



**COMMISSION MEETING  
MINUTES**

**April 22, 2021**

Commissioners Present: Rachel Champagne, Dr. Michael Gollub, Matt LaVere, Barbara Marquez-O'Neill, Dr. Cesar Morales, Bruce Stenslie, Dr. Christine Walker, Barry Zimmerman

Excused Absence: Dr. Robert Levin

Staff Present: Petra Puls, Tyla Adams, John Anderson, Lauren Arzu, Dr. Sharon Elmensdorp, Fahim Farag, Heather Guerrero, Teresa Gutierrez, Jimena Hernandez, Jennifer Johnson, Sam McCoy, Grace Montejano, Nani Oesterle

Public Present: Elizabeth Hardin Boyett, Andrew Huizar, Alicia McFarland, Mabel Munoz

**OPENING**

**1. Welcome and Introductions**

Chair Marquez-O'Neill opened the meeting at 1:01 p.m., reminded attendees how to participate via public comment, and shared a quote about Earth Day.

**2. Approval of Minutes from March 25, 2021 Commission Meeting**

**A motion was made by Commissioner LaVere, seconded by Commissioner Gollub, to approve the minutes from the March 25, 2021 Commission Meeting. The motion passed unanimously.**

**3. Agenda Approval and Review of Commission Packets**

Chair Marquez-O'Neill provided an overview of regular and supplemental packet items, noting materials were sent via email and are posted on the F5VC website.

**A motion was made by Commissioner Zimmerman, seconded by Commissioner Walker, to approve the agenda. The motion passed unanimously.**

**4. Public Comments/Correspondence**

There were no comments from members of the public.

## **CONSENT AGENDA**

### **5. Receive and File the First 5 Ventura County Financial Reports as of February 28, 2021**

**A motion was made by Commissioner LaVere, seconded by Commissioner Morales, to approve the consent agenda. The motion passed unanimously.**

## **REGULAR AGENDA**

### **6. Report of Committees** **a. Administration and Finance**

Commissioner Stenslie noted the Administration and Finance Committee met in early April and reviewed and approved each of the following items.

#### **i. Recommendation to approve supplemental payments for employees working remotely**

Lauren Arzu noted that with the transition to long-term remote work, staff reviewed CA labor law requirements to reimburse employees for work expenses. She noted it is difficult to determine the precise portion of cell phone and internet expenses that are work related, and performing a line-by-line accounting of expenses is time consuming. Per the labor code it is acceptable to offer set monthly payments if justified by research. Lauren shared F5VC staff research on local cell phone and internet pricing, as well as what other First 5s and local public agencies are doing, which was used to develop the proposed supplemental payment criteria and amounts. The staff recommendation is to approve supplemental payments of up to \$60 per month, \$30 each for internet and phone costs, for employees who primarily work from home. Lauren noted this is considered taxable income and staff who choose to return to the office or work in a location with internet and phone provided, such as NfLs, would not be eligible.

**A motion was made by Commissioner Stenslie, seconded by Commissioner Gollub, to approve a policy for supplemental payments for Commission employees working remotely, up to \$60 per month to cover the work-related expense associated with working from home. The motion passed unanimously.**

#### **ii. Recommendation to approve policy for COVID-19 paid sick leave and extended paid family leave from April 1, 2021 to September 30, 2021**

Lauren Arzu noted that the most recent COVID-19 sick leave policy expired on March 31, and two recently approved pieces of legislation need to be integrated into our paid leave policies. The federal American Rescue Plan Act and the California CSPSL both offer up to 10 days of paid sick leave for COVID-19 related issues, which now includes vaccination related illness. The ARP also removes the two week waiting period for Paid Family Leave, increasing the maximum payment to \$12,000. Lauren noted the ARP is voluntary and the CSPSL applies to employers with 25 or more employees, which will apply to F5VC in mid-June. However, in alignment with F5VC's family friendly work policies, the staff recommendation is to adopt the new provisions immediately.

Commissioner LaVere commented that he is pleased to see F5VC continues to be a leader in family friendly work policies.

