



STRATEGIC AND LONG RANGE FINANCIAL PLAN

FY 2018-19 THROUGH FY 2022-23

Public Hearing Held
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First 5 Lassen County Children and Families Commission would like to thank the community members, staff and commissioners who participated in reviewing and updating the 2018-19 to 2022-23 Strategic Plan. The Commission meets monthly on the first Thursday at 1:30 p.m. at the Lassen County Office of Education 472-013 Johnstonville Road, Susanville, California. Meetings are open to the public.

First 5 Commission Members

Wendy Blackmon, Chairperson

Ronda Hall, Vice Chair

Mary Ann Murin, Secretary/Treasurer

Barbara Longo

Chris Gallagher

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Tim Clark, Executive Director

This document was presented at the April 2021 Commission meeting and approved at the public hearing in June 2021.

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PLAN SUMMARY

Executive Summary

Since the passage of Proposition 10 in 1998, California cigarette buyers have been paying an additional 50 cents per pack in sales tax. The revenues generated are distributed to County First 5 Commissions who are charged with funding programs and services for children ages 0-5 and their families.

First 5 Commissions must develop and annually review strategic plans that address the strategic results across four areas:

- 1) Improved Child Development: Children Learning and Ready for School
- 2) Improved Family Functioning: Strong Families
- 3) Improved Child Health: Healthy Children
- 4) Improved Systems of Care: Integrated, Consumer-Oriented, Accessible Services

First 5 Lassen County Children and Families Commission adopted its initial strategic plan in 2000. Each year since the Commission has reviewed and revised its strategic plan in conjunction with community members. They conducted various activities of the years to determine changing needs and challenges for children 0 to 5 and their families. This included a collaborative community needs assessment in FY 2006, online community surveys in 2007, and the Maternal Child and Adolescent Health needs assessment in 2010. Throughout, updated data from other sources such as the Children NOW report, www.kidsdata.org, California Department of Finance demographic data, etc. have also been used to inform planning. A review and discussion of the past year's progress, achievements and lessons learned, inform decisions about goals, objectives, indicators and strategies. Combined with information about the confines of current economic realities, these data and conversations have set the direction for the next year and beyond.

The Commission adopted the following vision and mission statements. The vision statement describes the future the Commission envisions for Lassen County, while the mission statement articulates the purpose of the Commission. Both statements are reviewed and updated as needed during the annual strategic planning process.

Vision Statement

All Lassen County children will thrive in supportive, nurturing and loving environments; enter school healthy and ready to learn; and become productive, well-adjusted members of society.

Mission Statement

The Lassen County Children and Families Commission is designed to support and encourage, on a countywide basis, a comprehensive, integrated, coordinated system of early childhood development services. The focus of the Commission is on quality health care, family strengthening, and early childhood education. The Commission will support prevention and intervention programs for children, prenatal through five years of age, and their families.

First 5 Lassen has adopted the Principles on Equity, and continues to incorporate the philosophy and intent of the principles in all aspects of operations.

PLAN SUMMARY

GOALS AND OBJECTIVES

IMPROVED CHILD DEVELOPMENT

Goal 1: Every child prenatal through 5 will reach his or her developmental potential and be ready for school.

- Objective 1A: 100% of children served by First 5 home visiting will receive screenings according to accepted protocol.
- Objective 1B: 100% of children identified as needing additional services will receive referral and referral support.
- Objective 1C: 95 % of children served will progress along a continuum toward school readiness.

IMPROVED FAMILY FUNCTIONING

Goal 2: Families and other caregivers of children prenatal to 5 will provide optimal parenting and a healthy environment.

- Objective 2A: At least 95% of parents/caregivers/providers served will report increased positive behaviors, knowledge and practices in parenting skills and healthy lifestyles.
- Objective 2B: 60 to 80 high-risk families will be provided home visits annually.

IMPROVED CHILD HEALTH

Goal 3: Every child prenatal through age five will achieve optimal health potential.

- Objective 3A: 100% of children served by First 5 home visiting program will be recommended for an annual physical health exam.
- Objective 3B: 100% of children served by First 5 will receive referral and referral support for age-appropriate oral health screening.
- Objective 3C: 100% of children identified as needing additional services will receive referral and referral supports.

IMPROVED SYSTEMS OF CARE

Goal 4: First 5 funded programs, county and community services support and participate in comprehensive, coordinated systems of care for children prenatal through 5 that maximize the efficient use of resources.

- Objective 4A: Public and private partners participate in collaborative efforts to design, implement and sustain a system that serves children prenatal through 5 and maximizes the efficient use of resources.
- Objective 4B: Funded programs participate as appropriate in an inter-agency case conferencing system focusing on the birth to 5 population.

All strategies included in the five-year plan continue to improve and develop a consumer-oriented and easily accessible system for early childhood development within Lassen County. Funding continues to be used to support programs and activities that incorporate one or more of the strategies and are in alignment with the Guiding Principles for Implementation.

First 5 Lassen County Children and Families Commission will continue to issue RFPs for major programs, initiatives and projects (those in excess of \$10,000) as needed, and commit funding in three-year cycles. The Commission continues to retain the right to extend funding for an additional three years, or change funding commitments based on performance and outcomes achieved, as demonstrated through ongoing evaluation. The long range financial plan and anticipated expenditures are described in Fiscal Strategies and Long Range Financial Planning section of this document.

PLAN SUMMARY

The Commission continues to evaluate grantees' progress on a regular basis using the results based accountability evaluation plans developed in conjunction with currently funded grantees. Together the Commission and grantees share lessons learned with others in the community and beyond. In this way, opportunities for leveraging success among grantees, partners and the community can be promoted and the Commission will come closer to achieving its vision that all Lassen County children will thrive in supportive, nurturing and loving environments; enter school healthy and ready to learn; and become productive, well-adjusted members of society.



COMMUNITY ISSUES AND CONCERNS

Strategic Plan Update

TOP ISSUES AND CONCERNS – 2014-15 UPDATE

The most recent community and provider needs survey was done in 2014-2015; however, issues identified at that time are still valid today and informed the 2017 plan update discussions and decisions.

The First 5 Lassen County Children and Families collected information from service providers and community members in fiscal year 2014-15 to understand what issues people feel are important for young children and their families and what stops families with young children from getting help when they need it.

There was a total of 227 surveys completed: 109 from community members and 118 from providers. Community members were asked questions about conditions and concerns for children birth to five and their families. Providers were asked questions about the service delivery and coordination system. Following is a high-level summary of the results. More detailed information can be found in the Lassen County Profile and First 5 History section of this document.

The information from the 2015 community and provider needs surveys was used in conjunction with

evaluation results to develop the goals and objectives presented in the next section of this plan.

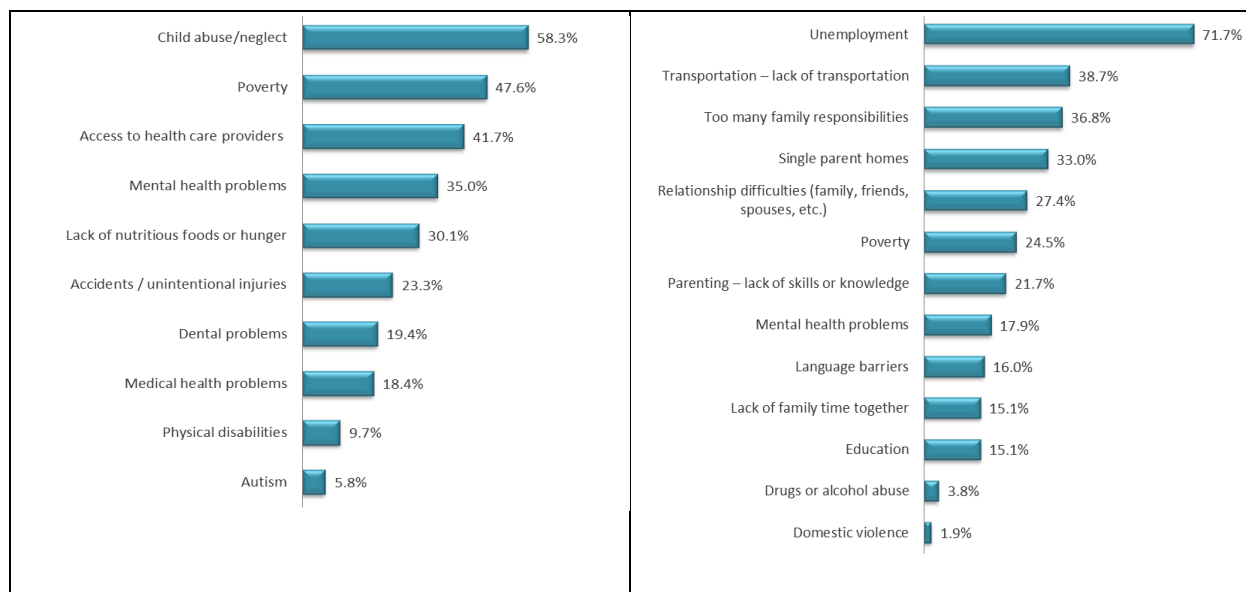


Community Survey Highlights

Community members were asked to identify what they consider the top three health or wellness problems for young children in their community. They were then asked to share the top three concerns for families with young children.

