

FY 2024/2025 Proposed Budget

*FIRST 5 Santa Clara County
Commission Budget Presentation
Presented in May 2024*



FY 2024/25 BUDGET OVERVIEW

- The budget was created conforming to the new 3-year Strategic Plan.
 - Community Investments funded in this draft budget were informed by:
 - RFP awards
 - Third Party Award Funding available
 - Identified community needs
- 10-year forecasted spending that will ensure the maintenance of our operating reserve.
- The Community Investment Budgeting process was more complex than previous 3 years when the Commission approved the roll over of many of our grants during the COVID 19 Pandemic.
- This budget includes estimates for Community Investment spending that will support the outcomes as set forth in the Strategic Plan. Some of those spending allocations are still yet to be allocated to a vendor or grantee. We will seek Commission approval, as needed, in accordance with our Purchasing Policy when those providers are identified.



FY 2024/25 BUDGET APPROACH

Process

- This budget approach was different from past fiscal years. In the past 3 fiscal budget cycles, community investment spending was rolled over and kept status quo. With a new Strategic Plan, all Prop 10 funded community investments were put out to the community in a formal Request for Proposal (RFP). Those awards are included in this final budget for approval from the Commission.

Staff Compensation and Benefits

- Built from the ground up position by position. FY 2024/25 - All staff represented under the bargaining agreement will receive union step increases of 3% on their anniversary date throughout the fiscal year.
- Pending re-opener negotiation with SEIU per the collective bargaining agreement.
- The budget also calculates all staff salaries based upon hire date and not on July 1.
- A vacancy rate of 3% was included in this budget.

Community Investment

- Funding is based upon the RFP awards plus the identified Third-Party Award Funding available in FY 25, along with community investment needs as identified in the Strategic Plan.

Program Operating Expenses

- Program operating expenses are the internal costs of the agency associated with each strategy and or program. Many of these costs are allocated based upon headcount.
- Costs are expected to increase in FY 2024/25 by \$485K, a 30% increase over FY 2023/24 projected actuals.

Administration Expenses

- Administration Expenses are expected to decline in FY 2024/25 as compared to FY 2023/24 due to extraordinary, one-time costs associated with the data breach in FY 24.

FY 2024/25 BUDGET SUMMARY



**FIRST 5 SANTA CLARA COUNTY
STATEMENT OF CHANGES IN NET ASSETS
FY24 FINAL APPROVED BUDGET, FY24 PROJECTED RESULTS AND FY25 DRAFT BUDGET**

LINE NO		FY24 APPROVED REVISED BUDGET	FY24 PROJECTED	FY25 BUDGET (DRAFT)	\$\$ INCREASE/ (DECREASE) FY 24 PROJECTED TO FY 25 BUDGET	INCREASE/ (DECREASE) FY 24 PROJECTED TO FY 25
	REVENUE					
1	Proposition 10	\$ 11,585,041	\$ 11,140,827	\$ 10,789,627	\$ (351,200)	-3%
2	Grants	10,571,232	10,097,226	11,248,923	1,151,696	11%
3	MAA administrative billing income	2,055,800	2,223,131	2,296,031	72,900	3%
4	Interest Income and Realized Gain/(losses)	338,340	431,092	300,000	(131,092)	-30%
5	Unrealized Gain/(Loss) on Investments	(150,000)	474,814	250,000	(224,814)	-47%
6	Other	283,728	344,382	455,475	111,093	32%
7	TOTAL REVENUE	\$ 24,684,141	\$ 24,711,472	\$ 25,340,056	\$ 628,584	3%
	OPERATING EXPENSES					
8	Salaries and Benefits	\$ 8,040,927	\$ 7,551,747	\$ 8,360,066	\$ 808,319	11%
9	Salaries	5,885,469	5,621,741	6,268,938	647,197	12%
10	Benefits	2,155,458	1,930,006	2,091,128	161,122	8%
11	Program Expenses	1,791,925	1,619,412	2,104,444	485,031	30%
12	Administration	1,267,258	908,771	809,032	(99,739)	-11%
13	TOTAL OPERATING EXPENSES	\$ 11,100,110	\$ 10,079,930	\$ 11,273,542	\$ 1,193,611	12%
14	COMMUNITY INVESTMENT	\$ 22,681,514	\$ 20,902,229	\$ 19,402,821	\$ (1,499,407)	-7%
15	TOTAL BUDGETED EXPENSES	\$ 33,781,624	\$ 30,982,159	\$ 30,676,363	\$ (305,796)	-1%
16	DECREASE IN NET ASSETS	\$ (9,097,483)	\$ (6,270,687)	\$ (5,336,307)	\$ 934,379	15%

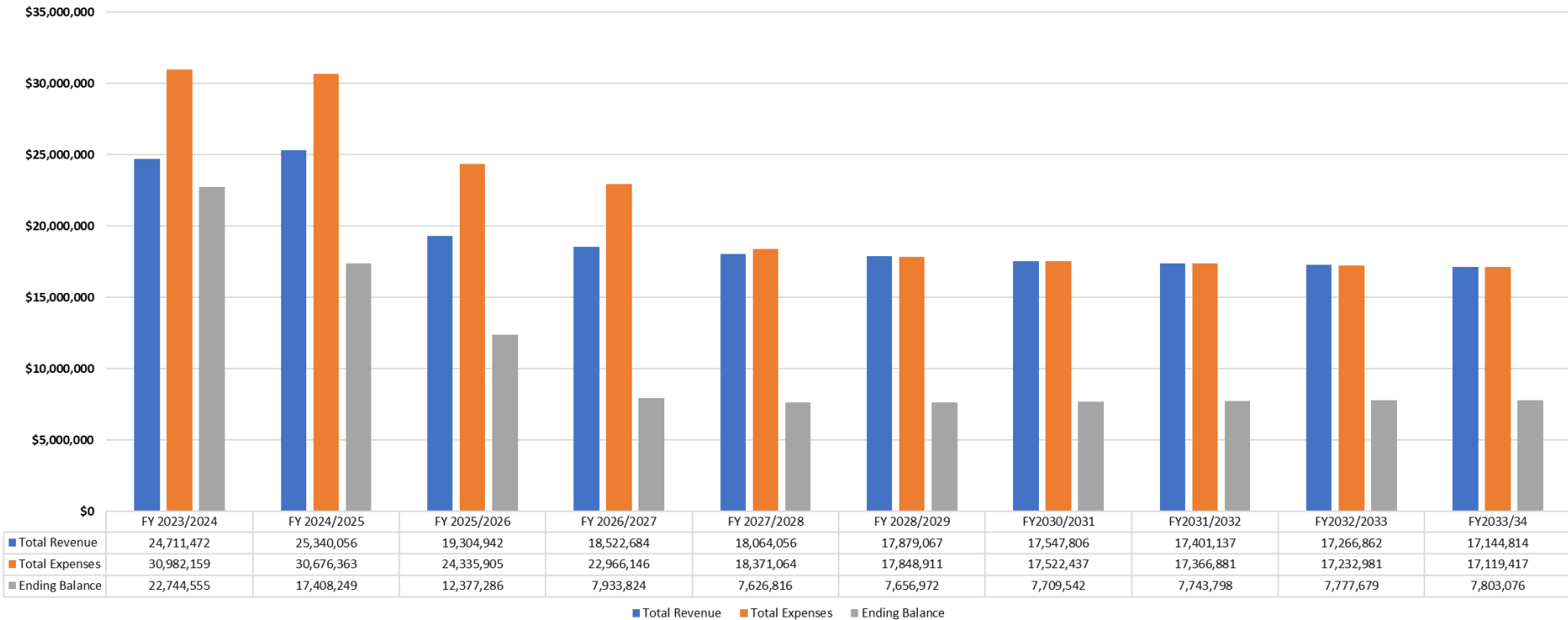
Note – the last two columns compare the FY 25 budget to the FY 24 projected actuals.

PROPOSED 10-YEAR SUSTAINABILITY PLAN

FY 2024/25 BUDGET



10-Year Sustainability Plan Chart



Assumptions:

1. Prop 10 revenue is forecasted at the projections received from FIRST 5 California
2. Salaries and benefits are projected in line with the bargained union contract and assumes full staff
3. Community investment spending will decline on average over the next 3 years by 26% as revenues from third party awards decreases. The Plan aligns with reserve policy of 3 months of operating expenses and one month of Community Investment spending.
4. This plan includes a capital expenditure of \$1 million for replacing the roof.

PROPOSED 10-YEAR SUSTAINABILITY PLAN

Fund Balance and Maintenance of the Operating Reserve and Fund Balance



	STATUS	OPERATING RESERVE	INVESTED IN CAPITAL ASSETS	FUNDS AVAILABLE	FUND BALANCE - NET ASSETS
FY 2023/2024	PROJECTED	4,261,835	2,358,378	16,124,342	22,744,555
FY 2024/2025	BUDGET	4,435,287	3,047,378	9,925,583	17,408,249
FY 2025/2026	FORECASTED	3,796,369	2,736,378	5,844,540	12,377,286
FY 2026/2027	FORECASTED	3,568,310	2,425,378	1,940,137	7,933,824
FY 2027/2028	FORECASTED	3,092,766	2,385,378	2,148,672	7,626,816
FY 2028/2029	FORECASTED	2,978,894	2,345,378	2,332,699	7,656,972
FY2029/2030	FORECASTED	2,976,296	2,305,378	2,402,500	7,684,173
FY2030/2031	FORECASTED	2,975,609	2,265,378	2,468,555	7,709,542
FY2031/2032	FORECASTED	3,002,670	2,225,378	2,515,749	7,743,798
FY2032/2033	FORECASTED	2,976,767	2,185,378	2,615,534	7,777,679
FY2033/2034	FORECASTED	2,949,778	2,145,378	2,707,920	7,803,076

Why is the Fund Balance important to track:

Fund Balance = Assets minus liabilities.

