

SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



ITEM: 2.6
(ID # 22056)

MEETING DATE:
Tuesday, June 13, 2023

FROM : RIVERSIDE COUNTY CHILDREN & FAMILY COMMISSION, FIRST 5
RIVERSIDE COUNTY:

SUBJECT: FIRST 5 RIVERSIDE COUNTY CHILDREN & FAMILIES COMMISSION: Receive and File First 5 Riverside County Riverside County Children & Families Commission Fiscal Year 2023/2024 Annual Budget; All Districts. [\$0]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Receive and File First 5 Riverside County Children & Families Commission Fiscal Year 2023/2024 Annual Budget.

ACTION: Consent


Tammi Graham, EXECUTIVE DIR FOR CFC, FIRST FIVE 5/25/2023

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Washington, seconded by Supervisor Jeffries and duly carried, IT WAS ORDERED that the above matter is received and filed as recommended.

Ayes: Jeffries, Washington, and Gutierrez
Nays: None
Absent: Spiegel, Perez
Date: June 13, 2023
xc: First 5

Kimberly A. Rector
Clerk of the Board

By: 
Deputy

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA**

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 0	\$ 0	\$ 0	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: N/A			Budget Adjustment: No	
			For Fiscal Year: 23/24	

C.E.O. RECOMMENDATION: Approve

Summary

On May 10, 2023, First 5 Riverside County Children and Families Commission Adopted the Fiscal Year (FY) 2023/2024 annual budget inclusive of Fund 25800 and Fund 25820. Budget reflects an estimate of \$34,717,275 in revenues, which includes \$10,000,000 of American Rescue Plan Act (ARPA) funds. Contract expenditures total \$24,600,000 (ARPA funds \$5,000,000) and operating expenditures total \$16,793,389 (ARPA funds \$5,000,000). The proposed fund balance draw is \$6,676,114 to augment revenue in support of proposed expenditures.

BACKGROUND

In accordance with the California Children and Families Act of 1998, the Children and Families Commission for Riverside County, also known as First 5 Riverside County, is required to adopt a budget on an annual basis in support of its adopted strategic plan.

BUDGET SUMMARY

Revenue – Fund 25800 (\$24,717,275): Reflects a net decrease of \$4,049,117 from the prior fiscal year as noted below:

- *Proposition 10 & Proposition 56* – a decrease of \$3,476,372.
- *State of California* – a net decrease of \$2,118,635 primarily based on the sunseting of the IMPACT grant. The new IMPACT Legacy grant is pending application and award for FY 23/24.
- *Program Revenue* – a net decrease of \$250,000 from RCOE reimbursement for early childhood education related work.
- *Reimbursement for Salaries* – a increase of approximately \$1.5 million due to an increase of CalWORKs funding and Family Resource Center operational support.
- *Interest Revenue* – an increase of \$250,000.

Salaries and Benefits – Fund 25800 (\$8,285,045): Reflects a net increase of \$529,345 as compared to the previous fiscal year. Full time equivalents remain at 68.5

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positions. Reclassification of positions were approved in FY 22/23 to meet department and community needs.

Operating Expenditures – Fund 25800 (\$2,708,344): A net decrease of \$538,478 from prior fiscal year primarily due to operational savings in county support services and security guard services. The decrease is also due to program training materials that are no longer allocated for FY 23/24.

Contracts – Fund 25800 (\$19,600,000): Reflects a net decrease of approximately \$2.6 million from prior fiscal year due to reductions in contract budgets, changes in scope, and expiration of contracts. Approximately, \$3.6 million (19%) of contract allocation is supported by reimbursement of external funding. Any remaining funding necessary to support services and supports to the community will be presented in July, and if necessary, budget adjustments will be presented.

Partner Agency contracts are allocated in the following strategic plan goal areas:

Strategic Goal Areas	Contract Allocation
Quality Early Learning	\$ 7,478,891
Comprehensive Health & Development	\$ 7,469,471
Resilient Families	\$ 2,464,000
Countywide Impact	\$ 252,820
Total	\$ 17,665,182

Capital Expenditures – Fund 25800 (\$800,000): No change from prior fiscal year budget. Funding supports building improvement expansion of undeveloped space at 585 Technology Court.

AMERICAN RESCUE PLAN ACT (ARPA) FUND – 25820

On January 24, 2023 (Agenda Item 3.9), the Board of Supervisors (BOS) allocated an additional \$8 million of ARPA funds (25820) for the continuation of Early Care & Education Recovery. With the previous \$15 million of ARPA funding allocated in October 2021 (21-40), the department has oversight of a total of \$23 million of ARPA funds (25820) to stabilize and expand availability of Early Care & Education (ECE) to support the return of working families to the workforce. Strategies include wage enhancement for the ECE workforce, recruitment of ECE businesses to provide subsidized care for children, and childcare infrastructure. As noted in Attachment B, the ARPA fund (25820) budget has been adjusted to reflect prior year spending. Revenues for FY 23/24 are budgeted at \$10 million, and expenditures at \$5 million for contracts

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and \$5 million for wage enhancement for the ECE workforce. Adjustments will be made, if necessary, to reflect actuals.

On May 10, 2023, the Commission approved the following:

1. Adoption of the FY 2023/24 budget (Funds 25800 and 25820) as proposed.
2. Authorized the Executive Director or Designee to:
 - a. Expend funds for the line items specified by a specific vendor under the Operational Expense section of this budget (excluding Operational Contracts). Requisitions or purchases at or above the \$50,000 authority limit associated with these items are referenced below. Computer equipment will be purchased from either vendor depending upon availability but will not exceed the total amount; and

Vendor - Description	Total
First 5 Association - Membership Dues & Policy Fund	\$ 50,000
Total Plan and/or GM Business Interiors - Office Reconfigurations	\$ 200,000
Golden State Technology and/or Saitech - Computers & related equipment	\$ 90,000

- b. Execute documents and coordinate appropriate actions to expend funds in accordance with established Commission policy and as set forth in the attached budget.

ATTACHMENTS:

- A. First 5 Riverside County Children and Families Commission Agenda Item 23-26 on May 10, 2023: Adoption of FY 2023/2024 Annual Budget
- B. FY 2023/2024 Budget Summary – Combined Funds, Prop 10 Fund 25800, and ARPA Fund 25820



AGENDA ITEM: 23-26

DATE OF MEETING: May 10, 2023

ACTION:

INFORMATION:

ADOPT FISCAL YEAR 2023/2024 ANNUAL BUDGET OF FIRST 5 RIVERSIDE COUNTY CHILDREN & FAMILIES COMMISSION

SUMMARY OF REQUEST

Adopt the Fiscal Year (FY) 2023/2024 annual budget inclusive of Fund 25800 and Fund 25820. Budget reflects an estimate of \$34,717,275 in revenues, which includes \$10,000,000 of American Rescue Plan Act (ARPA) funds. Contract expenditures total \$24,600,000 (ARPA funds \$5,000,000) and operating expenditures total \$16,793,389 (ARPA funds \$5,000,000). Proposed fund balance draw is \$6,676,114 to augment revenue in support of proposed expenditures.

BACKGROUND

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BUDGET SUMMARY

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- *Reimbursement for Salaries* – a increase of approximately \$1.5 million due to an increase of CalWORKs funding and Family Resource Center operational support.
- *Interest Revenue* – an increase of \$250,000.

Salaries and Benefits – Fund 25800 (\$8,285,045): Reflects a net increase of \$529,345 as compared to the previous fiscal year. Full time equivalents remain at 68.5 positions. Reclassification of positions were approved in FY 22/23 to meet department and community needs.

Operating Expenditures – Fund 25800 (\$2,708,344): A net decrease of \$538,478 from prior fiscal year primarily due to operational savings in county support services and security guard services. Also, program training materials that are no longer allocated for FY23/24.

Contracts – Fund 25800 (\$19,600,000): Reflects a net decrease of approximately \$2.6 million from prior fiscal year due to reductions in contract budgets, changes in scope, and expiration of contracts. Approximately, \$3.6M (19%) of contract allocation is supported by reimbursement of external funding. Any remaining funding necessary to support services and supports to the community will be presented in July, and if necessary, budget adjustments will be presented.

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RECOMMENDED ACTION

That the Commission:

1. Adopt the FY 2023/24 budget (Funds 25800 and 25820) as proposed.
2. Authorize the Executive Director or Designee to:
 - a. Expend funds for the line items specified by a specific vendor under the Operational Expense section of this budget (excluding Operational Contracts). Requisitions or purchases at or above the \$50,000 authority limit associated with these items are referenced below. Computer equipment will be purchased from either vendor depending upon availability but will not exceed the total amount; and

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BUDGET IMPACT

Not applicable

POTENTIAL CONFLICTS OF INTEREST

None known

ATTACHMENTS

1. Summary – FY 2023/2024 Combined Funds, Prop 10 Fund 25800, and ARPA Fund 25820

SUMMARY
FY 23/24 PROPOSED BUDGET - COMBINED FUNDS

	<i>Fund: 25800</i>		<i>Fund: 25820</i>		
	PROP 10		ARPA		Combined Total
Revenue	\$ 24,717,275	\$	10,000,000	\$	34,717,275
Approp 1 (Salaries & Benefits)	\$ 8,285,045	\$	-	\$	8,285,045
Approp 2 (Operational Expenses)	\$ 2,708,344	\$	5,000,000	\$	7,708,344
Sub Total	\$ 10,993,389	\$	5,000,000	\$	15,993,389
Approp 2 Contracts/MOUs Only	\$ 19,600,000	\$	5,000,000	\$	24,600,000
Approp 4 - Capital Assets	\$ 800,000	\$	-		
TOTAL APPROPRIATIONS	\$ 31,393,389	\$	10,000,000	\$	41,393,389
TOTAL REVENUE	\$ 24,717,275	\$	10,000,000	\$	34,717,275
Variance (Proposed Fund Balance Draw)	\$ 6,676,114	\$	-	\$	6,676,114

Riverside County Children & Families Commission

FY 2023-2024

First 5 Riverside County Budget Summary

938001-25800 (CFARC)

Description	ACCOUNT	REVISED FY 21/22 BUDGET	FY 23/24 BUDGET
REVENUE	7xxxxx		
Interest-Invested Funds	740020	100,000	350,000
CA - Tobacco Prop 10	754000	16,551,140	13,074,768
CA - Prop 56 Tobacco Act 2016	754020	3,500,000	3,500,000
F5CA (IMPACT, DLL, HV)	755870	2,118,635	
Program Revenue	781480	250,000	-
Reimbursement for Salaries - (CalWORKs)	777520		5,292,507
Reimbursement for Salaries - (FRCs)	777540	3,672,117	2,500,000
Reimbursement for Salaries - (FRCs)	777540	2,574,500	-
TOTAL REVENUE		\$ 28,766,392	\$ 24,717,275
APPROP 1 - Salaries and Benefits	51xxxx	7,755,700	8,285,045
APPROP 2 - Services and Supplies	52xxxx	3,246,822	2,708,344
SUBTOTAL		\$ 11,002,522	\$ 10,993,389
APPROP 2 - Contracts and MOUs		22,216,938	19,600,000
TOTAL CONTRACTS AND MOUs		\$ 22,216,938	\$ 19,600,000
APPROP 4 - Capital Assets	542060	800,000	800,000
TOTAL APPROP CAPITAL ASSETS		\$ 800,000	\$ 800,000
TOTAL APPROPRIATIONS		\$ 34,019,460	\$ 31,393,389
TOTAL REVENUES		\$ 28,766,392	\$ 24,717,275
VARIANCE		\$ (5,253,068)	\$ (6,676,114)

Riverside County Children & Families Commission
FY 2023-2024
First 5 Riverside County Budget Summary

938001-25820 (ARPA Fund)

Description	ACCOUNT	REVISED FY22/23 BUDGET	FY 23/24 BUDGET
REVENUE	7xxxxx		
Fed-American Rescue Plan Act	763520	9,797,425	10,000,000
TOTAL REVENUE		\$ 9,797,425	\$ 10,000,000
Special Program Expense	527780	9,594,850	5,000,000
Contracts	527980	202,575	5,000,000
TOTAL EXPENDITURES		\$ 9,797,425	\$ 10,000,000
TOTAL APPROPRIATIONS		\$ 9,797,425	\$ 10,000,000
TOTAL REVENUES		\$ 9,797,425	\$ 10,000,000
VARIANCE		\$ -	\$ -