



**FIRST 5 SANTA CLARA COUNTY  
COMMISSION MEETING**

**Meeting Date:** May 19, 2022 **Submitted By:** Maureen Shilling, Chief of Operations  
**Action:** X **Discussion:** \_\_\_\_\_  
**Selection Process:** RFP \_\_\_\_\_ RFQ \_\_\_\_\_ Sole Source \_\_\_\_\_ Not Applicable X

**TITLE:**

Consider Adoption of the Proposed FY 2022/2023 Operations Budget

**RECOMMENDED ACTIONS:**

Adopt the proposed FY 2022/2023 Operations Budget.

**BACKGROUND:**

This letter provides an overview of the proposed FY 2022/23 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 2022/23 Budget continues implementation of strategies included in the 2018-2023 FIRST 5 Strategic Plan adopted by the Commission on June 21, 2018. This year’s budget proposes decreased spending for community investments resulting from the sunseting of select programs where the funding source has discontinued or a planned elimination of FIRST 5 funding. 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 2022/23 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 2021/22 to FY 2022/23 comparison is illustrated below:

FY 2021/22 10-YEAR SUSTAINABILITY PLAN	FY 2021/2022 PROJECTED	FY 2022/2023 BUDGET	DELTA \$	DELTA %	COMMENTS
<b>Beginning Balance</b>	<b>45,154,658</b>	<b>37,689,837</b>	<b>(7,464,822)</b>		
<b>Revenues:</b>					
Prop10	14,265,041	13,837,090	(427,951)	-3%	Standard % Estimated 0 for FY 2021/22 after
Interest and Investment Income	-	498,534	498,534	100%	unrealized losses in bond market
Rental Income	126,595	130,393	3,798	3%	Standard %
MAA Income	2,000,000	1,500,000	(500,000)	-25%	Expecting decline
Sale of Potter Books	300,000	300,000	-	0%	No Change
Other Income	1,102,615		(1,102,615)	-100%	One time PPP loan forgiveness
<b>Subtotal General Revenues</b>	<b>17,794,251</b>	<b>16,266,017</b>	<b>(1,528,234)</b>	<b>-9%</b>	
Third Party Grants	<b>9,602,753</b>	<b>7,743,794</b>	<b>(1,858,959)</b>	<b>-19%</b>	Details in Attachment 4.2 C
<b>Total Revenue</b>	<b>27,397,004</b>	<b>24,009,811</b>	<b>(3,387,193)</b>	<b>-12%</b>	
<b>Expenses:</b>					
<b>Programs (Operations)</b>	<b>6,739,504</b>	<b>7,376,655</b>	<b>637,151</b>	<b>9%</b>	
Salaries and Benefits	5,642,609	6,196,610	554,001	10%	Calculated increases for adding staff and potential staff raises. Calculated based upon FY 2021/22
Direct Program Costs	1,096,895	1,180,045	83,150	8%	projected actual spending. Calculated based upon FY 2021/22
Evaluation (Operations)	614,866	584,123	(30,743)	-5%	projected actual spending.
Administration (Operations)	2,710,939	2,668,012	(42,927)	-2%	
Salaries and Benefits	1,382,137	1,583,892	201,755	15%	Calculated increases for adding staff and potential staff raises. Calculated based upon FY 2021/22
Operating Costs	1,328,802	1,084,120	(244,682)	-18%	projected actual spending.
Community Investments	24,796,517	22,606,810	(2,189,707)	-9%	
<b>Total Expenses</b>	<b>34,861,826</b>	<b>33,235,600</b>	<b>(1,626,226)</b>	<b>-5%</b>	
<b>Net (Revenue - Expenses)</b>	<b>(7,464,822)</b>	<b>(9,225,789)</b>	<b>1,760,967</b>	<b>7%</b>	
<b>Ending Balance</b>	<b>37,689,837</b>	<b>28,464,048</b>	<b>(9,225,789)</b>		

Budgeted revenues decline 12% for a total of \$3,394,455 due to 1. Prop 10 decline of 3% (\$427,951), 2. MAA decline of 25% (\$500,000), and 3. elimination of one-time income for forgiveness of the PPP loan (\$1,102,615).

Budgeted expenses in total decline 5% for a total of \$1,626,226 for the year as noted in the chart.

## B. Budget Summary

The FY 2022/23 Budget has been developed during a transitional period for the organization and the gradual return to in-office work after a two year-long disruption to our operations and lives due to COVID-19. This budget incorporates investments in staff professional development, education and training, increases in staff salaries,

work on diversity, equity and inclusion, and strengthening the organization through the hiring and obtaining full FTE head-count for all approved positions.

Considering the fiscal reality of declining revenues for our Proposition 10 allocation this budget provides a more precise estimate of the ending fund balance of the current fiscal year based upon expected revenues and expenditures rather than budgeted. Therefore, the revenue and expenses for the current fiscal year (FY 2021/22) shown in the first column of the FY 2022/23 Proposed Operations Budget (Attachment 4.2A) and the 10 Year Sustainability Plan (Attachment 4.2B) are the expected actual revenues and expenditures rather than those originally budgeted for FY 2021/22.

The Chief Executive Officer has authority to execute contracts of \$100,000 or less. Any contract or addition to a contract of any single grantee that brings it over \$100,000 requires Commission approval.

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

Persimmony International (Contract and Evaluation Administration software)- \$139,000;  
USWired (IT Support)- \$194,000 (includes monthly IT services \$144K and \$50K allowance for equipment purchases); and  
Applied Survey Research (Evaluation) - \$500,000 (Approximately 18% 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. 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.

For your review is the 10-Year Sustainability Plan (Attachment 4.2B). The total proposed FY 22/23 spending budget totals \$33,235,600 a 5% decrease (\$1,626,226) over the projected actual FY 2021/22 spending of \$34,861,826 as follows:

- Programs (Operations Costs) – Increasing by \$637,151 - Budgeted spending is increasing 9% over projected actual expenses for FY 2021/22. Of this amount, \$554,001 (87%) represents potential increased Salaries and Benefits costs, and \$83,150 (13%) represents increased spending for Services and Supplies. Further analysis follows.
- Administration (Operations costs) – Decreasing by \$42,927 - Budgeted spending is decreasing 2% over projected actual expenses for FY 2021/22. This increase reflects a \$201,755 in potential increases to Salary and Benefits Costs, offset by a decrease of \$244,682 in spending for Services and Supplies.

- Community Investment – Budgeted Spending is projected to decrease by \$2,189,707 (9%). 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 2022/23 Budget includes the following:

### **1. Community Investment Summary**

Community Investment budget is **\$22,606,810**. This budget includes the following:

- Investment in the County’s Universal Access Pilot Project in order to continue strengthening and deepen the impact and services of FIRST 5 Santa Clara County’s System of Care, which aims to create robust systemic partnerships that align their practices in order to best meet the needs of the children and families within our county;
- Collaboration with the Santa Clara County Office of Education’s Datazone to link early learning and K-12 data and develop data dashboards;
- Investment in the Santa Clara County Office of Education Inclusion Collaborative, Warmline, to continue to support the equitable resource and guidance supports for parents of and providers supporting children with special needs and challenging behavior;
- Building training capacity around Implicit Bias and Anti-Racism in partnership with the Regional Hub by providing Implicit Bias Training of Trainers (TOT) and Anti-Racism TOT;
- Investment in early learning system database called Early Quality Systems, Hubbe, Inc;
- Expansion of the Universal Developmental Screening Initiative through a partnership with local health plans, Valley Medical Center, Community Health Partnership, and UC San Francisco to develop and implement an integrated behavioral health demonstration and technical assistance project with a select cohort of high volume pediatric and family medicine clinics in Santa Clara County. This work will demonstrate scalable and sustainable reimbursement and clinical delivery models for dyadic models of care in pediatric and family medicine primary care settings;
- Leadership of the *Santa Clara County Home Visiting Collaborative*, which will be working to develop a coordinated intake and referral system for Home Visiting Programs in Santa Clara County;
- Continued delivery of SEEDs of Learning and myTeachstone to Family Child Care Home early educators participating in QUALITY MATTERS...a STRONG START for kids to enhance their competency in interactions with children and their families;
- Investment in training for Family Child Care Home early educators in QUALITY MATTERS and family engagement through home visiting to promote dual language learning in Santa Clara County; and

- Continued delivery of Training of Trainers to prepare Family Resource Center community workers to provide evidence-based parenting workshops to families with children 0-5.

## 2. Building FIRST 5's Internal Capacity

### a. Staff<sup>1</sup>

The FY 2022/23 operating budget includes 64 full-time equivalents (FTE's).

The increase in the Salaries and Benefits of \$755,756 represents (1) potential increases in staff salaries, (2) a projected 3% across-the-board increase in the cost of existing benefits, and (3) the cost for hiring all approved staff positions within the first 6 months of the fiscal year.