It is essential that the agency maintain adequate levels of fund balance to mitigate current and future risks (e.g., revenue shortfalls and unanticipated expenditures). Prudent financial management requires accumulating a sufficient undesignated, unreserved fund balance in the general fund representing expendable financial resources available to meet the net cash outflows during the fiscal year.

The Commission Approved Operating Reserve is calculated at 3 months of the Operating Budget plus 1 month of Community Investment Budget. The Operating Reserve is available to satisfy our obligations only if approved by the Commission with a plan to repay it in full in a short period of time.

PROPOSED 10-YEAR SUSTAINABILITY PLAN

Fund Balance and Maintenance of the Operating Reserve and Fund Balance



	STATUS	OPERATING RESERVE	INVESTED IN CAPITAL ASSETS	FUNDS AVAILABLE	FUND BALANCE - NET ASSETS
FY 2023/2024	PROJECTED	4,261,835	2,358,378	16,124,342	22,744,555
FY 2024/2025	BUDGET	4,435,287	3,047,378	9,925,583	17,408,249
FY 2025/2026	FORECASTED	3,796,369	2,736,378	5,844,540	12,377,286
FY 2026/2027	FORECASTED	3,568,310	2,425,378	1,940,137	7,933,824
FY 2027/2028	FORECASTED	3,092,766	2,385,378	2,148,672	7,626,816
FY 2028/2029	FORECASTED	2,978,894	2,345,378	2,332,699	7,656,972
FY2029/2030	FORECASTED	2,976,296	2,305,378	2,402,500	7,684,173
FY2030/2031	FORECASTED	2,975,609	2,265,378	2,468,555	7,709,542
FY2031/2032	FORECASTED	3,002,670	2,225,378	2,515,749	7,743,798
FY2032/2033	FORECASTED	2,976,767	2,185,378	2,615,534	7,777,679
FY2033/2034	FORECASTED	2,949,778	2,145,378	2,707,920	7,803,076

The FY 2024/25 budget includes an estimated capital expenditure of \$1 million for a new roof and new HVAC equipment which is included in the “Invested in Capital Assets” column. The impact is a decrease in funds available and an increase in invested in capital assets.

FIRST 5 is in the process of obtaining permits and will soon issue an RFQ for the project. The Commission will be required to approve the expenditure and the contract.



REVENUE: PROPOSITION 10 REVENUES

The forecast for Proposition 10 revenues for FIRST 5 Santa Clara:

YEAR	STATUS	REVENUE \$\$	DECLINE YOY
FY 2021/22	ACTUAL	\$ 14,561,801	\$ 651,174
FY 2022/23	ACTUAL	\$ 12,796,065	\$ 1,765,736
FY 2023/24	PROJECTED	\$ 11,140,827	\$ 1,655,238
FY 2024/25	PROJECTED	\$ 10,789,627	\$ 351,200
FY 2025/26	PROJECTED	\$ 9,875,954	\$ 913,673
FY 2026/27	PROJECTED	\$ 9,387,107	\$ 488,847
FY 2027/28	PROJECTED	\$ 9,402,079	\$ (14,972)
FY 2028/29	ESTIMATED	\$ 9,120,017	\$ 282,062
FY 2029/30	ESTIMATED	\$ 8,846,416	\$ 273,600
FY 2030/31	ESTIMATED	\$ 8,581,024	\$ 265,392
FY 2031/32	ESTIMATED	\$ 8,323,593	\$ 257,431
FY 2032/33	ESTIMATED	\$ 8,073,885	\$ 249,708

Prop 10 revenue is forecasted at the projections received from FIRST 5 California. Estimated revenues after FY2028/29 assumes a decline in revenue at its historical average of approximately 3%.

GRANT REVENUE - FY 2024/25



FIRST 5 SANTA CLARA COUNTY STATEMENT OF CHANGES IN NET ASSETS FY24 FINAL APPROVED BUDGET, FY24 PROJECTED RESULTS AND FY25 DRAFT BUDGET						
LINE NO		APPROVED REVISED BUDGET	FY24 PROJECTED	FY25 BUDGET (DRAFT)	\$\$ INCREASE/ (DECREASE)	% INCREASE/ (DECREASE)
	REVENUE					
1	Proposition 10	\$ 11,585,041	\$ 11,140,827	\$ 10,789,627	\$ (351,200)	-3%
2	Grants	10,571,232	10,097,226	11,248,923	1,151,696	11%
3	MAA administrative billing income	2,055,800	2,223,131	2,296,031	72,900	3%
4	Interest Income and Realized Gain/(losses)	338,340	431,092	300,000	(131,092)	-30%
5	Unrealized Gain/(Loss) on Investments	(150,000)	474,814	250,000	(224,814)	-47%
6	Other	283,728	344,382	455,475	111,093	32%
7	TOTAL REVENUE	\$ 24,684,141	\$ 24,711,472	\$ 25,340,056	\$ 628,584	3%



REVENUE – BUDGETED THIRD-PARTY AWARDS

Explanation		Amount
1	Increase in revenue to be earned in FY 2024/25 over FY 2023/24 for multi-year grants	\$ 1,409,774
2	New funding revenue sources for FY 2024/25	4,034,107
3	Funding revenue not continuing for for FY 2024/2025	(3,840,699)
4	Reduction in funding revenue over FY 2023/2024	(451,485)
5	TOTAL INCREASE IN GRANT REVENUE	\$ 1,151,696

1. The Increase in FY 2024/25 revenue for multi-year grants reflects the amounts F5 projects to spend and bill the grantors. Grant revenue is earned as funds are expended; the unspent grant funds in one year can roll over to the next year;
2. F5 has secured new funding sources.
3. Some funding has been eliminated
4. Accounting recording only for GAAP.
5. Some sources will be reduced in FY 25.

A yearly fundraising goal of \$500K has been added to this budget from unidentified sources.

Please refer to the detailed schedule of Third-Party Awards.

DRAFT FY 2024/25 OPERATING BUDGET



	FY 2023/24 Forecasted Actuals	FY 2024/25 Proposed Budget	Delta \$	Delta %
<u>SALARIES AND BENEFITS</u>				
Salaries & Wages	\$5,621,741	\$6,268,938	\$647,197	11.51%
Benefits	1,930,006	2,091,128	161,122	8.35%
TOTAL SALARIES & BENEFITS	\$7,551,747	\$8,360,066	\$808,319	10.70%
<u>SERVICES & SUPPLIES</u>				
Administration Operating Costs	\$908,771	\$809,032	-\$99,739	-10.98%
Program Business Services	102,603	132,907	30,304	29.54%
Program Operating Costs	1,516,809	1,971,535	454,726	29.98%
TOTAL SERVICES & SUPPLIES	\$2,528,183	\$2,913,474	\$385,291	15.24%
GRAND TOTAL	\$10,079,930	\$11,273,540	\$1,193,611	11.84%

DRAFT FY 2024/25 OPERATING BUDGET

Program Operating Costs

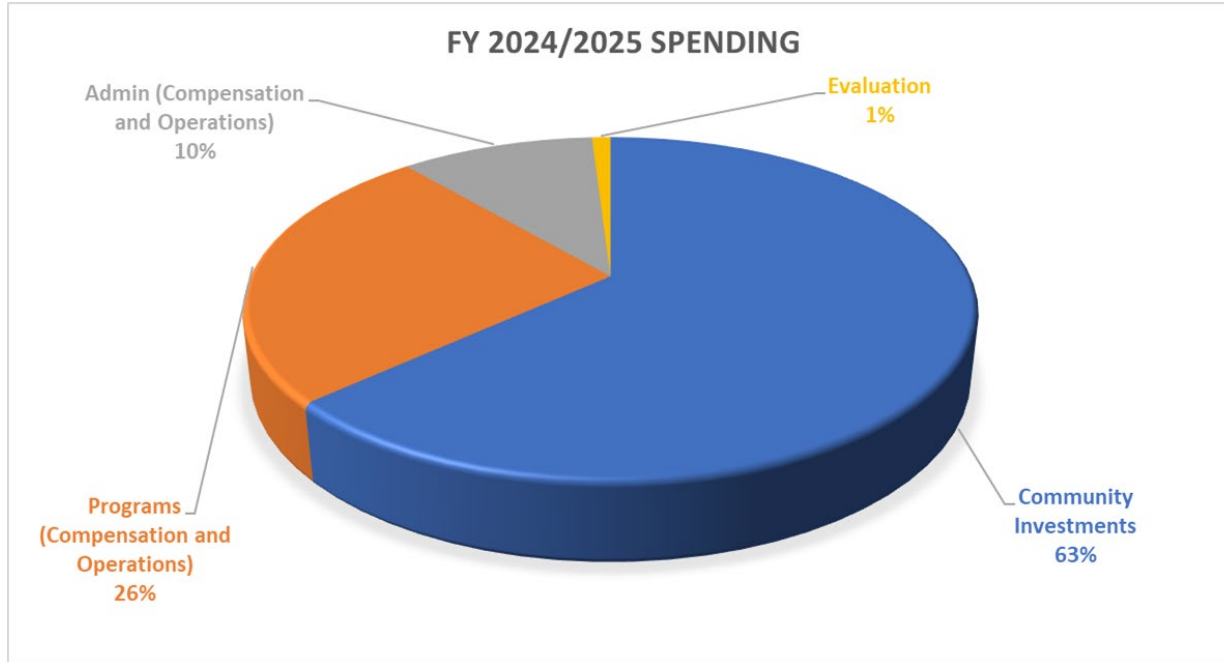


DESCRIPTION	FY 24 BUDGET	FY 24 PROJECTED	FY 25 BUDGET	FY 25 INC/(DEC)
Community engagement	\$ 69,000	\$ 58,870	\$ 90,000	\$ 31,130
Community awareness campaigns	110,940	27,635	110,465	82,830
Staff Professional Development	97,250	61,991	123,400	61,409
Potter Printing	55,000	56,144	81,000	24,856
Persimmony - Existing database software	132,996	132,996	100,000	(32,996)
Bontera - New data base provider	-	-	200,000	200,000
Legal fees - bargaining	30,000	10,251	100,000	89,749
TOTALS	\$ 495,186	\$ 347,887	\$ 804,865	\$ 456,978

- Increases in community engagement and community awareness campaigns to support family engagements efforts per the F5 Strategic Plan focus area.
- Staff Professional Development – Includes mandatory training expenses per the SEIU CBA, an allocation of \$1,300 per staff member for individual development needs, tuition reimbursement and additional staff trainings that will support the implementation of our strategic plan goals.
- Persimmony and Bontera - Database – the need for a new database was presented at the May Commission meeting. Cost include the buildup, design and training and data transitions.
- Legal Fees have been budgeted to support a new SEIU contract beginning in FY 26.

