

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

# FINANCIAL PLANNING COMMITTEE

## AGENDA

Thursday, January 17, 2019 – 12:30 PM

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**Members:** Kathy Kossick (Chair), Beth Hassett (Vice-Chair), Terrence Jones

**Advisory Committee Members:** Ernie Brown, Silvia Rodriguez, Walter Winiarczyk

**Staff:** Julie Gallelo, Michele Peterson, Katie Cline, Eric Harrold, Gail Syputa

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1. Welcome/Call to order and Roll Call
2. Public Comments on Off-Agenda Items
3. Approve Draft Action Summary of October 4, 2018
4. Approve 2019 Revised Meeting Calendar
5. Receive Staff Updates
6. Review and Comment on Financial Statements
7. Approve Appropriations Adjustment Request in the amount of \$2,394,914
8. Committee Member Comments

# FINANCIAL PLANNING COMMITTEE

## DRAFT ACTION SUMMARY

Thursday, October 4, 2018 – 12:30 PM

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**Members:** Kathy Kossick (Chair), Beth Hassett (Vice-Chair), Terrence Jones  
**Advisory Committee Members:** Ernie Brown, Walter Wyniarczuk  
**Staff:** Julie Gallelo, Michele Peterson, Katie Cline, Eric Harrold, Gail Syputa  
**Absent:** Ernie Brown, Terrence Jones

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1. Welcome/Call to order and Roll Call  
**Action:** Meeting was called to order at 12:42PM. A quorum was not established at this time.
2. Public Comments on Non-Agenda Matters  
**Action:** Introduction of Lisa Matthews but no comments.
3. Approve Draft Action Summary of July 5, 2018  
**Action:** Hassett/Wyniarczuk. Approved as recommended.
4. Approve 2019 Meeting Calendar  
**Action:** Hassett/Wyniarczuk. Approved as recommended. Meetings will now be held on the third Thursday of every third month (or as designated).
5. Receive Staff Updates  
**Action:** Eric Harrold reviewed topics, which included:
  - Reallocation of the Senior Accountant to an Accounting Technician.
  - MAA invoice from 2014/15 has been paid in the amount of \$201K.
  - The first sustainability webinar training has been held, recorded and a link sent to all contractors.
  - In September 2018, the BOS approved an additional \$325K for Birth & Beyond, which is the second installment.
  - The plan is due to First 5 on February 15, 2019 for an internal review, then to our consultant with feedback and comments. The final version is due late April 2019.
6. Review and Comment on Financial Statements  
**Action:** Eric Harrold reviewed the handouts, opened for question and answer period.

7. Review and Comment Draft Audit

**Action:** Eric Harrold stated that staff is in a learning curve right now due to reviewing of procedures and methodology, which has to be the same as previously started. The draft audit has been reviewed and submitted for suggestions. Expecting minor changes but if there are any substantial changes, the committee will be notified before going before the Commission for their approval. Timing for finalization may change but is expected to be November 2018 and to the Commission in December 2018.

8. Committee Member Comments

**Action:** Chair Kossick gave kudos to Eric Harrold and his staff for all their hard work.

Adjourned: 1:30PM

Respectfully submitted,

Gail Syputa, Clerk  
First 5 Sacramento Commission



January 17, 2019

## FINANCIAL PLANNING COMMITTEE (FPC) Meeting Calendar 2019

**Meeting Reoccurrence:** 12:30 pm to 1:30 pm  
3rd Thursday of the month  
Quarterly  
First 5 Community Room, 2750 Gateway Oaks Dr., Ste. 330

<b>FPC Meeting Dates:</b>	<b>For Commission Action On:</b>
<b>January 17, 2019</b> <i>Financials</i>	February 4, 2019 No action needed
<b>April 4, 2019</b> <i>Recommended Budget</i> <i>Financials</i>	May 6, 2019 Approve Recommended Budget
<b>July 18, 2019</b> <i>Adopted Budget</i> <i>Financials</i>	August 5, 2019 Approve Adopted Budget
<b>October 17, 2019</b> <i>Audit</i> <i>Financials</i>	November 4, 2019 Approve Audit

