



**STRATEGIC PLAN &  
LONG TERM FINANCIAL PLAN**  
FY 2019-2022



## COMMISSION MEMBERSHIP

April 2019

### Commissioners

Chair:	Cori Allen	Health and Human Services designee
Vice Chair:	Laura Sunday	Center for a Non-Violent Community
Treasurer:	Sarah Collie	Tuolumne Me-Wuk Indian Health Clinic
	Annie Hockett	Tuolumne Resilience Coalition
	Anaiah Kirk	Tuolumne County Supervisor
	Cathy Parker	Tuolumne County Superintendent of Schools
	Melissa Parrish	Tuolumne County Health Officer Designee

### Commission Alternates

Rebecca Espino	Tuolumne County Behavioral Health (Alternate for C. Allen)
Ruth Caldwell	Tuolumne County Health Dept. (Alternate for M. Parrish)
Ryan Campbell	Tuolumne County Board of Supervisors (Alternate for S. Brennan)
Marcia Williams	A-TCAA Early Childhood Services (Community Alternate)
Mayra Patey	Tuolumne County Special Education (Community Alternate)
Devon Woodruff	Community Member (Community Alternate)

### Professional Services:

Sarah Garcia, Director

## TABLE OF CONTENTS

<b>Strategic Plan FY 19-20 through FY 21-22</b>	<b>4</b>
<b>Mission, Vision, and Values</b>	<b>4</b>
<b>Informing the Strategic Plan: Community Characteristics</b>	<b>5</b>
Geography and Demographics	5
Family Economics	6
Child Health	7
Family Functioning	8
Early Childhood Education	10
Infrastructure and Sustainability Summary Points	11
<b>Planning Activities</b>	<b>11</b>
Identified Community Needs	12
Identified First 5 Strategies	12
<b>Goals and Objectives, Services, Desired Outcomes, and Indicators</b>	<b>14</b>
Strategic Goals and Objectives	14
Programs, Services and Projects	15
Measurable Outcomes and Reliable Indicators	16
<b>Accessible and Integrated Service Systems</b>	<b>17</b>
<b>Funding Criteria and Approach</b>	<b>18</b>
<b>Project Monitoring and Evaluation</b>	<b>18</b>
<b>Financial Plan FY 18-19 through FY 21-22</b>	<b>20</b>
<b>Purpose</b>	<b>20</b>
<b>Background &amp; Process</b>	<b>20</b>
<b>Objectives</b>	<b>20</b>
<b>Revenue &amp; Expenditure Assumptions</b>	<b>21</b>
<b>Fund Balance</b>	<b>22</b>
<b>First 5 Tuolumne County 4-Year Financial Plan and 2 year forecast</b>	<b>23</b>

## STRATEGIC PLAN FY 19-20 THROUGH FY 21-22

### MISSION, VISION, AND VALUES

#### **Mission**

The First 5 Tuolumne County Commission promotes and supports the development of integrated resources that will:

- strengthen families and support safe home environments,
- strengthen early care and education environments, and
- improve children's health.

#### **Vision**

Tuolumne County is child friendly, values families and respects and honors the diversity of its residents.

Citizens of Tuolumne County recognize that home and child care settings are critical contexts for children's development in the early years.

All Tuolumne County children will thrive in supportive, nurturing and loving family and community environments, enter school healthy and ready to learn and become productive members of the community.

#### **Values**

*Collaboration:* We work cooperatively with established systems, service, and the community on common goals to maximize effectiveness for children and families.

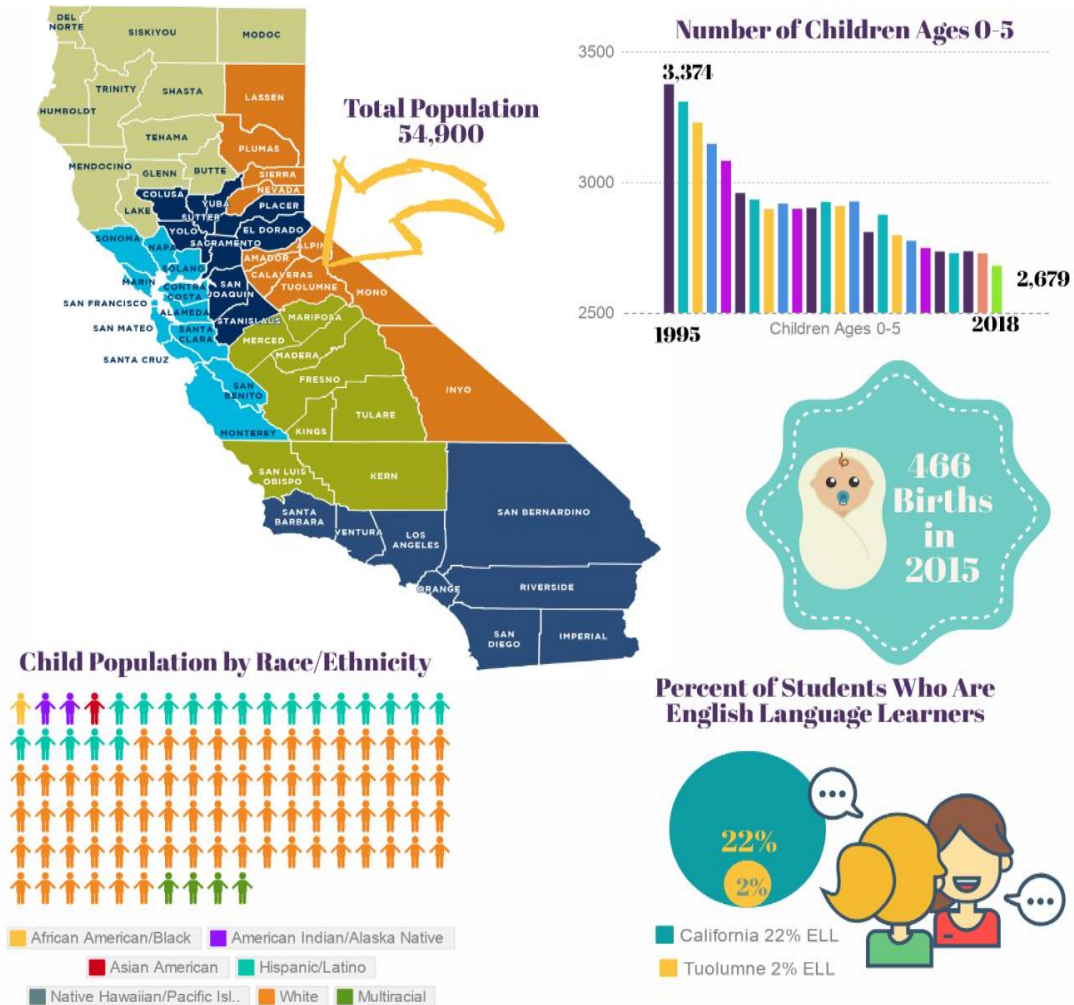
*Innovation:* We apply what has been proven to work elsewhere to find fresh solutions to the specific needs of our community.

