



**FIRST 5 SAN MATEO COUNTY COMMISSION (F5SMC)
FINANCE AND ADMINISTRATION COMMITTEE MEETING**

**Monday, May 11, 2026
9:00 am to 10:00 a.m.**

**First 5 San Mateo County Office Building
1700 S. El Camino Real, 1st Floor – Miller Ream
San Mateo, CA 94402**

COMMISSION MEMBERS: Carla Boragno (Chair), Sylvia Espinoza,
Claire Cunningham, Hanish Rathod

STAFF: Kitty Lopez, Khanh Chau, Emily Roberts

AGENDA

	Item	
1.	Approval of the Finance and Administration Committee Agenda	Boragno
2.	Elect Committee Chair	All
3.	Approval of the October 20, 2025 Finance and Administration Committee Meeting Minutes <i>(See Attachment 3)</i>	New Chair
4.	Review Budget Monitoring Report as of April 30, 2026 <i>(See Attachment 4, 4A, 4B, 4C)</i>	Lopez / Chau
5.	Action: Review and Recommend Approval of First 5 San Mateo County Policies and Bylaws for FY 2026 - 2027 <i>(See Attachments 5, 5A, 5B, 5C, 5D, 5E, 5F, 5H, 5G)</i>	Lopez / Chau
6.	Action: Review and Recommend Approval of First 5 San Mateo County (F5SMC)'s Draft Budget FY 2026-27 and Use of Ending Fund Balance (Ending Reserves*) to Fund Adopted Budget FY 2026 - 2027 <i>(See Attachments 6, 6A, 6B, 6C)</i>	Lopez / Chau
7.	Verbal Discussion: 105 Incentive Pilot Program	Lopez / Roberts
	Next Finance and Administration Committee Meeting June 8, 2026	

**FIRST 5 SAN MATEO COUNTY
FINANCE AND ADMINISTRATION COMMITTEE
MEETING MINUTES**

October 20, 2025

- Commission Member: Claire Cunningham, Sylvia Espinoza, Carla Boragno (Chair)
- Staff: Kitty Lopez, Khanh Chau
- Minutes: Khanh Chau

1. Approval of the Finance and Administration Committee Meeting Agenda

A Motion for Approval of the October 20, 2025, Finance and Administration Committee Meeting Agenda was made by Commissioner Cunningham, seconded by Commissioner Espinoza. Unanimously approved.

2. Approval of the Finance and Administration Committee Meeting Minutes

A Motion for Approval of the June 9, 2025, Finance and Administration Committee Meeting Minutes was made by Commissioner Cunningham, seconded by Commissioner Espinoza. Unanimously approved.

3. Review and Recommend Approval of First 5 San Mateo County's FY 2024-2025 Budget Close Out.

Kitty Lopez briefed key highlights and key summaries of the FY2024-2025 Budget Close Out. Total Actual Revenue is \$5.893 M or 19% below planned budget as the net effects of higher Interest Revenue and Tobacco Tax Revenue offset lower Other Grant executions. Total Appropriations is 72% of the fiscal year budget due to lower Other Grant executions in TRISI and delayed Baby Bonus Program launch until late March 2025. Overall, we have higher Ending Fund Balance in the FY 2024-25 Budget Close Out, which is \$13.107M or 10% higher than the planned budget. Admin Cost rate of 12% is within the Commission's approved Admin Cost Rate Policy of 15%.

Committee members reviewed, discussed, and asked questions for clarification. Committee members endorsed the approval of F5SMC FY 2024-25 Budget Closeout.

A Motion for Recommend Approval of First 5 San Mateo County's FY 2024-2025 Budget Close Out was made by Commissioner Cunningham, seconded by Commissioner Espinoza. Unanimously approved.

4. Review and Recommend Approval of First 5 San Mateo County (F5SMC)'s Basic Financial Statements for the Year Ending June 30, 2025, Audit Report and its Submission to First 5 California and to California State's Controller Office.

Kitty Lopez stated the agency has hired Brown Armstrong Accountancy Corporation for the professional audit services since 2020. Kitty Lopez briefed summary of Independent Auditors' Report Outcomes are as following:

- Independent Auditors' Report on the Financial Statements (pages 1-3): Unmodified opinion (clean opinion).

- Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards (pages 44-46): No instances of noncompliance or other matters that are required to be reported under the Government Audit Standards were identified (clean opinion)
- Independent Auditors' Report on State Compliance (pages 47-48): F5SMC complied in all material respects with the compliance requirements (clean opinion). There were no current year findings.

Committee members reviewed, discussed, asked questions for clarification about Communications to Those Charged with Governance and key outcomes of the audit. Committee members endorsed the approval of First 5 San Mateo County (F5SMC)'s Basic Financial Statements for the Year Ending June 30, 2025, Audit Report and its Submission to First 5 California and to California State's Controller Office.

A Motion for Recommend Approval of Recommend Approval of First 5 San Mateo County (F5SMC)'s Basic Financial Statements for the Year Ending June 30, 2025, Audit Report and its Submission to First 5 California and to California State's Controller Office was made by Commissioner Cunningham, seconded by Commissioner Espinoza. Unanimously approved.

Next Finance and Administration Committee Meeting is on Monday February 9, 2026

Commissioner Espinoza adjourned the meeting at 9:24 AM.

DATE: May 11, 2026
TO: First 5 San Mateo County Finance and Administration Committee
FROM: Kitty Lopez, Executive Director
RE: Budget Monitoring Report as of March 31, 2026

BUDGET MONITORING REPORT as of March 31, 2026, HIGHLIGHTS

Budget Monitoring Report as of March 31, 2026, Highlights

The Budget Monitoring Report as of March 31, 2026, is presented in **Attachments 4A, 4B, and 4C**. Key Budget Monitoring Report highlights are as follows:

YTD Benchmark: 75%

REVENUES

- YTD Interest Revenues are \$534K or 133%, that represents a positive variance or 58% higher than YTD Benchmark due to higher Interest Revenue than initial projection.
- YTD Tobacco Tax Revenue projections are \$2.935 million or 86%, that represents a positive variance or 11% higher than YTD Benchmark due to the inclusion of Prop 56 Tax revenue.
- YTD Other Grant Revenue – Non-Baby Bonus program is \$1.341 million or 54%, that represents a negative variance of 21% than YTD Benchmark as lower execution across Other Grant funding programs due to timing issues of service deliverables.
- YTD Other Grant Revenue – Baby Bonus program is \$543K or 43%, that represents a negative variance or 32% below YTD Benchmark. Major attributable factors to this negative variance are due to slower pace of baby/family enrollment .
- YTD Total Revenues projections are \$5.355 million or 71%, that represents a negative variance or 4% lower than YTD Benchmark. Major attributable factors to this net negative variance are associated with higher Interest Revenue offset with lower executions across Other Grant Funding programs due to timing issues of service deliverables and in Baby Bonus Program due to slower enrollment pace than planned. .

APPROPRIATIONS

- YTD Program Expenditures projections are \$3.863 million or 50%, that represents a positive variance or 25% below YTD Benchmark. Major contributions to this positive variance are lower executions in the first year of 3-year SPIP contracts, in Other Grant funding programs due to timing issues of service deliverables, and in Baby Bonus program due to the pace of enrollment has changed.
- YTD Admin Expenditures of \$588K or 70%, that represents a positive variance or 5% below YTD Benchmark. Major contributions to this positive variance are attributable to savings in various Admin Expenses due to staff working in hybrid work model.
- **YTD Total Appropriations (Net Appropriations*)** projections are \$4.451 million or 52%, that represents a positive variance or 23% below YTD Benchmark. Major contributions to this positive variance are lower executions in the first year of 3-year SPIP contracts, in Other Grant funding programs due to timing issues of service deliverables, and in Baby Bonus program due to slower pace of enrollment.

ENDING FUND BALANCE (RESERVES*)

- Currently, we are projecting Ending Fund balance (Reserves*) of \$14.299 million at this time or 115%, that represents a positive variance of 15% or \$1.840 million higher than the planned budget due to higher Interest Revenue offset with lower executions in the first year of 3-year SPIP contracts, in Other Grant funding programs due to timing issues of service deliverables, and in Baby Bonus program due to slower pace of enrollment.

CHALLENGES: None at this time.

FIRST 5 SAN MATEO COUNTY

SUMMARY BUDGET MONITORING REPORT AS OF 3.31.2026

Benchmark : 75%

	FY25-26 Revised Budget	Budget Monitoring Report as of 3.31.2026	Accruals	YTD Combined Actual & Accrual	Budget Monitoring Report as of 3.31.2026 vs FY25-26 Revised Budget (%)
BEGINNING FUND BALANCE (Beginning Reserves*)	13,395,495	13,395,495	0	13,395,495	100%
A. Interest Revenue	401,865	534,848	0	534,848	133%
B. Tobacco Tax Revenue	3,412,446	2,734,649	200,000	2,934,649	86%
Tobacco Tax Revenue Fiscal Year Allocations	3,412,446	2,734,649	200,000	2,934,649	86%
C1. Other Grant Revenues - Non Baby Bonus Program	2,469,597	1,340,669	0	1,340,669	54%
C2. Other Grant Revenues- Baby Bonus Program	1,272,273	543,510	0	543,510	43%
TOTAL REVENUES	7,557,253	5,154,748	200,000	5,354,748	71%
TOTAL AVAILABLE FUND (Total Sources*)	20,952,748	18,550,243	200,000	18,750,243	89%
PROGRAM APPROPRIATIONS					
D1. Strategic Plan Investment - SPII FY 25-28	1,841,968	736,741	0	736,741	40%
Resilient Family	366,786	54,369		54,369	15%
Healthy Children	858,081	273,829		273,829	32%
Quality Care and Education	267,000	109,818		109,818	41%
Grant Management and Other Evaluation Projects	90,101	114,590		114,590	127%
Policy Advocacy, Communications & Systems Change	260,000	184,135		184,135	71%
D2. Strategic Plan Investment - SPII FY 23-25 Carry Over	800,000	522,742	0	522,742	65%
Community Investments (RF, HC, QC & E)	635,080	490,667		144,043	23%
Evaluation	58,544	18,245		346,624	592%
Policy Advocacy, Communications & Systems Change	106,376	13,830		18,245	17%
E1. Other Grant Appropriations - Non Baby Bonus Program	2,347,710	1,221,811	0	1,221,811	52%
E2. Other Grant Appropriations - Baby Bonus Program	1,272,273	543,510	0	543,510	43%
F. Program Operations	1,390,226	838,200	0	838,200	60%
Program Shared Operating Budget	210,050	138,734	0	138,734	66%
Program Staff S&B & Shared Admin Staff Time	966,830	547,850	0	547,850	57%
Evaluation Staff S&B	213,346	151,615	0	151,615	71%
Total Program Appropriations (D1+D2+D3+E1+E2+F)	7,652,177	3,863,004	0	3,863,004	50%
ADMIN APPROPRIATIONS					
G. Admin Shared Operating Budget	210,050	138,734	0	138,734	66%
H. Admin Staff S&B	631,226	449,349	0	449,349	71%
Total Admin Appropriations (G+H)	841,276	588,083	0	588,083	70%
TOTAL APPROPRIATIONS (Net Appropriations*)	8,493,454	4,451,087	0	4,451,087	52%
Surplus / (Deficit) (Total Revenues - Total Appropriations)	-936,201	-703,661	-200,000	-903,661	97%
ENDING FUND BALANCE	12,459,294	14,099,156	200,000	14,299,156	115%
Total S&B	1,811,402	1,148,814	0	1,148,814	63%