Salaries and Wages and Benefits are budgeted at their full costs. Of the \$7,780,502 staffing costs in FY 2022/23, **10%** or **\$759,000** will be funded by third party grants.

### b. Operating Costs Summary:

In FY 2022/23, budgeted operating costs total \$10,628,790 consisting of Salaries and Benefits totaling \$7,780,502, and Services and Supplies totaling \$2,848,288. Section F includes a more detailed discussion of operating costs which include:

- **Program Costs.** 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.
- **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.
- **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

---

<sup>1</sup> The cost estimates discussed below include salary and benefits for all FIRST 5 employees, including employees who both are and are not represented by Service Employees International Union, Local 521 ("SEIU"). FIRST 5 is currently in the process of beginning negotiations with SEIU for an initial labor contract (Memorandum of Understanding, or "MOU"), Because potential changes to salary and/or benefits are within the scope of mandatory bargaining for represented employees under the Meyers-Milias-Brown Act ("MMBA," Gov. Code § 3500 *et seq.*), all salary and benefit increases assumed herein are subject to change as a result of collective bargaining.

In FY 2022/23, 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. The FY 2022/23 budget aims to increase transparency and improve the accuracy of financial projections. In the coming year, the finance team will implement continuous improvements to utilize our budgeting system in the MIP financials more effectively to provide monthly budget versus actual statements to program partners and internal constituents.

In an integrated, collaborative approach internally, staff from both programs and operations were invited and participated in the development of all components of the budget. The budget was reviewed with the CEO, Chief Program Officer, and Deputy Chiefs for their approval and recommendations. In January 2022, all program staff met with the COO and CPO for a mid-year budget review which was then presented to the Commission at the February 2022 meeting. In the coming fiscal year, continued collaboration and communication will occur to ensure departments understand the on-going fiscal responsibility of their respective programs.

As noted *supra*, the assumptions for increases to salary and benefits costs in this budget are also subject to potential change as a result of collective bargaining for represented employees.

#### **D. Revenue Assumptions**

##### **1. Proposition 10 Revenue**

The tobacco tax, the main source of income for FIRST 5 Santa Clara County, has been estimated based upon the projected FY 2021/22 amount, thereafter a 3.0 % reduction per year was used. Proposition 10 revenue projections for all FIRST 5 Agencies are not yet available from First 5 California. The table below shows the projected revenue based upon the 3.0% annual reduction:

<b>FISCAL YEAR</b>	<b>FIRST 5 SCC PROPOSITION 10 REVENUE</b>
2021/22 PROJECTED	\$14,265,041
2022/23 PROJECTED	\$13,837,090
2023/24 PROJECTED	\$13,421,977
2024/25 PROJECTED	\$13,019,318
2025/26 PROJECTED	\$12,628,738

##### **2. Interest Income**

Interest income was estimated based upon 1.5% of the ending fund balance in the prior fiscal year.

##### **3. Rental Income**

Rental income is based upon a minimum 3% per year over 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 that we will receive \$1,500,000 (net of a 6% fee charged by the County). We have estimated MAA revenues to decline over the next several years.

#### **5. Third Party Grant Revenue**

Third party grant revenue is grant 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. Thirty-two percent (32%) of FY 22/23 revenues are received from third party grants and fund new programs, enhancements to existing programs and FIRST 5 staff positions.

FIRST 5 has projected with high certainty to receive grant revenue from these sources in FY 2022/23:

- California Department of Education, PDG-R;
- City of San Jose;
- First 5 Impact Fund;
- First 5 San Francisco (lead agency in a collaboration);
- First 5 California;
- PHD CalWORKs;
- Parent Child +;
- Santa Clara County Behavioral Health Department, School Linked Services;
- Santa Clara County Executive Office;
- Santa Clara County Office of Cultural Competency;
- Santa Clara County Social Services Agency;
- Santa Clara County Probation Department; and
- Santa Clara County Health Plan.

Third Party awards are projected to decrease by 20% for a total decrease of \$1,858,959.

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 the FY 2022/23 and during the ten-year period.

FIRST 5 has projected with high certainty to receive grant revenue from these sources in FY 2022/23:

- California Department of Education, PDG-R;
- City of San Jose;
- First 5 Impact Fund;
- First 5 San Francisco (lead agency in a collaboration);
- First 5 California;
- PHD CalWORKs;
- Santa Clara County Behavioral Health Department, School Linked Services;
- Santa Clara County Social Services Agency;
- Santa Clara County Probation Department; and
- Santa Clara County Health Plan.

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 likely that other grants will be received 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 purposes of the initiatives. The Commission has already taken formal action to commit funds to multi-year allocations for specific initiatives such as the Family Resource Center Initiative. Any unspent funds from the previous fiscal year for these investments revert back to the fund balance.

In looking forward more long-term, the FIRST 5 10-year Sustainability Plan for FY 2022/23 through FY 2031/32 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.<sup>2</sup>

The expected Community Investments for FY 2022/23 are estimated to be \$22,606,810 which is a decrease of \$ (9%) in projected contracts spending for FY 2022/23. *This is based upon maintaining current contract amounts for most grants and sunseting grants for programs that are being discontinued.* The following chart shows the projected reductions in the ensuing years:

YOY PROJECTED INCREASE/DECREASE IN COMMUNITY INVESTMENT SPENDING					
FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28 - FY 2031/32
-11%	-25%	-15%	-12%	-5%	+ 1%

These reductions are required in order to balance the 10-year sustainability plan by FY 25/26 and discontinue the decline in Fund Balance.

## F. Operating Expenses

In accordance with the FIRST 5 Administrative Cost Policy, 10% is the maximum allowable expenses. The Administrative expenses for FY2022/23 is approximately 8% and are within the policy parameters.

### Administration Department:

FY 2022/23 Admin – General Services is budgeted at \$1,084,120 which is a 18% decrease of \$244,682 over projected FY 2021/22 projected actual spending. One-time spending for recruitments and consultants account for most of this decrease.

### Media /Communications:

The Media/Communications department has continued to significantly underspend to budget as a result of the pandemic and its impact on events in the community. The FY 2022/23 budget aligns with the projected actual spending for FY 2021/22.

### Programs:

#### Services and Supplies

Services and Supplies for various non-payroll Agency expenses are estimated for FY 2022/23 based upon several factors, such as trends, one-time expenses, new projected expenses and actual year-to-date expenses occurring during FY 2021/22. Thereafter a 3% to 5% reduction per year is planned until fiscal years

<sup>2</sup> The projections will also be updated to reflect any economic impact of changes agreed to or imposed as a result of negotiations with SEIU over an initial MOU for represented employees, or for any successor MOUs or other agreements with SEIU during the 10-year projection period.

2030/31 where the expenses are flat in order to maintain a balanced budget in FY 2029/30.

**Community of Learning (COL), Health and Wellness (CHW), and Early Learning (EL), and Family Strengthening and Support (FSS)**

An allowance for professional development costs of \$1,300 per employee has been assumed and embedded in each department's budget. Total estimated cost to the agency is \$83,200. This amount is also subject to potential change as a result of collective bargaining for represented employees.

**Acknowledgements:**

The FY 2022/23 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

**FISCAL IMPACT:**

Approval of the draft proposed FY 2022/23 Budget establishes the framework for the funding of FIRST 5 programs and services.

**ATTACHMENT:**

- 4.2A Proposed FY 2022/23 Operations Budget
- 4.2B FY 2022/23 10-Year Sustainability Plan
- 4.2C FY 2022/23 Third Party Grants
- 4.2D FY 2022/23 Community Investment Grant Award Recommendations Summary