*Excellence:* We seek to attain the highest quality outcomes, measured against established best practices and the most credible current research.

*Accountability:* We are responsible and results-driven with the resources the public entrusts to us.

*Respect:* We embrace input and assistance from all facets of the community, so we can span all cultures and languages to support every child and family.

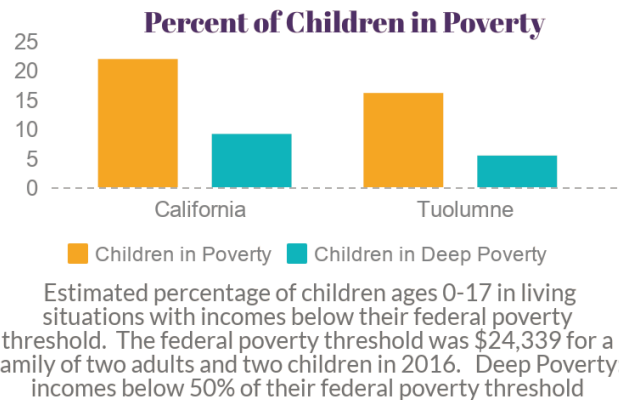
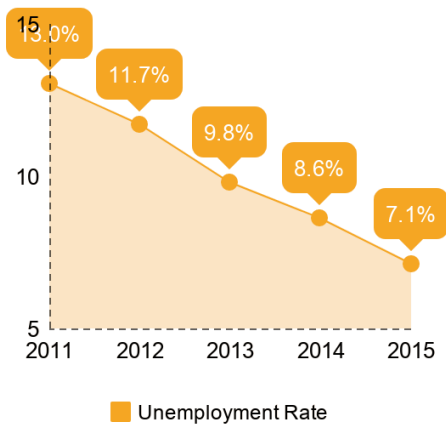
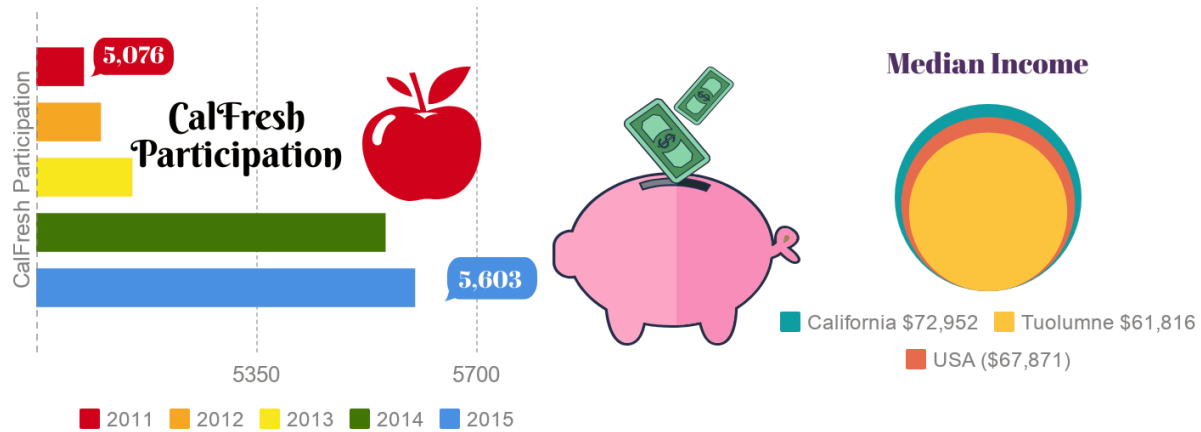
GEOGRAPHY AND DEMOGRAPHICS



Tuolumne County has one small incorporated city, and many small communities and subdivisions scattered throughout foothill and mountainous terrain.

The population of children ages 0-5 (from birth to their sixth birthday) in Tuolumne County is estimated at 2,679, with an annual birthrate averaging at 466 in the last ten years. The most prevalent ethnicities of the mothers of young children (from births in recent years) are White (75%) and Hispanic (16%). Approximately 2% of K-12 Tuolumne County children (enrolled in public school) are classified as English Language Learners, as compared to 22% statewide.

## FAMILY ECONOMICS



Many families with young children struggle to make ends meet in the county, and there are a significant number of families that rely on public assistance for medical care, child care, and job training. Wage levels are not commensurate with housing costs, and low-income housing is scarce. Many families utilize emergency food, energy assistance and shelter resources, which are not sufficient to meet the need. Local service providers note a growing trend of families living in poverty in other counties moving to Tuolumne County, in the mistaken belief that resources and jobs are more available, which is not the case, and which puts a further strain on the available safety net resources. Poverty rates for children under age 18 are 20.5%. Tuolumne unemployment rates (at 7%) remain slightly higher than the California total (6.3%). What this data does not reflect is that higher unemployment in 2010 and the following years resulted in a significant number of families with children leaving the county. Kindergarten enrollments (in AY 13-14) were 3% lower than five years earlier (AY 8-9), although birthrates would have predicted a 7% increase in enrollment. It is not clear how enrollment in private and charter schools has affected this data.