FIRST 5 SAN MATEO COUNTY

DETAILS BUDGET MONITORING REPORT AS OF 3.31.2026

Benchmark : 75%

	ORG/ACCT#	FY25-26 Revised Budget	Budget Monitoring Report as of 3.31.2026	Accruals	YTD Combined Actual & Accrual	Budget Monitoring Report as of 3.31.2026 vs FY25-26 Revised Budget (%)	Notes to Budget Monitoring Report
BEGINNING FUND BALANCE (Beginning Reserves*)		13,395,495	13,395,495	0	13,395,495	100%	Adjusted to Ending Fund Balance of F5SMC Audit Report for the year ending 6.30.2025, page 39
A. Interest Revenue	19510-1521	401,865	534,848	0	534,848	133%	Higher Interest revenue
B. Tobacco Tax Revenue		3,412,446	2,734,649	200,000	2,934,649	86%	
Tobacco Tax Revenue Fiscal Year Allocations	19510-1861	3,412,446	2,734,649	200,000	2,934,649	86%	\$200K is March 26 Revenue estimate
C1. Other Grant Revenues - Non Baby Bonus Program		2,469,597	1,340,669	0	1,340,669	54%	
F5 San Benito IMPACT LEGACY Grant FY25-26	19510-2643	324,605	187,500		187,500	58%	New grant award
F5 San Benito IMPACT HUB TA FY25-26	19510-2643	48,206	20,915		20,915	43%	New grant award
County of San Mateo BHRS - Mental Health Services MHSA #4 FY25-26	19510-2643	900,000	575,222		575,222	64%	
Peninsula Healthcare District - Help Me Grow SMC CY2025	19510-2643	60,000	60,000		60,000	100%	
Sequoia Healthcare District - Special Needs Grant FY25-28	19510-2643	373,400	130,483		130,483	35%	New grant award
Sequoia Healthcare District - Mental Health Grant FY25-28	19510-2643	315,900	152,773		152,773	48%	New grant award
Children and Youth Behavior Health Initiatives - Round 2	19510-2643	447,486	213,776		213,776	48%	
C2. Other Grant - Baby Bonus Program		1,272,273	543,510	0	543,510	43%	The pace of enrollment has changed
SMC Health, Family Health Services - Baby Bonus Dividend Program**	19510-2647	182,700	131,850		131,850	72%	WOC Community Health Planner
Health Plan of San Mateo - Baby Bonus Program	19510-2647	202,033			0	0%	
County CEO - Measure K - Baby Bonus Program	19510-2647	134,340			0	0%	
Silicon Valley Community F. - CZI - Baby Bonus Program	19510-2647	320,200	320,200		320,200	100%	
Sobrato Family Foundation - Baby Bonus Program	19510-2647	140,000			0	0%	
Jackie Speier Foundation - Baby Bonus Program	19510-2647				0		New grant award. Received \$350K grant funding.
Sequoia Healthcare District - Baby Bonus Program	19510-2647	243,000	91,460		91,460	38%	New grant award
Peninsula Healthcare District - Baby Bonus Program	19510-2647	50,000			0	0%	
		1,072	1,072		1,072	100%	
TOTAL REVENUES		7,557,253	5,154,748	200,000	5,354,748	71%	Major contributions to 4% net decrease in Total Revenue are attributable to higher Interest Revenue offset with lower executions in Other Grant fundings and Baby Bonus programs.
TOTAL AVAILABLE FUNDS SOURCES*) (TOTAL)		20,952,748	18,550,243	200,000	18,750,243	89%	Major contributions to 14% net increase in Total Available Fund are attributable to higher adjusted Beginning Fund Balance, higher Interest Revenue offset with lower executions in Other Grant fundings and Baby Bonus programs.
APPROPRIATIONS							
PROGRAM APPROPRIATIONS							
D1. Strategic Plan Investment - SPIP FY 25-28 - Primary Domains		1,841,968	736,741	0	736,741	40%	The first years of 3-year contracts, historically some grants implementations take a little longer in the first year of execution.
Resilient Family	19540-6125	366,786	54,369	0	54,369	15%	
Healthy Children	19540-6156	858,081	273,829	0	273,829	32%	
Quality Care and Education	19540-6263	267,000	109,818	0	109,818	41%	
Grant Management and Other Evaluation Projects	19540-6265	90,101	114,590	0	114,590	127%	
Policy Advocacy, Communications & Systems Change	19540-6814	260,000	184,135	0	184,135	71%	
D2. Strategic Plan Investment - SPIP FY 23-25 Carry Over		800,000	522,742	0	522,742	65%	
Healthy Children	19540-6156	188,456	144,043		144,043	76%	These agreements / amendments ended 10.31.2025
Quality Care and Education	19540-6263	346,624	346,624		346,624	100%	These agreements / amendments ended 10.31.2025
Grant Management and Other Evaluation Projects	19540-6265	33,544	18,245		18,245	54%	These agreements / amendments ended 10.31.2025
Healthy Children	19540-6156	100,000			0	0%	

	ORG/ACCT#	FY25-26 Revised Budget	Budget Monitoring Report as of 3.31.2026	Accruals	YTD Combined Actual & Accrual	Budget Monitoring Report as of 3.31.2026 vs FY25-26 Revised Budget (%)	Notes to Budget Monitoring Report
Grant Management and Other Evaluation Projects	19540-6265	25,000			0	0%	
Policy Advocacy, Communications & Systems Change	19540-6814	100,000	13,830		13,830	14%	
Emerging Projects	19540-6814	6,376			0	0%	Attachment 4C
E1. Other Grant Appropriations - Non Baby Bonus Program		2,347,710	1,221,811	0	1,221,811	52%	Lower execution across Other Grant funding programs due to timing of service deliverables.
F5 San Benito IMPACT LEGACY Grant FY25-26	19540-6126	261,605	144,303		144,303	55%	
F5 San Benito IMPACT HUB TA FY23-25 County of San Mateo BHRS - Mental Health Services MHSA #4 FY25-26	19540-6126	48,206	20,915		20,915	43%	
Peninsula Healthcare District - Help Me Grow SMC CY2025	19540-6141	900,000	572,862		572,862	64%	execution of \$1 M MHSA grant, which will end 6.30.2026.
Sequoia Healthcare District - Special Needs FY25-28	19540-6161	53,000	52,096		52,096	98%	
Sequoia Healthcare District - Mental Health Grant FY25-28	19540-6131	336,600	116,458		116,458	35%	
Children and Youth Behavior Health Initiatives - Round 2	19540-6131	298,300	138,748		138,748	47%	
E2. Other Grant Appropriations - Baby Bonus Program		1,272,273	543,510		543,510	43%	Grant has no cost extension one more year. Lower execution in the Baby Bonus program as the pace of enrollment has changed.
SMC Health, Family Health Services - Baby Bonus Dividend Program**	Salaries & Benefits	182,700	131,850		131,850	72%	Community Health Planner - WOC position
Health Plan of San Mateo - Baby Bonus Program	6135 / 6264 / 6266	202,033			0	0%	
County CEO - Measure K - Baby Bonus Program	6135 / 6264 / 6266	134,340			0	0%	
Silicon Valley Community F. - CZI - Baby Bonus Program	6135 / 6264 / 6266	320,200	320,200		320,200	100%	Grant term ends 6.30.2026
Sobrato Family Foundation - Baby Bonus Program	6135 / 6264 / 6266	140,000			0	0%	
Jackie Speier Foundation - Baby Bonus Program	6135 / 6264 / 6266				0	0%	
Sequoia HealthCare District - Baby Bonus Program	6135 / 6264 / 6266	243,000	91,460		91,460	38%	Grant term ends 6.30.2026
Peninsula Healthcare District - Baby Bonus Program	6135 / 6264 / 6266	50,000			0	0%	
F. Program Operations		1,390,226	838,200	0	838,200	60%	
Program Shared Operating Budget		210,050	138,734	0	138,734	66%	
Program Staff S&B & Shared Admin Staff Time		966,830	547,850	0	547,850	57%	Excluding WOC - Community Health Planner position for the Baby Bonus Program
Evaluation Staff S&B		213,346	151,615	0	151,615	71%	
Total Program Appropriations (D1+D2+D3+E1+E2+F)		7,652,177	3,863,004	0	3,863,004	50%	Major contributions to 25% net decrease in Total Program Appropriations are associated with lower execution in the first year of 3-year SPIP contracts, lower execution in Other Grant funding programs due to timing of service deliverables, and in Baby Bonus program due to the enrollment pace has changed.
ADMIN APPROPRIATIONS							
G. Admin Shared Operating Budget		210,050	138,734	0	138,734	66%	
H. Admin Staff S&B		631,226	449,349	0	449,349	71%	
Total Administrative Appropriations		841,276	588,083	0	588,083	70%	Saving in various Services and Supplies budget lines.
Administrative Cost Rate %		10%	13%		13%		
TOTAL APPROPRIATIONS (NET APPROPRIATIONS*)		8,493,454	4,451,087	0	4,451,087	52%	Major contributions to 23% net decrease in Total Appropriations are associated with lower execution in the first year of 3-year SPIP contracts, lower execution in Other Grant funding programs due to timing of service deliverables, and in Baby Bonus program due to the enrollment pace has changed.
ENDING FUND BALANCE (ENDING RESERVES*)		12,459,294	14,099,156	200,000	14,299,156	115%	Major contributions to 15% net increase in projected Ending Fund Balance are associated with lower execution in the first year of 3-year SPIP contracts, lower execution in Other Grant funding programs due to timing of service deliverables, and in Baby Bonus program due to the enrollment pace has changed.

Color Coding

- Shared Budget/Shared Cost
- Revenue ; Fund Balance
- Appropriations
- Salaries & Benefits

Schedule 1- OPERATING BUDGET MONITORING REPORT AS OF 3.31.2026

Attachment 4C

Benchmark: 75%

	ORG / ACCT#	FY25-26 Revised Budget	Budget Monitoring Report as of 3.31.2026	Accruals	YTD Combined Actual & Accrual	Budget Monitoring Report as of 3.31.2026 vs FY25-26 Revised Budget (%)	Notes to Budget Monitoring Report
I. Services and Supplies							
Outside Printing & Copy Svc	19510-5191	1,000	0	0	0	0%	
General Office Supplies	19510-5193	7,000	2,200.07	0	2,200	31%	
Photocopy Lease & Usage	19510-5196	3,500	820.68	0	821	23%	
Direct Communication Expenses	19510-5132	1,671	740.84	0	741	44%	
Computer Supplies	19510-5211	10,000	3,901.54	0	3,902	39%	New laptop replacements
Software License /Maintenance Expenses	19510-5215	1,090	16.37	0	16	2%	Slit to ISD account 6752 with budget of \$6,782 Update with services charge FY25-26 tab
County Memberships - (e.g. F5 Assn Dues)	19510-5331	33,200	32,708.00	0	32,708	99%	F5CA Association membership due increase
Auto Allowance	19510-5712	11,000	8,506.80	0	8,507	77%	
Meetings & Conference Expense	19510-5721	8,000	3,444.00	0	3,444	43%	
Commissioners Meetings & Conference Exp	19510-5723	5,000	1,449.59	0	1,450	29%	
Other Business Travel Expense	19510-5724	8,000	1,232.00	0	1,232	15%	
Dept. Employee Training Expense	19510-5731	5,327	568	0	568	11%	
Wellness grant	19510-5856	1,072		0	0	0%	
Other Professional Services	19510-5858	27,428	5,775.78	0	5,776	21%	County Controller Office Service agreements
Sub Total - Services & Supplies		123,288	61,364	-	61,364	50%	Saving from various Operations budget lines.
II. Other Charges							
Telephone Service Charges	19510-6712	434	315.9		316	73%	
Automation Services - ISD	19510-6713	36,664	27,925.39		27,925	76%	Slit to ISD accounts 6752,6754,6758,6763,6770
Annual Facilities Lease	19510-6716	80,000	69,433.41		69,433	87%	Inclusion of rent escalations 2024 & 2025 before the Rent Amendment
General Liability Insurance	19510-6725	22,059	18,382.80		18,383	83%	
Official Bond Insurance	19510-6727	298	248.1		248	83%	
Human Resources Services	19510-6733	264	263.83		264	100%	
Countywide Security Services	19510-6738	756	756		756	100%	
All Other Service Charges	19510-6739	60,210	25,146.75		25,147	42%	
Card Key Services	19510-6751	962	801.7		802	83%	
ISD Prvd Software Lic/Maint	19510-6752	6,789	6,247.98		6,248	92%	
Data Backup & Recovery Subsc	19510-6754	946	708.84		709	75%	
Desktop Support Subscription	19510-6758	8,150	5,950.62		5,951	73%	
Virtual Private Network Subs	19510-6763	332	215.22		215	65%	
Virtual Server Subscription	19510-6770	3,948	2916		2,916	74%	
A-87 Expense	19510-6821	75,000	56,792.66		56,793	76%	
Sub Total - Other Charges		296,812	216,105	0	216,105	73%	
Total Operating Budget		420,100	277,469	-	277,469	66%	Saving from various Services and Supplies budget lines
Program Shared Operating Budget		210,050	138,734	-	138,734	66%	Allocation rate 50% to Program
Admin Shared Operating Budget		210,050	138,734	-	138,734	66%	Allocation rate 50% to Admin

Schedule 2 - SALARIES & BENEFITS BUDGET MONITORING REPORT AS OF 3.31.2026

Attachment 4C

Benchmark: 75%

Program Staff & Shared Admin Staff		966,830	547,850		547,850	57%	staff time allocated to Program; hiring the vacant position.
Evaluation Staff		213,346	151,615		151,615	71%	
Admin Staff		631,226	449,349		449,349	71%	
F5SMC Salaries and Benefits		\$ 1,811,402	\$ 1,148,814	\$ -	\$ 1,148,814	63%	Saving from unfilled vacant position
Baby Bonus Dividend Program - WOC		\$ 182,700	\$ 131,850		131,850	72%	

Color Coding

Shared Budget/Shared Cost



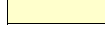
Revenue ; Fund Balance



Appropriations



Salaries & Benefits



DATE: May 11, 2026
TO: First 5 San Mateo County Finance and Administration Committee
FROM: Kitty Lopez, Executive Director
RE: Review and Recommend Approval of the First 5 San Mateo County Policies and Bylaws for FY 2026-27

ACTION REQUESTED

Review and Recommend Approval of the First 5 San Mateo County Policies and Bylaws for FY 2026-27

BACKGROUND

Mandate Policies: The First 5 San Mateo County (F5SMC) Commission annually reviews and approves the Commission's policies to ensure compliance with legislative mandates and other administrative processes and to strengthen F5SMC's internal controls for operations. Currently, there are seven (7) policies, four (4) of which are in direct response to the mandates outlined in the 2006 Assembly Bill 109 (Chan) and 2006 Senate Bill 35 (Florez). These four policies include: Contracting and Procurement, Conflict of Interest, Salary and Benefits, and Administrative Costs. All seven (7) policies were reviewed and approved by the Commission on May 20, 2024.

Bylaws: On May 19, 2025, the Commission reviewed and approved First 5 San Mateo County's Amended Bylaws May 2025.

UNCHANGED POLICIES

The following policies remain unchanged:

- Amended Contracting and Procurement Policy May 2023 (Attachment 5A)
- Conflict of Interest Policy (Attachment 5B)
- Salary and Benefits Policy (Attachment 5C)
- Administrative Costs Policy (Attachment 5D)
- Supplantation Policy (Attachment 5E)
- Delegation of Authority to Executive Director to Take Action to Support or Oppose Legislation or Other Initiatives (Attachment 5F)
- Amended Event Sponsorship Policy (Attachment 5G)
- Amended Bylaws May 2025 (Attachment 5H)
Amended: Added #7 Attendance to Article VIII

FISCAL IMPACT

None

RECOMMENDATION

Review and Recommend Approval of the First 5 San Mateo County Policies and Bylaws for FY 2026-27.