FIRST 5 SANTA CLARA COUNTY  
 FY 2022/23  
 Proposed Operations Budget

	FY 21/22 Forecasted Actuals	FY 22/23 Proposed Budget	Delta \$	Delta %	Comments
Authorized Positions	66	64	-2	-3.03%	
<b><u>SALARIES AND BENEFITS</u></b>					
Salaries & Wages	\$ 5,309,986	\$ 5,820,724	\$ 510,738	9.62%	
* Benefits	\$ 1,714,760	\$ 1,959,778	\$ 245,018	14.29%	
<b>TOTAL SALARIES &amp; BENEFITS</b>	<b>\$ 7,024,746</b>	<b>\$ 7,780,502</b>	<b>\$ 755,756</b>	<b>10.76%</b>	Approximately \$759,000 (10%) will be funded by Third Party Grant Awards in FY22/23
<b><u>SERVICES &amp; SUPPLIES</u></b>					
Admin - General Services	\$ 1,259,957	\$ 1,010,997	\$ (248,960)	-19.20%	
Admin - Business Services	\$ 68,845	\$ 73,123	\$ 4,278	6.43%	
Admin - Program	\$ 238,886	\$ 290,901	\$ 52,015	22.06%	
Media/Communications	\$ 444,401	\$ 444,401	\$ -	0.00%	
Family Strengthening & Support	\$ 95,953	\$ 100,246	\$ 4,294	4.83%	
Health & Wellness	\$ 68,263	\$ 72,039	\$ 3,776	6.01%	
Evaluation	\$ 614,866	\$ 584,123	\$ (30,743)	-5.00%	
Community of Learning	\$ 114,228	\$ 111,158	\$ (3,070)	-2.84%	
Early Learning	\$ 135,163	\$ 161,299	\$ 26,136	20.52%	
<b>TOTAL SERVICES &amp; SUPPLIES</b>	<b>\$ 3,040,563</b>	<b>\$ 2,848,288</b>	<b>\$ (192,275)</b>	<b>-6.32%</b>	
<b>TOTAL</b>	<b>\$ 10,065,309</b>	<b>\$ 10,628,790</b>	<b>\$ 563,481</b>	<b>5.60%</b>	
* Benefits included: Medical Insurance; Dental Insurance; Vision Insurance; Life; Disability; AD&D Insurance; Long Term Care Insurance; Employer Supplemental Contribution; Retirement; Employer Matching Contribution; Section 125 Expenses; Section 105 Expense; FICA; Unemployment Insurance; and Workers Compensation Insurance.					
Admin: Administrative expenses related to services, supplies, travel, contractual services and facilities costs.					

**FIRST 5 SANTA CLARA COUNTY  
10 Year Sustainability Plan**

FY 2022/23 10-YEAR SUSTAINABILITY PLAN	FY 2020/2021 Actual	FY 2021/2022 PROJECTED	FY 2022/2023 BUDGET	FY 2023/2024 PROJECTED	FY 2024/2025 PROJECTED	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
<b>Beginning Balance</b>	<b>51,368,394</b>	<b>45,154,658</b>	<b>37,689,837</b>	<b>28,464,048</b>	<b>24,574,683</b>	<b>22,942,094</b>	<b>22,970,427</b>	<b>23,615,536</b>	<b>24,106,967</b>	<b>24,592,573</b>	<b>25,067,866</b>	<b>25,548,942</b>
<b>Revenues:</b>												
Prop10	15,212,975	14,265,041	13,837,090	13,421,977	13,019,318	12,628,738	12,249,876	11,882,380	11,525,909	11,180,131	10,844,727	10,519,386
Interest and Investment Income	104,832	0	498,534	426,961	368,620	344,131	344,556	354,233	361,605	368,889	376,018	383,234
Rental Income	114,799	126,595	130,393	134,305	138,334	142,484	146,759	151,161	155,696	160,367	165,178	170,133
MAA Income	1,834,677	2,000,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Sale of Potter Books	171,332	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000
Other Income	0	1,102,615										
<b>Subtotal General Revenues</b>	<b>17,438,615</b>	<b>17,794,251</b>	<b>16,266,017</b>	<b>15,783,243</b>	<b>15,326,272</b>	<b>14,915,354</b>	<b>14,541,191</b>	<b>14,187,774</b>	<b>13,843,209</b>	<b>13,509,387</b>	<b>13,185,923</b>	<b>12,872,753</b>
Third Party Grants	15,677,537	9,602,753	7,743,794	8,130,984	8,537,533	8,964,410	9,412,630	9,883,262	10,377,425	10,896,296	11,441,111	12,013,166
<b>Total Revenue</b>	<b>33,116,152</b>	<b>27,397,004</b>	<b>24,009,811</b>	<b>23,914,227</b>	<b>23,863,805</b>	<b>23,879,763</b>	<b>23,953,821</b>	<b>24,071,036</b>	<b>24,220,634</b>	<b>24,405,683</b>	<b>24,627,034</b>	<b>24,885,919</b>
<b>Expenses:</b>												
<b>Programs (Operations)</b>	<b>6,437,978</b>	<b>6,739,504</b>	<b>7,376,655</b>	<b>7,565,517</b>	<b>7,767,244</b>	<b>7,848,040</b>	<b>7,934,178</b>	<b>7,975,074</b>	<b>8,017,532</b>	<b>8,079,620</b>	<b>8,151,463</b>	<b>8,224,025</b>
Salaries and Benefits	5,142,913	5,642,609	6,196,610	6,444,474	6,702,253	6,836,298	6,973,024	7,042,755	7,113,182	7,184,314	7,256,157	7,328,719
Direct Program Costs	1,295,065	1,096,895	1,180,045	1,121,043	1,064,991	1,011,741	961,154	932,319	904,350	895,306	895,306	895,306
<b>Evaluation (Operations)</b>	<b>658,437</b>	<b>614,866</b>	<b>584,123</b>	<b>584,123</b>	<b>584,123</b>	<b>584,123</b>	<b>584,123</b>	<b>584,123</b>	<b>584,123</b>	<b>584,123</b>	<b>584,123</b>	<b>584,123</b>
<b>Administration (Operations)</b>	<b>3,126,124</b>	<b>2,710,939</b>	<b>2,668,012</b>	<b>2,698,844</b>	<b>2,733,186</b>	<b>2,736,847</b>	<b>2,742,112</b>	<b>2,731,143</b>	<b>2,721,215</b>	<b>2,730,366</b>	<b>2,748,730</b>	<b>2,767,277</b>
Salaries and Benefits	1,706,727	1,382,137	1,583,892	1,647,248	1,713,138	1,747,400	1,782,348	1,800,172	1,818,174	1,836,355	1,854,719	1,873,266
Operating Costs	1,419,397	1,328,802	1,084,120	1,051,596	1,020,049	989,447	959,764	930,971	903,042	894,011	894,011	894,011
<b>Community Investments</b>	<b>29,107,349</b>	<b>24,796,517</b>	<b>22,606,810</b>	<b>16,955,108</b>	<b>14,411,841</b>	<b>12,682,420</b>	<b>12,048,299</b>	<b>12,289,265</b>	<b>12,412,158</b>	<b>12,536,280</b>	<b>12,661,642</b>	<b>12,788,259</b>
<b>Total Expenses</b>	<b>39,329,888</b>	<b>34,861,826</b>	<b>33,235,600</b>	<b>27,803,591</b>	<b>25,496,394</b>	<b>23,851,430</b>	<b>23,308,713</b>	<b>23,579,605</b>	<b>23,735,028</b>	<b>23,930,389</b>	<b>24,145,959</b>	<b>24,363,684</b>
<b>Net (Revenue - Expenses)</b>	<b>(6,213,736)</b>	<b>(7,464,822)</b>	<b>(9,225,789)</b>	<b>(3,889,365)</b>	<b>(1,632,589)</b>	28,333	645,109	491,431	485,606	475,294	481,075	522,235
<b>Ending Balance</b>	<b>45,154,658</b>	<b>37,689,837</b>	<b>28,464,048</b>	<b>24,574,683</b>	<b>22,942,094</b>	<b>22,970,427</b>	<b>23,615,536</b>	<b>24,106,967</b>	<b>24,592,573</b>	<b>25,067,866</b>	<b>25,548,942</b>	<b>26,071,177</b>