## CHILD HEALTH

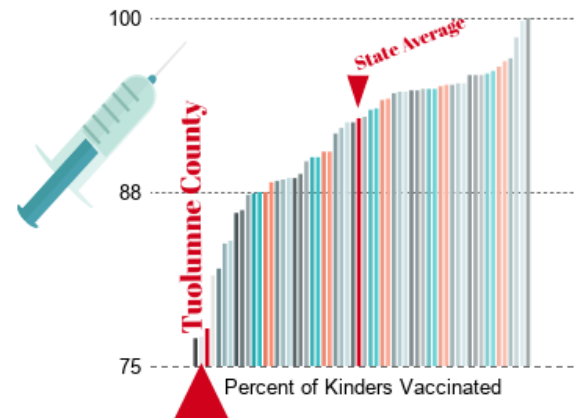


**Type of Medical Coverage**

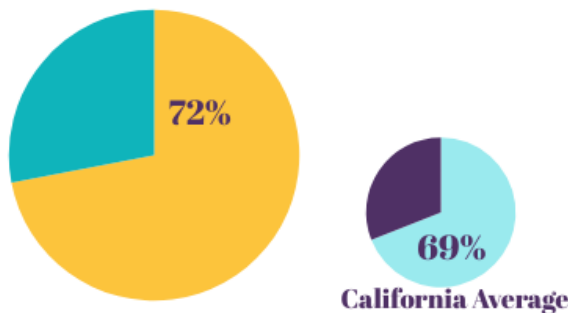
Public Insurance (39.56%) Private Medical Coverage (53.24%)  
 none (5.56%) unknown (1.64%)

Source:

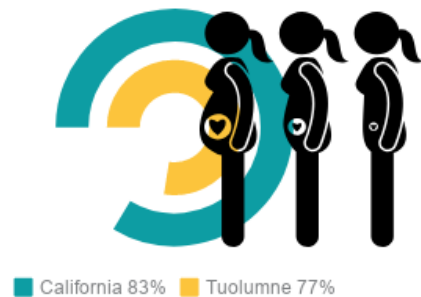
**Percent of Kindergartners with All Required Immunizations by County**



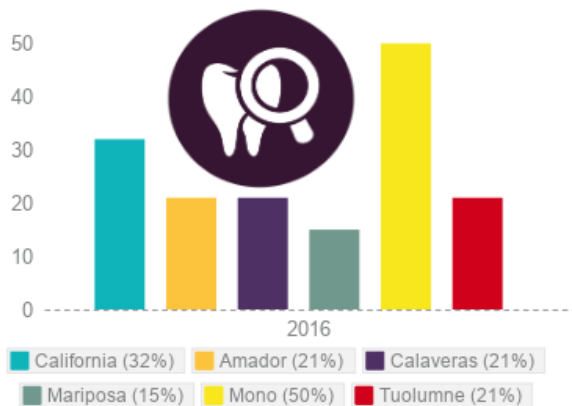
**Newborns Exclusively Breastfed While in the Hospital in Tuolumne County**



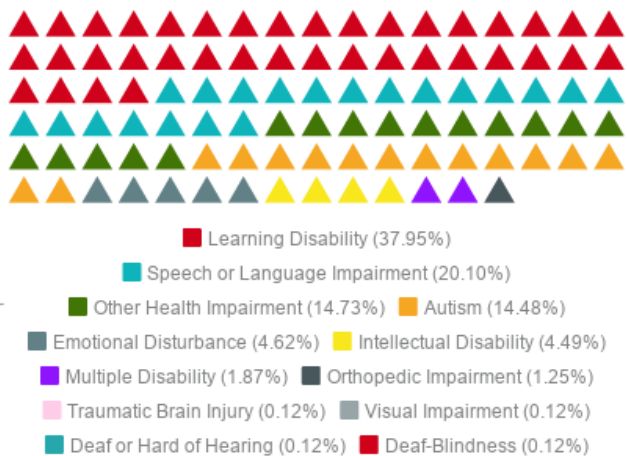
**Infants Whose Mothers Received Prenatal Care in the First Trimester**



**Low Income Children Ages 0-3, Who Visited a Dentist in the Last Year**



**Special Education Enrollment, by Disability**



Data Source: California Department of Public Health

When compared to the state average, the county performs lower in percentage of mothers receiving early prenatal care, higher teen pregnancy rates, and lower percentages of children visiting dentists. Current data shows Tuolumne County to have nearly the lowest rates of immunizations in the state.

The county has good breastfeeding rates at hospital discharge and low rates of low-weight births.

The presence of rural Indian Health Clinics and a dental clinic has expanded the access to physicians and dentists who serve low-income children and families. The impact of these resources in our community's health care resource net cannot be overstated, as they allow physicians and dentists the opportunity to be reimbursed at a higher rate than Medi-Cal alone, allowing for feasible service operation.

---

## FAMILY FUNCTIONING

Tuolumne County continues to have high rates of reported child abuse cases. According to the California Child Welfare Indicators Project, in 2015, 294 reports of child abuse or neglect were made of children ages birth. The most common allegation type is general neglect, which include failure to protect from abuse, or a single abuse with general concern for a child's well-being. Domestic violence continues to be a community problem, as is substance abuse, both of which contribute to child abuse. Certain areas of the county have higher incidence of reports and substantiated cases, than others. Re-entry rates are also high. When children are removed from families due to abuse and neglect, there are systems in place to ensure that parents enroll in substance abuse recovery programs and parenting programs before they are reunited with their children. Currently, the county's Child Welfare Services struggles with continuing to stay fully staffed, due to the difficult nature of the work and economic issues in a small rural county. In spite of this, the staff continue to look for new opportunities to continually improve service effectiveness.