SUBJECT: AMENDED CONTRACTING AND PROCUREMENT POLICY (May 2023)

PURPOSE: To facilitate compliance with Health and Safety Code Section 130140(d)(4)(B) requiring the county commission to adopt, in a public hearing, a contract and procurement policy that is consistent with certain state law provisions. And, to comply with Health and Safety Code Section §130151(b)(1), which requires that the contract and procurement policy contains provisions to ensure that grants and contracts are consistent with the commission’s strategic plan.

To facilitate compliance with the Standards and Procedures for Audits of California Counties participating in the California Children and Families Program issued by the California State Controller, March 2006.

Part I. STATEMENT OF POLICIES

The First 5 San Mateo County Commission (“First 5 San Mateo County” or the “Commission”) and staff will comply with State law in all matters regarding Commission contracting and procurement to the extent applicable to the Commission, including ensuring that contracting and procurement are consistent with Article 7 (commencing with Section 54201) of Chapter 5 of Part 1 of Division 2 of Title 5 of the Government Code, Chapter 2 (commencing with Section 2000) of Part 1 of Division 2 of the Public Contract Code, Section 3410 of the Public Contract Code, and Chapter 3.5 (commencing with Section 22150) of Part 3 of Division 2 of the Public Contract Code.

When purchasing food, First 5 San Mateo County will give preference to United States-grown produce and United States processed foods when there is a choice and it is economically feasible to do so.

If fitness and quality are equal, First 5 San Mateo County will purchase recycled products, as defined in Section 12200 of the Public Contract Code, instead of non-recycled products whenever recycled products are available at the same or a lesser total cost than non-recycled items.

In accordance with Section 130140 and Section 130105 of the Health and Safety Code, First 5 San Mateo County has autonomy to expend moneys from the trust fund only for the purposes as described in the Commission’s approved Strategic Plan.

Part II. CONTRACTING & GRANT PROCESSES

A. First 5 San Mateo County shall use a competitive selection, negotiation and approval process (“Request for Proposal Process” or “RFP Process”) whereby potential contractors and/or grantees may submit applications for Commission funding. Use of the RFP Process is intended to ensure that

all qualified contractors and/or grantees are given an opportunity to be considered a service provider to the Commission.

No person shall be excluded from participation in, denied benefits of, or be subject to discrimination under this process on the basis of their race, color, religion, national origin, age, sex, sexual orientation, pregnancy, childbirth or related conditions, medical condition, mental or physical disability or veteran's status. The RFP Process may only be waived by the Commission upon a finding that it would be in the best interests of the Commission.

- B. In addition to particular criteria are important and appropriate to the project/grant, the criteria for choosing the contractor and/or grantee may include and may include:
- Experience of the agency and specific staff assigned to complete the work, including description of experience with similar projects
 - Proposed methodology, work plan and timeline to complete the scope of work
 - Proposed cost to complete the work
 - Payment terms (when payment is due to the contractor and/or grantee throughout the timeframe of the contract)
 - Start date and completion date of the work/service.

Once the Commission has selected the contractor(s) and/or grantee(s) that can best perform the necessary work, Commission staff will negotiate the terms of the contract in accordance with the Commission's approval for such services.

- C. The Commission shall approve and execute all service agreements, memorandums of understanding, and/or contracts with a total obligation amount that exceeds \$100,000. Any related contract amendment that brings the Contract's not to exceed amount to \$100,000 or greater shall also be approved and executed by the Commission in advance of execution of the agreement.
- D. The Executive Director of First 5 San Mateo County is authorized to approve and execute service agreements, memorandums of understanding and/or contracts with a total obligation amount less than or equal to \$25,000. The Executive Director has signature authority to approve all service agreements, memorandums of understanding, and/or contracts with a total obligation amount between \$25,001 and \$100,000 on behalf of the Commission. In the event of an emergency in which the Executive Director is unable to sign and execute service agreements, memorandums of understanding and/or contracts, the Deputy Director will have signature authority, after consultation with the Commission Chair.
- E. Any service agreements, memorandums of understanding, and/or contracts that do not use or otherwise substantively amend the standard San Mateo County template agreement will be reviewed by County

Counsel. Approval must be obtained by County Counsel prior to finalization.



SUBJECT: CONFLICT OF INTEREST POLICY

PURPOSE: To facilitate compliance with Health and Safety Code Section 130140(d)(4)(A) requiring the county commission to adopt, in a public hearing, a policy consistent with state and local law regarding conflict of interest of the commission members.

To facilitate compliance with the Standards and Procedures for Audits of California Counties participating in the California Children and Families Program issued by the California State Controller, March 2006.

PART I. CONFLICT OF INTEREST CODE – GOVERNMENT CODE SECTION 87100

- A. The First 5 San Mateo County Commission (“First 5 San Mateo County” or the “Commission”) has a Conflict of Interest Code, which has been approved by the San Mateo County Board of Supervisors. Pursuant to Section 87306.5 of the Government Code, First 5 San Mateo County will review that Conflict of Interest Code biennially. First 5 San Mateo County has designated the following positions in its Code: Commissioners, Executive Director, Deputy Director, and Consultants (when applicable).

- B. Form 700 filing. All individuals holding positions designated by the Conflict of Interest Code shall file the Form 700 of the California Fair Political Practices Commission, when assuming office, annually thereafter, and when leaving office as required by regulation.

- C. The Commission shall continue to have a conflict of interest code in effect at all times.

PART II. GOVERNMENT CODE SECTION 1090, et seq.

First 5 San Mateo County shall continue to conduct its business at all regular and special meetings of the Commission in accordance with the provisions of Government Code sections 1090, *et seq.*, hereby incorporated by reference.

Pursuant to Section 1091.3 of the Government Code, First 5 San Mateo County Commissioners will recuse themselves from making, participating in making, or in any way attempting to use their official position to influence a decision on an agreement when the agreement directly relates to services to be provided by the member or the entity the member represents or financially benefits the member or the entity the member represents.

PART III. GOVERNMENT CODE SECTION 1125, et seq. (INCOMPATIBLE ACTIVITIES)

The Commission shall continue to conduct its operations consistent with Government Code Section 1125, *et seq.* Except as provided in Sections 1128 and 1129 of the Government Code, First 5 San Mateo County officers and employees shall not engage in any employment, activity, or enterprise for compensation which is inconsistent, incompatible, in conflict with, or inimical to their duties as a First 5 San Mateo County Commission officer or employee or with the duties, functions, or responsibilities of their appointing power or the agency by which they are employed.

First 5 San Mateo County officers and employees shall not engage in any outside employment, activity, or enterprise if it: (1) involves the use for private gain or advantage of First 5 San Mateo County time, facilities, equipment and supplies; or the badge, uniform, prestige, or influence of First 5 San Mateo County office or employment or, (2) involves receipt or acceptance by the officer or employee of any money or other consideration from anyone other than First 5 San Mateo County for the performance of an act which the officer or employee, if not performing such act, would be required or expected to render in the regular course or hours of First 5 San Mateo County employment or as a part of his or her duties as a First 5 San Mateo County officer or employee or, (3) involves the performance of an act in other than his or her capacity as a First 5 San Mateo County officer or employee which act may later be subject directly or indirectly to the control, inspection, review, audit, or enforcement of any other officer or employee or the agency by which he or she is employed, or (4) involves the time demands as would render performance of his or her duties as a First 5 San Mateo County officer or employee less efficient.

Further, the incompatibility rules of the County of San Mateo, particularly the provisions of Section 2.75.060 of the Ordinance Code of the County of San Mateo, shall be, and are hereby adopted as the rules applicable to the First 5 San Mateo County Commissioners.

Further, each employee and officer of the Commission will be provided a copy of this policy. Engaging in incompatible activities will subject employees and officers to disciplinary action, up to and including termination or removal from the Commission (whichever is applicable). Any disciplinary action related to violation of this policy will be conducted in accordance with the Commission's general disciplinary processes, which provide the ability to contest imposition of discipline.

PART IV REPORTING A CONFLICT OF INTEREST

When a Commissioner first becomes aware of a conflict of interest or potential conflict of interest regarding a matter before the Commission or Committee, he or she must notify First 5 San Mateo County's legal counsel, the Executive Director and the chairperson of the Commission or the Committee. The facts of the conflict of interest will be recorded in the minutes of the Commission or Committee meeting.

First 5 San Mateo County

List of Designated Positions in the First 5 San Mateo County and Financial Disclosure Categories

Each person holding any position listed below must file statements disclosing the kinds of financial interest shown for the designated employee's position. Statements must be filed at the times and on the forms prescribed by law. Failure to file statements on time may result in penalties including but not limited to late fines.

<u>Designated Employees</u>	<u>Disclosure Category</u>
Commission Member	1,2,3,4
Executive Director	1,2,3,4
Deputy Director	1,2,3,4
Consultants*	1,2,3,4

*The Executive Director, after consultation with the County Counsel, shall review the duties and authority of all consultants retained by the Commission. Those consultants who, within the meaning of Section 18700 (a)(2) of Title 2 of the California Code of Regulations are required to file statements of economic interests, shall do so. During each calendar year, First 5 San Mateo County shall maintain a list of such consultants for public inspection in the same manner and location as this Conflict of Interest Code. Nothing herein excuses any consultant from any other provision of the Conflict of Interest Code, specifically those dealing with disqualification.

Disclosure Categories

Category 1. A designated official or employee assigned to category 1 is required to disclose direct or indirect investments in any business entity that may foreseeably be affected materially by any decision made or participated in by the designated official or employee by virtue of his or her position.

Category 2. A designated official or employee assigned to category 2 is required to disclose interests in any real property that may foreseeably be affected materially by any decision made or participated in by the designated official or employee by virtue of his or her position.

Category 3. A designated official or employee assigned to category 3 is required to disclose any source of income that may foreseeably be affected materially by any decision made or participated in by the designated official or employee by virtue of his or her position.

Category 4. A designated official or employee assigned to category 4 is required to disclose any business entity in which the designated official or employee is a director, officer, partner, trustee, employee or holds any position of management that may foreseeably be affected materially by any decision made or participated in by the designated official or employee by virtue of his or her position



SUBJECT: SALARY AND BENEFITS POLICY

PURPOSE: To facilitate compliance with Health and Safety Code Section 130140(d)(6) requiring the county commission to adopt, in a public hearing, policies and processes establishing the salaries and benefits of employees of the county commission.

To facilitate compliance with the Standards and Procedures for Audits of California Counties Participating in the California Children and Families Program issued by the California State Controller, March 2006.

I. **STATEMENT OF POLICY**

As required by Health and Safety Code Section 130140(d)(6), salaries and benefits shall conform with established First 5 San Mateo County Commission and San Mateo County government policies.

II. **SALARY AND BENEFITS POLICIES AND PROCESSES**

The San Mateo County Board of Supervisors created the First 5 San Mateo County Commission in March 1999, Ordinance No. 3889. As an agency of the County, the First 5 San Mateo County Commission complies with the salaries and benefits policies and procedures that are applicable to all Boards and Commissions in the County, including:

- The Memorandum of Understanding between County of San Mateo and the applicable union that establishes the salaries for each job classification, as may be amended from time to time; and
- County Resolutions that provide salaries and related matters for exempt management, confidential and other unrepresented employees, as may be amended from time to time.

Employee hiring, termination, payroll, pay increases and benefits are processed through the San Mateo County Employee and Personnel Services Department and the Controller's Office.



SUBJECT: ADMINISTRATIVE COSTS POLICY (Amended)

- Categorizing Administrative costs, Program costs, and Evaluation costs
- Defining Administrative costs.
- Determining the maximum allowable Administration costs as a percentage of the commission's total operating budget.
- Monitoring the Administrative cost percentage to ensure the actual Administrative costs do not exceed the maximum rate adopted by the commission.

PURPOSE: To facilitate compliance with Health and Safety Code Section 130140(d)(5) requiring the county commission to adopt, in a public hearing, a limit on the percentage of the county commission's operating budget that may be spent on administrative functions.

To facilitate compliance with the Standards and Procedures for Audits of California Counties Participating in the California Children and Families Program issued by the California State Controller, March 2006.

I. **STATEMENT OF POLICY**

First 5 San Mateo County will consistently identify Administrative costs following the guidelines outlined in this policy and monitor the actual Administrative costs as a percentage of its annual operating budget.

II. **COST CATEGORIES**

All costs fall into one of three major categories: Administrative, Program, or Evaluation. Administrative costs are differentiated from Program costs and Evaluation costs in accordance with the guidelines provided through the *Financial Management Guide¹ of First 5 Association of California*; its *Cost Allocation and Administrative Cost²* provide guidelines in categorizing and allocating costs.

III. **ADMINISTRATIVE COST DEFINITION**

¹ The Guide is a product of the California First 5 Association's and the State Commission's joint technical assistance effort and a direct result of a financial management assessment conducted by the Government Finance Officers Association (GFOA) in response to new legislation.

² Financial Management Guide, First 5 Association of California (the Fifth Edition, 2015) Cost Allocation (pages 36-37); Administrative Cost, (page 61-65)

Administrative costs: Costs incurred in support of the general management and administration of a First 5 Commission, for a common or joint purpose that benefits more than one cost objective (other than Evaluation and Program activities), and/or those costs not readily assignable to a specifically benefited cost objective.

Administrative costs include all salaries, benefits, services, and supply costs not readily identifiable as costs of the Commission's Evaluation or Program activities. Commission staff will adhere to the above definition for budgeting, accounting, and financial reporting processes. Staff utilizes certain codes for reporting processes to identify costs as Program, Evaluation, or Administration according to their nature. Except when there is information to determine a direct allocation of operating costs, shared operating costs/office expenses will be allocated by a systematic, valid and rational allocation methodology. The methodology will be reviewed annually and presented with the annual budget.

III. MAXIMUM ALLOWABLE ADMINISTRATIVE COSTS AS A PERCENTAGE OF THE OPERATING BUDGET

The Commission will monitor actual Administrative costs so that, in any one year, Administrative costs do not exceed 15% of the Commission's annual operating budget. The Commission may increase or decrease the maximum allowable Administration percentage as changing fiscal or legislative circumstances require.