FIRST 5 Santa Clara County

Attachment 4.2C

Third Party Grants

Third Party Grant	Program	FY 20-21 Actual	FY 21-22 Projected	FY 22-23 Projected
Anthem	University of California, San Francisco - Healthy Steps Program	\$ -	\$ 75,000	\$ -
Aurrera Health Group	ACEs Aware Trauma Informed	\$ 232,339	\$ -	\$ -
Blue Shield of California	Calming Kits	\$ -	\$ 15,000	\$ -
California Department of Education	FY20/21 Quality Counts BG and PDG-R	\$ 524,207	\$ -	\$ -
California Department of Social Services	FY21/22 Quality Counts BG	\$ -	\$ 578,374	\$ 0
California Department of Social Services	FY22/23 Quality Counts BG	\$ -	\$ -	\$ 555,948
California Department of Education	FY21/22 Preschool Development Grant- Renewal (PDG-R)	\$ -	\$ 587,944	\$ -
California Department of Education	FY22/23 PDG-R - six months	\$ -	\$ -	\$ 375,536
California Family Resource Center Association	COVID-19 Emergency Funds	\$ -	\$ 70,000	\$ -
California Wellness Foundation	COVID-19 Emergency Funds	\$ -	\$ -	\$ -
City of Milpitas	Internship Program	\$ -	\$ 40,000	\$ -
City of San José	Community Development Block Grant - Calming Kits	\$ 143,919	\$ -	\$ -
City of San José	Community Development Block Grant - Scholarships	\$ 237,425	\$ 752,000	\$ -
City of San José	CRF Funds	\$ 5,537,305	\$ -	\$ -
City of San José	Library Department - Shirakawa FRC	\$ 50,000	\$ -	\$ -
County of Santa Clara Board of Supervisors	Internship Program	\$ -	\$ -	\$ 500,000
County of Santa Clara, Social Services Agency	Diaper Kit Project	\$ -	\$ 177,000	\$ 177,000
County of Santa Clara, County Executive Office	CRF Funds & Supervisor Ellenberg Inventory Item	\$ 2,535,554	\$ 100,000	\$ 150,000
County of Santa Clara, County Executive Office	Incarcerated Parents Expansion	\$ 228,933	\$ 250,000	\$ -
County of Santa Clara, County Executive Office	Office of Women's Policy	\$ 80,000	\$ -	\$ 60,000
County of Santa Clara, County Executive Office	Universal Access Pilot	\$ 867,464	\$ 704,000	\$ 380,305
County of Santa Clara, Office of Cultural Competency	Single System of Support	\$ -	\$ 192,000	\$ 192,000
County of Santa Clara, Probation Department	Beacons for Hope FRC	\$ -	\$ 814,880	\$ 816,000
County of Santa Clara, District 4 Inventory Item	Parent Co-Payment Pilot Project	\$ -	\$ 100,000	\$ -
County of Santa Clara, Public Health Department	Home Visitation	\$ 200,000	\$ 200,000	\$ 200,000
County of Santa Clara, Social Services Agency	First Call for Families (DAC)	\$ 91,228	\$ 426,256	\$ 418,642
County of Santa Clara, Social Services Agency	Internship Program	\$ -	\$ -	\$ 360,000
David & Lucile Packard Foundation	Grant	\$ 100,000	\$ -	\$ -
David & Lucile Packard Foundation	SPECIAL GIFT - Children's Discovery Museum	\$ -	\$ 50,000	\$ -
First 5 California	Home Visitation	\$ 10,325	\$ 189,675	\$ -
First 5 California	DLL	\$ 123,600	\$ 323,953	\$ -
First 5 California	IMPACT - 3 Yr Grant	\$ 1,095,648	\$ 1,250,069	\$ 1,000,000
First 5 California	Afghan Refugee - FS portion only	\$ -	\$ -	\$ 98,130
First 5 San Francisco	IMPACT Regional HUB	\$ 183,283	\$ 410,546	\$ 227,177
Franklin McKinley School District	Staff at Seven Trees	\$ 45,512	\$ -	\$ -
ParentChild+	Home Visitation	\$ 487,143	\$ 440,000	\$ 440,000
Santa Clara County Office of Education	Cleaning Supplies for Child Care Providers	\$ 209,915	\$ -	\$ -
Santa Clara County Office of Education - California Department of Education	FY20/21 CSPP-QRIS BG R7	\$ 1,753,477	\$ -	\$ -
Santa Clara County Office of Education - California Department of Education	FY21/22 CSPP-QRIS BG R8	\$ -	\$ 1,522,056	\$ -
Santa Clara County Office of Education - California Department of Education	FY22/23 CSPP-QRIS BG R9	\$ -	\$ -	\$ 1,522,056
Santa Clara County Office of Education - California Department of Education		\$ 105,000	\$ -	\$ -
Santa Clara Family Health Plan	University of California, San Francisco - Healthy Steps Program	\$ -	\$ 250,000	\$ 250,000
Silicon Valley Community Foundation		\$ 200,000	\$ -	\$ -
Sunlight Giving	2020 FRC Enhancement	\$ 550,000	\$ -	\$ -
Superior Court of California, County of Santa Clara	SAMHSA - Dependency Wellness Court-through Dec 2022	\$ 85,260	\$ 84,000	\$ 21,000
<b>Total Third Party Grants</b>		<b>\$ 15,677,537</b>	<b>\$ 9,602,753</b>	<b>\$ 7,743,794</b>

## FY 2022/23 Proposed Community Investment Grant Awards - Comparison and Recommendation

		APPROVED FY 2021/22	Proposed FY 2022/23
<b>Communications</b>			
Community Events & Sponsorships	\$	115,000	\$ 100,000
International Children Assistance Network - Happy Radio	\$	48,750	\$ 48,750
Children's Discover Museum	\$	230,000	\$ 75,000
Silicon Valley Council of Nonprofits	\$	96,000	\$ 96,000
<b>Communications Total</b>	<b>\$</b>	<b>489,750</b>	<b>\$ 319,750</b>
<b>Community of Learning</b>			
*†Applied Survey Research - SEEDS Parks & Recs /ACES Aware	\$	48,089	\$ -
Beacon of Hope Site Capacity Building / PD	\$	100,000	\$ -
Brooks Publishing ASQ-3 and ASQ-SE - Virtual Training	\$	30,000	\$ 60,000
*DLL - Catholic Charities - PC+ Home Visitation for FRC's - DLL	\$	312,570	\$ -
Community of Learning Training	\$	100,000	\$ -
County of Santa Clara, Social Services Agency	\$	50,000	\$ -
*DLL Books & Materials	\$	60,000	\$ -
*DLL Region FCCH Training & Evaluation - SRI	\$	70,000	\$ -
*DLL Stipends for Coaches & FCCH Participants	\$	24,000	\$ -
Dr. Suzanne Frank	\$	5,000	\$ -
Early Learning Specialist Training & ToT	\$	4,000	\$ -
East Bay Agency for Children	\$	15,000	\$ -
Grail Family Services - Building Blocks of Parenting App	\$	100,000	\$ -
*Grail Family Services - SEEDS Coach	\$	65,000	\$ 65,000
*Kathleen Horst - CARES: SEEDS Training & Coaching	\$	150,000	\$ 150,000
*MyTeachstone - Stipends & Devices	\$	143,800	\$ 78,000
National Fatherhood - 24/7 Dad	\$	35,000	\$ 70,000
Parents Helping Parents - Special Needs Workshops	\$	80,000	\$ 68,836
Reflective Practice	\$	30,000	\$ 30,000
*†SEEDS of Early Literacy - FCCH Participant Stipends & Devices	\$	80,000	\$ 55,000
STRATEGIES - Strengthening Families - Virtual Training	\$	30,000	\$ -
†Teachstone Training, LLC. - Training & Subscriptions	\$	180,000	\$ 130,000
The Pathfinder Network - Parenting Inside Out	\$	9,350	\$ 9,350
Tides Center - Abriendo Puertas	\$	40,000	\$ 100,000
Touchpoints - Local Trainer Stipend Contracts	\$	18,000	\$ 25,000
Touchpoints Virtual Training	\$	10,800	\$ 10,800
Translation Services	\$	-	\$ 65,000
Triple P	\$	-	\$ 70,000
*†Virtual Conference Platform Infant's Conference	\$	30,000	\$ 30,000
<b>Community of Learning Total</b>	<b>\$</b>	<b>1,820,609</b>	<b>\$ 1,016,986</b>
<b>Health &amp; Wellness</b>			
Gardner Family Health Network - Screeners	\$	192,680	\$ -
Gardner Family Health Network - Oral Health: South County	\$	65,810	\$ -
Healthier Kids Foundation - PEIHS (Baby Gateway, Screenings, 10 Steps)	\$	1,357,465	\$ 1,119,465
*Healthier Kids Foundation - Oral Health Education	\$	118,000	\$ -

\*FY21/22 Funded or partially funded by Third Party Revenue

†FY22/23 Funded or partially funded by Third Party Revenue

^These proposed amounts from partners may be reduced due to the pandemic and changes to program start dates.

**FY 2022/23 Proposed Community Investment Grant Awards - Comparison and Recommendation**

	<b>APPROVED FY</b>		<b>Proposed</b>
	<b>2021/22</b>		<b>FY 2022/23</b>
Parents As Teachers	\$	150,225	\$ 31,825
Optimal Solutions	\$	29,775	\$ 2,100
Roots Clinic - Families First Care Coordination & FRC Services	\$	681,240	\$ 681,240
SPUR - Double Up Food Bucks	\$	97,320	\$ 97,320
Santa Clara County Public Health Department / Lactation Promotion	\$	159,808	\$ 159,808
SCVHSS Behavioral Health Services Department / KidConnections	\$	1,729,406	\$ 1,729,406
County of Santa Clara Valley Medical Center - KCN Targeted Diagnostic Ass	\$	400,000	\$ 400,000
The VMC Foundation - NICU	\$	407,829	\$ 407,829
Oral Health Sedation	\$	131,988	\$ -
*†University of California, San Francisco - Healthy Steps Program	\$	475,000	\$ 560,000
Roots Clinic - Medically Tailored Meals	\$	37,500	\$ -
SupplyBank.org - COVID-19 Response	\$	-	\$ -
Peña, Nancy	\$	10,000	\$ -
Ujima Adult & Family Services (Black Leadership Kitchen Cabinet)	\$	35,000	\$ -
Discovery Source - Calming Kits	\$	4,500	\$ -
<b>Health &amp; Wellness Total</b>	<b>\$</b>	<b>6,083,546</b>	<b>\$ 5,188,993</b>
<b>Courts &amp; Child Welfare</b>			
Santa Clara County Public Health Department	\$	718,998	\$ 718,998
Superior Court of California, County of Santa Clara	\$	268,981	\$ 268,918
Child Advocates of Silicon Valley - Early Childhood CASA	\$	300,000	\$ 300,000
<b>Courts &amp; Child Welfare Total</b>	<b>\$</b>	<b>1,287,979</b>	<b>\$ 1,287,916</b>
<b>Early Learning</b>			
*Bay Area Network for Diversity Training in Early Childhood	\$	174,000	\$ -
*†CDE QRIS Block Grant Awards - (CSPP QRIS Block Grant)	\$	-	\$ 935,418
*†CDE QRIS Quality Improvement Activities	\$	180,000	\$ -
^City of San José, Recreation Pre-K - SEEDS of Early Literacy	\$	400,000	\$ 300,000
†City of San José, Public Library - Quality FFN Care Support Project	\$	98,000	\$ 98,000
*†Hubbe	\$	202,500	\$ 200,000
*†CDE QRIS Block Grant Incentives (CSPP QRIS Block Grant)	\$	-	\$ 298,735
†ECE Registry - Santa Clara County QUALITY MATTERS Gateways Passport	\$	-	\$ 50,000
*†Early Care and Education Pathways to Success (ECEPTS)	\$	30,000	\$ 30,000
*†City of San José, Public Library - FFN Expansion	\$	255,738	\$ 125,500
*†First 5 San Benito MOU	\$	477,213	\$ 294,133
*Implicit Bias and Anti-Racist Regional Training of Trainers	\$	174,000	\$ -
*†Julie Kurtz (Center for Optimal Brain Integration) - Trauma-informed Care Trainings	\$	17,000	\$ 35,000
SCCOE - DataZone	\$	146,338	\$ 44,226
*†SCCOE-Inclusion Collaborative - Warm Line	\$	194,814	\$ 194,814
*†SCCOE-Inclusion Collaborative - Professional Development	\$	189,250	\$ 189,250
*†SCCOE - Kindergarten Readiness Assessment	\$	103,210	\$ -
*SCCOE - FCCH Provider Scholarships	\$	762,505	\$ -
*†WestEd - Assessment & Anchoring Services	\$	50,000	\$ -
*†WestEd/E3 Institution - Rating & Stipend Management	\$	1,408,972	\$ 1,408,972

\*FY21/22 Funded or partially funded by Third Party Revenue

†FY22/23 Funded or partially funded by Third Party Revenue

^These proposed amounts from partners may be reduced due to the pandemic and changes to program start dates.

**FY 2022/23 Proposed Community Investment Grant Awards - Comparison and Recommendation**

		<b>APPROVED FY 2021/22</b>	<b>Proposed FY 2022/23</b>
*Universal Access Pilot Infrastructure	\$	55,000	\$ -
<b>Early Learning Total</b>	<b>\$</b>	<b>4,918,540</b>	<b>\$ 4,204,048</b>
<b>Family Strengthening &amp; Support</b>			
*†African American Community Services Agency - FRC	\$	564,320	\$ 564,320
*†§Catholic Charities - FRC's	\$	5,001,254	\$ 5,001,254
*†Catholic Charities - ParentChild+ Home Visitation Initiative	\$	397,000	\$ 397,000
City of San Jose - San Jose Public Library: Bridge Library Services	\$	72,990	\$ 72,990
*Collective Impact Solutions - Beacons TA & Consultation	\$	281,821	\$ 182,821
Community Health Awareness Council - FRC	\$	528,141	\$ 528,141
Conxion to Community - Homeless Children & Families	\$	250,000	\$ 250,000
County of Santa Clara - Library System	\$	24,468	\$ 24,468
Dependency Advocacy Center	\$	418,642	\$ -
ECSV - Shared Use Agreement	\$	50,000	\$ 50,000
*ECSV - Admin Support Staff	\$	25,000	\$ -
Gardner Family Care Corporation - FRC & Court Staff	\$	583,024	\$ 497,348
International Children Assistance Network - FRC	\$	94,887	\$ 94,887
Rebekah Children's Services - FRC	\$	580,804	\$ 580,804
Rebekah Children's Services - ParentChild+ Home Visitation	\$	397,000	\$ 397,000
Somos Mayfair - FRC (Cesar Chavez)	\$	393,779	\$ 393,779
*†Somos Mayfair - ParentChild+ Home Visitation Initiative	\$	397,000	\$ 397,000
*Somos Mayfair - Painter FRC (UAP)	\$	256,000	\$ -
SupplyBank.org - Diaper Kit Program (County)	\$	354,000	\$ 354,000
The Health Trust - Housing Navigation	\$	344,290	\$ -
Palo Alto Zoo - ECE Science Program	\$	15,000	\$ 15,000
*Bring Me a Book Foundation	\$	12,680	\$ -
United Access Pilot Budget	\$	-	\$ 380,305
Uplift - Valley Palms Beacon	\$	408,000	\$ 408,000
<b>Family Strengthening &amp; Support Total</b>	<b>\$</b>	<b>11,450,100</b>	<b>\$ 10,589,117</b>
<b>Grand Total</b>	<b>\$</b>	<b>26,050,524</b>	<b>\$ 22,606,810</b>

\*FY21/22 Funded or partially funded by Third Party Revenue

†FY22/23 Funded or partially funded by Third Party Revenue

^These proposed amounts from partners may be reduced due to the pandemic and changes to program start dates.

**RESOLUTION NO. 22-02****A RESOLUTION OF THE FIRST 5 SANTA CLARA COUNTY COMMISSION  
ADOPTING THE BUDGET FOR OPERATIONS AND APPROPRIATING  
REVENUE FOR FISCAL YEAR (FY) 2022/23 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 Chief Executive Officer has prepared and submitted to the FIRST 5 Santa Clara County Commission a proposed budget for FY 2022/23, starting July 1, 2022; 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 Chief of Finance and Administration, being marked and designated "Fiscal Year (FY) 2022/23 Operations Budget," as prepared by Chief Executive Officer and amended by the FIRST 5 Santa Clara County Commission, is adopted for the fiscal year commencing July 1, 2022;

**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 2022/23; 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.

**FY 2022-23 BUDGET APPROPRIATION**

<b><u>CATEGORY</u></b>	<b><u>TOTAL EXPENDITURES</u></b>
Salaries & Wages	\$5,309,986
Benefits	\$1,714,760
Admin - General Services	\$1,259,957
Admin - Business Services	\$68,845
Admin - Program	\$238,886
Media/Communications	\$444,401
Family Strengthening & Support	\$95,953
Health & Wellness	\$68,263
Evaluation	\$614,866
Community of Learning	\$114,228
Early Learning	\$135,163
<b>TOTAL EXPENDITURES</b>	<b><u><u>\$10,065,309</u></u></b>

**SECTION 4.** The budget as approved shall be filed with the office of the Chief of 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 19<sup>th</sup> day of May 2022 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

---

Chairperson

APPROVED AS TO FORM:

---

Deputy County Counsel

**RESOLUTION NO. 22-03****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)  
2022/23 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 Chief Executive Officer has prepared and submitted to the FIRST 5 Santa Clara County Commission a proposed budget for FY 2022/23, starting July 1, 2022; 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 Chief of Operations, being marked and designated "Fiscal Year (FY) 2022/23 Community Investment Grant Awards," as prepared by Chief Executive Officer and amended by the FIRST 5 Santa Clara County Commission is adopted for the fiscal year commencing July 1, 2022;

**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 2022/23; 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**

<b>PROGRAM</b>	<b>TOTAL EXPENDITURES</b>
Community Investments Grant Awards	\$ 22,606,810

**SECTION 4.** The budget as approved shall be filed with the office of the Chief of Finance and Administration, 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 19th day of May 2022 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
Chairperson

APPROVED AS TO FORM:

\_\_\_\_\_  
Deputy County Counsel

# FY 2022/23 Proposed Budget

*FIRST 5 Santa Clara County  
Presented May 2022*



# FY 2022/23 BUDGET

---



“

A budget is more than just  
a series of numbers on a  
page; it is an embodiment  
of our values.

—  
BARACK OBAMA

GRACIOUSQUOTES.COM

# FY 2022/23 BUDGET

---



## Our Vision

FIRST 5 Santa Clara County will be a catalyst for ensuring that the developmental needs of children prenatal through age 5 are a priority in all sectors of the community.

# FY 2022/23 BUDGET

---



## Our Mission

FIRST 5 Santa Clara County supports the healthy development of children, from prenatal through age 5, and enriches the lives of their families and communities.