Preliminary data from the most recent homeless survey (2015) indicates that there were 26 homeless children ages birth to five counted in Tuolumne County in January 2015 (18 in transitional or emergency shelters, 8 living in other places). This is a slight reduction from the 31 counted in 2013, with the biggest change being fewer categorized as "couch surfers," (living temporarily with friends/relations), and more living in situations such as vehicles, churches or encampments.



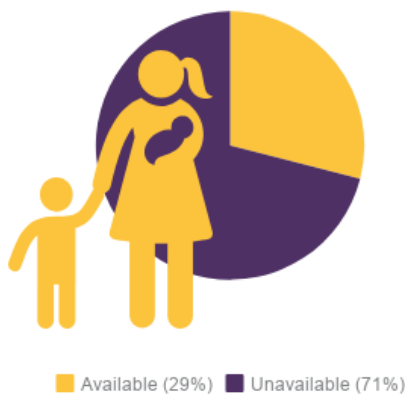


---

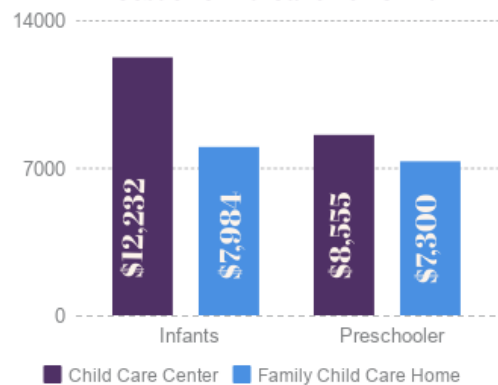
## EARLY CHILDHOOD EDUCATION

There are quality and affordable child care resources in the county. However, for several years in a row, the addition of newly licensed programs has not kept pace with the need for infant and preschool care, evening and weekend care, and for rotating schedule care. The employment options available to young parents in Tuolumne County often require night and weekend shifts. Although expanded subsidized slots in state and federally funded programs meet a critical need, there are many families who are not able to utilize these resources due to wait lists, work schedules, and/or income eligibility.

**Estimated Percentage of Children with Parents in the Labor Force for Whom Licensed Child Care is Available or Unavailable**



**Cost of Child Care Per Child**



The Columbia College Early Childhood Development Center expanded the available resources, especially for infant care, a few years ago, and continues to be a critical resource for students at the college. Head Start / State Preschools continue to serve a significant number of low income families. An Early Head Start site currently operates in Sonora. Private preschools are the primary resources for working families that are not eligible for Head Start. Family child care providers continue to be the main providers of infant and toddler care, afternoon care for preschoolers, as well as non-traditional hour care.

The Local Child Care Planning Council reports a severe shortage of child care in our county.

1. There are currently 38 licensed family child care programs.
2. Most months over this past year, preschool centers reported very few or no openings as well.
3. There is a critical shortage. Parents going to school, participating in CalWorks, starting a new job, or who want to move to the county are challenged to find child care as much as those looking for non-traditional hour care.

4. Recruitment efforts are ongoing and extensive, yet the reality for a family child care provider usually involves long hours and days, addressing the developmental needs of multi-aged children, challenging behaviors, and demands on the family and household.

Access to educational opportunities to pursue Bachelor's degrees in Early Childhood Education continues to be important.

---

## INFRASTRUCTURE AND SUSTAINABILITY SUMMARY POINTS

There are a few, key programs in Tuolumne County that have been funded by First 5 since the Commission's inception that have demonstrated positive outcomes and high service quality in serving the highest risk children. Some of them have additional funding sources through state or federal funding, but all of these are subject to change and are on limited funding cycles. There are no dedicated local county funds to support these programs other than First 5. However, many county agencies and entities, including Family Courts, Child Welfare Services, Public Health, Behavioral Health, and others, refer their clients into these programs, and depend on them for critical intervention services.

The vagaries of outside funding can have devastating effects on the service capacity of a small county like Tuolumne. There are a limited number of service providers filling particular service niches, and most do not overlap. Money comes and goes, and programs come and go accordingly. There is a history of programs starting in the county with outside funding, building to a high level of functionality during a 3-year funding cycle, and then going away, due to lack of any new revenue. Drawing down federal match funds requires a non-federal match. The county is too small to attract corporate sponsors so, unless the county government or schools system can incorporate new service elements, there is no realistic long term local sustainability strategy. Funding for schools and local government social services fluctuates depending on the political and economic climate. The only option for other funding is start-up grants from private foundations, which are also short-lived.

### Planning Activities

The issues that families with young children in our community face continue to be somewhat intractable. Poverty, substance abuse, inter-generational family trauma, adverse childhood experiences, behavioral health issues and economic stress all contribute to the continued need for family support. First 5 funding, leveraged against federal, state, and county funds, continues to fill critical service needs.

The Commission underwent a planning process in FY 18-19, that included an assessment of issues facing families, current resources, and emerging issues. The planning process guided the elements of the goals, objectives, and proposed services that follow. It also guided the release of

a competitive funding process that resulted in the Commission making 4-year funding decisions in April 2019. The Commission will revisit the plan annually, to ensure that it still reflects community needs and will continue to look for opportunities to integrate and leverage resources.

---

## IDENTIFIED COMMUNITY NEEDS

The following needs were identified in the community planning process.

1. Families struggle with generational poverty, substance abuse, untreated behavioral health issues, and school failure.
2. Many parents do not understand the impact of their own behavior on their child's early brain development.
3. The cycle of adverse childhood experiences continues, with young children cycling through stressful and chaotic situations linked to poverty and substance abuse.
4. Many children struggle with social emotional issues that can impact their learning and their school environments.
5. Teachers need support to achieve responsive care and to provide high quality early childhood education, especially when children in their care have challenging behaviors.
6. It is critical to maintain the gains made in oral health for children, and to address critical treatment needs.
7. Parents need help to access existing services, especially health services.
8. Vaccination rates are nearly the lowest in the state.
9. The utilization of developmental screenings is far too low. Too many children with developmental delays are not identified until they are school aged.
10. Families are not accessing resources in the same way they traditionally have in the past. They are using more digital/social media to connect with each other and gather parenting information, which demonstrates a need for our programs to adapt to that change.

---

## IDENTIFIED FIRST 5 STRATEGIES

1. First 5 will utilize the **5 Protective Factors Framework** to fund family support programs.

Five Protective Factors are the foundation of the Strengthening Families Approach: parental resilience, social connections, concrete support in times of need, knowledge of parenting and child development, and social and emotional competence of children. Research studies support the common-sense notion that when these Protective Factors are well established in a family, the likelihood of child abuse and neglect diminishes. Research shows that these protective factors build family strengths and a family environment that promotes optimal child development.

*Key community partners: substance abuse recovery programs, judicial system, child welfare system, behavioral health, educational and job training systems, library, community action agency, domestic violence/sexual assault recovery programs, churches, other social service programs.*

2. First 5 will utilize the **Pyramid Model for Supporting Social Emotional Competence in Infants and Young Children** to fund programs to support social emotional competence.

The Pyramid Model is a conceptual framework of evidence-based practices to address social skills and challenging behavior in young children. The model was developed by two national, federally-funded research and training centers: The Center for the Social and Emotional Foundations for Early Learning (CSEFEL) and The Technical Assistance Center on Social Emotional Intervention for Young Children (TACSEI). Extensive training materials, videos, and print resources have been developed to help in effective program implementation.

*Key community partners: Early childhood education systems, parenting education providers, Special Education, medical and behavioral health providers.*

3. First 5 will utilize the **Quality Rating Improvement System Matrix (QRIS)** to fund early childhood education quality improvement.

QRIS is a 5-point tier rating system based on programs meeting specific quality standards. This matrix is currently used in the State of CA block grants for state preschool and infant toddler center improvements.

The QRIS Matrix sets benchmarks in 3 areas of quality: (1) Child Development and School Readiness; (2) Teachers and Training; and (3) Program and Environment. A corresponding Pathways Document describes tools and resources for each area.

*Key community partners: Early childhood education systems, Special Education, local community college (Columbia College, YCCD), Child Care Resource and Referral, Local Child Care Planning Council.*

4. First 5 will fund services to **support children's health.**

All services will be consistent with research-based medical or dental models or standards of practice. The service focus will be on medical, dental, or nutrition. Services may include screening, assessment, preventative services and treatment, or improved access to those services where they already exist in the community. Provision of services at sites where children are already served will be encouraged.

Key community partners: Early childhood education sites, other sites where children are served, hospitals, medical and dental providers, county health and human services departments, WIC.

5. First 5 will set aside a small amount of funding to support **emerging or one-time projects** consistent with the frameworks above.
6. First 5 will address **systems integration and support** through: (1) ongoing efforts toward parent access, such as co-location of services, transportation, and translation; (2) ongoing efforts toward fund leveraging and other sustainability efforts for key core family support programs; and (3) ongoing communication, planning, and efforts toward leveraging and sharing resources.

## GOALS AND OBJECTIVES, SERVICES, DESIRED OUTCOMES, AND INDICATORS

Following, is a discussion of the Commission's goals and objectives, anticipated services, desired outcomes and indicators for the years under this Strategic Plan. It is understood that, under a 4-year plan, the specific vendors or amounts may change in response to community conditions. The financial plan, incorporated into this strategic plan, identifies the annual funding allocations. The Commission's Evaluation Report, produced annually, has detailed information on the specific programs funded with First 5 funds in Tuolumne County, the amounts of those investments, the specific tools used to evaluate outcomes, and the outcomes measured.

---

### STRATEGIC GOALS AND OBJECTIVES

Goal 1: Invest in local programs that promote improved family functioning, early childhood development and health for children ages 0-5.

Objective 1-1: Invest First 5 funds in alignment with the 5 Protective Factors Framework.

Objective 1-2: Invest First 5 funds in alignment with the Pyramid Model for Supporting Social Emotional Competence in Infants and Young Children (CSEFEL).

Objective 1-3: Invest First 5 funds in alignment with the Quality Rating Improvement System (QRIS).

Objective 1-4: Invest First 5 funds in the arena of early childhood health, in alignment with professional standards of practice.

Goal 2: Seek a broader funding base for all First 5 investments to promote sustainability.



*Objective 2.1: All First 5 funded programs will have a diversified source of operating funds.*

*Objective 2.2: The Commission will seek opportunities for leveraging funds directly when there is alignment with the Strategic Plan.*

Goal 3: Provide organizational systems sufficient to support and optimize local investments.

*Objective 3.1: Provide and support an organizational system that ensures fiscal soundness, reliable contracting, and that meets all legislative requirements.*

---

## PROGRAMS, SERVICES AND PROJECTS

The Commission will invest in services that align with the 5 Protective Factors, specifically, services to support (1) parental resilience; (2) social connections; (3) concrete support in times of need; (4) knowledge of parenting and child development, and (5) social and emotional competence of children.

Examples of services include:

- home visiting
- family literacy
- parent education (ABE, ESL, parenting skills, early child development)
- developmental screening
- case management and effective linkage to other services.

The Commission will invest in services that align with the Pyramid Model for Supporting Social Emotional Competence in Infants and Young Children (CSEFEL) and the QRIS matrix areas of quality. These services will support (1) systems and policies supporting evidence-based practices in ECE environments; (2) nurturing and responsive teacher-child relationships; (3) high quality early childhood environments; (4) targeted supports to children and families; and (5) intensive intervention for children where needed.

Examples of services include:

- Training and education for teachers.
- On-site, year-long coaching and mentoring for teachers.
- Targeted in-classroom supports for children such as teaching social skills.
- Targeted intensive interventions for children with social-emotional delays such as behavior support plans.
- Other services aligned with the QRIS matrix.

The Commission will invest in services that support children's access to medical, dental or nutritional services. Services must meet professional standards of practice.