IV. MONITORING

The Administrative costs' percentage will be monitored quarterly by the Commission's fiscal staff and reported to the Executive Director and Finance Committee. In the event that Administrative costs exceed 15% of the operating budget, the Commission will review and approve a corrective action plan to achieve the desired percentage. The Commission may increase or decrease the maximum allowable Administration percentage as changing fiscal or legislative circumstances require.



SUBJECT: SUPPLANTATION POLICY

PROHIBITING USE OF COMMISSION FUNDS TO SUPPLANT STATE OR LOCAL GOVERNMENT FUNDS

PURPOSE: The purpose of the policy is to assure compliance with Proposition 10, adopted by the voters in 1998. Revenue & Taxation Code Section 30131.4 provides, in part, that Proposition 10 funds shall be used only to supplement existing levels of service and not to fund existing levels of service. It further provides that no money in the commission's trust fund shall be used to supplant state or local general fund money for any purpose.

POLICY:

1. No Commission funds shall be used to supplant state or local general fund money for any purpose. Commission funds shall be used only to supplement existing levels of service and not to fund existing levels of service.
2. To that end, no Commission funds shall be granted or used for any existing project or program funded by state or local general funds unless the proponent demonstrates to the Commission's satisfaction that the Commission's funding will be used to improve the quality or quantity of an existing service, and not to supplant existing funding.
3. The prohibition on supplantation was intended to prevent state and local governments from shifting fiscal responsibility for ongoing public programs to the state and local commissions. The prohibition on supplantation does not refer to privately funded or federally funded programs. Therefore, the prohibition applies only to programs and services currently or previously funded by state or local government general funds, and which are "existing" as defined below.
4. The prohibition on supplantation was not intended to prevent, stifle or discourage state or local government agencies from funding pilot programs, which provide valuable innovations and formation. Therefore, the prohibition should not be interpreted to apply to pilot programs or services, as defined below.

Definitions:

Existing means, with respect to a level of service, a service that is in effect or operation at the time a request for funding is acted upon by the Commission, or at any time within the 12-month period preceding the Commission's action.

State general funds means funds which are received into the treasury of the State and not required by law to be credited to any other fund.¹

¹ See Gov. Code § 16300.

Local government general funds means funds which are received into the treasury of the local government and not specially appropriated to any other fund.²

Level of service includes both the quality and quantity of services.

Pilot with respect to programs or services means those that are implemented on a temporary and limited basis in order to test and evaluate the effectiveness of the program, develop new techniques, or gather information.³

Supplant shall be given its ordinary meaning, that is, “to take the place of.”

Guidelines:

1. Every applicant must disclose in its application whether the program has received funding from other sources (whether local or state government, private, or federal) within the past three years, and as to any public funding, identify the law or program under which funding was received.
2. Any applicant that discloses that state or local government funding has been received for the proposed program or service within the last three years must also demonstrate to the Commission’s satisfaction:
 - a) That the program or service has not received state or local general funds within the 12 month period preceding the Commission’s action, or
 - b) That, if received, such funds have not been reduced during the 12 month period preceding the Commission’s action, or
 - c) That the program or service was a pilot project, and
 - d) That the Commission’s funds will be used to augment or improve the existing level of service, either in terms of quantity or quality.
3. The Commission may require the applicant to provide any additional information regarding sources and uses of funds at any time. Based upon all existing facts and circumstances, the Commission shall determine whether the proposal would violate this policy. The Commission’s determination will be made as of the time a grant agreement is executed. For multi-year contracts or commitments, the Commission reserves the right to re-examine its determination that its funds will not be used in violation of this policy.

² See Gov. Code § 29301

³ See Penal Code § 5058.1



SUBJECT: DELEGATION OF AUTHORITY TO EXECUTIVE DIRECTOR TO TAKE ACTION TO SUPPORT OR OPPOSE LEGISLATION OR OTHER INITIATIVES

PURPOSE: On occasion, the Executive Director is approached with a time-sensitive request to sign a letter of support for (or opposition to) legislation or other initiatives related to First 5 San Mateo County Commission’s mission. This policy is intended to delegate authority to the Executive Director to take necessary action to provide that support (or opposition) consistent with the First 5 San Mateo County Commission’s mission when certain conditions are met.

POLICY:

The First 5 Commission hereby delegates its authority to the Executive Director to sign documents or other materials on behalf of First 5 San Mateo County Commission (“First 5 San Mateo County” or the “Commission”), when all of the following conditions are met:

1. The legislation or other initiative is directly related to, and consistent with First 5 San Mateo County’s mission.
2. Because of time constraints, bringing the matter to the Commission at its next scheduled meeting is not practical.
3. Calling a special meeting to address the matter is either not practical or not appropriate under the circumstances.
4. The Executive Director has conferred with the Chair of the Commission and both the Executive Director and the Chair agree that: (a) the position that the Executive Director intends to take is consistent with the mission of First 5 San Mateo County; (b) bringing the matter to the Commission at its next scheduled meeting or at a special meeting is not practical or appropriate under the circumstances; and (c) taking the position without a vote of the Commission is appropriate under the circumstances.
5. The Executive Director reports at the next regularly scheduled Commission meeting as part of the Executive Director’s Report any position taken pursuant to this policy.



SUBJECT: EVENT SPONSORSHIP POLICY

PURPOSE: To provide support for events targeted at children prenatally to age 5 and their families in San Mateo County.

POLICY: First 5 San Mateo County may provide sponsorship to an event and/or scholarships to parents or providers in the form of funding that meets the Event Sponsorship Eligibility Criteria

First 5 San Mateo County (F5SMC) has a core strength and long history in developing partnerships and facilitating collaboration. Our vision of **success for every child** would not be possible without the collaboration of our partners throughout the County.

This set of guidelines provides direction for potential community partners interested in receiving sponsorship for community events. The goal is to sponsor community events that broaden F5SMC's reach into the community and focus on the following focus areas as defined in our strategic plan:

- Healthy Children
- Resilient Families
- Quality Care and Education

Event Sponsorship Eligibility Criteria

Parents or providers may request a sponsorship if the event meets the following criteria:

- The event ties to one or more of the focus areas above and are consistent with the Commission's vision and mission.
- The event targets families/children prenatally to age 5, high priority populations or communities as defined by F5SMC.
- The event takes place in San Mateo County.
- The event provides F5SMC with advertisement opportunity and/or includes F5SMC in promotions **prior** to, and **during** the event (e.g., print, radio, web, and televised advertisement and promotions).
- The event provides a booth space for F5SMC staff to participate during the event, if appropriate.
- The requesting agency coordinates with F5SMC staff to ensure proper crediting policy and general marketing is consistent with F5SMC standards and Style Guide whenever possible.
- The event is designated smoke free.
- The event is not used to lobby for or against or otherwise attempt to influence legislation.
- The event is not used for religious purposes.
- The event is not used for fundraising purposes.

Event Sponsorship Award Amounts

- The Event Sponsorship Budget will be determined as part of the annual budget cycle preparation.
- Event Sponsorship requests up to the amount of \$5,000 or less are reviewed and approved by the Executive Director; approval is based on meeting the eligibility criteria and is contingent upon budget appropriations.

Standards for Collaboration

- F5SMC will not endorse, directly or through implied endorsement, specific products, services, educational programs or enterprises.
- As a public agency, products developed in collaboration with F5SMC are in the public domain.

Post Event Reporting

- Sponsorship recipient will provide F5SMC with event outcomes data including but not limited to: attendance and participation of other community agencies; attendance of children up to age 5 and their families; an overall description of the event highlighting the value of community collaboration and of First 5's sponsorship investment.
- A representative from the requesting agency may also be asked to make a brief presentation at a F5SMC Commission Meeting.

Organizations and businesses interested in the Event Sponsorship Program must submit the Sponsorship Request Form, which can be obtained from First 5 San Mateo County staff or downloaded at first5sanmateo.org.

Requests must be received eight weeks prior to the proposed event date. Event Sponsorship Requests will be accepted on a continuous basis as long as funding is available.

Submit Questions and/or Sponsorship Requests to:

Myra Cruz

1700 S. El Camino Real, Suite 405

San Mateo, CA 94402

ecruz@smcgov.org

**FIRST 5 SAN MATEO COUNTY COMMISSION
BYLAWS
Amended May 2025**

ARTICLE I (Authority)

These bylaws (“Bylaws”) are adopted by the First 5 San Mateo County Commission (the “Commission” or “F5SMC”) to establish rules for its proceedings. The Commission is authorized by, and shall operate consistent with, the Children and Families First Act of 1998, as amended (the “State Act”), and Chapter 2.24 of the San Mateo County Ordinance Code, as amended (the “County Ordinance”).

ARTICLE II (Vision, Mission, Outcomes and Status)

The vision of the Commission is “Success for every child.”

The mission of the Commission is to promote positive outcomes for young children and their families through strategic investments, community leadership, and effective partnerships.

F5SMC adopted the following desired outcomes to guide its efforts in its 2020 - 2025 Strategic Plan:

1. San Mateo County prioritizes young children and their families;
2. Communities provide a safe and healthy environment for young children;
3. Children have access to high-quality early care and education settings;
4. Families feel connected to and supported by their community and are able to nurture their children’s health and development;
5. Children have healthy attachments to their parents and caregivers; and
6. Children have access to and are utilizing appropriate health care services to meet their health and developmental needs.

F5SMC is an agency of the County of San Mateo (the “County”) with independent authority over the Strategic Plan and the Local Trust Fund. Obligations of F5SMC shall be the obligations solely of the Commission and shall not directly or indirectly be obligations of the County or any officials, employees or agents of the County. The County shall not be liable for any act or omission of the Commission.

ARTICLE III (Powers and Duties)

The duties of the Commission shall be those proscribed in the State Act and the County Ordinance and may include the following:

- Adopt Strategic Plan for the support and improvement of early childhood improvement within the County, consistent with the requirements of the State Act and any other applicable state laws and County guidelines.

- At least annually, conduct a review of the Strategic Plan and revise the plan as may be necessary or appropriate, and conduct at least one public hearing on the Commission's review of the plan before any revisions to the plan are adopted and submitted to the First 5 California Commission (the "State Commission").
- Measure outcomes of funded programs through the use of applicable, reliable indicators and review on a periodic basis as part of the public review of the Strategic Plan.
- Prepare and adopt an annual audit and report pursuant to Health and Safety Code Section 130150, and conduct at least one public hearing prior to adopting any annual audit or report.
- Review the State First 5 California Commission annual report at a public hearing.
- Adopt policies and procedures consistent with the requirements of the State Act.
- Establish one or more advisory committees to provide technical and professional expertise and support for any purposes that will be beneficial in accomplishing the purposes of the State Act.
- Enter into such contracts as necessary or appropriate to carry out the provisions and purposes of the State Act or the County Ordinance.

ARTICLE IV (Commission Membership)

The composition of the Commission, and the membership qualifications, terms, entitlement to compensation, and all other aspects of Commission membership shall be as proscribed by the County Ordinance or the State Act in the absence of an applicable provision of the County Ordinance.

ARTICLE V (Conflicts of Interest Policy)

The Commission shall by resolution adopt and may amend a Conflicts of Interest policy for the Commission as required by applicable law. Any such policy, and any amendments thereto, shall be consistent with County policies and requirements.

Each Commissioner shall file a statement disclosing reportable economic interests in accordance with the Political Reform Act of 1974 and the regulations of the Fair Political Practices Commission and the Commission's Conflict of Interest Policy.

ARTICLE VI (Officers)

1. Officers:

- A. Officers of the Commission shall be a Chair and Vice-Chair and such other officers as the Commission may from time to time provide. The Chair, who shall be a Commissioner, shall preside over all business and meetings of the Commission, appoint chairs of standing and *ad hoc* committees, and exercise such other powers and perform such other duties as may be prescribed by the Commission.

B. The Vice Chair shall be a Commissioner, and in the Chair's absence or inability to act, shall preside at the meetings of the Commission. If both the Chair and Vice-Chair will be absent or unable to act at a meeting at which a quorum of the Commission will be present, the Chair may in advance of said meeting appoint a Commissioner to preside at said meeting over all business of the Commission, appoint chairs of standing and ad hoc committees, and exercise such powers and perform such other duties of the Chair as may be prescribed by the Commission.

2. Terms and Removal:

Officers of the Commission shall be chosen annually through an election to be held at the last scheduled meeting of each calendar year, unless an earlier election is necessary because of a vacancy or vacancies on the Commission. Officers shall serve from the date of their election until a successor is selected, or until an earlier removal or resignation.

ARTICLE VII (Staffing)

1. Executive Director:

The Commission hires, evaluates, and terminates the Executive Director. The Executive Director shall act under the authority of, and in accordance with the direction of the Commission.

2. Staff:

The Executive Director hires, evaluates and terminates F5SMC Staff.

ARTICLE VIII (Meetings)

1. Regular and Special Meetings:

- A. The Commission and its standing committee(s) shall be subject to the provisions of Chapter 9 (Commencing with Section 54950) of Part I, Division 2 Title 5 of the Government Code, relating to meetings of local agencies (the "Ralph M. Brown Act" or the "Brown Act").
- B. The Commission shall meet regularly at times and places to be determined by the Commission. There shall be at least 4 meetings each calendar year, generally on the fourth (4th) Monday of the month.
- C. Special meetings may be called at a time and place designated by the Chair. The Commission staff shall give notices of regular and special meetings in accordance with the Brown Act.

2. Open and Public:

All meetings of the Commission shall be held in accordance with the Brown Act.

3. Quorum:

A quorum is required to initiate the transaction of business at any regular or special meeting of the Commission. A quorum is a majority of the seated members of the Commission. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of Commissioners, provided that any action taken is approved by at least four Commissioners.