**Huge  
THANK YOU!**

**To -**

**Our amazing staff  
Our dedicated commissioners**

# FY 2022/23 BUDGET OVERVIEW



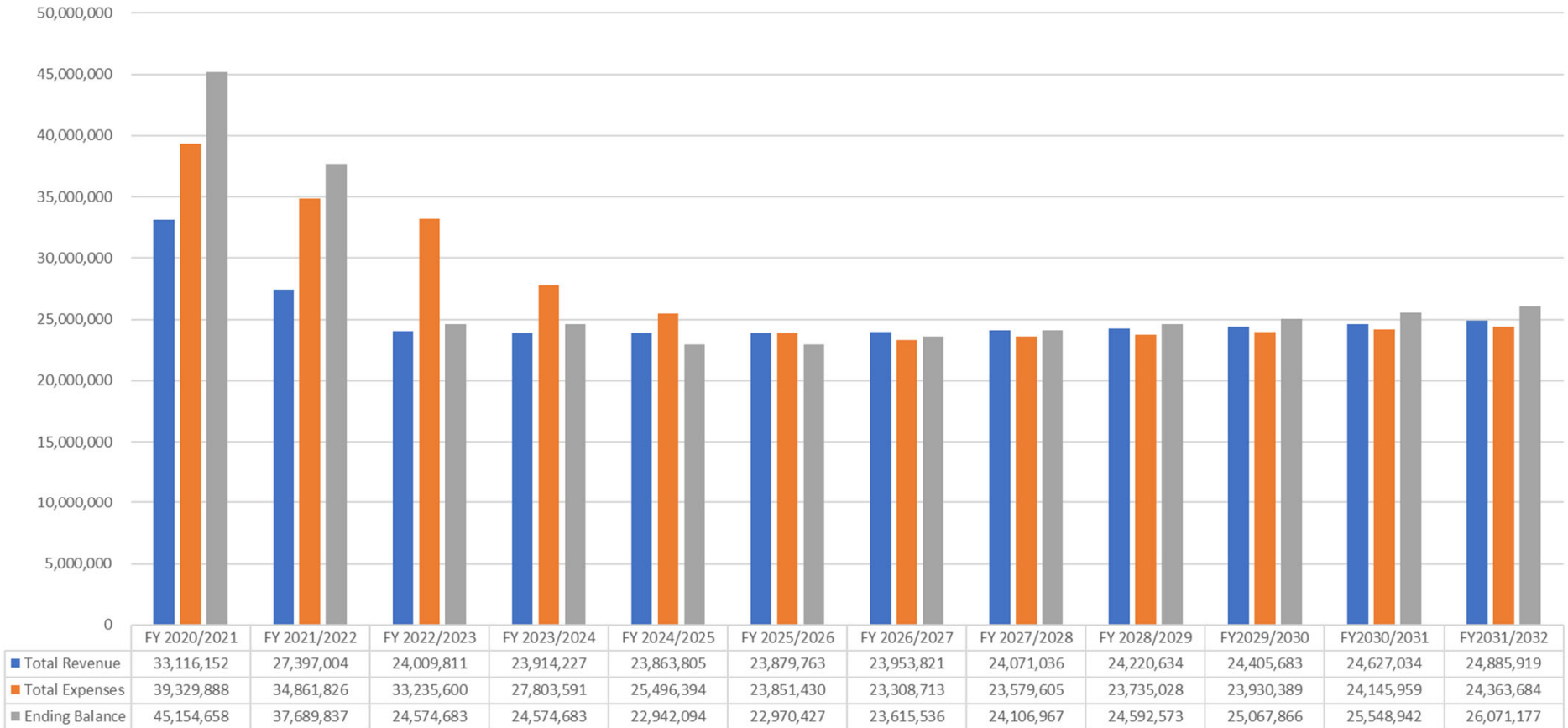
FY 2021/22 10-YEAR SUSTAINABILITY PLAN	FY 2021/2022 PROJECTED	FY 2022/2023 BUDGET	DELTA \$	DELTA %	COMMENTS
<b>Beginning Balance</b>	<b>45,154,658</b>	<b>37,689,837</b>	<b>(7,464,822)</b>		
<b>Revenues:</b>					
Prop10	14,265,041	13,837,090	(427,951)	-3%	Standard % Estimated 0 for FY 2021/22 after
Interest and Investment Income	-	498,534	498,534	100%	unrealized losses in bond market
Rental Income	126,595	130,393	3,798	3%	Standard %
MAA Income	2,000,000	1,500,000	(500,000)	-25%	Expecting decline
Sale of Potter Books	300,000	300,000	-	0%	No Change
Other Income	1,102,615		(1,102,615)	-100%	One time PPP loan forgiveness
<b>Subtotal General Revenues</b>	<b>17,794,251</b>	<b>16,266,017</b>	<b>(1,528,234)</b>	<b>-9%</b>	
Third Party Grants	<b>9,602,753</b>	<b>7,743,794</b>	<b>(1,858,959)</b>	<b>-19%</b>	Details in Attachment 4.2 C
<b>Total Revenue</b>	<b>27,397,004</b>	<b>24,009,811</b>	<b>(3,387,193)</b>	<b>-12%</b>	
<b>Expenses:</b>					
<b>Programs (Operations)</b>	<b>6,739,504</b>	<b>7,376,655</b>	<b>637,151</b>	<b>9%</b>	Calculated increases for adding staff and potential staff raises. Calculated based upon FY 2021/22
Salaries and Benefits	5,642,609	6,196,610	554,001	10%	Calculated based upon FY 2021/22
Direct Program Costs	1,096,895	1,180,045	83,150	8%	projected actual spending. Calculated based upon FY 2021/22
<b>Evaluation (Operations)</b>	<b>614,866</b>	<b>584,123</b>	<b>(30,743)</b>	<b>-5%</b>	projected actual spending.
<b>Administration (Operations)</b>	<b>2,710,939</b>	<b>2,668,012</b>	<b>(42,927)</b>	<b>-2%</b>	Calculated increases for adding staff and potential staff raises. Calculated based upon FY 2021/22
Salaries and Benefits	1,382,137	1,583,892	201,755	15%	Calculated based upon FY 2021/22
Operating Costs	1,328,802	1,084,120	(244,682)	-18%	projected actual spending.
<b>Community Investments</b>	<b>24,796,517</b>	<b>22,606,810</b>	<b>(2,189,707)</b>	<b>-9%</b>	
<b>Total Expenses</b>	<b>34,861,826</b>	<b>33,235,600</b>	<b>(1,626,226)</b>	<b>-5%</b>	
<b>Net (Revenue - Expenses)</b>	<b>(7,464,822)</b>	<b>(9,225,789)</b>	<b>1,760,967</b>	<b>7%</b>	
<b>Ending Balance</b>	<b>37,689,837</b>	<b>28,464,048</b>	<b>(9,225,789)</b>		

Note – Community Investment Budget presented to the Committees has been increased by \$484,084 for Gardner FRC funding in FY 2022/23

# PROPOSED 10-YEAR SUSTAINABILITY PLAN



*Proposed 10-Year Sustainability Plan Chart*



■ Total Revenue ■ Total Expenses ■ Ending Balance

# FY 2022/23 BUDGET OVERVIEW

---



## Sustainability with a declining revenue source

- Disciplined approach to ALL spending;
- Deliberate spending to the mission and vision;
- Aggressively identify and seek sustainable third-party funding;
- Strategic planning applied to all decisions;
- Create a healthy and thriving culture;
- Acknowledge there may be a change in the percentage of the spending breakdown between Community Investment AND Staff Salaries and Benefits.

# TOTAL REVENUE - FY 2022/22



The projected revenue for FY 2022/23 is summarized as follows:

SOURCE	AMOUNT	PERCENT
Prop10	\$13,837,090	58%
Interest and Investment Income	\$491,273	2%
Rental Income	\$130,393	1%
MAA Income	\$1,500,000	6%
Sale of Potter Books	\$300,000	1%
<b>Subtotal General Revenues</b>	<b>\$16,258,756</b>	<b>68%</b>
Third Party Grants	\$7,743,794	32%
<b>Total Revenue</b>	<b>\$24,002,550</b>	<b>100%</b>

# TOTAL SPENDING - FY 2022/23 BUDGETED



Total budgeted spending in the proposed FY 2022/23 budget is as follows:

SPENDING CATEGORY	AMOUNT	PERCENT
Community Investments	\$ 22,606,810	68%
Programs (Operations)	\$ 7,376,655	22%
Admin (Operations)	\$ 2,668,012	8%
Evaluation (Program)	\$ 584,123	2%
<b>TOTAL</b>	<b>\$ 33,235,600</b>	<b>100%</b>

# SPENDING - FY 2022/23 Community Investment by Program



PROGRAM	AMOUNT	%
Family Strengthening and Support	\$ 10,589,117	47%
Community Health and Wellness	\$ 5,188,993	23%
Early Learning	\$ 4,204,048	19%
Community of Learning	\$ 1,016,986	4%
Courts & Child Welfare	\$ 1,287,916	6%
Communications	\$ 319,750	1%
<b>TOTAL</b>	<b>\$ 22,606,810</b>	<b>100%</b>

