Fy19-20 Draft Budget - Key Take Aways

- FY19-20 Draft Budget presents in a new format with Shared Operating Budget Allocation.
- Prop 10 Tax Revenue continues declining at a declining rate of 2.6%.
- Back-fill associated with the Prop 56 implementation is lower than previously projected.
- F5CA IMPACT Grant produces steady revenue of $575K, funded 0.5FTE.
- Continue increased effort in seeking additional funding sources and leverage funding; resulting in increased Other Revenues stream.
FY19-20 Draft Budget - Key Take Aways

- Increases in Program Appropriations (Community Investments) reflect all approved contracts, contracting of SPIP Funding Allocations, and Shared Operating Budget allocation.

- Continue shifting increased efforts towards Policy Advocacy, Communications and System Changes strategies, as per Prop 10 Statute.

- Continue drawing down Ending Fund Balance (Reserves*) to fund higher Community Investments as per the current strategic plan.

- Decreases in Total Shared Operating Budget as a result of savings in various operating areas.

Big Picture: 4-Year Budget Comparison
FY19-20 Draft Budget - Total Revenues

- Prop 10 Tax Revenue: $5.78M
- Interest Revenue: $156K
- IMPACT Grant: $575K
- Other Grants: $528K

Total Revenues: $6.513 M (-5%)
Other Revenues - Other Non-Tobacco Tax Grants

Some Non-Tobacco Tax Grants end June 2019;

Other Non-Tobacco Tax Grants continue its second year grant executions to 2020. These leveraging funding sources produce additional Revenue stream to F5:

<table>
<thead>
<tr>
<th>Grants</th>
<th>Donor</th>
<th>Grant Amount</th>
<th>Grant Term</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Build-Up Kids Facilities</td>
<td>County Human Services Agency</td>
<td>130K</td>
<td>FY18-20</td>
<td>2-year grant</td>
</tr>
<tr>
<td>Watch-Me Grow - Clinic Based Services</td>
<td>San Mateo County Health</td>
<td>545K</td>
<td>FY18-20</td>
<td>2-year grant</td>
</tr>
<tr>
<td>Help Me Grow</td>
<td>David Lucile Packard Foundation</td>
<td>300K</td>
<td>FY18-20</td>
<td>Pending grant no cost extension</td>
</tr>
<tr>
<td>Trauma Informed System</td>
<td>San Mateo County Health System - Mental Health Serves Act</td>
<td>150K</td>
<td>FY18-20</td>
<td>Pending negotiation and finalization</td>
</tr>
</tbody>
</table>
Where the Money Goes?
Community Investments by Initiatives

- Child Health & Development: 19.4%
- Family Engagement: 19.0%
- Early Learning: 18.5%
- Policy Advocacy, Communication & System Changes: 13.6%
- Program Staff Salaries & Benefits: 8.7%
- IMPACT & Other Grants: 11.0%
- Shared Operating Budget: 5.4%
- Evaluation: 4.4%
- Program Approps

$8,991M

5-Year Budget Comparison
Investment Plan

- Total Revenues
- Program Appropriations
- Admin Appropriations

FY15-16: $6,742, $6,449
FY16-17: $6,693, $6,692
FY17-18: $6,161, $7,881
FY18-19: $6,912, $8,172
FY19-20: $6,513, $8,991
Shared Operating Budget

Shared Operating Budget Allocation

Shared Operating Budget
$396K
(-7%)

Program
$198K
(50%)

Administrative
$198K
(50%)
Shared Admin Staff Time Allocation

- Admin support Program activities 27%
- Admin perform Admin functions 73%

Budget Summary
**FY19-20 Draft Budget**

<table>
<thead>
<tr>
<th>Total Revenues</th>
<th>$6.513M</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Appropriations (Net Appropriations*)</td>
<td>$9.715M</td>
</tr>
<tr>
<td>Surplus / (Deficit) (Total Revenues - Total Appropriations)</td>
<td>($2.486M)</td>
</tr>
</tbody>
</table>

- FY19-20 Draft Budget has a budget deficit of $2.486 M due to F5SMC continue invest in the Community with higher fiscal Appropriations than its fiscal Revenues.
- Commission to approve drawing down $2.486 M from Ending Fund Balance (Reserves*) to fund F5SMC’s FY19-20 Adopted Budget

**Approval of F5SMC’s FY19-20 Draft Budget**

**Issue to Consider :**
- FY19-20 Budget Revision in February 2020

**Action Required:**
- Approval of F5SMC’s FY19-20 Draft Budget
- Approval of the Use of Ending Fund Balance (Reserves*) to Fund the F5SMC’s FY19-20 Adopted Budget
FIRST 5 SAN MATEO COUNTY POPULATION INDICATORS