4. Voting:

Except as otherwise provided by these Bylaws, all official acts of the Commission require the affirmative vote of a majority of the Commissioners who are present and voting as long as the quorum requirements are met. No official act shall be approved with less than the affirmative vote of four Commissioners.

5. Recusals:

A Commissioner shall recuse him or herself from making, participating in making, or in any way attempting to use his or her official position to influence a decision on a contract or grant where the contract or grant directly relates to services to be provided by that Commissioner or the entity that the Commissioner represents or financially benefits the Commissioner or the entity that he or she represents, or as otherwise required by applicable law or by the Conflict of Interest Policy of the Commission.

6. Minutes:

Commission staff shall prepare the minutes of each meeting of the Commission.

7. Attendance:

The Commission expects its members to attend Commission meetings regularly and consistently. Commission members should notify the First 5 Operation Coordinator of any planned absences, at least 48 hours in advance, unless unforeseen emergencies occur. If a Commission Member has more than three (3) unexcused absences at Board meetings or three (3) unexcused absences at Standing Committee meetings, the Commission Chair will direct staff to notify the subject Commission member with the intention of resolving the participation issue. If there is a further unexcused absence by the Commission member the Commission Chair and the Executive Director will request that the Commission member step down and staff will work to designate a replacement. Unexcused absence is defined as not having provided written notification prior to the meeting.

ARTICLE IX (Committees)

1. Advisory Committees:

The Commission shall establish one or more advisory committees to provide technical and professional expertise and support for any purpose that will be beneficial in accomplishing the purpose of the State Act and of the Commission. Advisory committees shall meet and shall make recommendations and reports as deemed necessary or appropriate.

A. Early Childhood Evaluation Advisory Committee:

The duties and responsibilities of this Committee shall be to advise the full Commission on issues related to planning and implementing the Commission's research and evaluation activities; to hear the perspectives of F5SMC grantees on evaluation and data collection and utilization; to serve as the initial audience for research and evaluation findings; and to provide guidance to staff and evaluation contractors regarding presentation of results to the full Commission.

2. Standing Committees and Appointment of Members:

The Commission may establish standing and *ad hoc* committees and appoint members to those committees, wherever necessary. The following standing committees have been established: the Finance and Administration Committee and the Program, Operations and Planning Committee.

A. Finance and Administration Committee:

The duties and responsibilities of the Finance and Administration Committee shall be to advise the Commission concerning the budget, administrative costs, savings, investments, fixed assets, long term financial plan, financial objectives, funding strategies and annual allocation plan, annual financial audit, and other tasks and issues as assigned by the Commission.

B. Program, Operations and Planning Committee:

The duties and responsibilities of the Program, Operations and Planning Committee shall be to advise the Commission concerning the First 5 San Mateo County Strategic Plan, policies concerning programs to be implemented and supported under the Strategic Plan, community needs assessments, program evaluations and other tasks and issues as assigned by the Commission.

3. Conflicts of Interest:

Commission members shall abide by all applicable laws, policies and regulations governing conflicts of interest, including those adopted by this Commission, the Board of Supervisors and the State Commission.

4. Committee Membership:

Notwithstanding section 3 above, persons who are not members of the Commission, including other elected officials and public members, may be appointed to serve on any committee established by the Commission. Unless otherwise provided, standing committee memberships shall be reviewed annually by either the Chair or the Commission as a whole.

5. Meetings:

Regular meetings of standing committees shall be held at times and places determined by the Commission. Special meetings may be held at any time and place as designated by the Chair of the Commission or the Chair of the Committee. A majority of the members of the committee shall constitute a quorum for that committee.

6. Open and Public:

All meetings of standing committees shall be held in accordance with the Brown Act.

ARTICLE X (Procedures for Conduct of Business)

- A. The Commission shall approve and execute all service agreements, memorandums of understanding, and/or contracts with a total obligation amount that exceeds \$100,000. Any related contract amendment that brings the Contract's not to exceed amount to \$100,000 or greater shall also be approved and executed by the Commission in advance of execution of the agreement.
- B. The Executive Director of First 5 San Mateo County is authorized to approve and execute service agreements, memorandums of understanding and/or contracts with a total obligation amount less than or equal to \$25,000. The Executive Director has signature authority to approve all service agreements, memorandums of understanding, and/or contracts with a total obligation amount between \$25,001 and \$100,000 on behalf of the Commission. In the event of an emergency in which the Executive Director is unable to sign and execute service agreements, memorandums of understanding and/or contracts, the Deputy Director will have signature authority, after consultation with the Commission Chair.

1. Executive Director Signature Authority:

The Executive Director of First 5 San Mateo County is authorized to approve and execute service agreements, memorandums of understanding and/or contracts with a total obligation amount less than or equal to \$25,000. The Executive Director has signature authority to approve all service agreements, memorandums of understanding, and/or contracts with a total obligation amount between \$25,001 and \$100,000 on behalf of the Commission. In the event of an emergency in which the Executive Director is unable to sign and execute service agreements, memorandums of understanding and/or contracts, the Deputy Director will have signature authority, after consultation with the Commission Chair.

2. Apply for Grants:

All grants, gifts, or bequests of money made to or for the benefit of the Commission from public or private sources to be used for early childhood development programs shall be expended for the specific purpose for which the grant, gift, or bequest was made. The amount of any such grant, gift, or bequest shall not be considered in computing the amount allocated and appropriated to the Commission by the State Board of Equalization.

ARTICLES XI (Amendments)

These Bylaws may be amended or repealed by the Commission at any duly-noticed regular or special meeting by a majority vote of the Commissioners who are present and voting as long as the quorum requirements are met. No amendment to or repeal of these Bylaws shall be approved with less than the affirmative vote of five Commissioners.

DATE ADOPTED: _____

SIGNED BY:

Chair, First 5 San Mateo County Commission

DATE: May 11, 2026

TO: First 5 San Mateo County Finance and Administration Committee

FROM: Kitty Lopez, Executive Director

RE: Review and Recommend Approval of First 5 San Mateo County's FY 2026-27 Draft Budget and the Use of Ending Fund Balance (Ending Reserves*) to Fund FY 2026-27 Adopted Budget

ACTION REQUESTED

Review and Recommend Approval of First 5 San Mateo County's FY 2026-27 Draft Budget and the Use of Ending Fund Balance (Ending Reserves*) to Fund FY 2026-27 Adopted Budget

1. FY 2026-27 DRAFT BUDGET SUMMARY

Please read this FY 2026-27 Draft Budget memo (**Attachment 6**) in conjunction with FY 2026-27 Draft Budget presented in **Attachments 6A, 6B, and 6C** (Schedule 1 and Schedule 2). F5SMC's FY 2026-27 Draft Budget with the summary of budget changes as follows:

	FY25-26 Revised Budget	FY26-27 Draft Budget	Increase / (Decrease) \$	Increase / (Decrease) %	Notes
Beginning Fund Balance (Beginning Reserves*)	13,395,495	12,459,294	(936,201)	-7%	Lower Beginning Fund Balance as the agency continues to draw down Reserves* to fund strategic investment implementation plan SPIP FY25-28 and to leverage additional funding sources.
Total Revenues	7,557,253	6,590,003	(967,250)	-13%	Lower Tobacco Tax Revenue allocation, and one-year MHSA grant ending.
Total Available Fund (Total Sources*)	20,952,748	19,049,297	(1,903,451)	-9%	Lower Beginning Fund Balance, lower Tobacco Tax Revenue allocation, and one-year MHSA grant ending.
Total Appropriations (Net Appropriations*)	8,493,454	8,064,660	(428,794)	-5%	Net decreases are associated with one-year MHSA grant ending and the increase execution of the Baby Bonus program.
Ending Fund Balance (Ending Reserves*)	12,459,294	10,984,637	(1,474,657)	-12%	Net decreases are associated with lower Beginning Fund Balance, lower Tobacco Tax Revenue allocation, one-year MHSA grant ending, and the increase execution of the Baby Bonus program.
Total Requirements* (Net Appropriations* + Ending Reserves*)	20,952,748	19,049,297	(1,903,451)	-9%	Net decreases are associated with one-year MHSA grant ending and the increase execution of the Baby Bonus program.
Surplus / (Deficit) (Total Revenues – Net Appropriations*)	(936,201)	(1,474,657)	(538,456)	58%	Net increases are associated with lower Beginning Fund Balance, lower Tobacco Tax Revenue, one-year MHSA grant ending, and continuing implementation of the strategic plan SPIP FY 2025-28 and leverage additional funding sources.

Total Sources, Net Appropriations*, Reserves*, Total Requirements* are budget terminologies used by the County of San Mateo. Since March 2018, F5SMC has applied budget terminologies used by the County to the F5SMC Budget*

2. FY 2026-27 DRAFT BUDGET KEY HIGHLIGHTS

- Beginning Fund Balance FY 2026-27 Draft Budget is Ending Fund Balance FY 2025-26. Lower Beginning Fund Balance as the agency continues to draw down Reserves* to fund 3-year strategic plan investment plans SPIP FY25-28.
- 3% projected Interest earning rate on the Beginning Fund Balance of FY 2026-27 Draft Budget.
- 6% declining rate in Tobacco Tax Revenue projections released by First 5 California on January 23, 2026, as dual negative impacts of the Flavor Ban on Tobacco products and a lower San Mateo County actual birth rate (noted in bullet #4 of the Glossary /References section below)
- 54% fiscal revenues are from Tobacco Tax Revenue and 46% of fiscal revenues are from Other Grant Revenues (non Baby Bonus) and Baby Bonus Program Revenues.
- 48% decreases in Other Grants (non-Baby Bonus program) Revenue and Appropriation Draft Budgets as one-year MHSA grant funding ends 6.30.2026; said decreases are offset by 43% net increases in F5SMC’s SPIP FY 25-28 SPIP Appropriations, as 14 agreements of SPIP FY 25-28 have funding mix both from Tobacco Tax Revenue and from leverage funding of Other Grant Revenues (Behavior Health & Recovery Services MHSA grant and Sequoia Healthcare District Special Needs and TRISI grant fundings)
- 35% increases in the Baby Bonus Program Revenues and Appropriations of FY 2026-27 Draft Budgets as the program continues its third-year grant execution. This budget number is based on the Vendor UpTogether 5 year budget submitted for the Amendment in February 2026. This budget number may be adjusted based on the changes and the pace of client enrollment.
- 12% decrease in Ending Fund Balance are net effects of lower Beginning Fund Balance, lower Tobacco Tax Revenue, lower Other Grants (non-Baby Bonus program) as one-year MHSA grant ending, offset with higher appropriations in SPIP FY 2025-28 implementation and higher Baby Bonus program execution.
- **\$10,984,637 projected Ending Funding Balance as of 6.30.2027** (*see Glossary 6, page 12) are broken down as below:
 - ✓ **\$2.181M Restricted Fund Balance** (Other Grant Fundings are restricted for specific purposes set by outside funders)
 - \$1.722 M Other Grants - Baby Bonus program;
 - \$459K Other Grants – Non-Baby Bonus program (CYBHI, TRISI, ISCSN, Impact Legacy, Impact Hub, Help Me Grow Call Center grants).
 - ✓ **\$3.740M Committed Fund Balance** (F5SMC strategic plan implementation and execution)
 - \$2.683M F5SMC SPIP 2025-28 executed contract obligations.
 - \$1.057M for continuation planning and contracting of F5SMC strategic plan implementation plan SPIP FY 2025-28 through 6.30.2028, as Commission approved at previous Commission meetings.
 - ✓ **\$5.064M Assigned Fund Balance**
 - **\$2.000M** Fund Balance is assigned for F5SMC Pension Liabilities and 6-months of Operational Reserves, as Commission approved in Long-Term Financial Plan.
 - **\$3.064M** Fund Balance is assigned for essential operational cashflow (equal to 4.5 months of FY Total Appropriations of 8M)

- Continue current shared cost allocation to Program Appropriations with the following rates:
 - ✓ 100% Program and Evaluation Staff's Salaries and Benefits.
 - ✓ 27% Shared Admin Staff time; and
 - ✓ 50% of Shared Operating Budget

3. FISCAL IMPACTS

FY 2026-27 Draft Budget changes result in a net Total Budget Deficit of \$1,474,657; this represents a higher Budget Deficit by \$538,456 or 58% higher than the Budget Deficit in the FY 2025-26 Revised Budget of \$936,201. Major contributions to the Budget Deficit amount are associated with lower Beginning Fund Balance, lower Tobacco Tax Revenue, lower Other Grants (non-Baby Bonus program) as one-year MHSA grant ending, and continuing implementation of the strategic plan SPIP FY 2025-28. Therefore, we will draw and encumber a total of \$1,474,657 from the Ending Reserves* to support the implementation of the new strategic plan FY 2025-28, and to leverage additional funding sources.

The net changes of Ending Fund Balance (Ending Reserves*) will be a decrease by \$1,474,657 as a result of the budget adjustments in Total Revenues and Total Appropriations in the FY 2026-27 Draft Budget.

The Administrative Cost Rate is projected 11%, which is below 15% of the proposed approved Administrative Cost Policy for the FY 2026-27. F5SMC has implemented Administrative Cost rate of 15% since 2020.

ACTION REQUESTED

Review and Recommend Approval of First 5 San Mateo County's FY 2026-27 Draft Budget and the Use of Ending Fund Balance (Ending Reserves*) to Fund FY 2026-27 Adopted Budget

FY 2026-27 DRAFT BUDGET NARRATIVES are presented in **Attachments 6A, 6B, and 6C** (Schedule 1 and Schedule 2).

I. BEGINNING FUND BALANCE (Beginning Reserves*)

Beginning Fund Balance (Beginning Reserves*) produces a net decrease of \$936,201 or 7% decrease as the agency continues to draw down Fund Balance (Reserves*) for the implementation of strategic investment plan SPIP FY25-28 and fulfillments of Other Grant funding obligations.