# SPENDING - FY 2022/23 Community Investment Spending Decrease



FY 2021/22 Budget compared to FY 2022/23 Proposed Budget

Reason	Change
Third party funding source is ending	1,723,638
Service contracts are no longer needed	1,963,807
Grantee elected to discontinue or found another funding source	1,002,742
Other	192,680
<b>TOTAL DECREASES</b>	<b>4,882,867</b>
Increased line items	1,439,153
<b>NET TOTAL DECREASE</b>	<b>3,443,714</b>

# SPENDING – PROGRAM, EVALUATION AND ADMINISTRATION FY 2022/23 BUDGET



SPENDING	FY 2021/22		DELTA \$	DELTA %	COMMENTS
	PROJECTED	FY 2022/23 BUDGET			
<b>Programs (Operations)</b>	<b>\$6,739,504</b>	<b>\$7,376,655</b>	<b>\$637,151</b>	9%	
Salaries and Benefits	\$5,642,609	\$6,196,610	\$554,001	10%	Calculated increases for adding staff and potential staff raises.
Direct Program Costs	\$1,096,895	\$1,180,045	\$83,150	8%	Calculated based upon FY 2021/22 projected actual spending.
<b>Evaluation (Operations)</b>	<b>\$614,866</b>	<b>\$584,123</b>	<b>-\$30,743</b>	-5%	Calculated based upon FY 2021/22 projected actual spending.
<b>Administration (Operations)</b>	<b>\$2,710,939</b>	<b>\$2,668,012</b>	<b>-\$42,927</b>	-2%	
Salaries and Benefits	\$1,382,137	\$1,583,892	\$201,755	15%	Calculated increases for adding staff and potential staff raises.
Operating Costs	\$1,328,802	\$1,084,120	-\$244,682	-18%	Calculated based upon FY 2021/22 projected actual spending.

# FY 2022/23 – INFORMED NEXT STEPS/TOP PRIORITIES

---



Strategic plan

Emphasis on Treasury Function

Cash flow monitoring

Fund-raising

Bargaining

RFP grants – January 2023

# FY 2022/23 BUDGET

---



## EXHIBITS

# FY 2022/23 BUDGET APPROACH

---



## **Collaborative**

- *Most Staff and management from all departments participated*

## **Staff Compensation and Benefits**

- *Built from the ground up*
- *Emphasis on capacity building*
- *Hiring staff to equalize workloads among teams and right-size for programs and projects projections*
- *Embed potential raises (subject to bargaining)*

## **Community Investment**

- *Program Teams created and vetted the investment list internally and made presentations of their recommendations to the executive team*
- *Final investment was approved and included in this budget*

## **Operating costs**

- *Reductions sized to FY 2021/22 forecasted actual spending*
- *Reflective of organizational changes*

# FY 2022/23 BUDGET OVERVIEW



## FIRST 5 Santa Clara County (FIRST 5) faces a period of significant transition

- New leadership team
- Continued work on Diversity, Equity and Inclusion (DEI)
- Continued impact due to COVID 19
- Spending in excess of budgeted revenues needs to be discontinued within the next 3 fiscal years
- Bargaining – employee compensation and benefits

## The FY 2022/23 budget includes:

- Revenue declines for Prop 10 funding, MAA Income and budgeted Third Party awards
- Hiring of staff to fill capacity
- Potential raises for all staff in bargaining
- Decrease in Administration Spending
- Decrease in community investment spending (compared to projected FY 2021/22)

# PROPOSITION 10 REVENUES



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

YEAR	STATUS	REVENUE \$\$
FY 2020/21	ACTUAL	\$ 15,212,975
FY 2021/22	PROJECTED	\$ 14,265,041
FY 2022/23	ESTIMATED	\$ 13,837,090
FY 2023/24	ESTIMATED	\$ 13,421,977
FY 2024/25	ESTIMATED	\$ 13,019,318
FY 2025/26	ESTIMATED	\$ 12,628,738
FY 2026/27	ESTIMATED	\$ 12,249,876
FY 2027/28	ESTIMATED	\$ 11,882,380
FY 2028/29	ESTIMATED	\$ 11,525,909
FY 2029/30	ESTIMATED	\$ 11,180,131
FY 2030/31	ESTIMATED	\$ 10,844,727
FY 2031/32	ESTIMATED	\$ 10,519,386

Estimated revenues after FY 2022/23 assumes a decline in revenue at its historical average of approximately 3%.

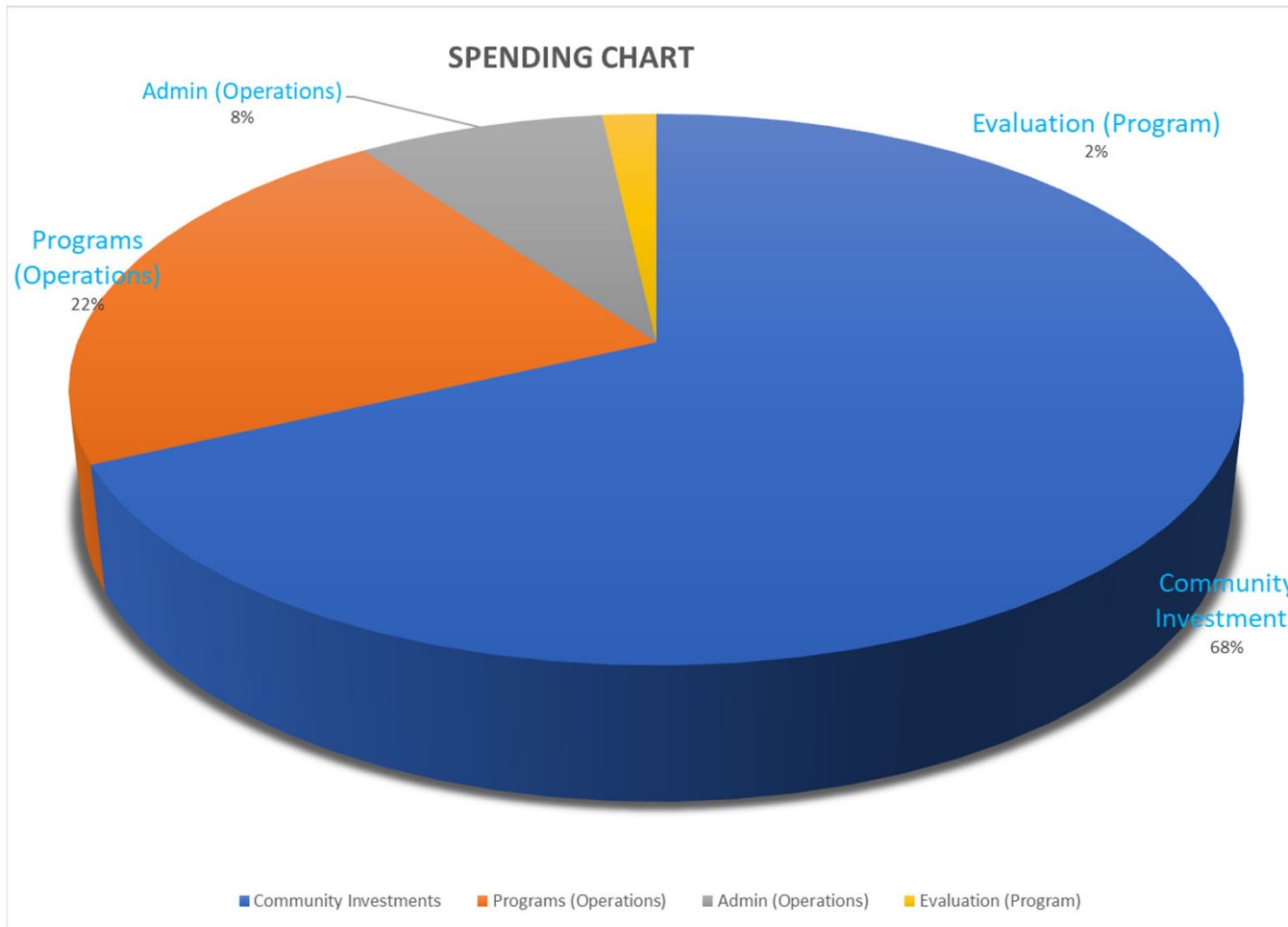
# REVENUE – BUDGETED THIRD-PARTY AWARDS INCOME - FY 2022/23 OVER THE NEXT 5 YEARS



YEAR	STATUS	AMOUNT
FY 2020/21	ACTUAL	\$15,677,537
FY 2021/22	PROJECTED	\$9,602,753
FY 2022/23	BUDGETED	\$7,743,794
FY 2023/24	PROJECTED	\$8,130,984
FY 2024/25	PROJECTED	\$8,537,533
FY 2025/26	PROJECTED	\$8,964,410

Third-Party award revenue was budgeted for FY 2022/23 based upon those awards we are certain to receive. Then a 5% increase Year over Year.