EARLY LEARNING

- Percentage of children ages 3-5 who are enrolled in preschool prior to TK/K entry
- The available supply of infant and toddler care relative to the need
- The percentage of all early learning programs participating in the Quality Rating and Improvement System (QRIS)
PRESCHOOL ENROLLMENT

<table>
<thead>
<tr>
<th>Year</th>
<th>San Mateo County</th>
<th>California</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>60%</td>
<td>50%</td>
</tr>
<tr>
<td>2015</td>
<td>65%</td>
<td>49%</td>
</tr>
</tbody>
</table>

PROPORTION OF NEED FOR INFANT/TODDLER CARE MET WITH AVAILABLE SUPPLY

<table>
<thead>
<tr>
<th>Year</th>
<th>San Mateo County</th>
<th>California</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>56%</td>
<td>56%</td>
</tr>
<tr>
<td>2015</td>
<td>56%</td>
<td>50%</td>
</tr>
<tr>
<td>2017</td>
<td>54%</td>
<td>49%</td>
</tr>
</tbody>
</table>
PERCENTAGE OF EARLY LEARNING PROGRAMS IN QRIS

<table>
<thead>
<tr>
<th>Year</th>
<th>San Mateo County</th>
<th>California</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007-09</td>
<td>99.5%</td>
<td>96%</td>
</tr>
<tr>
<td>2012-14</td>
<td>100%</td>
<td>97%</td>
</tr>
<tr>
<td>2015-17</td>
<td>100%</td>
<td>98%</td>
</tr>
</tbody>
</table>
FAMILY ENGAGEMENT

- Percentage of children reunified with their families within 12 months of entering out-of-home care
- Percentage of children ages 0-5 reentering the child welfare system
- Percentage of parent who regularly read, sing, and/or count with their children ages 0-5

REUNIFICATION WITHIN 12 MONTHS
QUESTIONS & COMMENTS
REVIEW OF THE 2017-18 F5 CALIFORNIA ANNUAL REPORT

- It is a requirement of Prop 10 that each year's First 5 California Annual Report is reviewed in a public hearing by each First 5 County Commission.

- The full FY 2017-18 report can be accessed online, at:

INVESTMENTS

In FY 2017-18, First 5 County Commissions invested $340,503,763 in Services and $67,130,353 in Systems Change.

Total Expenditures by Result Area

- Improved Child Health: 40%
- Improved Family Functioning: 33%
- Improved Child Development: 27%
CLIENTS SERVED

In FY 2017-18, First 5 County Commissions served 747,499 children, 716,996 adults, and distributed 165,000 Kits for New Parents.

COMMUNICATIONS

- More than 361,000 users visited the F5CA Parents’ Website at first5california.com.
- The State Commission’s Facebook page has over 213,000 followers, and its Instagram and Pinterest platforms continue to grow each year.
- The First 5 Express mobile outreach van traveled to 182 school, libraries, resource centers, community festivals, and county fairs, reaching at least 39,272 people.
QUALITY RATING & IMPROVEMENT SYSTEM

As of June 30, 2018, there were 6,800 participating sites across the State. Of that total, 3,808 were centers, 2,448 were family child care homes, and 554 were alternative sites.

<table>
<thead>
<tr>
<th>Tier</th>
<th>Statewide*</th>
<th>San Mateo+ County</th>
</tr>
</thead>
<tbody>
<tr>
<td>5**</td>
<td>8%</td>
<td>15%</td>
</tr>
<tr>
<td>4</td>
<td>46%</td>
<td>46%</td>
</tr>
<tr>
<td>3</td>
<td>25%</td>
<td>19%</td>
</tr>
<tr>
<td>2</td>
<td>17%</td>
<td>10%</td>
</tr>
<tr>
<td>1</td>
<td>4%</td>
<td>0%</td>
</tr>
</tbody>
</table>

* Data from FY 16-17, N = 2,746
+ Data from FY 17-18, N = 105
**Highest Quality

RESEARCH & EVALUATION

- The final evaluation report for the Child Signature Program demonstrated that the 72,000 children served and their families benefitted from the high-quality early learning environments.

- The AIR Study of Transitional Kindergarten found that TK improves kindergarten readiness skills for all students, including the English language proficiency of dual language learners. More information available at: http://tkstudy.airprojects.org.

- As part of a $1.7 million F5CA grant supporting the California Health Interview Survey in 2015-2017, the UCLA Center for Health Policy Research released the report: Families with Young Children in California: Findings from the California Health Interview Survey 2011-2014, by Geography and Home Language.
NEW INVESTMENTS

- **The Dual Language Learner Pilot** will examine culturally and linguistically responsive practices that effectively support the development of dual language learners in early learning settings.

- **Transforming the Workforce for Children Birth through Age 8 Infrastructure Development** will create and implement training and resources to promote evidence-based practices across California and within QRIS Consortia.

QUESTIONS & COMMENTS

We encourage you to check out the full report at: