

First 5 Ventura County Financial Plan

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Operating Fund	Audited FS	Strategic Plan Extension Period		Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
		Proposed							
		Forecast	Budget						
	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
<b>BEGINNING FUND BALANCE</b>	\$12,513,323	\$15,231,971	\$17,007,300	\$16,700,500	\$16,426,050	\$15,631,310	\$14,300,160	\$12,438,400	\$10,019,800
<b>REVENUES</b>									
Prop 10 Distribution	\$6,455,875	\$6,068,520	\$5,825,000	\$5,592,000	\$5,368,320	\$5,153,590	\$4,947,450	\$4,749,550	\$4,559,570
First 5 CA IMPACT	\$577,858	\$50,000	\$50,000						
Pritzker Children's Initiative Grant	\$6,784								
Foundation & Other Grants	\$66,818	10,159							
Donations	\$6,020								
Other Revenues	\$3,000								
<b>Subtotal Revenues</b>	<b>\$7,116,355</b>	<b>\$6,128,679</b>	<b>\$5,875,000</b>	<b>\$5,592,000</b>	<b>\$5,368,320</b>	<b>\$5,153,590</b>	<b>\$4,947,450</b>	<b>\$4,749,550</b>	<b>\$4,559,570</b>
SMIF	\$3,902								
Interest Earnings (@0.25%)	\$74,510	\$37,050	\$42,000	\$41,750	\$41,060	\$39,080	\$35,750	\$31,100	\$25,051
Transfer of Funds from Loan Fund	\$9,810	\$0	\$0	\$11,800	\$5,880	\$1,180	\$10,040	\$5,750	\$1,050
<b>TOTAL REVENUES</b>	<b>\$7,204,577</b>	<b>\$6,165,729</b>	<b>\$5,917,000</b>	<b>\$5,645,550</b>	<b>\$5,415,260</b>	<b>\$5,193,850</b>	<b>\$4,993,240</b>	<b>\$4,786,400</b>	<b>\$4,585,671</b>
<b>EXPENDITURES</b>									
Neighborhoods for Learning (NfLs)	\$2,287,962	\$2,360,000	\$3,265,000	\$3,430,000	\$3,600,000	\$3,780,000	\$3,970,000	\$4,170,000	\$4,380,000
Preschool Spaces & Scholarships	\$374,957	\$400							
Countywide Linkage to Resources & Early Intervention	\$221,075	\$315,000	\$390,000	\$330,000	\$345,000	\$365,000	\$385,000	\$405,000	\$425,000
Challenge Grants	\$0	\$100,000	\$400,000						
Program & Systems Integration	\$820,671	\$1,030,000	\$1,466,800	\$1,420,000	\$1,490,000	\$1,565,000	\$1,645,000	\$1,730,000	\$1,815,000
<b>Subtotal - Program Initiatives</b>	<b>\$3,704,665</b>	<b>\$3,805,400</b>	<b>\$5,521,800</b>	<b>\$5,180,000</b>	<b>\$5,435,000</b>	<b>\$5,710,000</b>	<b>\$6,000,000</b>	<b>\$6,305,000</b>	<b>\$6,620,000</b>
Results-Based Accountability	\$238,088	\$250,000	\$295,000	\$310,000	\$325,000	\$340,000	\$355,000	\$375,000	\$395,000
Administration	\$539,568	\$335,000	\$407,000	\$430,000	\$450,000	\$475,000	\$500,000	\$525,000	\$550,000
Equipment Replacement	\$3,608								
<b>TOTAL EXPENDITURES</b>	<b>\$4,485,929</b>	<b>\$4,390,400</b>	<b>\$6,223,800</b>	<b>\$5,920,000</b>	<b>\$6,210,000</b>	<b>\$6,525,000</b>	<b>\$6,855,000</b>	<b>\$7,205,000</b>	<b>\$7,565,000</b>
		2-year total	\$10,614,200						
Percent increase/decrease compared	-20%	-2%	42%	-5%	5%	5%	5%	5%	5%
Actual/Projected Administrative Rate	11.9%	7.6%	5.9%						
<b>ENDING FUND BALANCE</b>	<b>\$15,231,971</b>	<b>\$17,007,300</b>	<b>\$16,700,500</b>	<b>\$16,426,050</b>	<b>\$15,631,310</b>	<b>\$14,300,160</b>	<b>\$12,438,400</b>	<b>\$10,019,800</b>	<b>\$7,040,471</b>

Required \$4,982,500  
Excess (shortfall) \$2,057,971

NOTE: Fund balances do not include Fair Market Value (FMV), the unrealized loss/gain on investments