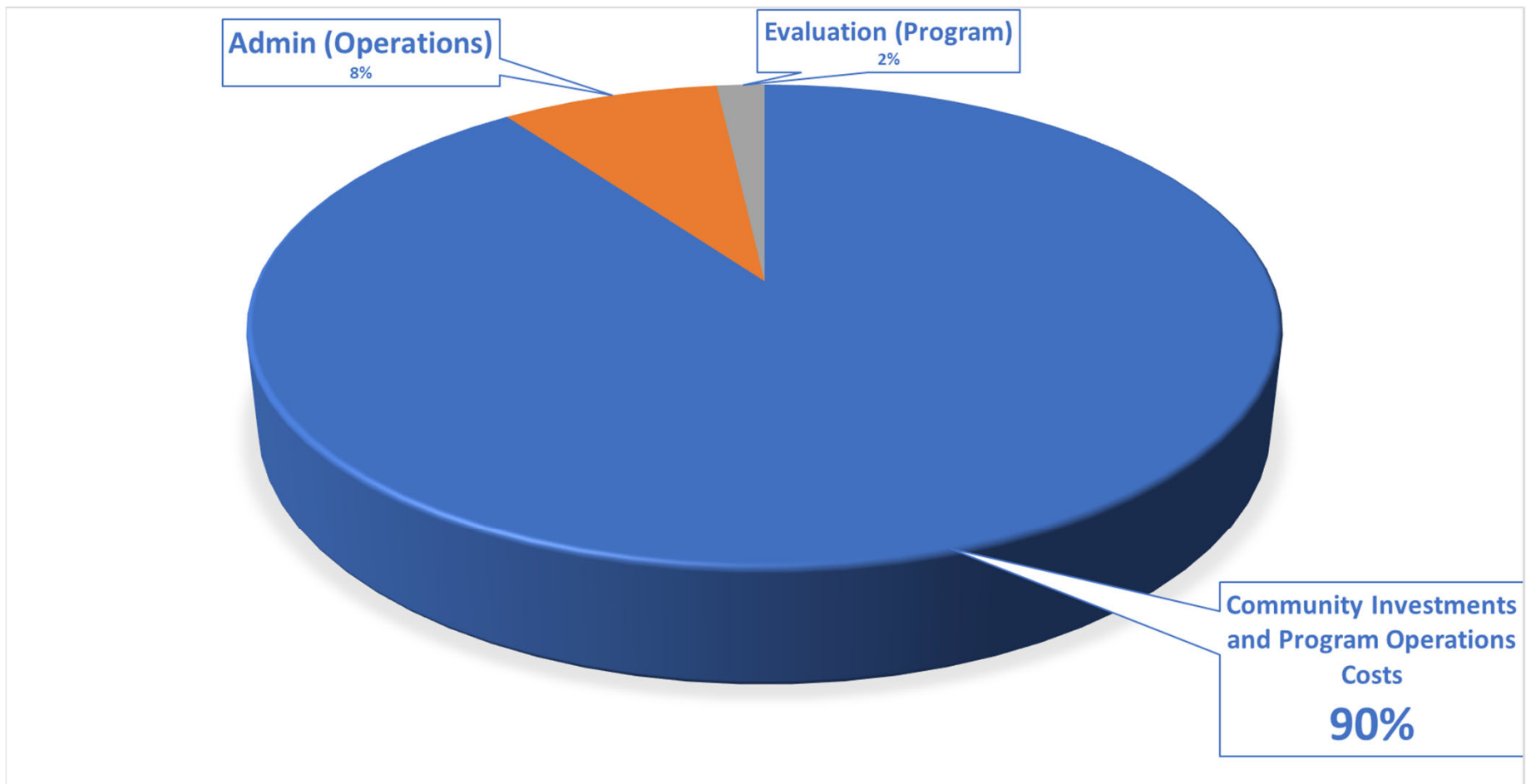
# TOTAL SPENDING CHART - FY 2022/23 BUDGETED



# TOTAL SPENDING CHART - FY 2022/23 BUDGETED

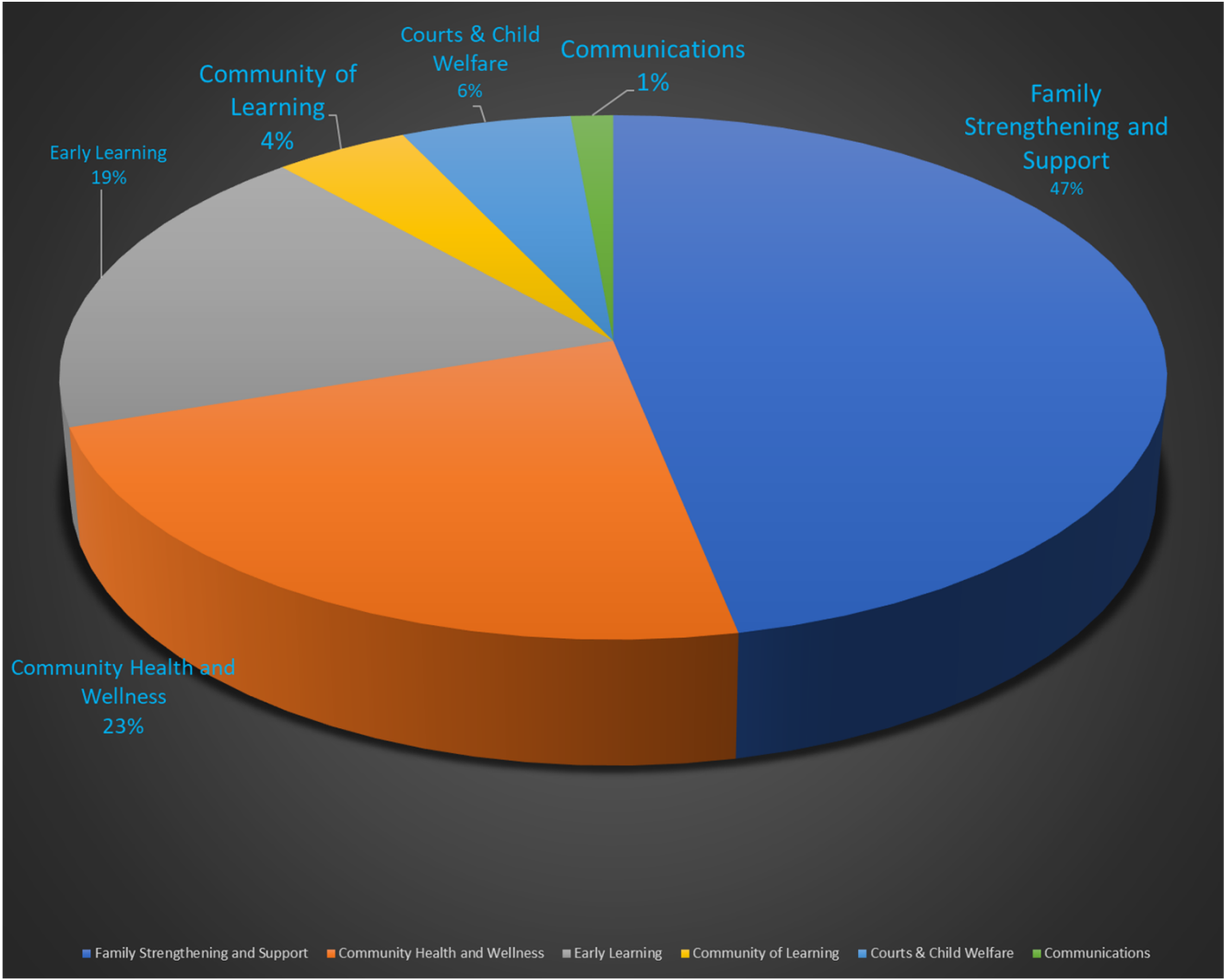


Direct Program Operations combined with the Community Investment Spending is **90%** of the FY 2022/23 proposed budget.



# SPENDING - CHART - FY 2022/23

## Community Investment Spending by Program



# SPENDING - Wages and Benefits–FY 2022/23



Open and filled staff positions are listed in this table. Teams are making best Efforts to recruit and fill needed positions.

CATEGORY	FILLED	UNFILLED	TOTAL
PROGRAM	40	10	50
ADMIN/OPS	10	4	14
<b>TOTAL</b>	<b>50</b>	<b>14</b>	<b>64</b>

# Budget Review Process and Next Steps

---



- May 12, 2022 – Personnel and Finance Committee
- May 16, 2022 – Program and Evaluation Committee
- May 17, 2021 – Issues Committee
- May 19, 2022 – Commission Meeting