Health or Wellness Problems	Concerns for Families with Young Children
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COMMUNITY ISSUES AND CONCERNS



Key findings from the community responses:

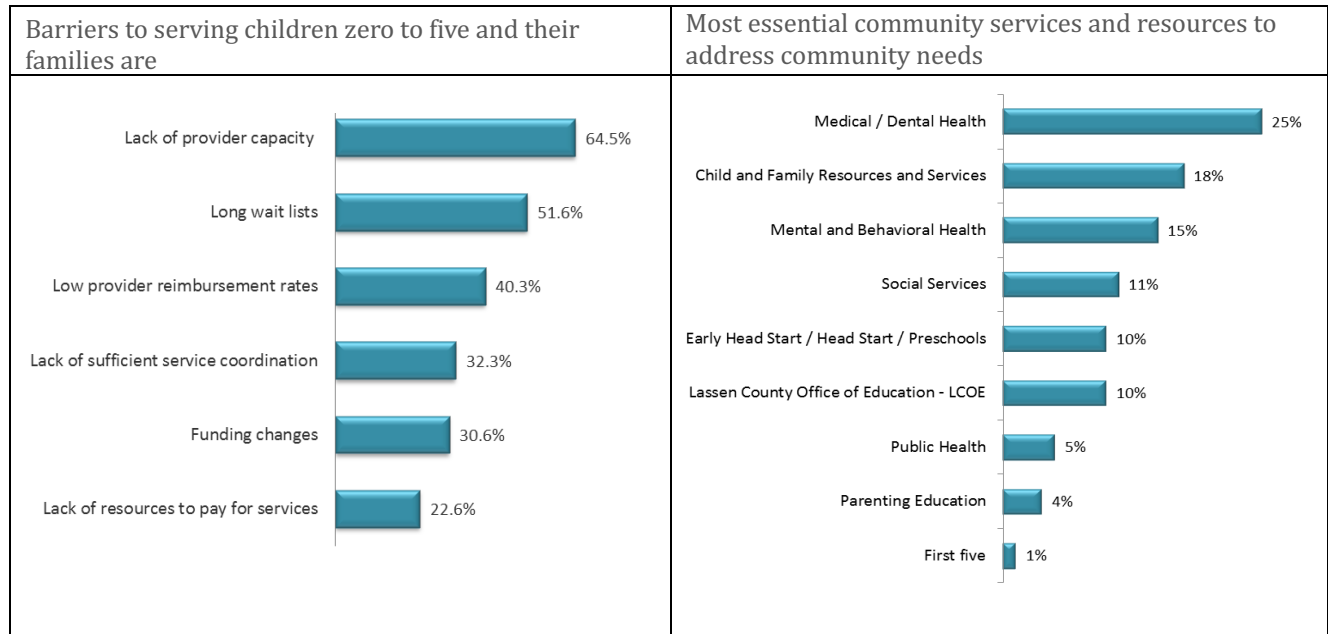
- ❖ Nearly 9 of 10 survey respondents (87%) agree that young children can get medical care when they need it.
- ❖ Eight of 10 respondents (78%) agree that young children can get dental care when they need it.
- ❖ Sixty-five (65%) are happy with the medical and dental care available for young children in their community.
- ❖ Fifty-nine (59%) indicate that paying for medical or dental care is not easy for families with young children.
- ❖ Most of the respondents (83%) strongly agree or agree that people can find good information and assistance for parenting young children when they want it.
- ❖ Nearly three of every four (73%) respondents agree that parents can find out if their child has a learning or health problem that hurts their growth, and that parents know how to support their young children to learn and grow.
- ❖ More than half of the respondents (54%) agree that parents can find good, safe and affordable child care.
- ❖ Only one in three (35%) agree that parents can pay for good child care.
- ❖ Less than half of the respondents agree that their community offers a lot of educational and learning activities (45%).
- ❖ Less than half (49%) agree that there are a lot of social and a physical activities.

COMMUNITY ISSUES AND CONCERNS

Provider Survey Highlights

No single agency can respond to the needs and concerns of families on its own. Therefore, a functioning service delivery system with good collaboration and a strong referral network is important.

Providers were asked to list barriers to serving children zero to five and their families. They were also asked to identify barriers for serving young children and their families, and to identify the most essential services or resources to address community needs.



Key findings from the providers' responses:

- ❖ Two-thirds of providers (67%) indicated they could effectively serve young children and their families. Those that disagreed, cited organization capacity as the biggest barrier to effective service delivery.
- ❖ Nearly nine out of every ten respondents (88%) consider the referral network was either effective or somewhat effective.
- ❖ Case management services are considered effective (51%) by half of the respondents, with another third indicating they are somewhat effective.
- ❖ Opinions were widely dispersed regarding "most essential" community resources and services, with six services / resource areas accounted for 90% of the responses.
- ❖ Nearly half of the respondents (48%) listed one of three services as most essential: medical/dental health (25%), Child and Family Resources and Services (18%), and mental and Behavioral Health (15%).
- ❖ Early education (for children 0 to 5) and Lassen County Office of Education were each identified by 10% of the respondents.

GOALS, OBJECTIVES AND INDICATORS

Goals, Objectives and Indicators

This section defines and describes the key components of the strategic plan and how they connect.

GOALS	Long-range (e.g. 5-10 years) statements of desired change in the condition of well-being for children, adults, families or communities, based upon First 5 Lassen County Children & Families Commission's vision that "All Lassen County children will thrive in supportive, nurturing and loving environments; enter school healthy and ready to learn; and become productive, well-adjusted members of society."
OBJECTIVES	Precise description of the desired change that is short-term (1-3 years), measurable, actionable, realistic and (time) specific. Objectives support the achievement of the goal. (They describe "what" will signal progress toward the Commission's Goals)
INDICATORS	The Commission uses two types of indicators to measure results. <u>Outcome indicators</u> measure the extent to which goals are being achieved and apply to <i>whole populations</i> within the county, while <u>performance indicators</u> determine whether programs, services, projects, or initiatives funded by the Commission are achieving results toward the goals and objectives. Performance indicators apply to <i>program target populations</i> .

2018-2019 GOALS, OBJECTIVES AND INDICATORS

There are four focus areas that First 5 Commissions address: 1) Improved Family Functioning: Strong Families; 2) Improved Child Development: Children Learning and Ready for School; 3) Improved Child Health: Healthy Children; and 4) Improved Systems: Integrated, Consumer-Oriented, Accessible Services. First 5 Lassen County Children and Families Commission has focused its goals and strategies in these four areas since its inception. It has worked to build and support an effective infrastructure, which could in turn provide needed services and programs to the county's children prenatal to five and their families.

Following are the goals and objectives, which will be pursued by the Commission for the coming year and beyond. Each objective has indicators which are tracked according to the evaluation plan for the funding initiative adopted by the Commission. A description of the evaluation approach is provided in the [Evaluation](#) section of this document.

RESULT AREA: IMPROVED CHILD DEVELOPMENT

Children are healthy and grow up confident in their ability to live a fulfilling, productive life. Healthy children have sufficient nutrition, health care, nurturing and guidance, and mental stimulation and they live in families that value them. The research on child development and the impact of the early years emphasizes the importance of children and their mothers beginning life with healthy nutrition and healthy environments. The importance of preparing children to succeed in school is critical. The role of education in a child's later ability to create a healthy, fulfilling life has been well documented. Skills that allow one to problem solve and think creatively are developed in the home, in early childhood development settings and nurtured through

GOALS, OBJECTIVES AND INDICATORS

community and parental reinforcement. The national association of Elementary School Principals has stated that “better childhoods” would be the single greatest contributor to improvement in school achievement.

Goal 1: Every child prenatal through 5 will reach his or her developmental potential and be ready for school.

Objectives	Indicators
Objective 1A: 100% of children served by First 5 home visiting will receive screenings according to accepted protocol.	<ul style="list-style-type: none"> Percentage of children served by Pathways who receive developmental screenings per protocol
Objective 1B: 100% of children identified as needing additional services will receive referral and referral support.	<ul style="list-style-type: none"> Percentage of children served through First 5 funded programs who receive referrals for service Percentage of children referred by First 5 funded programs who receive timely referral supports
Objective 1C: 95% of children served will progress along a continuum toward school readiness.	<ul style="list-style-type: none"> Percentage of parents/caregivers/providers served with increased knowledge of optimal parenting practices and involvement in their child’s development and education Number of parents receive parent education focused on supporting child physical, cognitive, social-emotional development (identified as a school readiness (SR) indicator) Number of children served and demonstrating progress toward school readiness

RESULT AREA: IMPROVED FAMILY FUNCTIONING

Successful and strong families are those that are able to provide for the physical, mental and emotional development of their children. Young children are entirely dependent upon care givers for survival and nurturing. It is the interaction of the parent or primary care giver with the child that shapes the child’s view of himself or herself as an individual capable of interacting with the world and achieving desired outcomes from that interaction. Parents and caregivers provide the foundation for a child’s ability to create successful relationships, solve problems and carry out responsibilities. Children who are encouraged to develop a strong self-concept from an early age are more likely to achieve a productive and fulfilling life.

GOALS, OBJECTIVES AND INDICATORS

Goal 2: Families and other caregivers of children prenatal to 5 will provide optimal parenting and a healthy environment.

Objectives	Indicators
Objective 2A: At least 95% of parents/caregivers/providers served will report increased positive behaviors, knowledge, and practices in parenting skills and healthy lifestyles.	<ul style="list-style-type: none"> Percentage of parents/caregivers/providers served with increased knowledge of effective parenting practices and involvement in child development and education (e.g., PAT, TouchPoints, etc.) Percentage of parents/caregivers/providers utilizing health and wellness opportunities (e.g., New Parent Kits, classes / workshops, home visits, clinics, TouchPoints, etc.) Percentage of parents/caregivers/providers served adopting improved nutrition, health and physical activity practices
Objective 2B: 60 to 80 high-risk families will be provided home visits annually.	<ul style="list-style-type: none"> Number of high-risk families served through home visiting

RESULT AREA: IMPROVED CHILD HEALTH

Health encompasses well-being of families with children ages 0-5, and addresses the aspects of physical, mental, oral health, physical activity and nutrition. Access to health care services continues to be a problem for families in the county, as health providers leave the county, decide to work for the prison, or simply quit accepting new and/or Medi-Cal clients. The ratio of health providers (physical, dental, and mental/behavioral health) to community members is far too low to meet needs.

Goal 3: Every child prenatal through age five will achieve optimal health potential.

Objectives	Indicators
Objective 3A: 100% of children served by First 5 home visiting program will receive referral and referral support for annual physical health exam.	<ul style="list-style-type: none"> Percentage of children served through First 5 home visiting program who will receive referral and referral support for annual physical exams.
Objective 3B: 100% of children served by First 5 receive	<ul style="list-style-type: none"> Percentage of children served through First 5 home visiting program who receive referral and referral

GOALS, OBJECTIVES AND INDICATORS

Goal 3: Every child prenatal through age five will achieve optimal health potential.	
Objectives	Indicators
referral and referral support for age-appropriate oral health screening.	support for age-appropriate annual oral health screenings
Objective 3C: 100% of children identified as needing additional services will receive referral and referral supports.	<ul style="list-style-type: none"> Percentage of children served through First5 funded programs who receive referrals for service Percentage of children referred by First 5 funded programs who receive timely referral supports

RESULT AREA: IMPROVED SYSTEMS OF CARE

This Improved Systems of Care result area is intended to serve as a screen for implementing programs to achieve results in the other areas. It is not intended to suggest that private and public systems are more important than the results they achieve. However, adding isolated programs to the current menu of services without attending to coordination and access issues only produces more fragmentation and does not efficiently use and maximize the existing available resources; and may actually deter the achievement of sustained long-term results for children and families. Integrating services into a “consumer-oriented and easily accessible system” requires deliberate and collaborative work in this result area.

Goal 4: First 5 funded programs, and county and community services support and participate in comprehensive, coordinated systems of care for children prenatal through 5 that maximize the efficient use of resources.	
Objectives	Indicators
Objective 4A: Public and private partners participate in collaborative efforts to design, implement and sustain a system that serves children prenatal through 5 and maximizes the efficient use of resources.	<ul style="list-style-type: none"> A common set of goals is established Increased collaborating, partnering, and coordinating among providers of services to children 0-5 and their families (e.g. ASQ, ASQ-SE System, Touch Points, PAT, Lassen HEART [Health Education and Resource Tool], Lassen Healthcare Collaborative, etc.) Use of multi-disciplinary approach to meetings and attendance (participation)
Objective 4B: Funded programs participate as appropriate in an inter-agency case conferencing	<ul style="list-style-type: none"> Coordinated home visiting case management system is selected and memoranda of understanding (MOUs) between partners established

GOALS, OBJECTIVES AND INDICATORS

Goal 4: First 5 funded programs, and county and community services support and participate in comprehensive, coordinated systems of care for children prenatal through 5 that maximize the efficient use of resources.

Objectives	Indicators
system focusing on the birth to 5 population.	<ul style="list-style-type: none">• Shared processes and protocols are established, including reporting and joint case management for children 0-5 and their families served by First 5 funded programs• Increased collaboration and joint case management for children 0-5 and their families served by First 5 funded programs

The result areas, goals and objectives described in the previous section are clearly interrelated and therefore the strategies selected to achieve them should also be interconnected. The domains they encompass –child health, early education and learning, family strengthening, parent and community education, and systems and community building – ideally should form a “coherent whole that can be sustained over time and will produce widely valued outcomes for young children and their families.”

This section of the strategic plan describes the strategies that will be pursued to achieve the goals and objectives described in the previous section. It shows how these strategies align to support the four result areas. All strategies included in the plan continue to improve and develop a consumer-oriented and easily accessible system for early childhood well-being and development within Lassen County. Additionally, funding is used to support programs and activities that implement one or more of the strategies, and that are in alignment with the Guiding Principles for Implementation.

IMPLEMENTATION STRATEGIES

First 5 Lassen’s overall approach to service delivery is through collaborated systems that integrate early childhood development activities into a coherent whole. To determine which strategies to include in this year’s strategic plan, the planning participants reviewed current strategies and discussed new possibilities for achieving results toward the long-term goals and objectives. The group took into consideration evaluation results from previous years and the first two quarters of the current fiscal year. They looked at opportunities for working with existing partners and collaborations to extend the reach and impact of funding, and where new partnerships could be forged. Ultimately, the group decided to focus on implementing eleven strategies. The clear interrelationships between the goals – for example, children’s health and families’

STRATEGIES

Strategies identify the specific programs, services and projects to be pursued in order to achieve the goals and objectives. The strategies are aligned with the goals and objectives and linked to the funding and fiscal priorities.

IMPLEMENTATION STRATEGIES & EVALUATION

strengthening directly affects children's development and readiness to succeed in school - provide opportunities to use *integrated* strategies that address multiple issues rather than approaching each issue in isolation. In addition, *targeted* strategies are needed to focus on a single goal or objective in order to supplement the effects of the integrated strategies. All but three of the strategies developed for this strategic plan are considered integrated.

The table that follows lists the strategies that have been identified for the 2017-2018 Strategic Plan update. The first five strategies are funded programs through the Commission. The result areas impacted by the strategies are noted with a "◆" symbol.

Strategies	Improved Child Development	Improved Family Functioning	Improved Child Health	Improved Systems of Care
A. Home Visiting: Continue to coordinate with public and private agencies to deliver countywide school readiness programs and activities through implementing First 5 Lassen's home visiting program through Pathways, Inc.	◆	◆	◆	◆
B. Oral Health Initiative: Encourage oral health professional education, screening and referral services; encourage public and private partners, including childcare providers to: integrate parent education about children's oral health; implement a public awareness campaign; and work to maintain fluoride varnish and sealant services and case management services.	◆		◆	◆
C. Big Valley Child Care: Continue to support capacity building, professional development, and child care service provision for Big Valley children.	◆			
D. Emerging Initiatives: Seek and fund emerging initiatives that directly support First 5 Lassen's goals and objectives. These initiatives will be identified by the Commission according to the funding priorities outlined in the long range financial plan.	◆	◆	◆	◆
E. Capacity Building. Provide technical assistance and training to funded organizations for utilizing web-based integrated data collection system and evaluation reporting through First 5 staff and contract consultants.				◆

IMPLEMENTATION STRATEGIES & EVALUATION

Strategies	Improved Child Development	Improved Family Functioning	Improved Child Health	Improved Systems of Care
F. 4P's SART System: Encourage Lassen County Public Health and other partners (e.g., Lassen County Health and Social Services, Office of Education, Pathways, etc.) to support and promote health outreach and education initiatives specifically targeting services to children ages birth to 5.	◆	◆	◆	◆
G. Children's System of Care: Continue to encourage community agencies e.g., Lassen County Health and Social Services, Office of Education, Public Health) and other organizations (e.g., Pathways) to provide support for the design and implementation of a children's system of care (e.g., Health Education and Resource Tool (HEART) program, Touch Points, ASQ and ASQ-SE System, Wraparound, etc.).	◆	◆	◆	◆
H. New Parent Kits. Coordinate distribution of New Parent Kits in Spanish and English with local resources and funded programs (i.e., Pathways, WIC, doctor's offices, family resource centers, etc.).	◆	◆	◆	◆
I. Tobacco Cessation. Promote the Tobacco Use Reduction project, funded programs, and others systems to extend information and referral services regarding tobacco cessation services.	◆	◆	◆	◆
J. Coordinated Needs Assessments. Continue to collaborate with identified public and private agencies to share data and participate in various community needs assessment processes (e.g., Lassen County Health and Social Services, Public Health Department, Office of Education, etc.) in order to effectively identify trends and opportunities to address the service needs and gaps for children aged birth through five.				◆
K. System Capacity Building. Encourage partnerships that provide dental screening services with trained oral health screeners throughout the County.			◆	◆



Evaluation

Evaluation is critically important to the long-term success of First 5 Lassen County Children and Families Commission. Over the past three years the Commission funded the development and implementation of results-based accountability plans for its major funded programs and initiatives. The evaluation plans are used by the Commission and our grantees to collect and analyze meaningful data and information on a regular basis so that we can make “course corrections” where needed and leverage successful practices and programs wherever possible. Our evaluation strategies are intended to provide us with a continual flow of information on unmet needs, where fragmentation still exists, which services or projects are having the best outcomes, and the degree to which we are meeting the changing needs of the target population. In addition, the evaluation plans meet the state evaluation framework requirements.

The commission continues to evaluate grantees’ progress on a regular basis using the results based accountability evaluation plans developed in conjunction with currently funded grantees. Together the Commission and grantees will continue to share lessons learned with others in the community and beyond. In this way, opportunities for leveraging success among grantees, partners and the community can be promoted and the Commission will come closer to achieving its vision that *all Lassen county children will thrive in supportive, nurturing and loving environments; enter school healthy and ready to learn; and become productive, well-adjusted members of society.*

The ongoing evaluation of progress toward achieving goals and objectives in the four major result areas is the joint responsibility of funded programs and organizations, First 5 Lassen County Children and Families Commission staff and Commission members, and a contract evaluator.

OBJECTIVES

There are four primary objectives for evaluation:

- Determine the effectiveness of programs, services and systems supported by Proposition 10 funds
- Increase providers’ capabilities to evaluate services
- Provide continuous information to the Commission and the community on the status of services of young children and their families in Lassen County
- Meet the Statewide Evaluation Framework Requirements

The major funded grants capture program data using tools and an encrypted, central database on a daily or weekly basis, depending on the service delivery frequency. By capturing program data in this way, the Commission is able to address evaluation questions within three overarching areas: 1) what did the Commission do; 2) how well did the Commission and its funded programs do; and, 3) what differences did programs make in child health, school readiness, family functioning, and systems integration?

The Commission will continue to track a series of indicators to monitor progress for specific goals and objectives (see the “Goals, Objectives and Indicators” section of this plan). This data, along with periodic

EVALUATION

updates to the community needs assessment data, will allow the Commission to gain an understanding of the health, safety and school readiness of children overall, as well as improvements to the service delivery system.

STRATEGIES

Evaluation is essential to ongoing system improvements and ensuring services are consumer-oriented and easily accessible. Evaluation is an ongoing process that is expected to result in enhancement to existing data collection and reporting tools over time.

In order to achieve its objectives the Commission has instituted protocols for collecting, analyzing and reporting on outcome data on a regular basis.

Emerging initiative funding projects will be evaluated at the conclusion of the project, and will be expected to provide data and information specific to the purpose of the project. Standard templates or report formats will be provided to the initiative/project in order to simplify the reporting and analysis functions.

Major funded programs and initiatives (referred to collectively as major grantees) will be evaluated according to the process described below and outlined in more detail in each of the specific evaluation plan documents. The evaluation plans identify and clearly articulate the program or initiative inputs, activities outcomes, indicators/performance measures, reporting expectations and milestones.

Major grantees will be expected to use the data collection tools and templates developed through the evaluation design and refinement process. They will capture program data on a daily and/or weekly basis. Data will be synthesized and reported on according to the key indicators or performance measures selected by the grantees and documented in the Scope of Work developed by the Commission. A common aspect of all evaluation processes is the inclusion of customer and/or client feedback, whether through focus groups, surveys, or other approved methods.

Currently funded major grantees will report quantitative and qualitative data (quadrants 1 through 4 in the evaluation plans) throughout the contract period. New grantees will be expected to report quantitative data during the first six months of their contract period as they learn to use the evaluation tools and templates. After that, the new major grantees will also report data and outcomes in all four evaluation quadrants throughout the remainder of the contract period.

Specific program data will be input daily or weekly (depending on service frequency) by each major grantee into program-specific evaluation tools and templates and the First 5 Lassen integrated database system, or other systems as required by the Statewide Evaluation Framework and the Small Population County Funding Augmentation Framework. Additionally, a program data summary will be provided to the First 5 Lassen County Children and Families Commission Executive Director monthly, along with a brief narrative report. A standard template for this report will be provided to the grantees by First 5 Lassen County Children and Families Commission so that grantees' information can be easily summarized for presentation to the Commission and community members. The monthly report is specifically designed to capture information about progress, including what's working well and where the grantee is experiencing difficulties. This will provide First 5 Lassen County Children and Families Commission staff and the contract evaluator information

EVALUATION

necessary to help the grantee “course correct” in a timely manner. The report includes program data and a narrative describing the results and progress by each outcome area.

On a quarterly basis, major grantees will be expected to include updates to their project budget and the number of persons served and services delivered. Again, a standard report template will be provided for grantees to use.

The evaluation reports will be used by the staff, Commission and community members during the annual strategic plan review process to identify opportunities for improving child health, child development, family strengthening, and service delivery systems.

This section of the strategic plan describes First 5 Lassen County Children and Families Commission funding priorities and the methods and processes for fund allocation. It is aligned with Fiscal Strategies and Long Range Financial Plan section.

HOW WE FUND

First 5 Lassen County Children and Families Commission will continue to issue RFP’s for major programs, initiatives and projects (those in excess of \$10,000) as needed, and commit funding in three-year cycles. The Commission continues to retain the right to extend funding for an additional three years, or change funding commitments based on performance and outcomes achieved, as demonstrated through ongoing evaluation.

Commission funds will not be used to supplant current expenditures, but rather to supplement, enhance or to fund new programs, services and infrastructure needed to create a consumer friendly, comprehensive, and coordinated system of early childhood development programs. To the maximum extent possible Proposition 10 funds will be used as leverage to obtain other resources needed to meet the goals and objectives of the strategic plan.

Funding will be consistent with the needs identified for children ages prenatal through age five and their parents, and with the goals and objectives outlined in this strategic plan. Furthermore, First 5 Lassen will continue to comply with applicable state laws governing contracting and procurement.

Guiding Principles

The mutually held values that serve to guide decision-making and actions, in this case related to the Commission’s funding priorities.

GUIDING PRINCIPLES FOR FUNDING

Funding decisions for all requests shall be based on the following guiding principles set by the Commission, which take into account the Commission’s desire to address the needs of the children in all of Lassen County’s Communities in an efficient and effective manner. The Principles on Equity served as the foundation for developing the 14 Guiding Principles described here.

- Comply with new state fiscal management guidelines and adopted Commission policies.
- Support the principles on equity.
- Comply with administrative and in-direct cost rate established by the Commission.

OBJECTIVES, PRINCIPLES AND STRATEGIES

- Allow for distributing funding equitably across the program components and priorities.
- Create a level playing field amongst applicants for funding.
- Support the goals and objectives of the strategic plan.
- Show evidence of effectiveness in addressing the goals and objectives of the strategic plan.
- Demonstrate a need for funding from the Commission.
- Move toward service coordination, accessibility, collaboration and comprehensive services.
- Be responsive to the diverse needs of the children and families in this County.
- Be supported by community input.
- Build on community strengths, will build capacity and will reap long-term benefits to the children and families in each of Lassen County's communities including meeting the special needs population in our County. Additionally, the last two principles will be applied for decision-making related to large grant requests (over \$10,000).
- Include a quality evaluation component, based on the Commission's evaluation framework and plans.
- Include an organized outreach component.

FUNDING PRIORITIES

Funding will be consistent with the needs identified through the community assessment update processes, and with the goals and objectives outlined in current update of strategic plan. Funding priority will be given to programs and projects whose plans address the following:

- Further at least one of the strategies and the related objectives and goals outlined in this plan
- The degree to which the Guiding Principles for Funding in this plan are reflected in the proposed project, program or activity
- Apply effective methods for ensuring collaboration and overall coordination and integration of services with existing agencies and programs, and efficient use of available resources
- Incorporate specific plans for addressing the assessment process as outlined in the evaluation plan(s), and the degree to which the program has effectively participated in and contributed to previous evaluation efforts
- Have the ability to leverage funds from other sources
- Demonstrates the ability to meet best practice standards set for major grants, whereby funded programs provide research-based strategies and activities (i.e., parent education-classes, workshops and playgroups designed to increase knowledge and practice of effective parenting skills, improved health practices, and link participants with child development and other community resources

OBJECTIVES, PRINCIPLES AND STRATEGIES

FUNDING OPTIONS, MECHANISMS AND ALLOCATION PROCESS

There are two funding mechanisms used to fund the Commission's programs and projects: major program grants and Commission-driven programs or initiatives. The allocation processes and funding cycles for each are described below.

Emerging Initiatives. The Commission may work directly with selected organizations and/or conduct projects with its own contracted staff to achieve the objectives described in this plan. Examples include the Home Visiting/School Readiness program, Oral Health Initiative, and a Child SART System. In some cases, the Commission may choose to issue a request for proposals (RFP) to identify additional partners.

Major Grants. Based on availability of funding, the Commission may decide to make larger grants available to organizations to conduct services and projects aimed at achieving the objectives described in this plan. The Commission will designate which objectives or strategies it is soliciting applications for, and qualified organizations (governmental agencies or 501(c)(3) nonprofits) may submit applications requesting funding for specific services and projects that are targeted to those objectives and strategies.

When the Commission decides to issue a RFP, currently funded programs, agencies and collaborative partners will be notified through established communication methods. At the same time, the RFP will be publicized to the broader community through First 5 Lassen website, newsletters, electronic and print media, public notices and other outreach methods. Prospective applicants will be asked to submit a Letter of Interest/Intent to Apply. Where duplicate applicants or projects have been proposed, the Commission may request that those agencies, organizations or groups work together to submit a collaborative and coordinated proposal, thereby ensuring services are linked, duplicated activities are streamlined, and administrative costs are reduced.

Proposals may be reviewed and rated by non-interested evaluators with expertise in specific areas. Proposal evaluators will recommend projects for funding to the Commission, who will make the final funding decisions. The Commission will award funding for a three-year period, with the ability to renew funding for an additional three years, based on satisfactory contract compliance. Each year the Commission will review available funding and update funded projects' contracts/scopes of work (SOW) as needed.

FUNDING CYCLES

Emerging Initiatives

Funding for emerging initiatives is considered by the Commission as needs become known through collaboration with community partners. At the direction of the Commission, staff will work with individual groups to compile the necessary information for a request for funding. If the Commission issues an RFP for a Commission-driven program or initiative, the funding cycle will be the same as that of major grants. Otherwise, the funding cycle for Commission-driven programs and initiatives will be flexible for the first year of funding; and then mirror that of major grants in subsequent years.

Major Grants

The table below outlines the funding cycle for major grants. The cycle may be adjusted as necessary to take advantage of new opportunities or adjust for varying project lengths.

OBJECTIVES, PRINCIPLES AND STRATEGIES

RFP Process Activity	Schedule	Month in Cycle
RFP Released	March 1	Month one
Letters of Interest/Intent to Apply – two weeks after RFP is released	March 15	Month one
RFP Due four weeks from date of issue	First week April	Month two
Screening and recommendations by external review committee within 20 days of final submission deadline	First week May	Month three
Decision – next regularly scheduled Commission meeting, with time for public notice/posting	May/June	Month three/four
Contract development	June/July	Month four/five





FISCAL STRATEGIES & LONG RANGE FINANCIAL PLAN



LONG RANGE FINANCIAL PLAN

Long Range Financial Plan

INTRODUCTION

The Lassen Children and Families Commission developed this financial plan to help address the challenges of sustained financing for projects and services supported by First 5 Lassen.

The five-year financial plan supports the strategic plan detailed in the first part of this document. While the purpose of the strategic plan is to describe the mission, vision and values of the Commission, and specify the long-term goals, objectives and strategies, the financial plan is the management tool for attracting and allocating financial resources within a specified time period in order to achieve long-term goals. This plan covers a five-year period from July 1, 2018 through June 30, 2023.

Over the past five years, the Commission has updated its long range financial plan as part of the annual strategic plan review and update process. In year 2014-15 the Commission blended the strategic and financial planning processes. Both plans were informed by a local needs assessment update and scan of environmental factors affecting funding, systems and ultimately services to the county's youngest children and their families.

Over the course of three months (February through April), the Commissioners reviewed the 2016-17 long range financial plan and discussed opportunities to leverage and expand resources within the county and across neighboring counties. Key questions continue to revolve around the Commission's current structure and funding priorities as compared with estimates of tax revenues and likelihood of continued small county augmentation. Ongoing transition issues such as the impact of moving to a virtual environment, effects of declining revenues on program and service delivery funding, and whether or not small county augmentation will continue into the future and at what levels, were considered. Additionally, discussions about emerging opportunities and risks, changes in service providers were woven into Commission discussions and decision making processes.

As with previous plans, this document complements the strategic plan and shows how the necessary financial resources will be acquired and managed. It also identifies the potential shortfalls the commission will face in the future and the actions to respond to these issues. In other words, the purpose of this plan is to help provide the Commission with the capacity (through dollars and fiscal strategies) to invest in projects and services each year while also fulfilling the many legal mandates imposed upon the Commission.

FUNDING ENVIRONMENT

The Funding & Investment Environment

EFFECTS OF PREVIOUS TOBACCO TAX LEGISLATION AND INCREASES

Smoking Age Increase to Age 21. Raised legal age to purchase tobacco products, including e-cigarettes, from 18 to 21, effective June 9, 2016. All projections were estimates, a projected loss to First 5 of \$24.5 million overall, and \$19.6 million loss to counties. At the time of the increase, estimates showed that young adults ages 18-20 had been funding approximately 10% of Prop 10 tax revenues.

E-Cigarette Regulation as Tobacco. Classified e-cigarettes as tobacco products subject to the same restrictions as existing tobacco products, effective June 9, 2016. There was no anticipated change in tobacco tax revenue to First 5.

Proposition 56. Increased excise taxes on distribution of cigarettes and other tobacco products, including e-cigarettes, by \$2 per pack. It included a backfill provision for Proposition 10. The Legislative Analyst's Office estimated e-cigarette tax could generate revenue from \$10-\$40 M for Prop 10 in 2017-18. This indicated potential revenues gained from Prop 56, which could offset revenues lost from raising the purchasing age to 21.

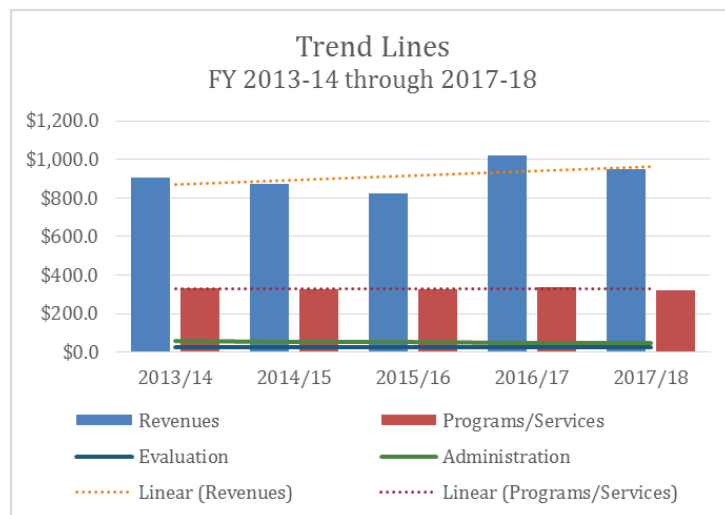
SHORTFALLS, OPPORTUNITIES AND STRATEGY

This section discusses the previous five years' spending the next five years' projections under two different scenarios. The opportunities and risks are discussed along with the Commission's approach for moving forward.

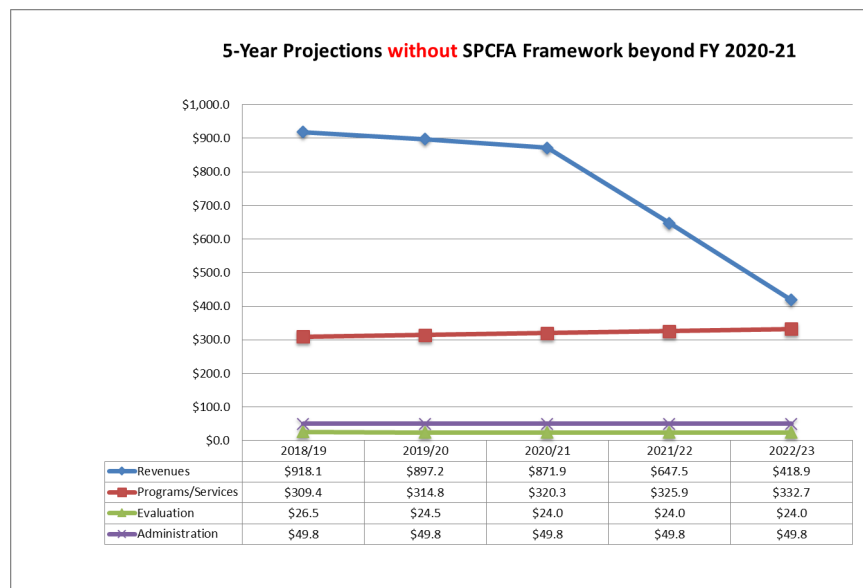
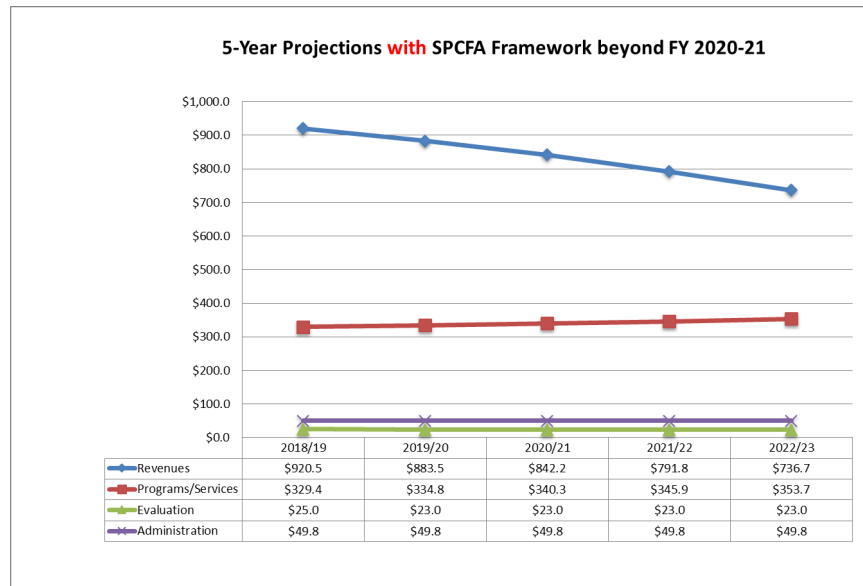
Spending Trend lines FY 2013-14 through 2017-18. As shown in the chart below, spending for programs and services has remained relatively level over past five years, while revenues declined through 2015-16, then increased the following year and declined again the next (2017-18).

Future Revenue Declines.

Looking forward, the Commission discussed two scenarios: revenues that included ongoing Small Population County Funding Augmentation (SPCFA) and revenues that do not include it. The two charts that follow depict both scenarios.



FUNDING ENVIRONMENT



Taking Advantage of Opportunities. The Commission discussed opportunities or trends that may emerge to affect the fiscal picture. There may be increases in the need for certain supportive services to connect young children and families to health services and supports as Congress reviews and acts on the new Administration’s budget and policy directions. Federal funding implications from California declaring itself a sanctuary state are as yet unknown, and the current political environment around the topic is turbulent. Additionally, First 5 Commissions in proximity to First 5 Lassen continue to share interests in collaborative purchasing of professional services (auditing, evaluation, etc.). Should these opportunities come about, they may either result in additional program/initiative funding or reduce operating costs, or both. One continued

FUNDING ENVIRONMENT

opportunity for increased revenue to support to First 5 Lassen's strategic priority areas comes from Medi-Cal Administrative Activities (MAA), which are unrestricted. Lassen County Public Health has taken on and expanded First 5 Lassen's oral health work, which is being supported in part through a 5-year grant from Inter-Governmental Transfer (IGT) funds. The Commission will continue to track and pursue appropriate opportunities as they become available.

Managing Risks. The Commission carefully considered various options for managing financial risks and declining revenues. As currently projected under the "best case scenario," the Commission can continue funding at basic levels throughout the next five years and beyond. However, should augmentation cease, shortfalls will occur sooner (FY 2020-21), resulting in insufficient funds to maintain operations into FY 2022-23.

First 5 Lassen takes seriously the risks of declining revenues and the discontinuation of SPCFA. Their strategy is to continue to expend funding at the current levels for the home visiting initiative (Pathways) with modest cost of living increases, and smaller initiatives (i.e., Emerging Initiatives, and Big Valley Child Care) with the assumption of continued augmentation. This allows the Commission to make meaningful investments at a level that allows the programs to provide consistent, quality services and supports. The Commission and/or its funded initiatives, expect to have revenues from MAA reimbursements continue into the future to offset some of the cuts to services funding should augmentation cease or be suspended. However, if those options are not available the Commission will utilize a "cliff approach." They will cut funding to Emerging Initiatives as soon as they know when augmentation will end, with or without MAA offsets. This will allow Pathways (Home Visiting) funding to remain at the highest level possible, for as long as possible. When ending fund balances are approaching six to twelve months of operating and program funding, the Commission will look to fund a home visiting strategy through Lassen County Public Health or Health and Social Services. As noted, this scenario may occur as early as FY 2020-21, and is therefore being actively monitored and managed.

Due to these economic considerations and the Commission's effort to build community and program capacity, the Commission will monitor and reevaluate funding levels for all program investment areas throughout the year. They will adjust the 5-year forecast in 2018-19 as needed to reflect changing needs and priorities.

OBJECTIVES, PRINCIPLES AND STRATEGIES

Financial Objectives and Principles

Financial objectives describe what the financial plan should accomplish, consistent with the overall strategic plan for First 5 Lassen. The financial objectives established by the Commission for the five-year period covered by this plan are to:

1. **Limit the administrative cost percentage of the actual costs** incurred in the fiscal year to 15% in years where small county augmentation is provided, and to 20% in years where there is no administrative or operations augmentation awarded from the First 5 California Children and Families Commission.
2. **Sustain the activities described in the strategic plan** throughout the five-year period covered by the plan, and if possible beyond. Financial sustainability should occur at two levels:
 - The funded strategies level, consisting of the home visiting, oral health education, enhanced systems of care, and other Commission initiated projects for children; and
 - The system impact level, consisting of the First 5 Lassen infrastructure (Commission, staff and operations) needed to support and evaluate program service delivery, build partnerships and improve service delivery systems, including non-funded strategies, and carry out the work of the Commission.

The financial principles are guidelines for how the financial plan will be used to support short- and long-term funding and policy decisions. The following principles were reaffirmed and adopted by the Commission for this plan:

1. This plan is meant to be used as a framework for managing resources – it in no manner obligates the Commission to specific funding for programs or projects. The approval of specific grants, contracts, and budgets can only occur through special action of the Commission in public meetings; they are not in any way authorized by this financial plan.
2. This plan will be used as a starting point to develop the annual budget and assumptions, which will be modified to reflect changing conditions and trends.
3. Although program funding is projected for five years, the Commission continues to study a variety of scenarios to determine level of program funding beyond year one; how and when it will move from a physical office space to virtual offices; and, how it will distribute tax revenues once the reserve has been spent down.
4. The Commission will continue to focus on capacity building for funded programs and developing/leveraging partnerships in order to enhance the system of care and promote sustainability beyond Commission funding.

The Commission reserves the ability to amend the plan at any time new information affecting revenues/expenses is available, but at a minimum each year as part of the annual strategic plan review process.

OBJECTIVES, PRINCIPLES AND STRATEGIES

Fiscal Strategies

The Commission has adopted six fiscal strategies that will be used to achieve the financial objectives and to provide the financial resources necessary to carry out the strategic plan.

1. **Continue to fund local programs and collaborations in order to reach those most at risk.** The Commission will fund Pathways for direct services (home visiting, child development and family strengthening; and its capacity building efforts to work more effectively and efficiently. It will also continue to promote collaborations to increase access to oral health services.
2. **Actively advocate for continued Small Population County Funding Augmentation** funding each time that it comes up for discussion. This revenue source allows the Commission to conduct evaluation and program support activities in addition to the business of the Commission and direct the tax allocation to programs.
3. **Actively participate in state and regional discussions** to demonstrate the value and impact of First 5 investments at the local level in order to dissuade attempts at eliminating or redirecting First 5 funding to other state budget items.
4. **Look for ways to imbed funded activities** in public agencies or other service organizations so that they become part of the ongoing service delivery system and not reliant solely on First 5 funding to sustain activities and results. This strategy includes encouraging new partnerships to take over [previously] funded Commission activities, and promoting opportunities to take advantage of cost sharing strategies.
5. **Partner with identified public, private and tribal agencies** to identify and encourage opportunities for the integration of existing services and expand resources benefitting the health, development, school readiness, and family strengthening for children birth through 5.
6. **Encourage and promote the First 5 Association of California recommendations** for prioritizing children in all policies¹, related to Family Functioning, Early Identification and Intervention, Oral Health, Quality Early Learning, and System Sustainability and Reach.

¹ First 5 Association of California, 2015 Association Policy Goals 020615, February 6, 2015

Future Revenue and Expense Assumptions

Following are the revenue and expense assumptions for the five year financial forecast. They were updated to include data and information shared at the state level, feedback from the Commissioner's survey, and discussions with Laura Roberts, Executive Director. The attached spreadsheet shows how these assumptions affect the financial situation of the Commission over the next five years. These assumptions result in a continual reduction of the annual budget with \$470,500 ending fund balance at the end of five years.

REVENUE ASSUMPTIONS

Statutory allocation of tobacco tax revenues to Lassen County. State law specifies that 80% of statewide tobacco taxes raised through the 50 cent-per-pack tax imposed by Proposition 10 are allocated to the 58 counties according to each county's birth rate. The county's ten-year birth rate has averaged 305 (2008-2017) births per year. The number of births in California is expected to continue gradually declining over the next ten years, which is the case also for Lassen County. The average birthrate is projected to decrease from 296 to 281 between 2017 and 2026.²

Lassen County became a minimum allocation county based on birth rates in fiscal year 2009-10, when its revenue projections dropped below \$200,000. Based on forecasts for the near future, Lassen County will remain a minimum allocation county. This means the County is to receive additional First 5 tax revenues to bring total revenues to \$200,000. However, the total amount received last year was less than projected, and likely attributed to the first year decline from effects of the 2016 tobacco tax legislation and increases. This is further described in the tax distribution assumption below.

Declining tax distributions. The Governor's 2018 budget projections for tobacco tax distribution was released in January.³ It includes the new projections for First 5 revenues in 2018- 2019 that are substantially lower than previous projections. The budget shows preliminary total Prop 10 revenues for 2016-17 of \$426.7 million, dropping to \$355.4 million in 2017-18, and dropping again in 2018-19 to \$346.4 million. Projections of cigarette tax revenues are based on projected per capita consumption of cigarettes, population growth, and the impact from the higher smoking age as well as the increased prices due to Proposition 56. Further, revenue estimates for other tobacco products, which now include electronic cigarettes, also reflect recent law changes. The cumulative effect of product price and tax increases, the increasingly restrictive environments for smokers, and anti-smoking campaigns (including state campaigns funded by Proposition 99 Tobacco Tax and Health Protection Act revenues and revenues from the Master Tobacco Settlement) have reduced cigarette consumption considerably.

The statewide budget comparison of tobacco tax revenue forecasts between last year and the current year are shown in the charts that follow.

² California Department of Finance. Demographic Research Unit. 2017. Historical and Projected Fertility Rates and Births, 1990-2040. Sacramento: California Department of Finance. March 2018

³ 2018-19 Governor's Budget Summary – California Budget. Accessed online on March 21, 2018 at <http://www.ebudget.ca.gov/2018-19/pdf/BudgetSummary/RevenueEstimates.pdf>.

FINANCIAL FORECAST

Figure REV-11
Tobacco Tax Revenue
(Dollars in Millions)

	2015-16 Preliminary	2016-17 Forecast	2017-18 Forecast
General Fund	\$85.3	\$79.3	\$64.8
Cigarette and Tobacco Products Surtax Fund	276.3	261.0	221.7
Breast Cancer Fund	17.0	15.9	13.0
California Children and Families First Trust Fund	461.4	432.6	358.3
California Healthcare, Research and Prevention Tobacco Tax Act of 2016	0.0	367.9	1,433.2
Total	\$840.0	\$1,156.7	\$2,091.0

Figure REV-11
Tobacco Tax Revenue
(Dollars in Millions)

	2016-17 Preliminary	2017-18 Forecast	2018-19 Forecast
General Fund	\$80.3	\$64.9	\$63.0
Cigarette and Tobacco Products Surtax Fund	\$246.0	\$215.8	\$211.7
Breast Cancer Fund	\$16.0	\$13.0	\$12.6
California Children and Families First Trust Fund	\$426.7	\$355.4	\$346.4
California Healthcare, Research and Prevention Tobacco Tax Act of 2016	\$466.6	\$1,421.8	\$1,385.2
Total	\$1,235.6	\$2,070.9	\$2,018.9

First 5 California's Fiscal Services Office provided the following update to the County Commission, based on information provided to them by the Department of Finance prior to the January 10 release of the FY 2018-19 Proposed Governor's Budget. It provides updated revenue and backfill projections, comparing the original estimates from July 2017 with the revised projections as of January 2018.

Funds Available for Transfer (in thousands) <i>Reflects final amount for transfer Prop 99 backfill and admin costs are removed</i>			
Fiscal Year	Original as of July 2017	Revised as of January 2018	Variance
2017-18	276,910	270,258	(6,652)
2018-19	323,773	305,362	(18,411)
2019-20	314,834	297,434	(17,400)
2020-21	305,874	289,581	(16,293)

While the revenue projections decreased by one percent or less, the backfill projections for 2018-19 through 2021-22 were also reduced by an annual average of 20 percent. Assumptions from the original projections included an increase in Other Tobacco Product (OTP) revenue due to the inclusion of e-cigarettes and a decrease in cigarette tax revenues due to the implementation of Propositions 56 (Prop 56), which directly correlated to a higher backfill projection. The actual revenue data collected for the first part of the fiscal year indicated that OTP revenue did not increase as projected, while the cigarette tax revenue did not decline. The net result of this is the small adjustment to ongoing revenue projections, and a significant decrease in the projected backfill.

Revenues from Prop 10 tax allocations for first six months of FY 2017-18 (through December) were \$81,812.79, or an average of \$13,635 per month. If the reimbursements continue to average this amount, tax allocations revenues for the current fiscal year will exceed the forecast by approximately \$2,000. While this seems promising, over the past few years total revenues received in a year have not been as high as projected. Therefore, the Commission will continue to take a conservative approach and estimate declining tobacco tax allocations based on the First 5 California projections. Those estimates project \$185,700 in year one, declining to \$177,300 in year five.

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Small Population County Funding Augmentation. Prior to 2012, Lassen County had been receiving approximately \$113,000 a year from First 5 California for administrative and travel costs through the Small Population County Fund Augmentation project (SPCFA). The First 5 Association worked with a coalition of small counties and the State Commission to develop recommendations for a new small county augmentation and accountability framework. The new framework, referred to as Small Population County Funding Augmentation (SPCFA) has eligibility and accountability measures, which Lassen meets. The SPCFA was approved by the State Commission in April 2014 and increased allocations to Lassen County to a recurring \$200,000 per year for three years.

In January 2017, the State Children and Families Commission approved the continuation of these funds, initially at the same level. Combined with the statutory tax allocation, the augmentation is intended to bring annual projected revenues to \$400,000. However, this was not the case in FY 2016-17. Therefore, while the financial plan therefore assumes that these augmentation funds will be continued for the next five years, the levels have been adjusted downward to \$190,600 each year.

Although Small Population County Funding Augmentation was approved, the conversation at the state level continues around regionalization. Specifically, what the potential benefits (cost savings and efficiencies to administration and services) might be realized from different implementation structures and partnerships. First 5 Lassen continues to remain open to pursuing these relationships.

Non-Prop 10 grants and contributions. This plan does not currently provide for revenues from other grant sources or public/private contributions.

Interest and other income. The audited combined total for this category as of June 2017 was \$18,166, comprised of interest earnings and federal reimbursements for conducting eligible health related administrative activities for the Medi-Cal Administrative Activities (MAA) Program. This amount also included nearly \$9,000 returned from Lassen County Office of Education. To remain conservative in revenue estimates for the next five years, total for interest and other income is set at \$7,000 each year of the forecast. Interest earnings are estimated at \$2,000 - \$3,000 per year (calculated as 0.3% of beginning fund balance and revenues for the year), and MAA reimbursements are estimated at \$4,000 per year.

EXPENSE ASSUMPTIONS

Following are the expense assumptions for the next five years, based on Commission discussion and decisions during the April planning session.

Operating costs –Contract for staff support and operations. Commission will continue to contract for professional services and staff to manage its operations but the level (amount of hours) and type (virtual vs. physical presence) will vary over the five years.

Contracted personnel will perform general administration, program support and technical assistance, and evaluation functions on behalf of the Commission, but at different intensity levels. Operating in a virtual environment, ongoing costs are covered by vendors under their contract. Evaluation will be done in part through the general administration vendor, with targeted supplemental contract support from external

FINANCIAL FORECAST

evaluators. The contracted amount for fiscal year 2017-18 was \$79,900. This amount is forecasted to decline slightly over the next two years, to \$75,900, after which it will remain flat.

Operating – Other. These line items include the annual audit, Commission insurance and other contracted services (program database) to support the work of First 5 Lassen County.

Contractors. Combined costs for outside contractors will total \$61,000 over the five years. This includes external evaluation support and a single contract for three years to maintain and update the database system. The total Commission contracts for outside evaluation and technical assistance to programs (external data review, analysis and report writing) continue to range between \$13,000 and \$14,500 each year.

Audit & Commissioner Insurance. Expenses for both the annual audit and Commission Insurance are projected to remain level at \$7,000 and \$1,500 respectively throughout the five years.

Other. Other operating costs include dues, which remain at \$3,125 for each of the next five years.

Home Visiting Program. The financial plan includes funding for the variety of Pathways home visiting activities under Improved Child Development and Improved Family Functioning result areas over the next five years. Funding is anticipated to remain level for The Home Visiting program with modest increases for cost of living estimated at 2 percent each year. Funding begins at \$270,300 (\$102,600 for Improved Child Development and \$167, 700 for Improved Family Functioning) and increases over the five year period to \$292,600 in year five. This investment links directly with Goal 1, Objectives 1A and 1B; Goal 2, Objectives 2A, 2B and 2C; Goal 4, Objective 4B.

Oral Health Initiative. The financial forecast provides no funding for oral health initiatives. Lassen County Public Health has assumed leadership for this work and is continuing this effort under a 5-year grant with IGT funds. First 5 will continue to promote and encourage this work, which links directly with Goal 3, Objectives 3B and 3C.

Emergency Oral/Medical Health. The financial plan includes \$3,000 each of the next five years to expand access to emergency or medical health services for families with no other coverage. This investment links to Goal 3, Objective 3B.

Emerging Initiatives or Other Programs. The forecast includes \$20,000 per year to invest in emerging initiatives and other programs (e.g., Big Valley Child Care Center, 2-1-1, etc.). Funds may be used as a match from First 5 Lassen to support expanded collaboration (i.e., a single point entry for multi-agency case conferencing through Public Health, including the birth to 5 population) and leverage other funding. Emerging initiative investments link directly with Goal 3, Objective 3B. The investment in Big Valley Child Care Center linked directly with Goal 2, Objectives 2C; and other investments in Emerging Initiatives may link to multiple areas, but minimally Goal 4, Objectives 4A and 4B.

FINANCIAL FORECAST

Five-Year Financial Forecast

Fund balances are categorized in accordance with GASB54 definitions and as approved in First 5 Lassen's Policy and Procedures Manual. Line items are categorized as follows:

Committed

- Contractors – Audit, Diversified Management, Inc., Bailey Data Management, Social Entrepreneurs, Inc.
- Home Visiting
- Oral Health Initiative
- Emergency Oral/Medical Health
- Emerging Initiatives

Assigned

- Association Dues
- Educational Materials
- Emerging Initiatives
- Insurance
- Travel
- Misc. Program Costs

Unassigned

No forecasted funds are unassigned

The next two pages show projected income and expense levels over the next five years, based on the objectives, principles, assumptions and strategies contained in this financial plan under the “worst-case” scenario of continued SPCFA. However, a forecast under a more favorable situation of continued SPCFA is also shown.

The Commission is using the best-case scenario for planning, based on the First 5 California's continuation of SPCFA at roughly the current levels for the next three years.

FINANCIAL FORECAST

2018-19 to 2022-23 Forecast Scenarios

Table 1: Best-case scenario budget forecast by program, with continuation of Small Population County Funding Augmentation.

5-Year Financial Projections by Program, FY 2018-19 to 2022-23						
<i>Dollars in Thousands</i>						
	Five Year	FY	FY	FY	FY	FY
	Total	2018-19	2019-20	2020-21	2021-22	2022-23
Beginning Fund Balance:		532.3	516.8	492.4	462.2	423.2
Revenue:						
Emergency Oral Health Account	10.5	2.5	2.0	2.0	2.0	2.0
Tobacco tax allocation	900.0	185.7	180.8	179.9	176.3	177.3
Small Population County Funding Augmentation	953.0	190.6	190.6	190.6	190.6	190.6
Interest and other income	35.0	7.0	7.0	7.0	7.0	7.0
Total revenues	4,325.4	918.1	897.2	871.9	838.1	800.1
Expenses:						
Community programs and services:	1,522.7	293.3	298.7	304.2	309.8	316.6
Home Visiting	1,406.7	270.3	275.7	281.2	286.8	292.6
Oral Health Initiative	-	-	-	-	-	-
Emergency Oral/Medical Health	15.0	3.0	3.0	3.0	3.0	3.0
Emerging Initiatives - linked to Goal 4	100.0	20.0	20.0	20.0	20.0	20.0
Other program costs						
Misc. program costs	10.0	2.0	2.0	2.0	2.0	2.0
Travel	6.5	1.5	1.5	1.5	1.0	1.0
Educational materials/media	2.5	0.5	0.5	0.5	0.5	0.5
Program evaluation (Bailey DMS)	21.0	4.5	4.5	4.0	4.0	4.0
Program evaluation (contractor)	50.0	10.0	10.0	10.0	10.0	10.0
Total community programs and services	1,612.7	311.8	317.2	322.2	327.3	334.1
First 5 operating costs:						
Administration contract	381.5	77.9	75.9	75.9	75.9	75.9
Administration	207.5	41.5	41.5	41.5	41.5	41.5
Evaluation	52.0	12.0	10.0	10.0	10.0	10.0
Program support/TA	80.5	16.1	16.1	16.1	16.1	16.1
Rent	26.0	5.2	5.2	5.2	5.2	5.2
Utilities	5.0	1.0	1.0	1.0	1.0	1.0
Technology	10.5	2.1	2.1	2.1	2.1	2.1
Dues	15.6	3.1	3.1	3.1	3.1	3.1
Audit	35.0	7.0	7.0	7.0	7.0	7.0
Insurance	7.5	1.5	1.5	1.5	1.5	1.5
Total operating costs	439.6	89.5	87.5	87.5	87.5	87.5
Total expenses:	2,052.3	401.3	404.7	409.7	414.9	421.6
Ending fund balance		516.8	492.4	462.2	423.2	378.5