Examples of services include:

- Dental screening, preventative education, and fluoride application
- Dental treatment where financial barriers exist
- Linkages to medical services for children and mothers, including immunizations, maternal depression resources, pediatricians, special services, etc.
- Linkages to drug and alcohol recovery services
- Linkages to WIC, and food bank services
- Developmental screenings for children

The Commission will consider funding in other situations, such as: (1) critical one-time events; (2) opportunities to leverage with other local funders toward a reachable goal; or (3) where a short-term investment will prevent funding destabilization that threatens the continuation of critical services for families with young children. All services will align with the Strategic Goals and Objectives.

---

#### MEASURABLE OUTCOMES AND RELIABLE INDICATORS

All First 5 investments will have identified desired outcomes and indicators. These will become part of every contract for investments over \$10,000.

The desired outcomes and indicators for the current funding cycle are as follows.

**1. Primary caregivers will have the supports and resources they need to break the cycle of generational poverty, substance abuse, trauma and dysfunction.**

Indicators:

- a. Caregivers work toward financial stability (adult education, job training)*
- b. Caregivers expand their supportive social connections.*
- c. Caregivers are effectively linked to concrete supports and resources, including food, shelter, domestic violence prevention services, medical services, and addiction treatment and recovery support.*
- d. Parents are offered support services as early as possible following a child abuse report.*
- e. Caregivers receive screening for depression, ACES, substance abuse impact and other issues that can impact parenting behavior.*

**2. Primary caregivers will have the supports and resources they need to be their child's first and best teacher.**

Indicators:

- a. *Caregivers receive education and skill building opportunities on positive parenting techniques.*
- b. *Caregivers learn about the importance of early brain development and early learning/literacy and learn activities to do at home.*
- c. *Caregivers engage in ASQ screening and learn about developmental milestones.*
- d. *Caregivers engage with children's therapists, do supportive activities at home.*

**3. Early childhood educators will have the supports and resources they need to optimally engage children in quality early childhood learning, including children with difficult and challenging behaviors.**

Indicators:

- a. *Teachers receive training and coaching on promoting early social-emotional competencies.*
- b. *Teachers learn to recognize social-emotional delays, and learn how to discuss shared approaches with parents.*
- c. *Teachers and administrators receive training and coaching in research-based teaching practices, the QRIS and Transitional Kindergarten implementation issues.*

**4. Children will have the supports and resources they need to develop in a healthy fashion and to enter kindergarten ready to learn.**

Indicators:

- a. *Children are enrolled in a quality early learning program.*
- b. *Children with significant social emotional developmental concerns receive behavioral health services.*
- c. *Children receive appropriate and timely medical screenings, immunizations and medical treatment.*
- d. *Children receive oral health screenings and fluoride treatments as early as possible, practice good hygiene, and get treatment.*
- e. *Children receive developmental screenings.*

## ACCESSIBLE AND INTEGRATED SERVICE SYSTEMS

It is the goal of First 5 Tuolumne that programs, services, and projects relating to early childhood development within the county will be integrated into a consumer-oriented and easily accessible system. To this end, the Commission incorporates the following strategies:

1. All contracts for services have benchmarks for service integration and access to services, such as services offered at accessible or co-located sites, or where participants are located; transportation services; translation services; warm hand-off referrals, and linkages to other programs.
2. The Commission will convene grantees to address new opportunities for service linkages.
3. In the event of funding destabilization that threatens the continuation of critical services for families with young children, the Commission will consider feasible short-term funding to keep critical programs operating.
4. The Commission supports a diversified funding source for all grantees and looks for new opportunities to leverage funds and resources.

## FUNDING CRITERIA AND APPROACH

All funds will be allocated through the systems outlined in the Policy and Procedure Manual. The following criteria will be utilized to guide funding decisions:

- the demonstrated need for the proposed services in Tuolumne County;
- the responsiveness to the Strategic Plan's goals, objectives, and desired outcomes;
- the soundness of the project design;
- the degree to which the proposed project improves access to services, including both physical access and cultural access;
- the potential for long-term impacts on young children's healthy development;
- the degree to which community services are integrated;
- the degree to which the applicant has made an effort to access all other available resources;
- the degree to which the applicant shows the willingness and capacity to provide evaluation data; and
- the quality of the budget planning and the organizational capacity of the applicant.

All revenue allocations from the First 5 Tuolumne County Trust Fund shall be used only to supplement existing levels of service and not to supplant or fund existing levels of service, including services funded with state or local General Fund money. All Commission decisions on funding allocations will comply with the provisions of the Political Reform Act.

## PROJECT MONITORING AND EVALUATION

The Commission will monitor funded services and measure outcomes through the following strategies:

- All funded projects over \$1,000 will be required to submit quarterly benchmark and expenditure reports and an annual outcome evaluation.
- The Commission will: (1) provide evaluation technical assistance to all projects from start-up on; (2) check in with each project quarterly to ensure that data is being collected consistently and correctly; and (3) provide data analysis as needed.
- The Commission will ensure that local data requirements are consistent with the First 5 California evaluation requirements.

## FINANCIAL PLAN FY 15-16 THROUGH FY 22-23

### PURPOSE

First 5 Tuolumne County's Four Year Financial Plan is designed to provide a framework for investing funds from the Children and Families Trust Fund.

The Financial Plan was developed to:

- Evaluate the Commission's capacity to fund programs over a four-year period;
- Analyze and test various funding scenarios;
- Develop a framework to guide strategic planning and annual budgeting.
- Provide a tool to forecast into years beyond.

The Plan does not authorize or appropriate the spending of any funds to specific programs or agencies. It does not replace the annual budget. It does reflect where the Commission has already appropriated funds through budgets and actions.

### BACKGROUND & PROCESS

First 5 is funded through a fifty cents tax on tobacco that is collected by the State of California, under the provisions of the Children and Families Act of 1998. Statewide tax revenue collections began in January 1999. After a portion is used to backfill Proposition 99 funds and to fund Department of Equalization activities, 20% of the revenue goes to the California Children and Families Commission, and the remaining 80% is redistributed to all California counties based on their proportionate share of statewide births.