**FIRST 5 SACRAMENTO COMMISSION**  
**Financial Planning Committee Staff Report**  
**January 17, 2019**

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**1. Staffing:**

There was a delay in the hiring of the Accounting Technician to allow the Department of Personnel Services to update the certification list with the latest applicants. This occurred on December 18, 2018. First 5 Staff pre-screened the 190 candidate list looking for strong Compass or accounting experience. 35 candidates were sent a certification letter to apply for the opening and 17 responded. The top candidates will be invited to interview in late January and the opening filled in February.

On January 7, 2019, Kris Clinton was hired as a Program Planner filling the vacant position left by Julie Beyers. Kris was working for Public Health as a Health Program Coordinator monitoring First 5 dental contracts with 25% of her time which was reimbursed. In her new role working for First 5 she will continue to monitor the dental contracts and take on the management of the new CalWORKS Home Visitation Initiative (HVI) program.

**2. Medi-Cal Administrative Activities (MAA):**

Staff and the Local Government Agency (LGA) will be looking at an online database called Time Study Buddy used to support the MAA time surveys and claiming process. The demonstration will be on January 18, 2019, in the First 5 Community Room at 11 am. FPC members are invited to attend.

The Q1 invoice for FY 17-18 B&B and First 5 have been sent to the LGA for review and submission to the State.

**3. Sustainability:**

Staff have been concentrating on forging partnerships with other county departments to provide services to the 0-5 community. On December 3, 2018, the Commission approved entering an agreement with the Department of Human Assistance (DHA) to receive \$4.8 million in CalWORKS HVI funding over the next 18 months beginning January 2019. DHA received their approval from the Board of Supervisors on December 18, 2018. First 5 Staff, County Counsel, DHA, Child Abuse Prevention Center (CAPC), and the Family Resource Centers concentrated their efforts in order to negotiate agreeable contract language for three different contracts (revenue, expenditure, and data use), and executed all before the January 1, 2019.

A similar arrangement is being negotiated with Public Health for a perinatal services contract in the Black Infant Health (BIH) program that could reach up to \$400 thousand for 6 months and increase the contracts First 5 has with agencies involved with Reducing African American Child Deaths (RAACD).

**4. Budget:**

The sustainability efforts have resulted in extra revenues and expenditures that have not been accounted for in the FY 18/19 adopted budget. This process is known as the Appropriations Adjustment Request (AAR) which is approved by the Commission and Board of Supervisors. The AAR will reflect Additional Revenues including:

From	Amount	Purpose
Department of Children, Families, and Adult Services	\$350,000	Backfill Birth & Beyond (B&B) services from Oct. 1, 2018 to Dec. 31, 2018.
DHA	\$1,634,915	Funds provided by CalWORKS HVI to backfill B&B services from Jan. 1, 2019 to Jun. 30, 2019.
Department of Health Services – Public Health	\$400,000	Funds provided by the California Department of Public Health to launch a new initiative in the Black Infant Health Program.

**5. Proposition 10 Revenue:**

In FY 2018/19 Prop 10 revenue is meeting or slightly exceeding projections:

<b>FISCAL YEAR 2018/19</b>			
<b>Month*</b>	<b>Collected</b>	<b>Budgeted**</b>	<b>Prior Year</b>
Jul 2018	\$1,054,980	\$1,017,010	\$1,162,690
Aug 2018	\$927,798	\$1,017,010	\$1,053,312
Sep 2018	\$1,234,758	\$1,017,010	\$1,024,552
Nov 2018	\$1,012,524	\$1,017,010	\$978,037
	<b>\$4,230,060</b>	<b>\$4,068,040</b>	<b>\$4,218,591</b>