II. TOTAL REVENUES

Total Revenues produce a net decrease of (\$967,250) or 13% decrease.

- (\$27,865) Interest Revenue decrease or 7% decrease due to lower Beginning Fund Balance.
- (\$196,830) Tobacco Tax Revenue decrease or 6% decrease, per the new Tobacco Tax Revenue projections, released by First 5 California on January 23, 2026. Annual Tobacco Tax Revenue allocations have been declining at a declining rate of 6% to negative impacts from the Flavor Ban on tobacco products and downward trend of actual birthrate in San Mateo County.
- (\$1,187,486) Other Grant Revenues (Non Baby Bonus Program) decreases or 48% decrease as one-time one-year Mental Health Service Act MHSA grant ends 6.30.2026.
- \$444,931 increase or 35% increase in the Baby Bonus Program budget as the agency continues its 3rd year program execution.

	ORG/ACCT#	FY25-26 Revised Budget	FY26-27 Draft Budget	FY26-27 Draft Budget (+/-) vs. FY25-26 Revised Budget (\$)	FY26-27 Draft Budget (+/-) vs. FY25-26 Revised Budget (%)
I. BEGINNING FUND BALANCE (Beginning Reserves*)		13,395,495	12,459,294	-936,201	-7%
A. Interest Revenue	195 10-1521	401,865	374,000	(27,865)	-7%
B. Tobacco Tax Revenue		3,412,446	3,215,616	(196,830)	-6%
Tobacco Tax Revenue Fiscal Year Allocations	195 10-1861	3,412,446	3,215,616	(196,830)	-6%
C1. Other Grant Revenues - Non Baby Bonus Program		2,469,597	1,282,110	(1,187,486)	-48%
F5 San Benito IMPACT LEGACY Grant FY26-27	195 10-2643	324,605	324,605	0	0%
F5 San Benito IMPACT HUB TA FY26-27	195 10-2643	48,206	48,206	0	0%
County of San Mateo BHRS - Mental Health Services MH SA #4 FY25-26	195 10-2643	900,000	0	(900,000)	-100%
Peninsula Healthcare District - Help Me Grow SMC CY2025/CY2026	195 10-2643	60,000	60,000	0	0%
Sequoia Healthcare District - Special Needs Grant FY25-28	195 10-2643	373,400	373,400	0	0%
Sequoia Healthcare District - Mental Health Grant FY25-28	195 10-2643	315,900	315,900	0	0%
Children and Youth Behavior Health Initiatives - Round 2	195 10-2643	447,486	160,000	(287,486)	-64%

	ORG/ACCT#	FY25-26 Revised Budget	FY26-27 Draft Budget	FY26-27 Draft Budget (+/-) vs. FY25-26 Revised Budget (\$)	FY26-27 Draft Budget (+/-) vs. FY25-26 Revised Budget (%)
I. BEGINNING FUND BALANCE (Beginning Reserves*)		13,395,495	12,459,294	-936,201	-7%
C2. Other Grant - Baby Bonus Program		1,272,273	1,717,204	444,931	35%
SMC Health, Family Health Services - Baby Bonus Dividend Program**	19510-2647	182,700	200,204	17,504	10%
Health Plan of San Mateo - Baby Bonus Program	19510-2647	202,033	882,000	679,967	337%
County CEO - Measure K - Baby Bonus Program	19510-2647	134,340	108,000	(26,340)	-20%
Silicon Valley Community F. - CZI - Baby Bonus Program	19510-2647	320,200		(320,200)	-100%
Sobrato Family Foundation - Baby Bonus Program	19510-2647	140,000	227,000	87,000	62%
Jackie Speier Foudnation - Baby Bonus Program	19510-2647		100,000	100,000	
Sequoia Healthcare District - Baby Bonus Program	19510-2647	243,000		(243,000)	-100%
Peninsula Healthcare Distric - Baby Bonus Program	19510-2647	50,000	200,000	150,000	300%
C3. Other Revenues- Wellness grant	19510-2101	1,072	1,072	0	0%
II. TOTAL REVENUES		7,557,253	6,590,003	(967,250)	-13%
III. TOTAL AVAILABLE FUNDS (TOTAL SOURCES*)		20,952,748	19,049,297	(1,903,451)	-9%

III. TOTAL AVAILABLE FUND (Total Sources*)

Total Available Funds (Total Sources*) produce a net decrease of \$1,903,451 or 9% decrease.

Major contributions to 9% net decrease in Total Available Funds are associated with lower Beginning Fund Balance, lower Tobacco Tax Revenue allocation, and one-year Mental Health Service Act MHSA grant ends 6.30.2026.

IV. APPROPRIATIONS

D. PROGRAM APPROPRIATIONS

Total Program Appropriations produce a net decrease of (\$491,572) or 6% decrease in the following investment categories:

D1. Strategic Plan Investment - SPIP FY 2025-28; FY 26-27 Draft Appropriations noted below

FY 26-27 Draft Budget for the SPIP FY 2025-28 Appropriations produce a net increases \$794,532 or 43% increase:

- (\$153,286) decrease in Resilient Family
- \$514,919 increase in Healthy Children.

- \$353,000 increase in Quality Care and Education.
- \$79,899 increase in Evaluation

Major contributions to the net increases are:

- Agency utilizes \$1.588 M leverage fundings from MHSA grant and SHD Special Needs and TRISI grants in 14 contracts of SPIP FY 2025-28 in F5SMC FY 25-26 Revised Budget;
- SPIP FY 2025-28 funding is anticipated to increase spending in the second and third years of funding cycle as the MHSA grant ends 6.30.2026.

	ORG/ACCT#	FY25-26 Revised Budget	FY26-27 Draft Budget	FY26-27 Draft Budget (+/-) vs. FY25-26 Revised Budget (\$)	FY26-27 Draft Budget (+/-) vs. FY25-26 Revised Budget (%)
APPROPRIATIONS					
D. PROGRAM APPROPRIATIONS					
D1. Strategic Plan Investment - SPIP FY 25-28 - Primary Domains		1,841,968	2,636,500	794,532	43%
Resilient Family	19540-6125	366,786	213,500	(153,286)	-42%
Healthy Children	19540-6156	858,081	1,373,000	514,919	60%
Quality Care and Education	19540-6263	267,000	620,000	353,000	132%
Grant Management and Other Evaluation Projects	19540-6265	90,101	170,000	79,899	89%
Policy Advocacy, Communications & Systems Change	19540-6814	260,000	260,000	0	0%
D2. Strategic Plan Investment - SPIP FY 23-25 Carry Over		800,000	184,376	(615,624)	-77%
Healthy Children	19540-6156	188,456		(188,456)	-100%
Quality Care and Education	19540-6263	346,624		(346,624)	-100%
Grant Management and Other Evaluation Projects	19540-6265	33,544		(33,544)	-100%
Healthy Children	19540-6156	100,000	100,000	0	0%
Grant Management and Other Evaluation Projects	19540-6265	25,000		(25,000)	-100%
Policy Advocacy, Communications & Systems Change	19540-6814	100,000	80,000	(20,000)	-20%
Emerging Projects	19540-6814	6,376	4,376	(2,000)	-31%

D2. Strategic Plan Investment - SPIP FY 2023-25 Carry-Over

FY 26-27 Draft Appropriations for the SPIP FY 2023-25 Carry Over produce a net decrease of (\$615,624) or 77% decrease due to the followings:

- (\$568,624) net decreases as 4 agreements of the previous strategic plan SPIP FY2023-25 ended 10.31.2025.
- (\$47,000) decrease in SPIP FY 2023-25 Carry Over balance.

Agency continues planning and contracting \$184,376 SPIP FY 2023-25 Carry Over balance for potential emerging projects and or jointfunding opportunities (i.e Child Care Blue Print project)

in coordination with 3-year time frame of SPIP FY 2025-28. Any underspending funds of SPIP FY 2023-25 Carry Over will be returned to Fund Balance by 6.30.2028.

D3. Other Grants Appropriations (non Baby Bonus Program):

	ORG/ACCT#	FY25-26 Revised Budget	FY26-27 Draft Budget	FY26-27 Draft Budget (+/-) vs. FY25-26 Revised Budget (\$)	FY26-27 Draft Budget (+/-) vs. FY25-26 Revised Budget (%)
IV. APPROPRIATIONS					
D. PROGRAM APPROPRIATIONS					
D3. Other Grant Appropriations - Non Baby Bonus Program					
		2,347,710	1,183,810	(1,163,900)	-50%
F5 San Benito IMPACT LEGACY Grant FY26-27	19540-6126	261,605	261,605	0	0%
F5 San Benito IMPACT HUB TA FY26-27	19540-6126	48,206	48,206	0	0%
County of San Mateo BHRS - Mental Health Services MH SA #4 FY25-26	19540-6141	900,000		(900,000)	-100%
Peninsula Healthcare District - Help Me Grow SMC CY2025/CY2026	19540-6161	53,000	53,000	0	0%
Sequoia Healthcare District - Special Needs FY25-28	19540-6131	336,600	397,000	60,400	18%
Sequoia Healthcare District - Mental Health Grant FY25-28	19540-6131	298,300	264,000	(34,300)	-11%
Children and Youth Behavior Health Initiatives - Round 2	19540-6161	450,000	160,000	(290,000)	-64%

Other Grant Appropriations (non Baby Bonus Program) produce a net decrease of \$1,163,900 or 50% decrease. Major contributions to net decreases are one-year Mental Health Service Act MHA grant will end 6.30.2026:

- (\$900,000) decrease in one-year Mental Health Service Act MHA grant as the grant will end 6.30.2026:
 - \$60,400 increase in Sequoia Healthcare District – Integrated System of Children with Special Needs.
 - (\$34,300) decrease in in Sequoia Healthcare District – Early Childhood Mental Health Initiatives.
 - (\$290,000) decrease in Children Youth Behavior Health Initiatives CYBHI grant execution in its 3rd year.

D4. Other Grants Appropriations – Baby Bonus Program

Other Grants – Baby Bonus Program produce a net increase of \$444,931 or 35% increase as the agency continues program execution in its 3rd year, as well as some grants funding end 6.30.2026

- \$17,504 increase in SMC Health, Family Health Services – Baby Bonus Program.
- \$679,967 increase Health Plan of San Mateo – Baby Bonus Program
- (\$26,340) decrease in County CEO – Measure K – Baby Bonus Program
- (\$320,200) decrease in Silicon Valley Community Foundation - CZI – Baby Bonus Program

- \$87,000 increase in Sobrato Family Foundation – Baby Bonus Program
- \$100,000 Jackie Speier Foundation – Baby Bonus Program
- (\$243,000) decrease in Sequoia Healthcare District - Baby Bonus Program
- \$150,000 increase in Peninsula Healthcare District – Baby Bonus Program

D5. Program Operations Appropriations

Program Operations Appropriations produce a net increase of \$48,488 or 3% increase due to the inclusion of 5% COLA, 19% healthcare cost projection increases, and place holder for one-time telephone technology changes.

	ORG/ACCT#	FY25-26 Revised Budget	FY26-27 Draft Budget	FY26-27 Draft Budget (+/-) vs. FY25-26 Revised Budget (\$)	FY26-27 Draft Budget (+/-) vs. FY25-26 Revised Budget (%)
IV. APPROPRIATIONS					
D. PROGRAM APPROPRIATIONS					
D4. Other Grant Appropriations - Baby Bonus Program		1,272,273	1,717,204	444,931	35%
SMC Health, Family Health Services - Baby Bonus Dividend Program**	Salaries & Benefits	182,700	200,204	17,504	10%
Health Plan of San Mateo - Baby Bonus Program	6135 / 6264 / 6266	202,033	882,000	679,967	337%
County CEO - Measure K - Baby Bonus Program	6135 / 6264 / 6266	134,340	108,000	(26,340)	-20%
Silicon Valley Community F. - CZI - Baby Bonus Program	6135 / 6264 / 6266	320,200		(320,200)	-100%
Sobrato Family Foundation - Baby Bonus Program	6135 / 6264 / 6266	140,000	227,000	87,000	62%
Jackie Speier Foundation - Baby Bonus Program	6135 / 6264 / 6266		100,000	100,000	
Sequoia HealthCare District - Baby Bonus Program	6135 / 6264 / 6266	243,000		(243,000)	-100%
Peninsula Healthcare District - Baby Bonus Program	6135 / 6264 / 6266	50,000	200,000	150,000	300%
D5. Program Operations		1,390,226	1,438,714	48,488	3%
Program Shared Operating Budget		210,050	231,354	21,304	10%
Program Staff S&B & Shared Admin Staff Time		966,830	981,438	14,609	2%
E valuation Staff S&B		213,346	225,922	12,576	6%
Total Program Appropriations (D1+D2+D3+D4+D5)		7,652,177	7,160,605	(491,572)	-45%

E. ADMINISTRATIVE OPERATIONS APPROPRIATIONS

Administrative Operations Appropriations produce net increase of \$62,779 or 7% increase due to the inclusion of 5% COLA, 19% healthcare cost projection increases, and place holder for one-time telephone technology changes.

F. TOTAL APPROPRIATIONS

Total Appropriations produce a net decrease of (\$428,794) or 5% decrease.

Major contributions to 5% net decrease in Total Appropriations are associated with the increase appropriations in SPIP FY 2025-28 and in Other Grant – Baby Bonus Program budgets offset with the decreases in the Other Grant – Non Baby Bonus Program budget due to the MHTA grant ends 6.30.2026.