**A motion was made by Commissioner LaVere, seconded by Commissioner Walker, to provide new paid leave benefits for COVID-19 from April 1, 2021 through September 30, 2021 and approves a new policy and procedure to comply with the ARP Act and CSPSL. The motion passed unanimously.**

**iii. Recommendation to update employee compensation schedule**

Lauren Arzu noted that as NfL staff transition to F5VC, the employee compensation schedule needs to be updated to include new Specialist and Senior Specialist positions. These positions are currently Parent and Child Together (PACT) teachers and Lead PACT Teachers at Interface. Lauren noted F5VC research on comparable positions at other First 5s show salary ranges of \$36,000-\$58,000 in Sacramento and \$40,000-\$49,000 in San Diego. Locally, a CDR Head Start Preschool Teacher earns \$39,000-\$59,000. Lauren detailed the proposed update to the employment compensation schedule, which includes the two new specialist classifications as well as updates for recent changes in staff titles. The proposed salary ranges for the new positions reflect F5VC's commitment to providing a living wage, with the Senior Specialist position starting at 8% higher due to lesson planning and mentorship responsibilities. In May, staff will return to the Commission with updated salary ranges for all classifications except the Specialist and Senior Specialist positions. Lauren added approving the proposed updates to the employee compensation schedule now will allow staff to begin making job offers to current NfL employees.

Commissioner Champagne asked if Early Childhood Family Support Specialists are guaranteed 40 hours of work regardless of PACT class enrollment. Lauren confirmed that Specialists also provide family support, conduct outreach and have additional duties that constitute a full-time position.

Chair Marquez-O'Neill expressed her appreciation for F5VC's effort to support a living wage for early childhood employees.

**A motion was made by Commissioner Gollub, seconded by Commissioner Stenslie, to approve an updated employee compensation schedule. The motion passed unanimously.**

**iv. Recommendation to discontinue use of equipment replacement fund as of June 30, 2021 & fund FY 2020-21 NfL equipment purchases under the FY 2020-21 NfL Transition Budget**

Jennifer Johnson noted the Equipment Replacement Fund was established in 2003 to set aside resources in the Operating Fund for future equipment purchases when equipment becomes unusable or obsolete. The initial balance of \$24,600 represented the value of equipment depreciation at the time. The fund policy states that an annual amount of depreciation will replenish the fund balance and an Equipment Budget is approved annually. She added the average cost for equipment over the past 10 years has been \$7,000 per year and historically the Commission has had no capital items with an individual cost of more than \$5,000.

As the Commission is increasing the number of employees from 12 regular to almost 40 with the decision to bring the NfL initiative in-house, there is an opportunity to streamline the way minor equipment purchases are funded. Jennifer noted staff recommend to discontinue the Equipment Replacement Fund as of July 1, 2021 and budget minor equipment purchases such as computers within each cost center. This will eliminate the need to manage the Equipment Replacement Fund and to have a separate Equipment Budget. Resources formerly set aside in the Operating Fund for equipment replacement would instead be captured within the projected future allocations for each initiative and budget area. For the current fiscal year, staff will use the approved budget amount of \$5,000 for planned purchases for Program & Systems Integration, Help Me Grow, Results-Based Accountability, and Administration. Jennifer noted that rather than increase the equipment fund and budget for the duration of this fiscal year, equipment needs related to bringing the NfLs in-house will be under the allocation the Commission approved in January to support NfL transition activities.

**A motion was made by Commissioner Zimmerman, seconded by Commissioner Stenslie, to conclude use of the Equipment Replacement Fund as of June 30, 2021 and to budget for minor equipment needs under each cost center’s annual budget beginning July 1, 2021. For new equipment purchases related to bringing the Neighborhoods for Learning in-house, costs from February 1, 2021 to June 30, 2021 would be funded under the approved FY 2020-21 NfL Transition budget. The motion passed unanimously.**

**v. Recommendation to adopt proposed budgets for Fiscal Year 2021-22**

Jennifer Johnson presented the proposed budgets for Fiscal Year 2021-22. She reviewed the overall Operating Budget, including the Operating Fund and the Community Investment Loan Fund. She noted revenue projections for Proposition 10 tax distributions are projected using a 4% rate of decline, and detailed leveraged funding amounts as well as revenue by source area for the Community Investment Loan Fund. Total revenue is projected at just over \$6 million.