EXPENSES - FY 2024/25 BUDGETED

Total budgeted spending in the proposed FY 2024/25 budget is as follows:

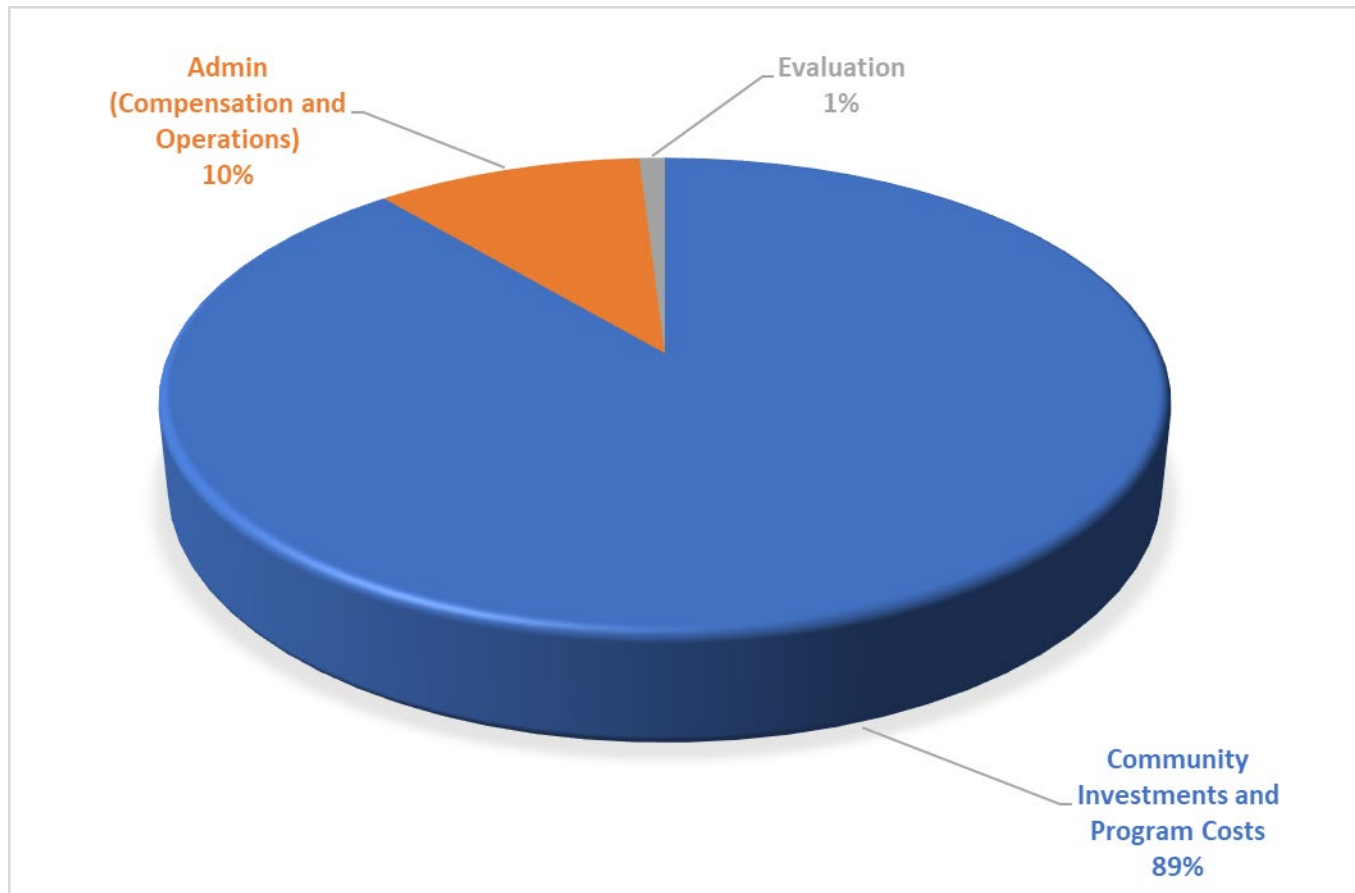


SPENDING CATEGORY	FY 2023/2024 PROJECTED		FY 2024/2025 BUDGET	
	AMOUNT	PERCENT	AMOUNT	PERCENT
Community Investments	\$ 20,902,229	67%	\$ 19,402,821	63%
Programs (Compensation and Operations)	\$ 6,781,919	22%	\$ 7,825,604	26%
Admin (Compensation and Operations)	\$ 2,901,036	9%	\$ 3,147,937	10%
Evaluation	\$ 396,975	1%	\$ 300,000	1%
TOTAL	\$ 30,982,159	100%	\$ 30,676,362	100%

FY 2024/25 TOTAL SPENDING CHART – ALL PROGRAM SPENDING CONSOLIDATED



Direct Program Operations combined with the Community Investment Spending is **89%** of the FY 2024/25 proposed budget.



BREAKDOWN – PROGRAM, EVALUATION AND ADMINISTRATION FY 2024/25 BUDGET



CATEGORY	FY 2023/2024 PROJECTED	FY 2024/2025 BUDGET	DELTA \$	%	COMMENTS
Programs (Operations)	\$ 6,781,919	\$ 7,825,604	\$ 1,043,685	15%	
Salaries and Benefits	\$ 5,559,482	\$ 6,021,160	\$ 461,678	8%	Increase for employee compensation increases, filling of all open positions
Direct Program Costs	\$ 1,222,437	\$ 1,804,444	\$ 582,007	48%	Increase largely due to new database, marketing campaign expenses
Evaluation (Operations)	\$ 396,975	\$ 300,000	\$ (96,975)	-24%	Decrease forecasted based upon current spending
Administration (Operations)	\$ 2,901,036	\$ 3,147,938	\$ 246,902	9%	
Salaries and Benefits	\$ 1,992,265	\$ 2,338,906	\$ 346,641	17%	Increase for employee compensation increases, filling of all open positions
Operating Costs	\$ 908,771	\$ 809,032	\$ (99,739)	-11%	Decrease due to extraordinary, one-time costs associated with the data breach in FY24.

Salaries and Benefits will increase in FY 25 due to full employment in filled positions during FY 25 and the hiring of all open positions.

Step increases of 3% and COLA.

Direct Program Expenses (see slide)

Community Investment Budget



FIRST 5 SANTA CLARA COUNTY STATEMENT OF CHANGES IN NET ASSETS FY24 FINAL APPROVED BUDGET, FY24 PROJECTED RESULTS AND FY25 DRAFT BUDGET						
LINE NO		APPROVED REVISED BUDGET	FY24 PROJECTED	FY25 BUDGET (DRAFT)	\$\$ INCREASE / (DECREASE)	% INCREASE / (DECREASE)
15	COMMUNITY INVESTMENT	\$ 22,681,514	\$ 20,902,229	\$ 19,402,821	\$ (1,499,407)	-7%

The Community Investment spending will decrease by 7% for the FY 25 budget year. This is more of a mild decrease for the following reasons:

- Increased third-party award revenue, of \$1.2 million in FY 25
 - Timing of spending on multiyear TPA's due to external factors
 - Additional funding sources
- A lower deficit in FY 24 compared to budget of \$2.8 million

Note: all amounts were calculated from the detailed schedule in attachment 4.2D - FY 2024/25 Community Investment Grant Award Recommendations Summary in your Committee Budget Packet

Budget Review Process and Next Steps

- May 15, 2024 – Issues Committee
- May 22, 2024 – Staff Presentation
- May 23, 2024 – Commission Meeting

No presentation made to P&E or P&F, both meetings were cancelled



FIRST 5 SANTA CLARA COUNTY COMMISSION MEETING

Meeting Date: May 23, 2024 Submitted By: Maureen Shilling, Executive of Finance and Operations
 Action: X Discussion: _____
 Selection Process: RFP _____ RFQ _____ Sole Source _____ Not Applicable X

TITLE:

Consider Adoption of the Proposed FY 2024/2025 Operations Budget

ATTACHMENTS:

- 5.2A FY 2024/25 Operations Budget
- 5.2B FY 2024/25 Community Investment Grant Award Recommendations
- 5.2C FY 2024/25 Third Party Grants
- 5.2D FY 2024/25 10-Year Sustainability Plan
- 5.2E Resolution No. 24-02, approving the FY 2024/25 Operations Budget
- 5.2F Resolution No. 24-03, approving the FY 2024/25 Community Investment Grant Awards
- 5.2G Proposition 10 Revenue Projections

RECOMMENDED ACTIONS:

Adopt the proposed FY 2024/2025 Operations Budget, including by adopting Resolution No. 24-02.