This Financial Plan makes a forecast of expenditures and revenues through June 2023 to allow for ongoing planning.

The plan will be annually reviewed, amended as needed and adopted.

### OBJECTIVES

Objective 1: Ensure that funds are available to allocate for executed contracts, Intent to Award Decisions, initiatives and set-asides.

Strategy: Use the plan to annually test funding scenarios. Annually update the plan to reflect Commission decisions on funding.

Objective 2: Address fluctuating revenues. Maintain a fund balance adequate to support the following year's planned expenditures.



Strategy: Allocate funds so that the projected year-end fund balance is adequate to cover the following year's planned expenditures, over the term of the granting cycle (for this plan, 4 years).

Objective 3: Allow for flexibility, through annual updates of the plan.

Strategy: By December of each fiscal year, update the plan to reflect real expenditures and revenues from the prior year, and to look at 3-4 months of current year revenue trends and expenditure information. Adjust future planning to reflect significant changes.

Objective 4: Identify future planning issues for the Commission.

Strategy: The financial plan is focused on four years, but allows for future forecasts. This allows the Commission time to look ahead and strategize how best to address the future impact of uncertain revenues.

## REVENUE & EXPENDITURE ASSUMPTIONS

### REVENUE FORECASTS

Revenues are predicted by three primary sources:

- (1) This plan represents two cycles of Small Population Funding County Augmentation (SPFCA) funded by First 5 California. The first cycle ends in FY 16-17. The second cycle goes from FY 17-18 through FY 20-21. This 4 year funding cycle is critical for financial planning and, therefore, the current plan now reflects this entire time period. The agreement for Tuolumne County is that tax funds shall be augmented up to a total amount of \$475,000/year. This amount may be reduced if a financial trigger comes into effect. The trigger, which begins in FY 18-19, states that if statewide First 5 tax revenues drop 7% or more in the first 5 months of the fiscal year, the SPFCA funds will drop by 2% in the following year. The financial forecast predicts the worst case scenario for funding, to ensure the most prudent forecasting.
- (2) Annual interest earnings are assumed at 0.85%. This rate is conservative and based on recent rates earned. The interest accrued is directly related to the fund balance and the revenues received. Interest paid by First 5 CA on held funds (SMIF) is estimated at \$100/year.
- (3) Other grants and leveraging opportunities that are currently in place or anticipated (IMPACT, MHSA, QRIS).

If opportunities for other grants, matching funds or leveraging become available that fit with the Strategic Plan, the Commission shall determine the feasibility of pursuing the opportunity. At

that time the revenues (and expenditures) will be reflected in the subsequent annual Financial Plan update.

## EXPENDITURE FORECASTS

Community Granting – 4 year grants: The plan reflects \$1.5 million dollars over 4 years to support grants, with an average annual expense of \$400 thousand. There are annual inflationary allowances, and carry-over allowed when contract benchmarks are met. *Areas of Funding: Services consistent with the following frameworks: 5 Protective Factors, Pyramid Model for Social-Emotional Competence, QRIS, access to medical, dental and nutrition services.*

For fiscal planning purpose, a place mark amount of \$370,000 is set for FY 19-20 with an increase of 3% each year through FY 22-23.

State Initiatives and Other Grants: The plan includes expenditures in all four years for the First 5 CA IMACT program, as per the current approved budgets. It also includes 2 years of QRIS grant funds at \$53,000 per year.

Annual Granting: The plan sets aside up to \$8,600/year to fund: (1) The Dental Help Fund; (2) The Imagination Library (3) local outreach; and/or (4) other local needs as identified.

Operations: Close to \$85,000/year is allocated for the Executive Director, with annual increases reflecting salary scale annual adjustments.

## FUND BALANCE

Within the next four years, the Commission will have met its goal of matching outdoing expenses with revenue. Once that goal has been met, the fund balance will be held at the contractually agreed upon amount to allow one year of expenses for current grants, to allow for program operations, should funding be discontinued.