Jennifer noted proposed expenditures of \$6.8 million include the approved allocations for program strategies, grant expenditures, evaluation, administration, and equipment. She outlined expenditures that do not have a detailed budget attached. The proposed expenditures and outflows for the Community Investment Loan Fund total \$685,000, which includes projected loan disbursements of up to \$650,000 and up to \$35,000 for loan implementation costs. Jennifer noted that only \$260,000 is projected to be used from the fund balance in FY 2021-22 to maintain program services. As excess interest earnings from FY 2020-21 are not anticipated, no transfer is budgeted in FY 2021-22. Jennifer noted if programs utilize their full allocations the estimated administrative cost percentage is 5.7%, with 8.5% projected if total expenditures are \$5 million.

Jennifer detailed the updated budget assumptions, noting that they reflect refinements for services and supplies based on rate increases, historical usage, and anticipated needs. This year’s budget is heavily influenced by the decision to bring the NfL initiative in-house, which has important implications for how we have traditionally treated administrative staffing support, such as finance, human resources, and procurement. Bringing the \$3 million NfL initiative in-house, which will almost triple the number of staff the Commission employs, is a major change in the way the Commission conducts business and requires sufficient administrative support to carry-out the program. As discussed by the Committee last month, and in consultation with the Commission’s

auditors, the proposed budget implements a new approach for allocating staff assigned to the Administration cost center. Certain positions would be identified as centralized administrative support, also referred to as central services, and proportionally allocated to programmatic and evaluation activities using a systematic, rational method to assign costs. This recognizes all programs need sufficient administrative support to operate. The unallocated or remaining portion of centralized administrative staffing that cannot be directly assigned to a specific activity would be reported under the Administration cost center.

Jennifer detailed the proposed staffing pattern, noting the addition of the Neighborhoods for Learning (NfL) cost center and that, overall, 24.60 full time equivalents (FTEs) have been added – up to 22 NfL program staff and up to 3 new centralized administrative staff. The increase of 25 positions is offset by a decrease of .40 FTE due to grant funding, for a total staffing budget of 38.25 FTEs. She noted the methods used to allocate centralized administrative support positions and the resulting percentages that will be used to allocate shared operating costs on the basis of FTEs. She also reviewed the budget assumptions used to prepare internal budgets, detailing projected rate increases and changes from prior years such as the remote work allowance. She detailed the Building Lease and Rentals/Utilities and other Facility Costs areas, noting these projections are based on the information known from our current contractor and negotiations with landlords at this time. Minor equipment now is listed within each cost center with the approval to discontinue the equipment replacement fund.

Jennifer reviewed proposed budgets for each internal cost center, including: Program & Systems Integration, Neighborhoods for Learning, Help Me Grow, Results-Based Accountability, and Administration. She summarized these budgets, highlighting the variances and providing explanations for the proposed budgeted amounts.

Jennifer concluded her presentation noting the operating budget shall be the final budget if there are no substantive comments by the Community Commission of Ventura County and the Board of Supervisors after their reviews.

**A motion was made by Commissioner Stenslie, seconded by Commissioner Zimmerman, to approve the budgets for Fiscal Year 2021-22. The motion passed unanimously.**

**vi. Recommendation to update administrative cost policy and adopt administrative cap at 12% of total operating budget for FY 2021-22**

Jennifer Johnson stated that county commissions are required to adopt a policy establishing a limit on the percentage of the Commission's operating budget that may be spent on administrative functions. She reviewed the proposed changes to the policy on administrative costs related to the allocation of centralized administrative support services. Noting that the cap is set on an annual basis, she discussed the rationale for the establishing the rate for the upcoming fiscal year. For Fiscal Year 2020-21 the administrative cap was set at 12% and the projected rate is 11.8%. As the administrative rate is determined based on final expenditures and the administrative rate is what F5VC is allowed to charge as the administrative rate on grants, the staff recommendation for Fiscal Year 2021-22 is to maintain the targeted administrative cap at 12% of the total operating budget.

**A motion was made by Commissioner Walker, seconded by Commissioner Stenslie, to approve updates to the administrative cost policy and establish the administrative cap at 12%, following the annual review of the Commission’s policy limiting the percentage of the Commission’s budget that may be spent on administrative functions, in compliance with legislative requirements. The motion passed unanimously.**

**vii. Recommendation to approve updated financial plan, FY 2016-26, in compliance with Health and Safety Code Section 130151**

Jennifer Johnson noted the long-range financial plan is updated annually as part of the budgeting process. She reviewed updates that have been made to the plan, including audited actuals for FY 2019-20, a forecast for FY 2020-21, and the proposed budget for FY 2021-22. She detailed forecasted revenue and expenditures for FY 2020-21, noting an underspending of allocated funds in the preschool initiative. She noted staff are monitoring the administrative rate closely and, if necessary, will return to the Commission to update the administrative rate cap in May or June.

Jennifer noted based on the current improved trend in Proposition 10 disbursements, for FY 2020-21 and beyond the plan utilizes an annual rate of decline at 4%. With the updated revenue projections and unspent funds there are sufficient resources to apply the 5% year-over-year increase in annual spending levels for relevant initiatives/contracts through FY 2026 in the financial plan. This leaves a remaining excess of about \$4 million for future investments and to mitigate years where expenditures exceed revenue. The plan preserves the revolving Community Investment Loan Fund at \$1.3 million, as well as the minimum fund balance of 6 months for working capital and \$1 million (or 20%) for a reserve/safety net. The plan also reflects the conclusion of the Equipment Replacement Fund as of June 30, 2021.

**A motion was made by Commissioner LaVere, seconded by Commissioner Gollub, to approve the updated financial plan, Fiscal Year 2016-26, in compliance with Health and Safety Code Section 130151. The motion passed unanimously.**

**7. Recommendation to Transfer Sick-Leave Balances for Current Interface Children and Family Services Neighborhood for Learning Staff who are Transferring to First 5 Ventura County**

Lauren Arzu noted that when NfL staff resign from Interface Children and Family Services (ICFS), they will get paid out for their vacation time but not sick time. She noted at current accrual rates for sick 3.692 hours per two-week pay period it would take some time for NfL staff to accrue adequate sick time. As NfL staff are transferring at F5VC’s request, staff recommend to allow NfL staff to transfer up to 80 hours of sick time from ICFS to F5VC.

**A motion was made by Commissioner Morales, seconded by Commissioner Zimmerman, to approve transferring sick leave balances of up to 80 hours for current ICFS Neighborhoods for Learning employees transferring to F5VC by June 30, 2021. The motion passed unanimously.**

**8. Recommendation to Approve Contract with Economic Development Collaborative to Manage and Implement the Community Investment Loan Fund**

Commissioner Stenslie recused himself.

John Anderson detailed the history partnering with the Economic Development Collaborative to manage the Community Investment Loan Fund. The fund operates as a revolving loan fund for low-interest loans to support the development of licensed childcare facilities. John noted recognizing the need for such licensed facilities in the county, staff recommends to authorize up to \$500,000 in available loans for Fiscal Year 2021-22. If additional opportunities to issue loans arise, staff would return to the Commission to seek approval to increase the contract to up to the \$650,000 available in the F5VC budget. John added the recommended allocation for EDC to manage the fund of \$35,000 is anticipated to be fully offset by interest earnings.