BACKGROUND:

This letter provides an overview of the proposed FY 2024/2025 budget and assumptions that inform the recommended action, including the following:

- A. Budget Overview
- B. Budget Summary
- C. Budget Development Process
- D. Revenue Assumptions
- E. 10-Year Sustainability Plan
- F. Operating Costs

A. Budget Overview

The proposed FY 2024/2025 Budget implements the strategies included in the 2024 to 2027 FIRST 5 Strategic Plan. This year's budget proposes the support of programs and community investments in line with the Request for Proposal (RFP) process concluded by FIRST 5 in April 2024. All funding is subject to the FIRST 5 Santa Clara County Purchasing Policy, which provides the process to procure goods and services to conduct the business affairs of FIRST 5 Santa Clara County.

The FY 2024/2025 budget continues to increase transparency and improve the accuracy of financial projections. In adherence to the Commission policy, a budget is developed and approved on an annual basis, committing the resources to carry out its strategies and initiatives.

The budget overview, along with the FY 2023/2024 to FY 2024/2025 comparison is illustrated below:

FIRST 5 SANTA CLARA COUNTY STATEMENT OF CHANGES IN NET ASSETS FY24 FINAL APPROVED BUDGET, FY24 PROJECTED RESULTS AND FY25 DRAFT BUDGET						
LINE NO		APPROVED REVISED BUDGET	FY24 PROJECTED	FY25 BUDGET (DRAFT)	\$\$ INCREASE/ (DECREASE)	% INCREASE/ (DECREASE)
	REVENUE					
1	Proposition 10	\$ 11,585,041	\$ 11,140,827	\$ 10,789,627	\$ (351,200)	-3%
2	Grants	10,571,232	10,097,226	11,248,923	1,151,696	11%
3	MAA administrative billing income	2,055,800	2,223,131	2,296,031	72,900	3%
4	Interest Income and Realized Gain/(losses)	338,340	431,092	300,000	(131,092)	-30%
5	Unrealized Gain/(Loss) on Investments	(150,000)	474,814	250,000	(224,814)	-47%
6	Other	283,728	344,382	455,475	111,093	32%
7	TOTAL REVENUE	\$ 24,684,141	\$ 24,711,472	\$ 25,340,056	\$ 628,584	3%
	OPERATING EXPENSES					
8	Salaries and Benefits	\$ 8,040,927	\$ 7,551,747	\$ 8,360,066	\$ 808,319	11%
9	Salaries	5,885,469	5,621,741	6,268,938	647,197	12%
10	Benefits	2,155,458	1,930,006	2,091,128	161,122	8%
11	Program Expenses	1,791,925	1,619,412	2,104,444	485,031	30%
12	Administration	1,267,258	908,771	809,032	(99,739)	-11%
13	TOTAL OPERATING EXPENSES	\$ 11,100,110	\$ 10,079,930	\$ 11,273,542	\$ 1,193,611	12%
14	CHANGES IN NET ASSETS BEFORE COMMUNITY INVESTMENT	\$ 13,584,031	\$ 14,631,542	\$ 14,066,514	\$ (565,029)	-4%
15	COMMUNITY INVESTMENT	\$ 22,681,514	\$ 20,902,229	\$ 19,402,821	\$ (1,499,407)	-7%
16	DECREASE IN NET ASSETS	\$ (9,097,483)	\$ (6,270,687)	\$ (5,336,307)	\$ 934,379	15%

Revenue is budgeted to increase for FY 2024/2025. Prop 10 will decline 3% by \$351,000 in line with the State's published projection. Grant income will increase by 11%, \$1.2 million as follows:

1. Some shifting of revenue for reimbursable grants from FY 2023/2024 to FY 2024/2025. Spending on those grants in FY 2023/24 were under budget and expectations for the year and will be expended in FY 2024/2025. Grants are from Santa Clara County for the apprenticeship, shared services, and TK equity funding, and First 5 California roll over of Impact funds.
2. An increase in an award from Santa Clara County, Social Services Agency (SSA) for diaper kit distribution totaling \$1.7 million,

3. A new award also from SSA for placed-based resource center strategies for \$1 million,
4. FFPSA new funding of \$539K.

Salaries and Benefits will increase by 11% or \$.8 million. All staff represented under the bargaining agreement will receive union step increases of 3% on their anniversary date throughout the fiscal year. On July 1, 2024, all staff will receive a COLA pending ongoing union negotiations. The budget also calculates all staff salaries based upon hire date and not on July 1.

Budgeted program costs are the operating costs associated with each strategy, program, or department. We often use these terms interchangeably. Many of these costs are allocated based upon headcount.

Program Expenses will increase by \$485K in FY 2024/25. The main cost increases are as follows:

DESCRIPTION	FY 24 BUDGET	FY 24 PROJECTED	FY 25 BUDGET	FY 25 INC/(DEC)
Community engagement	\$ 69,000	\$ 58,870	\$ 90,000	\$ 31,130
Community awareness campaigns	110,940	27,635	110,465	82,830
Staff Professional Development	97,250	61,991	123,400	61,409
Potter Printing	55,000	56,144	81,000	24,856
Persimmony - Existing database software	132,996	132,996	100,000	(32,996)
Bontera - New data base provider	-	-	200,000	200,000
Legal fees - bargaining	30,000	10,251	100,000	89,749
TOTALS	\$ 495,186	\$ 347,887	\$ 804,865	\$ 456,978

B. Budget Summary

The 2024/2025 budget incorporates investments in staff professional development, education and training, increases in staff salaries as prescribed under the terms of the Union Agreement and strengthening the organization through the hiring of vacant and needed positions.

The following contracts are in Administration/Operations budget and require Commission approval:

Persimmony International (Contract and Evaluation Administration software)- \$100,000 – 6 months usage and overlap with the new software.

Bonterra / Social Solutions / Apricot - \$200,000 Cost includes the buildup, design and training and data transitions.

USWired (IT Support)- \$180,000 (includes monthly IT services \$158K and \$21K allowance for equipment purchases); and

Applied Survey Research (Evaluation) - \$300,000 (Approximately 10% is paid for with Third Party Funding).

The budget is comprised of the Community Investment Budget and the Operations Budget.

- The Community Investment Budget includes the proposed investments with FIRST 5’s grantees and partners for the next fiscal year. This budget includes estimates for Community Investment spending that will support the outcomes as set forth in the Strategic Plan. Some of those spending allocations are still yet to be allocated to a vendor or grantee. We will seek Commission approval, as needed, in accordance with our Purchasing Policy when those providers are identified.
- The Operations Budget includes all costs related to the management of the Commission, including staff costs, services and supplies, and fixed expenses including facilities. Refer to Section F for a more detailed analysis.
- Community Investment – Budgeted Spending is projected to decrease by \$1.5 million (7%). The budget for each program was developed from the ground up with each program staff and leaders, to reflect the anticipated program spending for the coming fiscal year.

The proposed FY 2024/2025 Budget includes the following:

1. Community Investment Summary

Community Investment budget is **\$19,402,821**. This budget includes the following:

PROGRAM/FOCUS AREA	AMOUNT
Place Based Centers	\$ 7,271,601
Programs that address critical gaps for services to families	3,340,010
Home Visiting	1,659,136
Diaper Distribution	1,305,050
Quality Matters	1,160,000
Poverty Remediation	900,000
Apprenticeship Supports	880,321
Professional development/education for parents and caregivers	746,294
Programs that address systems change initiatives	651,923
Teacher supports - stipends, equipment, supplies	545,987
TK equity	412,500
Community and parent engagements	305,000
UCSF	225,000
GRAND TOTAL	\$ 19,402,821

2. Operating Expenses

The FY 2024/2025 budgeted operating costs total \$11,273,542 which is a 12% increase over projected FY 2023/2024 actuals as follows:

a. Salaries and Benefits

The FY 2024/2025 operating budget for Salaries and Benefits reflects an increase of \$808,319 which is an 11% increase over the projected FY 2023/24 projected actuals.

The increase in Salaries and Benefits is has been calculated position by position. FY 2024/25 - All staff represented under the bargaining agreement will receive union step increases of 3% on their anniversary date throughout the fiscal year. The COLA amount is pending re-opener negotiation with SEIU per the collective bargaining agreement.

Section F includes a more detailed discussion of operating costs which include:

- b. Program Expenses.** Costs incurred by a County Commission readily assignable to a program or service provider (other than for evaluation activities) and/or in the execution of direct service provision. Program expenses
- c. Evaluation Costs.** Cost incurred by a County Commission in the evaluation of funded programs based on their accountability framework, data collection and evaluation for required reporting to the state and local stakeholders.
- d. Administration and Related Overhead Costs.** Costs associated with operating FIRST 5 Santa Clara County. Per Commission policy, a 10% limit on the percentage of the Commission’s annual operating budget may be spent on administrative functions.

C. Budget Development Process

In FY 2024/2025, the role of the budget is to provide a blueprint for spending on Commission priorities, including setting outside spending parameters based on more accurate estimates.

In an integrated, collaborative approach internally, staff from both programs and operations were invited and participated in the development of the budget through participation in the Strategic Planning process and the RFP process.

This budget approach differed from the past 3 fiscal years. In the past 3 fiscal budget cycles, community investment spending was rolled over and kept status quo. With a new Strategic Plan, all Prop 10 funded community investments were put out to the community in a formal Request for Proposal (RFP). Those awards, resulting from this intense process, are included in this final budget for approval from the Commission.

D. Revenue Assumptions

1. Proposition 10 Revenue

The tobacco tax, the main source of income for FIRST 5 Santa Clara County, has been estimated for FY 2024/2025 to FY 2025/2026 from the estimates provided by FIRST 5 California, thereafter a 3.0 % reduction per year was used.