\* November & December have not been reported

\*\* Based on Straight Line Average

**FIRST 5 SACRAMENTO COMMISSION**  
**Financial Planning Committee**  
**January 17, 2019**

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**Analysis of Financials for Period July 1, 2018 to December 31, 2018**

Report Period: 6 months  
% of Fiscal Year Complete: 50%

▶▶▶ Selected accounts and accounts greater than 60% expended compared to budget:

**20203500 Education/Training Supplies**

Budget: \$4,500  
Expended: \$9,590 (213%)

This general ledger (G/L) account is where much of the First 5 social media advertising is paid. Prior year budget had \$29,500 allocated but was cut due to the fiscal cliff. With additional funding coming to First 5 from the CalWORKS HVI program, this account's allocation will be increased when an Appropriations Adjustment Request (AAR) is approved by the Commission and Board of Supervisors- sometime in March or later, depending on the Countywide AAR process.

**20203900 Employee Transportation**

Budget: \$800  
Expended: \$1,212 (151%)

This G/L account is used to reimburse employees for mileage driven in personal vehicles for County business. Each employee has an allowance of \$576 per year to claim minimum mileage in a different G/L account. If an employee chooses to claim actual mileage, a savings is realized in the Allowances G/L account. The actual claimed in this account varies year to year, depending on how active employees are in the field. Due to increase Media efforts this year, this account has increased expenditures. This account allocation will be increased during the AAR process.

**20205200 Insurance Liability**

Budget: \$41,716  
Expended: \$36,242 (87%)

This G/L account is used to pay insurance premiums. A bulk of the premium has been paid in the beginning of the year and does not model a straight line average (ie. consistent monthly cost)

**20250600 Investment Services**

Budget: \$1,661,957  
Expended: \$1,541,092 (93%)

This account was budgeted to pay invoices from the Medi-Cal Administrative Activities (MAA) for backcasting. This is a one-time expenditure that is now paid.

**20281200 Data Processing Supplies**

Budget: \$28,300  
Expended: \$23,305 (82%)

This G/L account was budgeted for the anticipated computer systems "refresh" which involved replacing all First 5 computers and laptops, as required by the County Department of Technology (DTECH). All computers and most laptops have been replaced resulting in a higher expenditure percentage.

**20291300 Auditor Services**

Budget: \$38,100  
Expended: \$25,214 (66%)

This G/L account is used to record costs for the First 5 independent audit. The audit takes place in the first and second quarters where most of the expenses will be recorded resulting in a higher expenditure percentage.

### ▶▶▶ Revenue Analysis

#### **MAA**

Because of the way backcasting was paid (as a revenue abatement), the first 3 quarters of MAA revenue are already realized. Instead of the State paying the quarterly invoices, they credited the amount to what is owed for backcasting. So, the First 5 funds set aside to pay the backcasting are instead moved to revenue.

**Proposition 10** – The California Department of Tax and Fee Administration has been slow in reporting Prop 10 revenues this year. Currently, only 4 months have been reported, however, revenues are currently as projected or slightly higher.