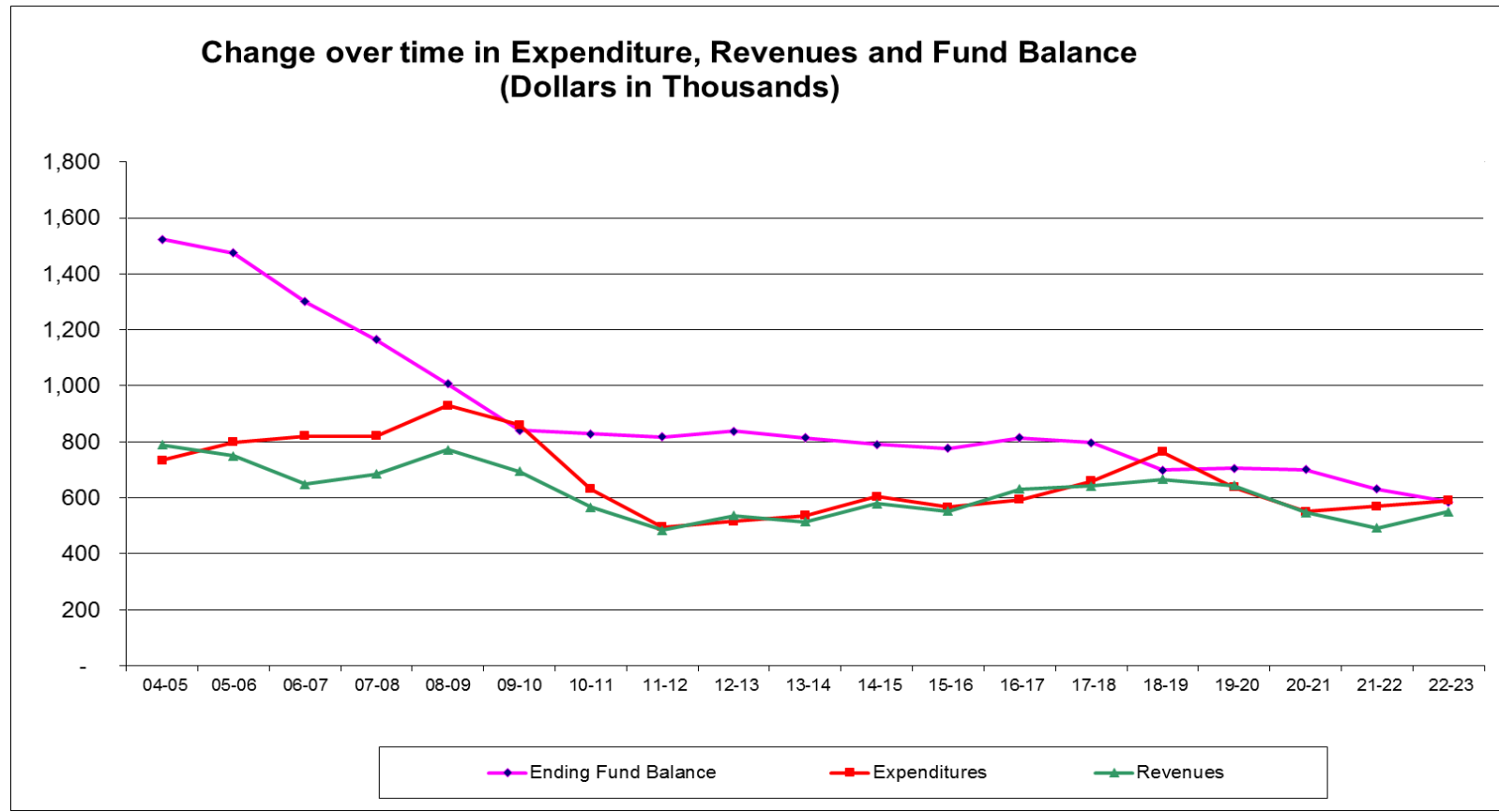
### Fund Balance Assignment

At year's end, the fund balance shall be assigned to the following categories: (1) nonspendable; (2) restricted; (3) committed; (4) assigned; and (5) unassigned. The rationale for these assignments shall follow the Commission's fund balance policy, which reflects the GASB 54 ruling. This Financial Plan assumes that multi-year contracts will utilize funds from the ending balance as well as from new annual tax revenues. At year's end, the committed portion of the fund balance will reflect funding, to the extent possible, for these multi-year contract commitments, on a fair and proportional basis.

FIRST 5 TUOLUMNE COUNTY 4-YEAR FINANCIAL PLAN AND 4 YEAR FORECAST

	Current financial plan				Next financial plan scenario			
	Actual	Actual	Actual	Proposed	Forecast	Forecast	Forecast	
<b>Forecast Years 2016 - 2023</b>	<b>FY 15-16</b>	<b>FY 16-17</b>	<b>FY 17-18</b>	<b>FY 18-19</b>	<b>FY 19-20</b>	<b>FY 20-21</b>	<b>FY 21-22</b>	<b>FY 22-23</b>
Total Beginning Balance	790,603	776,864	814,949	796,577	699,087	705,169	701,618	623,524
<b>Revenues</b>								
Tobacco Tax	475,000	475,000	475,000	475,000	475,000	475,000	465,500	465,500
First 5 CA - CARES / IMPACT	35,980	98,570	89,725	111,000	97,556	-		
QRIS CSPP/IT			51,047	59,454	59,454	53,000	53,000	53,000
All interest	6,916	7,729	10,685	8,600	7,091	7,127	7,091	6,310
Other Grants - MHSA	10,000	10,000	10,000	12,195	5,279	12,557	19,629	26,664
Other (Fees, Reimb)	24,931	41,023	5,587					
<b>Total Anticipated Revenues</b>	<b>552,827</b>	<b>632,322</b>	<b>642,044</b>	<b>666,249</b>	<b>644,379</b>	<b>547,684</b>	<b>492,220</b>	<b>551,474</b>
<b>Expenses</b>			Transition Yr					
<b>Operations (Detail)</b>								
Staffing: Executive Director	74,132	78,750	89,931	87,958	\$90,596.98	93,315	96,114	98,998
Fiscal - Contract				4,430	1,189	-	-	
Operations Costs Direct F5 to auditor	18,260	19,786	18,711	20,088	18,900	18,500	18,500	18,500
Subtotal Operations with new numbers	92,392	98,536	108,642	112,476	110,686	111,815	114,614	117,498
CARES / IMPACT	49,656	132,928	95,312	111,000	97,556	-		
CSPP/IT QRIS			51,047	59,454	59,454	53,000	53,000	53,000
Local First 5 - 4 yr grants	399,247	361,123	405,415	473,068	356,695	365,493	374,720	384,199
Local First 5 - annual*	2,278	1,650	-	7,740	13,907	20,927	27,979	35,014
Other (Fees, Reimb)	22,993							
<b>Future Expenditures</b>	<b>566,566</b>	<b>594,237</b>	<b>660,416</b>	<b>763,739</b>	<b>638,298</b>	<b>551,235</b>	<b>570,313</b>	<b>589,711</b>
<b>Total Ending Balance</b>	<b>776,864</b>	<b>814,949</b>	<b>796,577</b>	<b>699,087</b>	<b>705,169</b>	<b>701,618</b>	<b>623,524</b>	<b>585,288</b>
<i>Expenditures over Revenues</i>	<i>13,739</i>	<i>(38,085)</i>	<i>18,372</i>	<i>97,490</i>	<i>(6,082)</i>	<i>3,551</i>	<i>78,093</i>	<i>38,237</i>
	2%	-6%	3%	13%	-1%	1%	14%	6%

## Revenues, Expenditures and Fund Balance Over Time



## Utilization of the Fund Balance Over Time

The Commission adopted a strategy of a gradual, steady spend-down of the fund balance in 2005, addressing declining revenues. The fund balance continues to help buffer the difference between revenues and expenditures in Cycle 6, the period of this plan. Once the fund balance is similar to annual revenues, it will have the sole purpose of ensuring adequate cash flow throughout the year.