2. Interest Income

Interest income was estimated based upon 1.5% of the ending fund balance in the prior fiscal year. Future losses beyond FY 2024/2025 have not been estimated due to the high degree of uncertainty.

3. Rental Income

Rental income is based upon a minimum of 3% per year over year what is currently being collected.

4. MAA Revenue

The Medi-Cal Administrative Activities (MAA) program is a federal reimbursement program administered by the State Department of Health Care Services (DHCS) through the county. MAA reimburses a portion of public expenditures made by government agencies, such as public health and probation, and community-based organizations, which are directed towards the performance of MAA activities.

MAA revenues for FIRST 5 are estimated based upon information on actual claims made provided by FIRST 5's MAA Consultant. During the current fiscal year, FIRST 5 projects we will receive \$2.3 million (net of a 6% fee charged by the County).

5. Third-Party Grant Revenue

Third-party grant revenue is awards received and earned by FIRST 5 through grant applications and awards arising from sources outside of Prop 10 funding.

Third-party revenues were estimated based upon information from grantors. Forty-four percent (44%) of FY 2023/24 revenues are received from third-party grants and fund new programs, enhancements to existing programs, FIRST 5 staff costs and indirect costs.

FIRST 5 has projected receive grant revenue from these sources in FY 2024/2025:

- California Department of Education, PDG-R.
- First 5 Impact Fund.
- First 5 California.
- Parent Child +.

- Santa Clara County Behavioral Health Department, School Linked Services.
- Santa Clara County Board of Supervisors.
- Santa Clara County Executive Office.
- Santa Clara County Social Services Agency.
- Santa Clara County Probation Department.
- Santa Clara Family Health Plan.
- State of California, Department of Health Care Services.
- Sunlight Foundation.
- Tides Center.
- A fund-raising goal of \$500K from sources yet to be identified.

Third-Party awards are projected to increase by \$1.2 million, 11%. Most of our grants are reimbursable grants. We earn the revenue as we expend the funds. Spending on the major Santa Clara County grant (2-year, \$5 million grant) ramped up slower than anticipated and so more of the funds will roll over into FY 2024/2025 than previously forecasted.

Awards already received or likely to be received based upon information from grantors were included in the budget and the ten-year plan. It is very likely that other grants will be received in FY 2024/2025 and during the ten-year period.

E. 10-Year Sustainability Plan

Based on Commission policy, the annual budget, which is approved by the Commission annually, commits the resources for Agency initiatives. In FY 2023/24 FIRST 5 issued Request for Proposals in February 2024 for Prop 10 funded initiatives that support those initiatives set forth in the new Strategic Plan. With a declining revenue stream from Prop 10, funding and expense levels were determined for FY 2024/25, FY 2025/26 and FY 2026/27 based upon the RFP awards. These projections include Community Investment and Operating costs to support the initiatives. In addition, any grant income from third party awards was projected and further informed the 10-year plan.

In looking forward to long-term goals, the FIRST 5 10-year Sustainability Plan for FY 2024/2025 through FY 2033/34 provides a framework to guide FIRST 5's investments and ensure that allocations are aligned with FIRST 5's priorities, as outlined in the Strategic Plan. Revenue and expense projections in this 10-Year Sustainability Plan utilize assumptions based on information known at this time and projections will change over time as updated data is received. Further, the 10-year Sustainability Plan does not refer to specific programs and initiatives and does not contractually obligate the Commission in the future, but rather provides a snapshot of the projected trends in Revenue, Expenses, and the Beginning and Ending Balances over a 10-year period. Financial projections will be reviewed and updated annually as part of the annual budget process.

The expected Community Investments for FY 2024/2025 are estimated to be \$19,402,821 which is a decrease of \$1,499,407 (7%) in projected contracts spending for FY 2024/2025. This amount has been calculated in line with the proposed community investment recommendations from the RFP process and the amount to be funded in FY 2024/25 from Third Party Awards (Grants).

F. Operating Expenses

In accordance with the FIRST 5 Administrative Cost Policy, 10% is the maximum allowable expenses. The Administrative expenses for FY2024/2025 are approximately 10% and are within the policy parameters.

Administration Department:

FY 2024/2025 Admin – General Services is budgeted at \$808,302 which is an 11% decrease of \$100,469 over FY 2023/2024 projected actual spending. One-time spending for consultant fees related to the data breach accounts for most of the decrease.

Acknowledgements:

The FY 2024/2025 Budget was prepared with the support and collaboration of the staff in all departments at FIRST 5. I want to thank everyone who shared valuable knowledge and information while participating in this process. A special thank you to Eva Fong, Controller for managing all the iterations!

FISCAL IMPACT:

Approval of the draft proposed FY 2024/2025 Budget establishes the framework for funding FIRST 5 programs and services.

**FIRST 5 SANTA CLARA COUNTY
FY 2024/2025
PROPOSED OPERATING BUDGET**

	FY 2023/24 Forecasted Actuals	FY 2024/25 Proposed Budget	Delta \$	Delta %
<u>SALARIES AND BENEFITS</u>				
Salaries & Wages	\$5,621,741	\$6,268,938	\$647,197	11.51%
Benefits	1,930,006	2,091,128	161,122	8.35%
TOTAL SALARIES & BENEFITS	\$7,551,747	\$8,360,066	\$808,319	10.70%
<u>SERVICES & SUPPLIES</u>				
Administration Operating Costs	\$908,771	\$809,032	-\$99,739	-10.98%
Program Business Services	102,603	132,907	30,304	29.54%
Program Operating Costs	1,516,809	1,971,535	454,726	29.98%
TOTAL SERVICES & SUPPLIES	\$2,528,183	\$2,913,474	\$385,291	15.24%
GRAND TOTAL	\$10,079,930	\$11,273,540	\$1,193,611	11.84%

**FIRST 5 SANTA CLARA COUNTY
COMMUNITY INVESTMENT DRAFT BUDGET
FY 2024/2025**

Grantee	Purpose	FY 24/25 PROPOSED BUDGET
FOCUS AREA: CONNECTING FAMILIES		
African American Community Service Agency	Place-Based Resource Centers	\$ 664,482
Bill Wilson Center	Place-Based Resource Centers	666,882
Catholic Charities of Santa Clara County	Parent Learning Opportunity	28,750
Catholic Charities of Santa Clara County	ParentChild+ Home Visitation	526,666
Catholic Charities of Santa Clara County	Place-Based Resource Centers	666,667
Catholic Charities of Santa Clara County	Critical Gaps	300,000
Child Advocates of Silicon Valley	Critical Gaps	300,000
Community Solutions	Systems Change	173,204
De Colores Collective	Critical Gaps	298,320
SSA Diaper Kit Program	Diaper Kit Program	505,050
Gardner Family Health Network	Place-Based Resource Centers	666,667
Gardner Family Health Network	Critical Gaps	300,000
Go Kids, Inc.	Critical Gaps	300,000
Healthier Kids Foundation	Critical Gaps	293,894
Healthy Families, Happy Families	Critical Gaps	299,746
International Children Assistance Network (ICAN)	Place-Based Resource Centers	666,667
International Children Assistance Network (ICAN)	Parent Learning Opportunity	25,000
Pacific Clinics	Place-Based Resource Centers	666,667
Pacific Clinics	Valley Palms FRC	408,000
Parents Helping Parents	Critical Gaps	66,898
Parents Helping Parents	Systems Change	123,452
Rebekah Children's Services	Place-Based Resource Centers	666,667
Rebekah Children's Services	ParentChild+ Home Visitation	526,667
Roots Community Health Center	Place-Based Resource Centers	913,958
Sacred Heart Community Service	Critical Gaps	300,000
San Jose Grail Family Services	Place-Based Resource Centers	618,269
Shine Together	Critical Gaps	300,000
SOMOS Mayfair	Place-Based Resource Centers	666,677
SOMOS Mayfair	Parent Learning Opportunity	66,250
SOMOS Mayfair	ParentChild+ Home Visitation	526,667
Sunday Friends Foundation	Systems Change	207,998
SupplyBank.org	Diaper Kit Program	800,000
Universal Basic Income/Baby Bonds	Poverty Remediation	900,000
University of California, San Francisco	Healthy Steps Program	225,000
Valley Health Foundation	Critical Gaps	295,927
Veggielution	Critical Gaps	285,225
Veggielution	Systems Change	147,269
Connecting Families Total \$ \$		15,393,583
Connecting Families Total % of spending		79%
FOCUS AREA: ENGAGE FAMILIES		
TBD	Collateral for Community Engagements	\$ 49,500
TBD	Community Events & Sponsorships	125,000
TBD	Family Engagement Convenings	30,500
TBD	Partner Convenings / Systems Change Efforts	50,000
TBD	Translation and Interpretation Services	50,000
Engaging Families Total \$ \$		305,000
Engaging Families % of spending		2%
FOCUS AREA: STRENGTHENING THE WORKFORCE		
California Young World	Apprenticeship - Cohort 1	\$ 2,924
Catholic Charities of Santa Clara County	Apprenticeship - Cohort 2	23,789
Apprenticeship - COHORT 1 - Rollover	Apprenticeship - Cohort 1	53,221
Apprenticeship - COHORT 2 - Rollover	Apprenticeship - Cohort 2	94,136
Go Kids	Apprenticeship - Cohort 1	8,124