First 5 Sacramento Commission

Results of Operations

For the Fiscal Year Through December 31, 2018

<u>Account Description</u>	<u>Budget</u>	<u>Total Actual</u>	<u>% of Budget</u>
Salaries	\$1,382,516	\$557,185	40%
Benefits	646,592	270,926	42%
<b>Total Salaries &amp; Benefits</b>	<b>\$2,029,108</b>	<b>\$828,111</b>	<b>41%</b>
20202400 Periodicals/Subscriptions	100	-	0%
20202900 Business/Conf Exp	4,000	2,105	53%
20203100 Business Travel	4,000	465	12%
20203500 Ed/Training Svc	4,500	9,590	213%
20203600 Ed/Training Sup	36,900	11,046	30%
20203800 Employee Recon	800	144	18%
20203900 Emp Transportation	800	1,212	151%
20205200 Insurance Liability	41,716	36,242	87%
20206100 Membership Dues	32,339	-	0%
20207600 Office Supplies	7,700	2,479	32%
20208100 Postal Svcs	200	-	0%
20208500 Printing	10,150	2,122	21%
20250500 Accounting Svcs	46,333	22,000	47%
20250600 Investment Svc	1,661,957	1,541,591	93%
20253100 Legal Svc	13,000	5,526	43%
20254100 Personnel Svcs	23,226	11,613	50%
<b>20259100 Other Prof. Svcs</b>	<b>19,541,092</b>	<b>4,484,995</b>	<b>23%</b>
20259105 Media Svcs	65,000	5,000	8%
20281200 Data Process Supplies	28,300	23,305	82%
20281302 Finance Payroll	2,079	1,040	50%
20281303 Finance Payment Services	2,374	1,187	50%
20281305 Finance Audits	507	254	50%
20281306 Finance System Control	901	450	50%
20283200 Interpreter Svcs	400	-	0%
20289900 Other Oper. Svc	400	176	44%
20291000 CountyWide IT Svcs	15,032	7,512	50%
20291100 System Dev Svc	25,298	12,811	51%
20291200 System Dev Sup	12,941	7,372	57%
20291300 Auditor Svcs	38,100	25,214	66%
20291400 Co Exec Cab Svc	8,323	4,162	50%
20291600 Wan Allocation	21,814	10,906	50%
20291700 Alarm Svcs	2,957	1,479	50%
20292100 GS Printing Svcs	7,900	4,261	54%
20292200 GS Postage	850	417	49%
20292300 GS Messenger	3,648	1,845	51%
20292500 GS Purchasing	3,314	1,657	50%
20294200 Cnty Facility Use Chg	669	334	50%
20294300 Leased Prop Use	146,520	71,531	49%
20296200 GS Parking	2,000	396	20%
20298300 GS Surplus Prop Mgmt	445	222	50%
20298700 Telephone Svcs	20,986	10,535	50%
30348000 Co Wide Cost Alloc (A87)	11,948	5,976	50%
<b>Total Services &amp; Supplies</b>	<b>21,851,519</b>	<b>6,329,169</b>	<b>29%</b>
<b>Total Expenditures</b>	<b>\$23,880,627</b>	<b>\$7,157,280</b>	<b>30%</b>
94941000 Interest	\$209,000	21,743	10%
95953000 Misc Intergovernmental	\$325,000		0%
95955500 Medi-Cal State Aid	825,000	658,459	80%
95959900 Federal Aid - CBCAP	51,000		0%
95956900 State Monthly Alloc.	12,204,121	3,264,269	27%
95956900 State Aid - SMIF	1,000		0%
95956900 State Aid - CAPIT	444,000		0%
Prior Year Revenue	-		
<b>Total Revenue</b>	<b>\$14,059,121</b>	<b>3,944,471</b>	<b>28%</b>