**A motion was made by Commissioner Gollub, seconded by Commissioner Zimmerman, to authorize the Executive Director to contract with the Economic Development Collaborative (EDC) to continue managing the implementation of the Community Investment Loan Fund for FY 2021-22, not to exceed \$35,000. The contract would also provide funds for EDC to issue up to \$500,000 in loans to eligible Community Investment Loan Fund applicants under the previously approved loan guidelines, for a total FY 2021-22 contract amount not to exceed \$535,000. The motion passed with Commissioner Stenslie abstaining.**

## **9. Report from Executive Director**

Petra Puls delivered highlights from her written report on Commission activities. She noted that Proposition 10 disbursements are greater than expected and currently running just 1% under last year, but staff continue to forecast conservatively using a 4% projected rate of decline. She added when revenues exceed projections staff will update the F5VC financial plan as well as have conversations about how best to utilize additional resources. F5VC staff works closely with the F5 Association to monitor revenues and will report back to the Commission on a regular basis.

Petra reported NfL transition activities are progressing smoothly. With the approved budget and compensation schedule, F5VC staff will proceed with formal job offers to NfL staff over the next several weeks. F5VC continues to hold bi-weekly meetings with NfL staff and are working to finalize lease agreements with an emphasis on minimizing disruption and looking for opportunities for sites with lower cost and greater ease of access. Petra also updated the Commission on the F5VC partnership with the Partnership for Safe Families on an ACEs Aware grant and noted a summary is enclosed with more information.

Petra noted just prior to this meeting she participated in the F5CA Commission Meeting, and Dr. Nadine Burke Harris, who is a leader in ACEs research, presented on the outcomes of her recent research. Petra noted the presentation highlighted how toxic stress can have devastating outcomes on the developing brain if it is not addressed. Dr. Harris emphasized safe, nurturing, caring environments and caregivers can mitigate the impact of toxic stress. Petra noted the presentation was recorded and offered to share information on how to access the recording when it is available. She highlighted some takeaways, including the Handle with Care program for law enforcement follow-up with local education and early childhood professionals after interactions where a young child is present.

Petra noted a link is included to the 2-1-1 interactive website where you can filter by demographics and see some of the needs across the county. She noted staff are planning to present to the Commission in the near future about Unite Us, which has been funded by the Kaiser Foundation, regarding an electronic referral and follow-up system that would be beneficial to care coordination and Help Me Grow.

Petra outlined the elements of the American Rescue Plan F5VC request letter, enclosed for reference, which was sent to city and county representatives, and follow-up meetings are currently being scheduled. She also directed the Commission to enclosed advocacy letters F5VC recently signed on to. F5VC staff are planning to participate in a statewide virtual advocacy day on April 27<sup>th</sup>, with a focus on strategies to mitigate the impact of COVID-19 on children and families.

Petra noted F5VC is promoting the upcoming April 30<sup>th</sup> statewide Día de los libros/Día de los niños virtual celebration with First Partner Jennifer Siebel Newsom and invited the Commissioners to attend virtual events. She also noted staff are exploring options for Take 5 and Read in the fall. She announced three local parent leaders have been participating in part two of the Community Organizing and Family Issue training (COFI) and developing local projects to launch in their communities.

Petra concluded her report by congratulating Commissioner Morales on his appointment as Superintendent of Schools at VCOE and F5VC staff member Jennifer Johnson for her 20 years of service.

Commissioner Gollub congratulated Commissioner Morales and Jennifer Johnson for their outstanding service. He asked for a link to the presentation by Dr. Harris and expressed his support for the need for trauma informed care for doctors, police, etc. He noted protective experiences can help overcome adverse experiences.

Commissioner Champagne suggested that we need to consider trauma informed care for the early childhood workforce as well.

Chair Marquez-O'Neill asked for the link to the presentation from Dr. Harris and expressed her interest in the Handle with Care program. She congratulated Jennifer Johnson on 20 years of service and Dr. Morales on his new position.

## **10. Commission Member Comments**

Chair Marquez-O'Neill reminded the commissioners that the annual performance review of the Executive Director will occur by the end of June this year.

## **11. Next Meeting**

Thursday, May 20, 2021, via Zoom.

The meeting was adjourned at 2:27 p.m.