FIRST 5 SANTA CLARA COUNTY
COMMUNITY INVESTMENT
DRAFT BUDGET FY 2024/2025

Grantee	Purpose	FY 24/25 PROPOSED BUDGET
Go Kids	Apprenticeship - Cohort 2	69,444
Grail Family Services	Apprenticeship - Cohort 2	7,000
Kidango	Apprenticeship - Cohort 2	131,875
Palo Alto Community Child Care	Apprenticeship - Cohort 2	48,990
Program Supports	Apprenticeship - Cohort 2	62,000
Mental Health, Wellness Consultation	Apprenticeship - Cohort 2	10,000
Santa Clara County Office of Education	Apprenticeship - Cohort 2	81,447
Santa Clara County Office of Education	Apprenticeship - Cohort 1	4,515
SCCOE Inclusion Collaborative	Apprenticeship - Cohort 2	19,000
SJB Child Development Centers	Apprenticeship - Cohort 1	48,300
SJB Child Development Centers	Apprenticeship - Cohort 2	28,175
Apprenticeship - Contractual	Apprenticeship - Cohort 2	35,000
Apprenticeship - Wage supports and Stipends	Apprenticeship - Cohort 1	16,639
Apprenticeship - Wage supports and Stipends	Apprenticeship - Cohort 2	75,908
West Valley Mission CDC	Apprenticeship - Cohort 2	59,834
Brooks Publishing	ASQ-3 and ASQ-SE - Virtual Training	50,000
City of San José, Public Library	Community of Practice	50,000
Community Focused Training (TBD)	Community of Practice	200,000
Early Quality Systems, LLC	iPinwheel Database - Hubbe	103,195
H6 dba Enlighten	Quality Matters Stipend Program	720,000
COP Training - Home Visitor Training Event	Home Visitation	16,237
Find Help - Coordinated Referral System	Home Visitation	31,599
Optimal Solutions	Home Visitation	26,300
Prenatal to Five Fiscal Strategies	Home Visitation	5,000
Child Care Alliance of Los Angeles	Quality Matters	50,000
Inclusion Collaborative Professional Development	Quality Matters	40,000
H6 dba Enlighten	Quality Matters Stipend Program - Incentives	300,000
Shared Services Alliance Conference	Quality Matters	50,000
Fluent SEEDs	Community of Practice	50,000
Shared Services - Rollover	Shared Services	58,599
Shared Services - Childcare Management System	Shared Services	23,000
Shared Services - Incentives and Stipends	Shared Services	21,500
Lindsey Nitta	Shared Services	5,000
Teacher Cohort - Instructional and Training	Teacher Cohort	37,445
Teacher Cohort - Wage supports and Stipends	Teacher Cohort	79,200
Teacher Cohort - Childcare supports	Teacher Cohort	28,000
Teacher Cohort - Equipment	Teacher Cohort	30,000
Teacher Cohort - Materials and Supplies	Teacher Cohort	10,000
Teacher Cohort - Mental Health, Wellness Consultation	Teacher Cohort	3,000
Teacher Cohort - Mentor Trainings	Teacher Cohort	9,600
Teacher Cohort - Program Supports	Teacher Cohort	30,000
Teacher Cohort - Contractual	Teacher Cohort	17,500
Teachstone Training, Inc.	myTeachstone Trainings & Services	65,000
Various-TBD	Center Based Supports for Staff, Supplies and Services - De Anza College	143,106
Various-TBD	Center Based Supports for Staff, Supplies and Services - Mission College	158,136
Various-TBD	TK Equity - Education and Training Scholarships and Supports	412,500
Strengthening the Workforce Total \$ \$		3,704,238
Strengthening the Workforce % of spending		19%
Grand Total \$		19,402,821

FIRST 5 Santa Clara County
THIRD PARTY AWARDS

Third Party Grant	Program	FY 23-24 Projected	FY 24-25 Budget	INC/(DEC)
California Department of Education	FY23/24 Quality Counts BG	\$ 555,948	\$ 543,818	\$ (12,130)
City of San José	COVID Recovery Task FCCH MiniGrants	100,000	-	(100,000)
County of Santa Clara , District 4 Inventory Item	Home Visiting Landscape Analysis	52,000	23,000	(29,000)
County of Santa Clara Board of Supervisors	Internship Program	-	-	-
County of Santa Clara Board of Supervisors	County - Apprenticeship Program 1	677,215	215,693	(461,521)
County of Santa Clara Board of Supervisors	County - Apprenticeship Program 1-Teacher Cohort	-	56,965	56,965
County of Santa Clara Board of Supervisors	Shared Services	321,335	751,400	430,065
County of Santa Clara Board of Supervisors	TK Equity	92,124	572,938	480,814
County of Santa Clara Board of Supervisors	County - Apprenticeship Program 2	983,680	1,192,398	208,718
County of Santa Clara Board of Supervisors	County - Apprenticeship Program 2-Teacher Cohort	-	280,962	280,962
County of Santa Clara Health System	Healthy Steps Pilot Program	485,714	-	(485,714)
County of Santa Clara, County Executive Office	RAPID Survey	-	23,000	23,000
County of Santa Clara, Probation Department	Beacons for Hope FRC	584,590	611,742	27,152
County of Santa Clara, Public Health Department	Home Visitation	425,375	225,375	(200,000)
County of Santa Clara, Social Services Agency	Diaper Kit Project	720,000	2,404,305	1,684,305
County of Santa Clara, Social Services Agency	FFPSA	-	539,000	539,000
County of Santa Clara, Social Services Agency	Placed Based Resource Centers	-	1,000,000	1,000,000
First 5 California	Refugee	254,985	-	(254,985)
First 5 San Benito	Home Visitation	57,129	127,091	69,963
First 5 San Benito	IMPACT - TBD	847,641	1,076,798	229,157
First 5 San Benito	IMPACT Regional HUB	113,550	103,195	(10,355)
First 5 San Francisco	IMPACT Regional HUB	-	-	-
Marin Community Foundation	Systems Change	2,500,000	-	(2,500,000)
ParentChild+	Home Visitation	262,500	350,000	87,500
Santa Clara Family Health Plan	University of California, San Francisco - Healthy Steps Program	250,000	-	(250,000)
State of California, Department of Health Care Services (DHCS)	Children and Youth Behavioral Health Initiative	300,000	100,000	(200,000)
Sunlight Giving	General Operating Support	500,000	250,000	(250,000)
Tides Center	Wage supports, stipends, supplies	-	143,106	143,106
Tides Center	Wage supports, stipends, supplies	13,440	158,136	144,696
Unidentified funding sources		-	500,000	500,000
Total Third Party Grants		\$ 10,097,226	\$ 11,248,923	\$ 1,151,696

**FIRST 5 SANTA CLARA COUNTY
10 Year Sustainability Plan
FY 2024/2025**

FY 2023/2024 10-YEAR SUSTAINABILITY PLAN	FY 2023/2024 PROJECTED	FY 2024/2025 DRAFT BUDGET	FY 2025/2026 PROJECTED	FY 2026/2027 PROJECTED	FY 2027/2028 PROJECTED	FY 2028/2029 PROJECTED	FY2029/2030 PROJECTED	FY2030/2031 PROJECTED	FY2031/2032 PROJECTED	FY2032/2033 PROJECTED	FY2033/34 PROJECTED
Beginning Balance	29,015,242	22,744,555	17,408,249	12,377,286	7,933,824	7,626,816	7,656,972	7,684,173	7,709,542	7,743,798	7,777,679
Revenues:											
Prop10	11,140,827	10,789,627	9,875,954	9,387,107	9,402,079	9,120,017	8,846,416	8,581,024	8,323,593	8,073,885	7,831,669
Interest and Investment Income	905,906	550,000	300,000	200,000	190,000	180,500	171,475	162,901	154,756	147,018	139,667
Rental Income	191,898	190,475	196,189	202,075	208,137	214,381	220,813	227,437	234,260	241,288	248,527
MAA Income	2,223,131	2,296,031	1,800,000	1,800,000	1,818,000	1,781,640	1,746,007	1,711,087	1,676,865	1,643,328	1,610,461
Sale of Potter Books	152,484	265,000	235,000	246,750	259,088	272,042	285,644	299,926	314,922	330,669	347,202
Subtotal General Revenues	14,614,246	14,091,133	12,407,143	11,835,932	11,877,304	11,568,580	11,270,355	10,982,375	10,704,397	10,436,188	10,177,526
Third Party Grants	10,097,226	11,248,923	6,897,799	6,686,752	6,186,752	6,310,487	6,436,697	6,565,431	6,696,739	6,830,674	6,967,288
Total Revenue	24,711,472	25,340,056	19,304,942	18,522,684	18,064,056	17,879,067	17,707,052	17,547,806	17,401,137	17,266,862	17,144,814
Expenses:											
Programs (Operations)	6,781,919	7,825,604	7,170,412	6,711,892	6,376,297	6,057,482	6,097,907	6,143,177	6,193,186	6,143,750	6,096,785
Salaries and Benefits	5,559,482	6,021,160	5,720,102	5,434,097	5,162,392	4,904,272	5,002,358	5,102,405	5,204,453	5,204,453	5,204,453
Direct Program Costs	1,222,437	1,804,444	1,450,310	1,277,795	1,213,905	1,153,210	1,095,549	1,040,772	988,733	939,297	892,332
Evaluation (Operations)	396,975	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000
Administration (Operations)	2,901,036	3,147,938	3,139,847	2,914,893	2,694,767	2,591,429	2,619,943	2,649,260	2,679,395	2,710,361	2,742,172
Salaries and Benefits	1,992,265	2,338,906	2,338,906	2,121,961	1,909,765	1,814,276	1,850,562	1,887,573	1,925,325	1,963,831	2,003,108
Operating Costs	908,771	809,032	800,941	792,932	785,003	777,153	769,381	761,687	754,070	746,530	739,064
Community Investments	20,902,229	19,402,821	13,725,645	13,039,362	9,000,000	8,900,000	8,662,000	8,430,000	8,514,300	8,258,871	7,980,460
Total Expenses	30,982,159	30,676,363	24,335,905	22,966,146	18,371,064	17,848,911	17,679,850	17,522,437	17,366,881	17,232,981	17,119,417
Net (Revenue - Expenses)	(6,270,687)	(5,336,307)	(5,030,962)	(4,443,462)	(307,008)	30,156	27,202	25,369	34,255	33,881	25,397
Ending Balance	22,744,555	17,408,249	12,377,286	7,933,824	7,626,816	7,656,972	7,684,173	7,709,542	7,743,798	7,777,679	7,803,076

RESOLUTION NO. 24-02**A RESOLUTION OF THE FIRST 5 SANTA CLARA COUNTY COMMISSION
ADOPTING THE BUDGET FOR OPERATIONS AND APPROPRIATING
REVENUE FOR FISCAL YEAR (FY) 2023/24 AND FINDING THAT FIRST 5
SANTA CLARA COUNTY IS IN COMPLIANCE WITH THE ANNUAL
BUDGET POLICY**

WHEREAS, On October 12, 2017, the FIRST 5 Santa Clara County Commission adopted an Annual Budget Policy by Resolution No. 17-01.