**First 5 Commission Sacramento**  
**Results of Operations**  
**For the Period Ending December 31, 2018**

Descriptions	Budget	Actual	(Over) Under Budget	% Remaining Budget
<b>A. REVENUE</b>				
Tobacco Tax Allocation	12,204,121	3,264,269	8,939,852	
MAA - Federal Funding	825,000	658,459	166,541	
CBCAP/CAPIT	495,000	-	495,000	
Interest Earnings	209,000	21,743	187,257	
Other Income and Adjustments	326,000	-	326,000	
Fund Balance	7,774,330	7,774,330	-	
Reserve Release	2,047,176	2,047,176	-	
<b>TOTAL SOURCES OF FUNDS</b>	<b>23,880,627</b>	<b>13,765,977</b>	<b>10,114,650</b>	<b>42%</b>
<b>B. FUNDED PROGRAMS</b>				
<b>Health</b>	<b>1,674,006</b>	<b>567,802</b>	<b>1,106,204</b>	<b>66%</b>
Personnel	167,269	66,589	100,680	
Professional Svcs	1,476,313	485,827	990,486	
Media & Program Support	30,424	15,385	15,039	
<b>Dental</b>	<b>2,591,603</b>	<b>147,740</b>	<b>2,443,863</b>	<b>94%</b>
Personnel	163,787	5,715	158,072	
Professional Svcs	433,000	122,944	310,056	
Capital Projects	1,939,392	3,696	1,935,696	
Media & Program Support	55,424	15,385	40,039	
<b>Nutrition</b>	<b>764,415</b>	<b>185,383</b>	<b>579,032</b>	<b>76%</b>
Personnel	6,696	2,646	4,050	
Professional Svcs	751,702	180,954	570,748	
Media & Program Support	6,017	1,783	4,234	
<b>Early Care</b>	<b>1,109,963</b>	<b>191,568</b>	<b>918,395</b>	<b>83%</b>
Personnel	16,534	7,820	8,714	
Professional Svcs	1,085,887	181,115	904,772	
Media & Program Support	7,542	2,633	4,909	
<b>School Readiness</b>	<b>4,805,358</b>	<b>762,249</b>	<b>4,043,109</b>	<b>84%</b>
Personnel	173,550	81,132	92,418	
Professional Svcs	4,575,113	653,578	3,921,535	
Media & Program Support	56,695	27,538	29,157	
<b>Effective Parenting</b>	<b>10,398,664</b>	<b>4,293,599</b>	<b>6,105,065</b>	<b>59%</b>
Personnel	145,356	68,437	76,919	
Professional Svcs	8,538,469	2,664,603	5,873,866	
MAA Back-Pymt Fees	1,661,957	1,541,591	120,366	
Media & Program Support	52,882	18,968	33,914	
<b>Community Connections</b>	<b>361,455</b>	<b>87,625</b>	<b>273,830</b>	<b>76%</b>
Personnel	127,312	53,093	74,219	
Professional Svcs	204,666	22,405	182,261	
Media & Program Support	29,477	12,126	17,351	
<b>Program Management</b>	<b>462,638</b>	<b>198,246</b>	<b>264,392</b>	<b>57%</b>
<b>Total Funded Programs</b>	<b>22,168,102</b>	<b>6,434,212</b>	<b>15,733,890</b>	<b>71%</b>
<b>C. OPERATING EXPENSES</b>				
Personnel	758,769	322,408	436,361	58%
Direct Operating Expenses	248,055	146,405	101,650	41%
Allocated Operating Expenses	139,833	70,487	69,346	50%
<b>D. PROGRAM EVALUATION</b>				
	<b>565,868</b>	<b>183,768</b>	<b>382,100</b>	<b>68%</b>
<b>TOTAL EXPENDITURES</b>	<b>23,880,628</b>	<b>7,157,280</b>	<b>16,723,347</b>	<b>70%</b>

**First 5 Sacramento Commission  
Appropriations Adjustment Request**

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January 17, 2019

REVENUE

95953000 MISC INTERGOVERNMENTAL REVENUE	\$	2,384,915
95956900 STATE AID - MONTHLY ALLOC	\$	9,999

Total Revenue	\$	2,394,914
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EXPENDITURES

20202900 Business/Conf Exp	\$	11,000
20203100 Business Travel	\$	4,000
20203500 Ed/Training Svc	\$	12,000
20203900 Emp Transportation	\$	1,546
20206100 Membership Dues	\$	200
<b>20259100 Other Prof. Svcs</b>	<b>\$</b>	<b>2,331,168</b>
20259105 Media Svcs	\$	25,000
20281200 Data Process Supplies	\$	5,000
20292100 GS Printing Svcs	\$	5,000

Total Expendures	\$	2,394,914
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Variance	\$	-
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