See page 3 for assumptions

Community Investment Loan Fund	Audited FS	Extension Period		Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
		Forecast	Proposed Budget						
	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
<b>BEGINNING FUND BALANCE</b>	\$616,797	\$689,357	\$765,320	\$352,120	\$471,200	\$816,500	\$300,360	\$421,070	\$766,370
<b>REVENUES/LOAN REPAYMENTS</b>									
Interest Earnings (@0.25%)	\$3,803	\$1,702	\$1,900	\$880	\$1,180	\$2,040	\$750	\$1,050	\$1,910
Interest Earnings on Loans (@4.25%)	\$25,345	\$21,860	\$31,900	\$40,000	\$35,000	\$30,000	\$40,000	\$35,000	\$30,000
Loan Fees	\$0	\$0	\$13,000	\$0	\$0	\$13,000	\$0	\$0	\$13,000
Loan Repayments (Principal)	\$84,991	\$84,180	\$225,000	\$125,000	\$350,000	\$125,000	\$125,000	\$350,000	\$125,000
<b>TOTAL REVENUES/LOAN REPAYM</b>	<b>\$114,139</b>	<b>\$107,742</b>	<b>\$271,800</b>	<b>\$165,880</b>	<b>\$386,180</b>	<b>\$170,040</b>	<b>\$165,750</b>	<b>\$386,050</b>	<b>\$169,910</b>
<b>EXPENDITURES/DISBURSEMENTS</b>									
Loan Implementation	\$31,769	\$31,779	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000
Loan Disbursements (revolving \$1,300)	\$0	\$0	\$650,000	\$0	\$0	\$650,000	\$0	\$0	\$650,000
<b>TOTAL EXPENDITURES/DISBURSE</b>	<b>\$31,769</b>	<b>\$31,779</b>	<b>\$685,000</b>	<b>\$35,000</b>	<b>\$35,000</b>	<b>\$685,000</b>	<b>\$35,000</b>	<b>\$35,000</b>	<b>\$685,000</b>
Transfer of Funds to Operating Fun	-\$9,810	\$0	\$0	-\$11,800	-\$5,880	-\$1,180	-\$10,040	-\$5,750	-\$1,050
<b>ENDING FUND BALANCE</b>	<b>\$689,357</b>	<b>\$765,320</b>	<b>\$352,120</b>	<b>\$471,200</b>	<b>\$816,500</b>	<b>\$300,360</b>	<b>\$421,070</b>	<b>\$766,370</b>	<b>\$250,230</b>

Infrastructure Fund (\$10k)	Audited FS	Proposed		Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
		Forecast	Budget						
	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
<b>BEGINNING FUND BALANCE</b>	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
<b>REVENUES</b>									
Administration Budget Savings	\$0	\$0	\$0	\$5,000	\$0	\$0	\$5,000	\$0	\$0
<b>EXPENDITURES</b>									
Infrastructure Expenditures	\$0	\$0	\$0	-\$5,000	\$0	\$0	-\$5,000	\$0	\$0
<b>AMOUNT RESERVED FOR INFRAS</b>	<b>\$10,000</b>	<b>\$10,000</b>	<b>\$10,000</b>	<b>\$10,000</b>	<b>\$10,000</b>	<b>\$10,000</b>	<b>\$10,000</b>	<b>\$10,000</b>	<b>\$10,000</b>

NOTE: Fund balances do not include Fair Market Value (FMV), the unrealized loss/gain on investments

## First 5 Ventura County Financial Plan Assumptions

### **OPERATING FUND ASSUMPTIONS:**

- Updates figures for FY20-21 based on audited amounts.
- Updates figures for FY21-22 based on forecasted revenues and expenditures.
- Forecasts Prop 10 distributions at an annual decline rate of 6% for FY21-22, based on the current-year trend, and at 4% thereafter.
- Projects interest earnings at 0.25%, based on current yield rate for the Ventura County Investment Pool.
- Receives transfers from Loan Fund for interest earnings when there are resources that exceed amount needed to operate the fund to the Operating Fund, to help sustain program funding levels.
- Reflects proposed FY22-23 budget of \$6.2 million. In addition to resource allocations for core initiatives and functions, expenditures include:
  - \$66,800 for year two of the approved pilot of a business management system for family child care providers.
  - Continues to utilize available unspent funds to achieve coaching and technical assistance goals for parent and child together (PACT) through June 30, 2023. Local funds are leveraged with First 5 California's IMPACT initiative, estimated at \$50,000 per year, for a total annual investment of approximately \$88,000.
- Extends plan to June 30, 2029. Beginning July 1, 2023 continues core investments in Neighborhoods for Learning, Help Me Grow, Program and Systems Integration, along with resources for Results-Based Accountability and Administration. Assumes funding for 2-1-1 and Challenge Grants sunsets on June 30, 2023 (at the end of the 2-year strategic plan extension period).
- Available resources utilized to increase spending levels through June 30, 2029 to mitigate the potential loss of capacity due to costs rising over time, using an overall 5% increase year over year.
- Maintains minimum 6 months of operating dollars in fund balance.
- Maintains \$1 million (20%), beyond minimum fund balance for operating capital, remain in fund balance as a safety net that could be allocated at a future time, if desired.

### **ASSUMPTIONS FOR COMMUNITY INVESTMENT LOAN FUND:**

- Updates figures for FY20-21 based on audited amounts.
- Updates figures for FY21-22 based on forecasted interest revenues, expenditures, and loan disbursements/repayments.
- Maintains a Community Investment Loan Fund at \$1,300,000 for revolving loans.

## **First 5 Ventura County Financial Plan Assumptions**

- Budgets \$650,000 distributed in FY22-23 and forecasts an average of 2 new loans made every two years.
- Projects interest earnings on funds that are held by the Commission at 0.25%, based on current yield rate for the Ventura County Investment Pool. Projects earned income on loan funds at an estimated 4.25%.
- Transfers Loan Fund interest earnings that exceed amount needed to operate the fund to the Operating Fund, to help sustain program funding levels.

### **ASSUMPTIONS FOR INFRASTRUCTURE FUND:**

- Maintains \$10,000 for Infrastructure Budget Policy for current and/or future purchases of “infrastructure” types of investments (e.g., large software program, organizational development, etc.).
- The infrastructure budget is funded through annual savings from the Administrative budget. For the initial year, FY12-13, a maximum of \$10,000 in savings was designated from the FY12-13 Administrative budget. For each subsequent year, \$10,000 would be the maximum amount retained in the fund, unless a specific need(s) arises.
- In FY23-24 and FY26-27, forecasts expenditure of \$5,000 and replenishment from Administrative budget savings.