WHEREAS, in accordance with Resolution No. 17-01, Annual Budget Policy, the Executive Director has prepared and submitted to the FIRST 5 Santa Clara County Commission a proposed budget for FY 2024/25, starting July 1, 2024; and utilizing the most accurate available income estimates and the most feasible combination of expenditure classification by fund, organization unit, program, purpose or activity and object;

NOW, THEREFORE, the FIRST 5 Santa Clara County Commission does hereby resolve, determine and order as follows:

SECTION 1. That certain document, which includes all revenues and appropriations on file in the office of the Executive of Finance and Operations, being marked and designated "Fiscal Year (FY) 2024/25 Operations Budget," as prepared by Executive Director and amended by the FIRST 5 Santa Clara County Commission, is adopted for the fiscal year commencing July 1, 2024;

SECTION 2. The following sums of money are hereby appropriated from the revenue of FIRST 5 Santa Clara County to the following named programs and activities of FIRST 5 Santa Clara County for expenditure during the FY 2024/25; and

SECTION 3. From and after the effective date of the budget, the several amounts stated therein as proposed expenditures, shall be deemed appropriated to the several departments, offices and agencies for the respective objects and purposes therein stated. All appropriations shall lapse at the end of the fiscal year to the extent that they shall not have been expended or lawfully encumbered.

<u>CATEGORY</u>	<u>EXPENDITURES</u>
Salaries and Wages	\$ 6,268,938
Benefits	2,091,128
Administration Operating Costs	809,032
Program Business Services	132,907
Program Operating Costs	1,671,535
Evaluation	300,000
TOTAL EXPENDITURES	\$ 11,273,540

SECTION 4. The budget as approved shall be filed with the office of the Executive of Finance and Operations, and copies shall be made available for public review.

APPROVED AND ADOPTED at a regular meeting of the FIRST 5 Santa Clara County Commission held on this 23RD day of May 2024 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ANNE SOUZA
Chairperson
FIRST 5 Santa Clara County Commission

Signed and certified that a copy of this document has been delivered by electronic or other means to the Chairperson of the FIRST 5 Santa Clara County Commission

ATTEST:

COLIN KUTCH
Deputy Clerk

Approved as to Form and Legality:

RAVI RAJENDRA
Deputy County Counsel

RESOLUTION NO. 24-03**A RESOLUTION OF THE FIRST 5 SANTA CLARA COUNTY COMMISSION
ADOPTING THE BUDGET FOR COMMUNITY INVESTMENT GRANT
AWARDS AND APPROPRIATING REVENUE FOR FISCAL YEAR (FY)
2023/24 AND FINDING THAT FIRST 5 SANTA CLARA COUNTY IS IN
COMPLIANCE WITH THE ANNUAL BUDGET POLICY**

WHEREAS, On October 12, 2017, the FIRST 5 Santa Clara County Commission adopted an Annual Budget Policy by Resolution No. 17-01.

WHEREAS, in accordance with Resolution No. 17-01, Annual Budget Policy, the Executive Director has prepared and submitted to the FIRST 5 Santa Clara County Commission a proposed budget for FY 2024/25, starting July 1, 2024; and utilizing the most accurate available income estimates and the most feasible combination of expenditure classification by fund, organization unit, program, purpose or activity and object;

NOW, THEREFORE, the FIRST 5 Santa Clara County Commission does hereby resolve, determine and order as follows:

SECTION 1. That certain document, which includes all revenues and appropriations on file in the office of the Executive of Finance and Operations, being marked and designated "Fiscal Year (FY) 2024/25 Community Investment Grant Awards," as prepared by Executive Director and amended by the FIRST 5 Santa Clara County Commission is adopted for the fiscal year commencing July 1, 2024;

SECTION 2. The following sums of money are hereby appropriated from the revenue of FIRST 5 Santa Clara County to the following named programs and activities of FIRST 5 Santa Clara County for expenditure during the FY 2024/25; and

SECTION 3. From and after the effective date of the budget, the several amounts stated therein as proposed expenditures, shall be deemed appropriated to the several departments, offices and agencies for the respective objects and purposes therein stated. All appropriations shall lapse at the end of the fiscal year to the extent that they shall not have been expended or lawfully encumbered.

BUDGET APPROPRIATIONS

PROGRAM	TOTAL EXPENDITURES
Community Investments Grant Awards	<u>\$19,402,821</u>

SECTION 4. The budget as approved shall be filed with the office of the Executive of Finance and Operations, and copies shall be made available for public review.

APPROVED AND ADOPTED at a regular meeting of the FIRST 5 Santa Clara County Commission held on this 23rd day of May 2024 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ANNE SOUZA
Chairperson
FIRST 5 Santa Clara County Commission

Signed and certified that a copy of this document has been delivered by electronic or other means to the Chairperson of the FIRST 5 Santa Clara County Commission

ATTEST:

COLIN KUTCH
Deputy Clerk

Approved as to Form and Legality:

RAVI RAJENDRA
Deputy County Counsel

FIRST 5 CALIFORNIA COUNTY TAX REVENUE PROJECTIONS FOR 2023-24 THROUGH 2027-28 with Flavor Ban
 UTILIZING January 2024 UPDATED TOBACCO TAX REVENUE PROJECTIONS AND
 DOF BIRTH PROJECTIONS FOR CALIFORNIA STATE AND COUNTIES 1990-2040
 UPDATED 1/29/2024