	ORG/ACCT#	FY25-26 Revised Budget	FY26-27 Draft Budget	FY26-27 Draft Budget (+/-) vs. FY25-26 Revised Budget (\$)	FY26-27 Draft Budget (+/-) vs. FY25-26 Revised Budget (%)
IV. APPROPRIATIONS					
E. ADMIN APPROPRIATIONS					
Admin Shared Operating Budget		210,050	231,354	21,304	10%
Admin Staff S&B		631,226	672,701	41,475	7%
Total Administrative Appropriations		841,276	904,055	62,779	7%
Administrative Cost Rate %		10%	11%		
F. TOTAL APPROPRIATIONS (D+E) (NET APPROPRIATIONS*)		8,493,454	8,064,660	(428,794)	-5%
V. ENDING FUND BALANCE (ENDING RESERVES*)		12,459,294	10,984,637	(1,474,657)	-12%

V. ENDING FUND BALANCE

Ending Fund Balance (Ending Reserves*) produces a net decrease of \$1,474,657 or 12% decrease.

Major contributions to 12% net decrease in Ending Fund Balance are net effects of lower Beginning Fund Balance, lower Tobacco Tax Revenue allocation, one-year MHTA grant ending, and the increase execution of the Baby Bonus program.

G. Schedule 1- FY 2026-27 DRAFT OPERATING BUDGET

FY 2026-27 Draft Operating Budget produce net increase of \$42,608 or 10% increase. Major contributions to net increase are associated with a place holder budget for one-time voice-over-the-internet VoIP project replacement of the old land line phone system.

G1. Services & Supplies

Services & Supplies produce a net increase \$37,655 or 31% increase. Major contributions to net increase are associated with a place holder budget for one-time voice-over-the-internet VoIP project replacement of the old land line phone system.

G. Schedule 1- FY 2026-27 DRAFT OPERATING BUDGET

	ORG / ACCT#	FY25-26 Revised Budget	FY26-27 Draft Budget	FY 26-27 Draft Budget (+/-) vs. FY 25-26 Revised Budget (\$)	FY 26-27 Draft Budget (+/-) vs. FY 25-26 Revised Budget (%)
G1. Services and Supplies					
Outside Printing & Copy Svc	19510-5191	1,000	1,000	0	0%
General Office Supplies	19510-5193	7,000	7,000	0	0%
Photocopy Lease & Usage	19510-5198	3,500	5,000	1,500	43%
Direct Communication Expenses	19510-5132	1,671	36,671	35,000	2095%
Computer Supplies	19510-5211	10,000	10,000	0	0%
Software License /Maintenance Expenses	19510-5215	1,090	1,200	110	10%
County Memberships - (e.g. F5 Assn Dues)	19510-5331	33,200	35,000	1,800	5%
Auto Allowance	19510-5712	11,000	11,000	0	0%
Meetings & Conference Expense	19510-5721	8,000	8,000	0	0%
Commissioners Meetings & Conference Exp	19510-5723	5,000	5,000	0	0%
Other Business Travel Expense	19510-5724	8,000	8,000	0	0%
Dept. Employee Training Expense	19510-5731	5,327	7,000	1,673	31%
Wellness grant	19510-5858	1,072	1,072	0	0%
Other Professional Services	19510-5858	27,428	25,000	(2,428)	-9%
Sub Total - Services & Supplies		123,288	160,943	37,655	31%
G2. Other Charges					
Financial System Charges	19510-6705		231	231	
Invoice Automation Charges	19510-6706		1,491	1,491	
Telephone Service Charges	19510-6712	434	552	118	27%
Automation Services - ISD	19510-6713	36,664	38,268	1,604	4%
Annual Facilities Lease	19510-6716	80,000	70,000	(10,000)	-13%
General Liability Insurance	19510-6725	22,059	32,262	10,203	46%
Official Bond Insurance	19510-6727	298	352	54	18%
Human Resources Services	19510-6733	264	375	111	42%
Countywide Security Services	19510-6738	756	965	209	28%
All Other Service Charges	19510-6739	60,210	60,000	(210)	0%
Card Key Services	19510-6751	962	731	(231)	-24%
ISD Prvd Software Lic/Maint	19510-6752	6,789	7,186	397	6%
Data Backup & Recovery Subsc	19510-6754	946	887	(59)	-6%
Desktop Support Subscription	19510-6758	8,150	9,313	1,163	14%
Virtual Private Network Subs	19510-6763	332	249	(83)	-25%
Virtual Server Subscription	19510-6770	3,948	3,903	(45)	-1%
A-87 Expense	19510-6821	75,000	75,000	0	0%
Sub Total - Other Charges		296,812	301,765	4,953	2%
G. Total Operating Budget		420,100	462,708	42,608	10%

G2. Other Charges

Other Charges produce a net increase of \$4,953 or 2% increase. Major contributions to net increase are associated with the increase of county service costs

H. Schedule 2- FY 2026-27 DRAFT SALARIES & BENEFITS BUDGET

H1. **F5SMC FY 2026-27 Draft Salaries & Benefits Budget** produce net increases \$68,659 or 4% increase due to the inclusion of COLA and healthcare cost projection increases.

H2. **Baby Bonus Program – Work Out of Class WOC- Community Health Planner FY 2026-27 Draft Salaries & Benefits Budget** produce net increase of \$17,504 or 10% increase due to the due to the inclusion of COLA and healthcare cost projection increases.

H. Schedule 2 - FY 2026-27 DRAFT SALARIES & BENEFITS BUDGET

	ORG / ACCT#	FY25-26 Revised Budget	FY26-27 Draft Budget	FY 26-27 Draft Budget (+/-) vs. FY 25-26 Revised Budget (\$)	FY 26-27 Draft Budget (+/-) vs. FY 25-26 Revised Budget (%)
Program Staff & Shared Admin Staff		986,830	981,438	14,609	2%
Evaluation Staff		213,346	225,922	12,576	6%
Admin Staff		631,226	672,701	41,475	7%
H1. F5SMC Salaries and Benefits		1,811,402	1,880,061	68,659	4%
H2. Baby Bonus Program - WOC		182,700	200,204	17,504	10%

I. GLOSSARY / REFERENCES

1. Per the County Budget Act (Government Code §§ 29000-29144, 30200 and 53065), the County Manager’s Office and the County Controller’s Office have requested F5SMC to include the language of the use of Fund Balance (Reserves*) in its Budget memo to the Commission.
2. Since its inception, F5SMC has used different terminologies in its audit reports, budget documents, and Long-Term Financial Plan than those used by the County of San Mateo. The rationales are for (1) comparable terminologies used across F5SMC’s audit reports, budget documents, and Long-Term Financial Plan; (2) for the usefulness of the public; and (3) for consistent language used by First 5 California and by other First 5 Commissions throughout the State. Since March 2018, F5SMC added budgetary terminologies used by the County to F5SMC Budget.
3. F5SMC has two main revenue streams: (a) monthly Tobacco Tax Revenue disbursements based on actual birth rate in each county; and (b) Other Grant Revenues are acquired from F5 California, Other F5 Commissions, and or other funders through competitive grant applications.

Tobacco Tax Revenue projections are based on estimated Proposition 10 tax revenue, Proposition 56 backfill, estimated interest earned by the account, less adjustments for California Department of Tax and Fee Administration’s administrative costs and statewide assessments.

Attachment 6

4. F5CA released annual Tobacco Tax Revenue Projections by county each fiscal year based on projected birth rate of each county. When the published birth rate data becomes available, State Finance Department will update Tobacco Tax Revenue Projections based on the actual birth rate of each county. The data can be found on Department of Finance's website at the following link: P_CY_Births_Report.xlsx (live.com).
5. F5SMC is a Non-General Fund Department or Zero Net County Cost Department of County of San Mateo, F5SMC funding sources is Tobacco Tax Revenue disbursed by the State of California; therefore, the San Mateo County's Reserves Policy is not applicable to F5SMC.

Per *County Recommended Budget Instructions and Guide FY 2025-27*, page 14, non-general fund department can retain 100% of fund balances unless there is agreement to do otherwise.

6. FUND BALANCE (NOTE 10 –F5SMC audit report for the year ending 6.30.2025, page 33)

As prescribed by **GASB Statement No. 54**, governmental funds report fund balance in classifications based primarily on the extent to which First 5 is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. First 5's fund balances were comprised of the following:

- **Restricted Fund Balance** – includes amounts that can be spent only for **specific purposes** stipulated by **external resources providers**, constitutionally or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of the resource provider.
- **Committed Fund Balance** – includes amounts that can only be used for **specific purposes** determined by a formal action of **First 5's highest level decision-making authority, the First 5 Board of Commissioners**. Commitments may be changed or lifted only by First 5 taking the same formal action that originally imposed the constraint.
- **Assigned Fund Balance** – comprises amounts intended to be used by First 5 for **specific purposes** that are neither restricted nor committed. Intent is expressed by (1) First 5's Board of Commissioners or (2) a body (for example, a budget or finance committee) or official to which First 5's Board of Commissioners has delegated the authority to assign amounts to be used for specific purposes.

In circumstances when an expenditure is made for a purpose for which amounts are available in multiple fund balance classifications, fund balance is depleted in the order of restricted, committed, and assigned.

FIRST 5 SAN MATEO COUNTY

FY 2026-27 DRAFT BUDGET SUMMARY

	FY25-26 Revised Budget	FY26-27 Draft Budget	FY26-27 Draft Budget (+/-) vs. FY25-26 Revised Budget (\$)	FY26-27 Draft Budget (+/-) vs. FY25-26 Revised Budget (%)
i. BEGINNING FUND BALANCE (Beginning Reserves*)	13,395,495	12,459,294	(936,201)	-7%
A. Interest Revenue	401,865	374,000	(27,865)	-7%
B. Tobacco Tax Revenue	3,412,446	3,215,616	(196,830)	-6%
Tobacco Tax Revenue Fiscal Year Allocations	3,412,446	3,215,616	(196,830)	-6%
C1. Other Grant Revenues - Non Baby Bonus Program	2,469,597	1,282,110	(1,187,486)	-48%
C2. Other Grant Revenues- Baby Bonus Program	1,272,273	1,717,204	444,931	35%
C3. Other Grant Revenues	1,072	1,072	0	0%
ii. TOTAL REVENUES	7,557,253	6,590,003	(967,250)	-13%
iii. TOTAL AVAILABLE FUND (Total Sources*)	20,952,748	19,049,297	(1,903,451)	-9%
IV. APPROPRIATIONS				
D. PROGRAM APPROPRIATIONS				
D1. Strategic Plan Investment - SPIP FY 25-28	1,841,968	2,636,500	794,532	43%
Resilient Family	366,786	213,500	(153,286)	-42%
Healthy Children	858,081	1,373,000	514,919	60%
Quality Care and Education	267,000	620,000	353,000	132%
Grant Management and Other Evaluation Projects	90,101	170,000	79,899	89%
Change	260,000	260,000	0	0%
D2. Strategic Plan Investment - SPIP FY 23-25 Carry Over	800,000	184,376	(615,624)	-77%
Community Investments (RF, HC, QC & E)	635,080	100,000	(535,080)	-84%
Evaluation	58,544	0	(58,544)	-100%
Change	106,376	84,376	(22,000)	-21%
D3. Other Grant Appropriations - Non Baby Bonus Program	2,347,710	1,183,810	(1,163,900)	-50%
D4. Other Grant Appropriations - Baby Bonus Program	1,272,273	1,717,204	444,931	35%
D5. Program Operations	1,390,226	1,438,714	48,488	3%
Program Shared Operating Budget	210,050	231,354	21,304	10%
Program Staff S&B & Shared Admin Staff Time	966,830	981,438	14,609	2%
Evaluation Staff S&B	213,346	225,922	12,576	6%
D. TOTAL PROGRAM APPROPRIATIONS (D1+D2+D3+D4+D5)	7,652,177	7,160,605	(491,572)	-6%
E. ADMIN APPROPRIATIONS				
Admin Shared Operating Budget	210,050	231,354	21,304	10%
Admin Staff Salaries & Benefits	631,226	672,701	41,475	7%
E. TOTAL ADMIN APPROPRIATIONS	841,276	904,055	62,779	7%
F. TOTAL APPROPRIATIONS (Net Appropriations*)	8,493,454	8,064,660	(428,794)	-5%
Surplus / (Deficit) (Total Revenues - Total Appropriations)	-936,201	-1,474,657	(538,456)	58%
V. ENDING FUND BALANCE	12,459,294	10,984,637	(1,474,657)	-12%
TOTAL F5SMC SALARIES & BENEFITS	1,811,402	1,880,061	68,659	4%