FINANCIAL FORECAST

Figure 1: 5-Year Projection with continuation of SCPFA

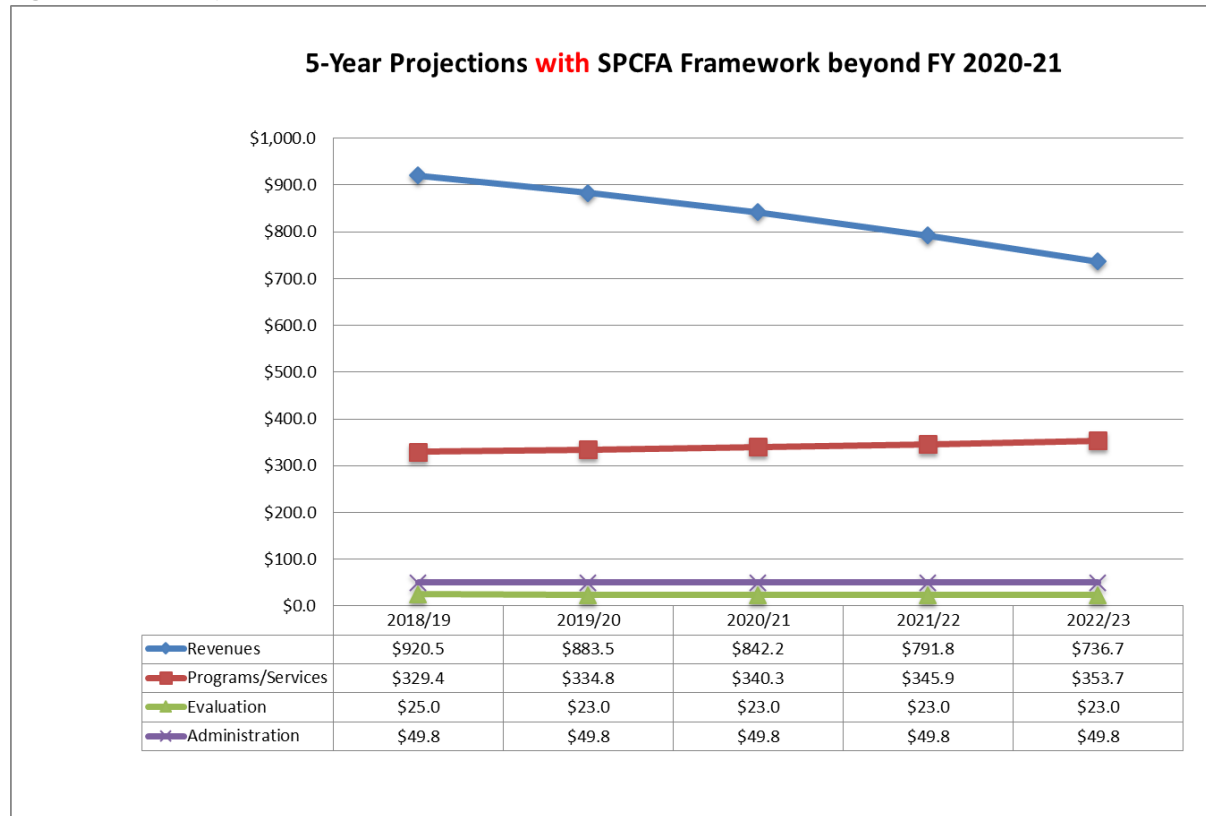


Table 2: Expenditures by category best case scenario

Percentage of Expenditures by Category	2018/19	2019/20	2020/21	2021/22	2022/23
Programs/Services	80.2%	80.9%	81.3%	81.5%	81.8%
Administration	12.9%	12.8%	12.6%	12.5%	12.3%
Evaluation	6.9%	6.3%	6.1%	6.0%	5.9%
	100.0%	100.0%	100.0%	100.0%	100.0%

FINANCIAL FORECAST

Table 3: Worse-case scenario budget forecast by program, without continuation of Small Population County Funding Augmentation.

5-Year Financial Projections by Program, FY 2018-19 to 2022-23						
<i>Dollars in Thousands</i>						
	Five Year	FY	FY	FY	FY	FY
	Total	2018-19	2019-20	2020-21	2021-22	2022-23
Beginning Fund Balance:		532.3	516.8	492.4	462.2	232.6
Revenue						
Emergency Oral Health Account	10.5	2.5	2.0	2.0	2.0	2.0
Tobacco tax allocation	900.0	185.7	180.8	179.9	176.3	177.3
Small Population County Funding Augmentation	571.8	190.6	190.6	190.6	0.0	0.0
Interest and other income	35.0	7.0	7.0	7.0	7.0	7.0
Total revenues	3,753.6	918.1	897.2	871.9	647.5	418.9
Expenses:						
Community programs and services:	1,522.7	293.3	298.7	304.2	309.8	316.6
Home Visiting	1,406.7	270.3	275.7	281.2	286.8	292.6
Oral Health Initiative	-	-	-	-	-	-
Emergency Oral/Medical Health	15.0	3.0	3.0	3.0	3.0	3.0
Emerging Initiatives - linked to Goal 4	100.0	20.0	20.0	20.0	20.0	20.0
Other program costs						
Misc. program costs	10.0	2.0	2.0	2.0	2.0	2.0
Travel	6.5	1.5	1.5	1.5	1.0	1.0
Educational materials/media	2.5	0.5	0.5	0.5	0.5	0.5
Program evaluation (Bailey DMS)	21.0	4.5	4.5	4.0	4.0	4.0
Program evaluation (contractor)	50.0	10.0	10.0	10.0	10.0	10.0
Total community programs and services	1,612.7	311.8	317.2	322.2	327.3	334.1
First 5 operating costs:						
Administration contract	381.5	77.9	75.9	75.9	75.9	75.9
Administration	207.5	41.5	41.5	41.5	41.5	41.5
Evaluation	52.0	12.0	10.0	10.0	10.0	10.0
Program support/TA	80.5	16.1	16.1	16.1	16.1	16.1
Rent	26.0	5.2	5.2	5.2	5.2	5.2
Utilities	5.0	1.0	1.0	1.0	1.0	1.0
Technology	10.5	2.1	2.1	2.1	2.1	2.1
Dues	15.6	3.1	3.1	3.1	3.1	3.1
Audit	35.0	7.0	7.0	7.0	7.0	7.0
Insurance	7.5	1.5	1.5	1.5	1.5	1.5
Total operating costs	439.6	89.5	87.5	87.5	87.5	87.5
Total expenses:	2,052.3	401.3	404.7	409.7	414.9	421.6
Ending fund balance		516.8	492.4	462.2	232.6	(2.7)

FINANCIAL FORECAST

Figure 2: 5-Year Projection without continuation of SCPFA

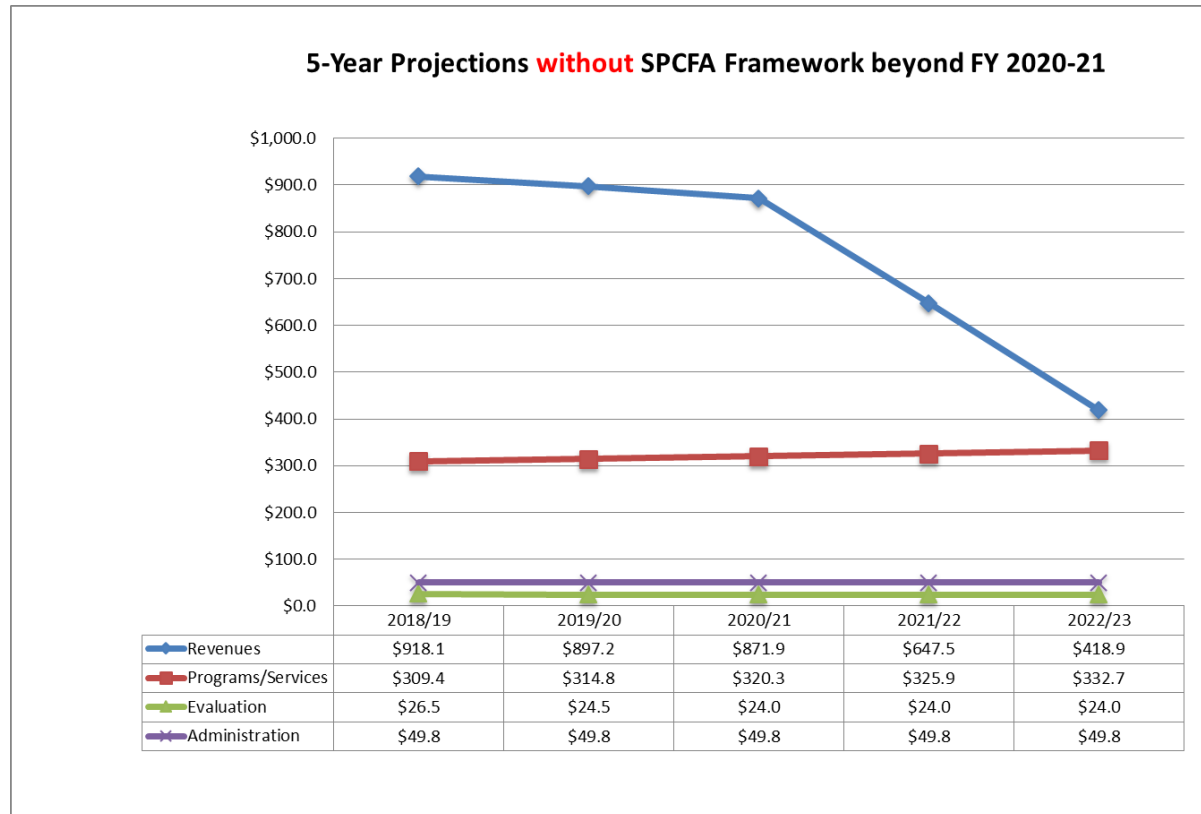


Table 4: Expenditures by category

Percentage of Expenditures by Category	2018/19	2019/20	2020/21	2021/22	2022/23
Programs/Services	80.2%	80.9%	81.3%	81.5%	81.8%
Administration	12.9%	12.8%	12.6%	12.5%	12.3%
Evaluation	6.9%	6.3%	6.1%	6.0%	5.9%
	100.0%	100.0%	100.0%	100.0%	100.0%