	COUNTY	2023-24 TAX REVENUE PROJECTION		2024-25 TAX REVENUE PROJECTION		2025-26 TAX REVENUE PROJECTION		2026-27 TAX REVENUE PROJECTION		2027-28 TAX REVENUE PROJECTION						
		2022 Births ¹	2022 Birthrate	2023 Births ¹	2023 Birthrate	2024 Births ¹	2024 Birthrate	2025 Births ¹	2025 Birthrate	2026 Births ¹	2026 Birthrate					
1	Alameda	16,935	4.034%	\$10,051,342	14,970	3.677%	\$8,768,292	13,812	3.381%	\$7,832,712	13,462	3.293%	\$7,411,685	13,422	3.270%	\$7,160,796
2	Alpine	66	0.016%	\$39,173	5	0.001%	\$2,929	6	0.001%	\$3,403	12	0.003%	\$6,607	9	0.002%	\$4,802
3	Amador	355	0.085%	\$210,701	346	0.085%	\$202,661	341	0.083%	\$193,379	361	0.088%	\$198,753	374	0.091%	\$199,533
4	Butte	2,065	0.492%	\$1,225,629	1,986	0.488%	\$1,163,248	1,956	0.479%	\$1,109,237	2,021	0.494%	\$1,112,689	1,936	0.472%	\$1,032,879
5	Calaveras	387	0.092%	\$229,694	376	0.092%	\$220,232	454	0.111%	\$257,461	426	0.104%	\$234,540	425	0.104%	\$226,743
6	Colusa	295	0.070%	\$175,090	279	0.069%	\$163,417	264	0.065%	\$149,713	313	0.077%	\$172,326	312	0.076%	\$166,456
7	Contra Costa	11,950	2.847%	\$7,092,621	11,303	2.776%	\$6,620,441	11,567	2.831%	\$6,559,584	11,455	2.802%	\$6,306,705	11,499	2.802%	\$6,134,853
8	Del Norte	219	0.052%	\$129,982	218	0.054%	\$127,688	234	0.057%	\$132,700	229	0.056%	\$126,079	247	0.060%	\$131,777
9	El Dorado	1,554	0.370%	\$922,337	1,647	0.405%	\$964,688	1,637	0.401%	\$928,334	1,629	0.398%	\$896,868	1,659	0.404%	\$885,096
10	Fresno	13,884	3.307%	\$8,240,498	13,588	3.337%	\$7,958,821	13,905	3.404%	\$7,885,452	13,985	3.421%	\$7,699,630	14,097	3.435%	\$7,520,917
11	Glenn	347	0.083%	\$205,953	395	0.097%	\$231,361	403	0.099%	\$228,539	383	0.094%	\$210,866	427	0.104%	\$227,810
12	Humboldt	1,275	0.304%	\$756,744	1,187	0.292%	\$695,255	1,178	0.288%	\$668,038	1,165	0.285%	\$641,406	1,121	0.273%	\$598,067
13	Imperial	2,395	0.571%	\$1,421,424	2,408	0.591%	\$1,410,424	2,469	0.604%	\$1,400,157	2,536	0.620%	\$1,396,229	2,725	0.664%	\$1,453,820
14	Inyo	165	0.039%	\$97,932	174	0.043%	\$101,916	182	0.045%	\$103,211	193	0.047%	\$106,259	192	0.047%	\$102,434
15	Kern	12,480	2.973%	\$7,407,189	12,068	2.964%	\$7,068,520	12,381	3.031%	\$7,021,199	12,360	3.023%	\$6,804,965	12,364	3.013%	\$6,596,341
16	Kings	2,164	0.515%	\$1,284,388	2,007	0.493%	\$1,175,549	2,112	0.517%	\$1,197,704	2,071	0.507%	\$1,140,217	2,050	0.500%	\$1,093,699
17	Lake	656	0.156%	\$389,352	781	0.192%	\$457,451	769	0.188%	\$436,096	786	0.192%	\$432,743	829	0.202%	\$442,281
18	Lassen	252	0.060%	\$149,568	250	0.061%	\$146,431	229	0.056%	\$129,865	184	0.045%	\$101,304	210	0.051%	\$112,037
19	Los Angeles	95,478	22.744%	\$56,668,557	93,528	22.971%	\$54,781,619	94,338	23.092%	\$53,498,580	94,040	23.002%	\$51,774,989	93,232	22.718%	\$49,740,377
20	Madera	2,056	0.490%	\$1,220,287	2,079	0.511%	\$1,217,721	2,080	0.509%	\$1,179,557	2,114	0.517%	\$1,163,891	2,107	0.513%	\$1,124,109
21	Marin	2,390	0.569%	\$1,418,524	2,053	0.504%	\$1,202,492	1,865	0.457%	\$1,057,632	1,876	0.459%	\$1,032,857	1,716	0.418%	\$915,506
22	Mariposa	171	0.041%	\$101,493	134	0.033%	\$78,487	145	0.035%	\$82,229	153	0.037%	\$84,236	184	0.045%	\$98,166
23	Mendocino	900	0.214%	\$534,172	871	0.214%	\$510,166	960	0.235%	\$544,411	974	0.238%	\$536,249	951	0.232%	\$507,370
24	Merced	3,922	0.934%	\$2,327,804	3,886	0.954%	\$2,276,125	4,228	1.035%	\$2,397,676	4,430	1.084%	\$2,438,996	4,520	1.101%	\$2,411,474
25	Modoc	21	0.005%	\$12,464	33	0.008%	\$19,329	51	0.012%	\$28,922	83	0.020%	\$45,697	96	0.023%	\$51,217
26	Mono	103	0.025%	\$61,133	94	0.023%	\$55,058	106	0.026%	\$60,112	95	0.023%	\$52,304	98	0.024%	\$52,284
27	Monterey	5,420	1.291%	\$3,216,904	5,452	1.339%	\$3,193,369	5,260	1.288%	\$2,982,918	5,136	1.256%	\$2,827,694	5,141	1.253%	\$2,742,784
28	Napa	1,196	0.285%	\$709,856	1,135	0.279%	\$664,797	1,232	0.302%	\$698,661	1,224	0.299%	\$673,890	1,264	0.308%	\$674,359
29	Nevada	789	0.188%	\$468,291	773	0.190%	\$452,765	807	0.198%	\$457,645	865	0.212%	\$476,237	859	0.209%	\$458,287
30	Orange	30,588	7.286%	\$18,154,735	31,035	7.623%	\$18,177,953	31,930	7.816%	\$18,107,334	32,045	7.838%	\$17,642,806	32,300	7.870%	\$17,232,433
31	Placer	3,826	0.911%	\$2,270,826	3,837	0.942%	\$2,247,424	4,079	0.998%	\$2,313,179	4,131	1.010%	\$2,274,378	4,253	1.036%	\$2,269,026
32	Plumas	141	0.034%	\$83,687	144	0.035%	\$84,344	139	0.034%	\$78,826	180	0.044%	\$99,101	157	0.038%	\$83,761
33	Riverside	27,780	6.617%	\$16,488,118	27,530	6.762%	\$16,124,989	28,675	7.019%	\$16,261,441	28,664	7.011%	\$15,781,351	28,724	6.999%	\$15,324,594
34	Sacramento	18,232	4.343%	\$10,821,143	17,690	4.345%	\$10,361,462	17,830	4.364%	\$10,111,299	17,380	4.251%	\$9,568,793	17,361	4.230%	\$9,262,299
35	San Benito	819	0.195%	\$486,097	850	0.209%	\$497,866	802	0.196%	\$454,810	845	0.207%	\$465,226	804	0.196%	\$428,944
36	San Bernardino	26,751	6.372%	\$15,877,381	25,491	6.261%	\$14,930,697	25,912	6.343%	\$14,694,558	27,660	6.766%	\$15,228,586	29,490	7.186%	\$15,733,265
37	San Diego	37,567	8.949%	\$22,296,945	35,951	8.830%	\$21,057,373	35,152	8.605%	\$19,934,513	34,699	8.487%	\$19,104,002	34,103	8.310%	\$18,194,355
38	San Francisco	7,455	1.776%	\$4,424,727	6,581	1.616%	\$3,854,651	5,684	1.391%	\$3,223,366	5,927	1.450%	\$3,263,190	6,046	1.473%	\$3,225,613
39	San Joaquin	9,818	2.339%	\$5,827,226	9,809	2.409%	\$5,745,369	10,105	2.474%	\$5,730,492	10,252	2.508%	\$5,644,377	10,160	2.476%	\$5,420,480
40	San Luis Obispo	2,435	0.580%	\$1,445,233	2,460	0.604%	\$1,440,882	2,470	0.605%	\$1,400,724	2,509	0.614%	\$1,381,364	2,466	0.601%	\$1,315,640
41	San Mateo	7,566	1.802%	\$4,490,608	6,925	1.701%	\$4,056,141	6,268	1.534%	\$3,554,550	6,247	1.528%	\$3,439,370	6,183	1.507%	\$3,298,704
42	Santa Barbara	5,520	1.315%	\$3,276,257	5,390	1.324%	\$3,157,054	5,045	1.235%	\$2,860,993	4,994	1.222%	\$2,749,514	4,901	1.194%	\$2,614,742
43	Santa Clara	18,805	4.479%	\$11,161,233	18,421	4.524%	\$10,789,627	17,415	4.263%	\$9,875,954	17,050	4.170%	\$9,387,107	17,623	4.294%	\$9,402,079
44	Santa Cruz	2,229	0.531%	\$1,322,967	2,219	0.545%	\$1,299,722	2,236	0.547%	\$1,268,024	2,300	0.563%	\$1,266,296	2,183	0.532%	\$1,164,656
45	Shasta	1,835	0.437%	\$1,089,118	1,829	0.449%	\$1,071,290	1,951	0.478%	\$1,106,402	1,979	0.484%	\$1,089,565	1,960	0.478%	\$1,045,683
46	Sierra	21	0.005%	\$12,464	17	0.004%	\$9,957	23	0.006%	\$13,043	19	0.005%	\$10,461	24	0.006%	\$12,804
47	Siskiyou	311	0.074%	\$184,586	364	0.089%	\$213,204	423	0.104%	\$239,881	422	0.103%	\$232,338	457	0.111%	\$243,815
48	Solano	4,968	1.183%	\$2,948,631	4,764	1.170%	\$2,790,390	4,736	1.159%	\$2,685,761	4,667	1.142%	\$2,569,480	4,711	1.148%	\$2,513,374
49	Sonoma	4,555	1.085%	\$2,703,505	4,287	1.053%	\$2,511,000	4,239	1.038%	\$2,403,914	3,994	0.977%	\$2,198,951	3,988	0.972%	\$2,127,645
50	Stanislaus	7,293	1.737%	\$4,328,576	6,931	1.702%	\$4,059,655	7,247	1.774%	\$4,109,735	7,220	1.766%	\$3,975,068	7,254	1.768%	\$3,870,095
51	Sutter	1,323	0.315%	\$785,233	1,275	0.313%	\$746,798	1,316	0.322%	\$746,297	1,366	0.334%	\$752,070	1,407	0.343%	\$750,651
52	Tehama	750	0.179%	\$445,144	808	0.198%	\$473,265	842	0.206%	\$477,494	812	0.199%	\$447,058	822	0.200%	\$438,547
53	Trinity	110	0.026%	\$65,288	137	0.034%	\$80,244	128	0.031%	\$72,588	178	0.044%	\$98,000	161	0.039%	\$85,895
54	Tulare	6,819	1.624%	\$4,047,245	6,534	1.605%	\$3,827,122	6,902	1.689%	\$3,914,088	6,818	1.668%	\$3,753,742	6,796	1.656%	\$3,625,747
55	Tuolumne	452	0.108%	\$268,273	425	0.104%	\$248,933	419	0.103%	\$237,613	410	0.100%	\$225,731	404	0.098%	\$215,539
56	Ventura	8,771	2.089%	\$5,205,806	8,338	2.048%	\$4,883,769	8,504	2.082%	\$4,822,573	8,487	2.076%	\$4,672,632	8,424	2.053%	\$4,494,304
57	Yolo	1,958	0.466%	\$1,162,121	1,879	0.462%	\$1,100,576	1,904	0.466%	\$1,079,748	1,856	0.454%	\$1,021,846	1,977	0.482%	\$1,054,753
58	Yuba	1,214	0.289%	\$720,539	1,201	0.295%	\$703,455	1,181	0.289%	\$669,739	1,158	0.283%	\$637,552	1,192	0.290%	\$635,946
	TOTALS	419,802	100%	\$249,162,883	407,148	100%	\$238,476,464	408,528	100%	\$231,674,064	408,830	100%	\$225,086,864	410,397	100%	\$218,951,664
	¹ DOF projected births by county.															
	FROM REVENUE BREAKDOWN			\$249,162,883			\$238,476,464			\$231,674,064			\$225,086,864			\$218,951,664