FIRST 5 SAN MATEO COUNTY

FY 2026-27 DRAFT BUDGET DETAILS

	ORG/ACCT#	FY25-26 Revised Budget	FY26-27 Draft Budget	FY26-27 Draft Budget (+/-) vs. FY25-26 Revised Budget (\$)	FY26-27 Draft Budget (+/-) vs. FY25-26 Revised Budget (%)	Notes to FY2026-27 Draft Budget
I. BEGINNING FUND BALANCE (Beginning Reserves*)		13,395,495	12,459,294	-936,201	-7%	Lower Beginning Fund Balance as the agency continues to draw down Reserves* to fund strategic investment implementation plan SPIP FY25-28 and to leverage additional funding sources.
A. Interest Revenue	19510-1521	401,865	374,000	(27,865)	-7%	3.00% Interest earning rate
B. Tobacco Tax Revenue		3,412,446	3,215,616	(196,830)	-6%	
Tobacco Tax Revenue Fiscal Year Allocations	19510-1861	3,412,446	3,215,616	(196,830)	-6%	update with Tobacco Tax Revenue Projections January 23, 2026
C1. Other Grant Revenues - Non Baby Bonus Program		2,469,597	1,282,110	(1,187,486)	-48%	Net decreases are associated with one-year MHSA grant ends 6.30.2026.
F5 San Benito IMPACT LEGACY Grant FY26-27	19510-2643	324,605	324,605	0	0%	TBD with pending new Impact Legacy grant renewal.
F5 San Benito IMPACT HUB TA FY26-27	19510-2643	48,206	48,206	0	0%	TBD with pending new Impact Hub grant renewal.
County of San Mateo BHRS - Mental Health Services MHSA #4 FY25-26	19510-2643	900,000	0	(900,000)	-100%	One-year MHSA grant ends 6.30.2026
Peninsula Healthcare District - Help Me Grow SMC CY2025/CY2026	19510-2643	60,000	60,000	0	0%	
Sequoia Healthcare District - Special Needs Grant FY25-28	19510-2643	373,400	373,400	0	0%	2nd year of 3-year grant execution
Sequoia Healthcare District - Mental Health Grant FY25-28	19510-2643	315,900	315,900	0	0%	2nd year of 3-year grant execution
Children and Youth Behavior Health Initiatives - Round 2	19510-2643	447,486	160,000	(287,486)	-64%	
C2. Other Grant - Baby Bonus Program		1,272,273	1,717,204	444,931	35%	3rd year of 5-year Baby Bonus grant execution.
SMC Health, Family Health Services - Baby Bonus Dividend Program**	19510-2647	182,700	200,204	17,504	10%	WOC Community Health Planner
Health Plan of San Mateo - Baby Bonus Program	19510-2647	202,033	882,000	679,967	337%	
County CEO - Measure K - Baby Bonus Program	19510-2647	134,340	108,000	(26,340)	-20%	
Silicon Valley Community F. - CZ1 - Baby Bonus Program	19510-2647	320,200		(320,200)	-100%	
Sobrato Family Foundation - Baby Bonus Program	19510-2647	140,000	227,000	87,000	62%	
Jackie Speier Foundation - Baby Bonus Program	19510-2647		100,000	100,000		New grant award with grant funding in receipt.
Sequoia Healthcare District - Baby Bonus Program	19510-2647	243,000		(243,000)	-100%	
Peninsula Healthcare District - Baby Bonus Program	19510-2647	50,000	200,000	150,000	300%	
C3. Other Revenues- Wellness grant	19510-2101	1,072	1,072	0	0%	
II. TOTAL REVENUES		7,557,253	6,590,003	(967,250)	-13%	Major contributions to 13% net decrease are associated with lower Tobacco Tax Revenue allocation and one-year Mental Health Service Act MHSA grant ending offset with higher Baby Bonus program execution.
III. TOTAL AVAILABLE FUNDS (TOTAL SOURCES*)		20,952,748	19,049,297	(1,903,451)	-9%	Major contributions to 9% net decrease are associated with lower Beginning Fund Balance, lower Tobacco Tax Revenue allocation, and one-year Mental Health Service Act MHSA grant ending offset with higher Baby Bonus Program execution.
IV. APPROPRIATIONS						
D. PROGRAM APPROPRIATIONS						
D1. Strategic Plan Investment - SPIP FY 25-28 - Primary Domains		1,841,968	2,636,500	794,532	43%	\$1,588 M leverage funding from MHSA grant and SHD grants are utilized in 14 agreements of the SPIP FY 25-28 contracting
Resilient Family	19540-6125	366,786	213,500	(153,286)	-42%	
Healthy Children	19540-6156	858,081	1,373,000	514,919	60%	
Quality Care and Education	19540-6263	267,000	620,000	353,000	132%	
Grant Management and Other Evaluation Projects	19540-6265	90,101	170,000	79,899	89%	
Policy Advocacy, Communications & Systems Change	19540-6814	260,000	260,000	0	0%	
D2. Strategic Plan Investment - SPIP FY 23-25 Carry Over		800,000	184,376	(615,624)	-77%	Investment of SPIP FY 23-25 Carry Over balance is in coordination of the strategic plan SPIP FY25-28 investments.
Healthy Children	19540-6156	188,456		(188,456)	-100%	FY23-25 agreements / amendments ended 10.31.2025
Quality Care and Education	19540-6263	346,624		(346,624)	-100%	FY23-25 agreements / amendments ended 10.31.2025

	ORG/ACCT#	FY25-26 Revised Budget	FY26-27 Draft Budget	FY26-27 Draft Budget (+/-) vs. FY25-26 Revised Budget (\$)	FY26-27 Draft Budget (+/-) vs. FY25-26 Revised Budget (%)	Notes to FY2026-27 Draft Budget
Grant Management and Other Evaluation Projects	19540-6265	33,544		(33,544)	-100%	FY23-25 agreements / amendments ended 10.31.2025
Healthy Children	19540-6156	100,000	100,000	0	0%	
Grant Management and Other Evaluation Projects	19540-6265	25,000		(25,000)	-100%	
Policy Advocacy, Communications & Systems Change	19540-6814	100,000	80,000	(20,000)	-20%	
Emerging Projects	19540-6814	6,376	4,376	(2,000)	-31%	
D3. Other Grant Appropriations - Non Baby Bonus Program		2,347,710	1,183,810	(1,163,900)	-50%	Net decreases are associated with one-year MHSA grant ends 6.30.2026.
F5 San Benito IMPACT LEGACY Grant FY26-27	19540-6126	261,605	261,605	0	0%	TBD with pending new Impact Legacy grant renewal.
F5 San Benito IMPACT HUB TA FY26-27	19540-6126	48,206	48,206	0	0%	TBD with pending new Impact Hub grant renewal.
County of San Mateo BHRS - Mental Health Services MHSA #4 FY25-26	19540-6141	900,000		(900,000)	-100%	One-year grant only and grant ends 6.30.2026
Peninsula Healthcare District - Help Me Grow SMC CY2025/CY2026	19540-6161	53,000	53,000	0	0%	
Sequoia Healthcare District - Special Needs FY25-28	19540-6131	336,600	397,000	60,400	18%	
Sequoia Healthcare District - Mental Health Grant FY25-28	19540-6131	298,300	264,000	(34,300)	-11%	
Children and Youth Behavior Health Initiatives - Round 2	19540-6161	450,000	160,000	(290,000)	-64%	
D4. Other Grant Appropriations - Baby Bonus Program		1,272,273	1,717,204	444,931	35%	Net increases are associated with the 3rd year of the Baby Bonus program execution.
SMC Health, Family Health Services - Baby Bonus Dividend Program**	Salaries & Benefits	182,700	200,204	17,504	10%	Community Health Planner - WOC position
Health Plan of San Mateo - Baby Bonus Program	6135 / 6264 / 6266	202,033	882,000	679,967	337%	
County CEO - Measure K - Baby Bonus Program	6135 / 6264 / 6266	134,340	108,000	(26,340)	-20%	
Silicon Valley Community F. - CZI - Baby Bonus Program	6135 / 6264 / 6266	320,200		(320,200)	-100%	Grant term ends 6.30.2026
Sobrato Family Foundation - Baby Bonus Program	6135 / 6264 / 6266	140,000	227,000	87,000	62%	
Jackie Speier Foundation - Baby Bonus Program	6135 / 6264 / 6266		100,000	100,000		
Sequoia HealthCare District - Baby Bonus Program	6135 / 6264 / 6266	243,000		(243,000)	-100%	Grant term ends 6.30.2026
Peninsula Healthcare District - Baby Bonus Program	6135 / 6264 / 6266	50,000	200,000	150,000	300%	
D5. Program Operations		1,390,226	1,438,714	48,488	3%	Net increases are associated with the increases in county service cost, one-time IT project, and COLA and healthcare cost increases
Program Shared Operating Budget		210,050	231,354	21,304	10%	
Program Staff S&B & Shared Admin Staff Time		966,830	981,438	14,609	2%	Excluding WOC - Community Health Planner position for the Baby Bonus Program
Evaluation Staff S&B		213,346	225,922	12,576	6%	
D. TOTAL PROGRAM APPROPRIATIONS (D1+D2+D3+D4+D5)		7,652,177	7,160,605	(491,572)	-6%	Major contributions to 6% net decrease in Total Program Appropriations are associated with one-year MHSA grant ends 6.30.2026.
E. ADMIN APPROPRIATIONS						
Admin Shared Operating Budget		210,050	231,354	21,304	10%	
Admin Staff S&B		631,226	672,701	41,475	7%	
E. TOTAL ADMIN APPROPRIATIONS		841,276	904,055	62,779	7%	Net increases are associated with the increases in county service cost, one-time IT project, and COLA and healthcare cost increases
Administrative Cost Rate %		10%	11%			
F. TOTAL APPROPRIATIONS (D+E) (NET APPROPRIATIONS*)		8,493,454	8,064,660	(428,794)	-5%	Major contributions to 5% net decrease in Total Program Appropriations are associated with one-year MHSA grant ends 6.30.2026.
V. ENDING FUND BALANCE (ENDING RESERVES*)		12,459,294	10,984,637	(1,474,657)	-12%	Major contributions to 12% net decrease in Ending Fund Balance are associated with lower Beginning Fund Balance, lower Tobacco Tax Revenue allocation, and one-year MHSA grant ending offset with higher Baby Bonus program execution.

Color Coding

Shared Budget/Shared Cost	
Revenue ; Fund Balance	
Appropriations	
Salaries & Benefits	

G. Schedule 1- FY 2026-27 DRAFT OPERATING BUDGET

	ORG / ACCT#	FY25-26 Revised Budget	FY26-27 Draft Budget	FY26-27 Draft Budget (+/-) vs. FY25-26 Revised Budget (\$)	FY26-27 Draft Budget (+/-) vs. FY25-26 Revised Budget (%)	Notes to FY2026-27 Draft Budget
G1. Services and Supplies						
Outside Printing & Copy Svc	19510-5191	1,000	1,000	0	0%	
General Office Supplies	19510-5193	7,000	7,000	0	0%	
Photocopy Lease & Usage	19510-5196	3,500	5,000	1,500	43%	
Direct Communication Expenses	19510-5132	1,671	36,671	35,000	2095%	Place holder for one-time voice-over-the-internet VoIP project cost of 35K
Computer Supplies	19510-5211	10,000	10,000	0	0%	New laptop replacements
Software License /Maintenance Expenses	19510-5215	1,090	1,200	110	10%	Slit to ISD account 6752
County Memberships - (e.g. F5 Assn Dues)	19510-5331	33,200	35,000	1,800	5%	F5CA Association membership dues increase
Auto Allowance	19510-5712	11,000	11,000	0	0%	
Meetings & Conference Expense	19510-5721	8,000	8,000	0	0%	
Commissioners Meetings & Conference Exp	19510-5723	5,000	5,000	0	0%	
Other Business Travel Expense	19510-5724	8,000	8,000	0	0%	
Dept. Employee Training Expense	19510-5731	5,327	7,000	1,673	31%	
Wellness grant	19510-5856	1,072	1,072	0	0%	
Other Professional Services	19510-5858	27,428	25,000	(2,428)	-9%	County Controller Office Service agreement
Sub Total - Services & Supplies		123,288	160,943	37,655	31%	for one-time voice-over-the-internet VoIP project for replacement of the old land line phone system.
G2. Other Charges						
Financial System Charges	19510-6705		231	231		
Invoice Automation Charges	19510-6706		1,491	1,491		
Telephone Service Charges	19510-6712	434	552	118	27%	
Automation Services - ISD	19510-6713	36,664	38,268	1,604	4%	Slit to ISD accounts 6752,6754,6758,6763,6770
Annual Facilities Lease	19510-6716	80,000	70,000	(10,000)	-13%	Rent Amendment
General Liability Insurance	19510-6725	22,059	32,262	10,203	46%	
Official Bond Insurance	19510-6727	298	352	54	18%	
Human Resources Services	19510-6733	264	375	111	42%	
Countywide Security Services	19510-6738	756	965	209	28%	
All Other Service Charges	19510-6739	60,210	60,000	(210)	0%	
Card Key Services	19510-6751	962	731	(231)	-24%	
ISD Prvd Software Lic/Maint	19510-6752	6,789	7,186	397	6%	
Data Backup & Recovery Subsc	19510-6754	946	887	(59)	-6%	
Desktop Support Subscription	19510-6758	8,150	9,313	1,163	14%	
Virtual Private Network Subs	19510-6763	332	249	(83)	-25%	
Virtual Server Subscription	19510-6770	3,948	3,903	(45)	-1%	
A-87 Expense	19510-6821	75,000	75,000	0	0%	
Sub Total - Other Charges		296,812	301,765	4,953	2%	Net increases are associated with the increases in county service costs
G. TOTAL OPERATING BUDGET		420,100	462,708	42,608	10%	Net increases are associated with the increases in county service cost, one-time IT project, and COLA and healthcare cost increases
Program Shared Operating Budget		210,050	231,354	21,304	10%	Allocation rate 50% to Program
Admin Shared Operating Budget		210,050	231,354	21,304	10%	Allocation rate 50% to Admin

H. Schedule 2 - FY 2026-27 DRAFT SALARIES & BENEFITS BUDGET

Attachment 6C

	ORG / ACCT#	FY25-26 Revised Budget	FY26-27 Draft Budget	FY26-27 Draft Budget (+/-) vs. FY25-26 Revised Budget (\$)	FY26-27 Draft Budget (+/-) vs. FY25-26 Revised Budget (%)	Notes to FY2026-27 Draft Budget
Program Staff & Shared Admin Staff		966,830	981,438	14,609	2%	27% Admin staff time allocated to Program; Excluding Extra Healp
Evaluation Staff		213,346	225,922	12,576	6%	5% COLA inclusion and 19% healthcare cost increases
Admin Staff		631,226	672,701	41,475	7%	5% COLA inclusion and 19% healthcare cost increases
H1. F5SMC SALARIES & BENEFITS		1,811,402	1,880,061	68,659	4%	5% COLA inclusion and 19% healthcare cost increases
H2. BABY BONUS PROGRAM - WOC SALARIES & BENEFITS		182,700	200,204	17,504	10%	5% COLA inclusion and 19% healthcare cost increases

Color Coding

- Shared Budget/Shared Cost
- Revenue ; Fund Balance
- Appropriations
- Salaries & Benefits
