medical, Dental & Mental Health Access	37,939	36,375	1,564	4%
Personnel	31,004	30,656	347	
Professional Svcs	-	-	-	
Media & Program Support	6,935	5,719	1,216	
Child Care Access	44,700	43,974	727	2%
Personnel	40,786	40,752	35	
Professional Svcs	-	-	-	
Media & Program Support	3,914	3,222	692	
Quality Childcare	719,440	705,992	13,449	2%
Personnel	40,786	40,752	35	
Professional Svcs	655,115	655,114	1	
Media & Program Support	23,539	10,126	13,413	
School Readiness	3,593,589	3,347,602	245,986	7%
Personnel	142,263	142,220	43	
Professional Svcs	3,418,002	3,187,202	230,801	
Media & Program Support	33,323	18,180	15,143	
Empowered Families	6,374,459	5,946,467	427,991	7%
Personnel	154,445	154,218	227	
Professional Svcs	6,140,998	5,739,202	401,796	
MAA Fees	24,110	27,740	(3,631)	
Media & Program Support	54,905	25,306	29,599	
CalWORKs	4,675,817	4,369,725	306,091	7%
Personnel	189,362	188,773	589	
Professional Svcs	4,465,810	4,165,648	300,162	
Media & Program Support	20,645	15,304	5,341	
Home Visiting Collaboration	13,943	12,653	1,290	9%
Systems Optimization & Sustainability	279,468	273,132	6,336	2%
Building Strong Families (ARPA)	992,165	149,028	843,137	85%
CBCAP Augmentation (ARPA)	430,143	39,203	390,940	91%
Refugee Family Support	570,367	530,514	39,853	7%
Program Management	312,557	311,120	1,437	0%
Total Funded Programs	20,068,808	17,763,566	2,305,241	11%
C. OPERATING EXPENSES				
Personnel	715,638	695,647	19,992	
Contracts	50,000	47,306	2,694	
Direct Operating Expenses	198,612	106,851	91,761	
Allocated Operating Expenses	128,296	113,651	14,644	
D. PROGRAM EVALUATION				
	412,777	404,574	8,203	2%
TOTAL EXPENDITURES	21,574,131	19,177,587	2,442,535	11%