First 5 Ventura County - Financial Plan

See page 3 for assumptions

Operating Fund	Audited	Forecast	Proposed Budget	Forecast	Forecast	Forecast	Forecast	Forecast
	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
BEGINNING FUND BALANCE	$19,354,188	$21,086,907	$21,766,907	$21,034,857	$19,814,857	$17,069,857	$13,662,857	$10,731,857
REVENUES	*-4.5%*	*-10.0%*	*-4.0%*	*-4.0%*	*-4.0%*	*-4.0%*	*-4.0%*	*-4.0%*
Prop 10 Distribution	$5,109,088	$4,598,200	$4,414,300	$4,237,700	$4,068,200	$3,905,500	$3,749,300	$3,599,300
County of Ventura - ARPA/Recovery Funds	$619,617	$784,000	$994,400	$907,485				
Medi-Cal - Community Health Worker (CHW)				$312,000	$312,000	$312,000	$250,000	$250,000
Federal Financial Participation - MAA	$12,983	$21,333	$34,635	$35,000	$17,000			
Foundation & Other Grants	$58,635	$225,000	$65,000	15,000				
Donations	$295							
Other Revenues								
Subtotal Revenues	**$5,800,618**	**$5,628,533**	**$5,508,335**	**$5,507,185**	**$4,397,200**	**$4,217,500**	**$3,999,300**	**$3,849,300**
SMIF	$34,954							
Interest Earnings (@ 3.4%)	$778,142	$811,467	$741,665	$712,815	$672,800	$580,500	$464,700	$365,700
Transfer of Funds from Loan Fund			$32,450					
TOTAL REVENUES	**$6,613,714**	**$6,440,000**	**$6,282,450**	**$6,220,000**	**$5,070,000**	**$4,798,000**	**$4,464,000**	**$4,215,000**
EXPENDITURES								
Neighborhoods for Learning (NfLs)	$3,198,001	$3,770,000	$4,624,200	$4,950,000	$5,200,000	$5,460,000	$4,515,000	$4,740,000
Help Me Grow	$241,542	$225,000	$347,600	$360,000	$380,000	$400,000	$420,000	$440,000
Program & Systems Integration	$929,898	$1,180,000	$1,393,000	$1,450,000	$1,520,000	$1,595,000	$1,670,000	$1,750,000
Subtotal - Program Initiatives	**$4,369,441**	**$5,175,000**	**$6,364,800**	**$6,760,000**	**$7,100,000**	**$7,455,000**	**$6,605,000**	**$6,930,000**
Results-Based Accountability	$260,206	$295,000	$330,600	$345,000	$365,000	$385,000	$405,000	$425,000
Administration	$251,348	$290,000	$319,100	$335,000	$350,000	$365,000	$385,000	$405,000
TOTAL EXPENDITURES	**$4,880,995**	**$5,760,000**	**$7,014,500**	**$7,440,000**	**$7,815,000**	**$8,205,000**	**$7,395,000**	**$7,760,000**
		FY21-26 total	$25,852,439				FY26-31 total	$38,615,000
Percent inc./dec. compared to prior year	*8.3%*	*18.0%*	*21.8%*	*6.1%*	*5.0%*	*5.0%*	*-9.9%*	*5.0%*
Actual/Projected Administrative Rate	5.1%	4.9%						
ENDING FUND BALANCE	**$21,086,907**	**$21,766,907**	**$21,034,857**	**$19,814,857**	**$17,069,857**	**$13,662,857**	**$10,731,857**	**$7,186,857**
							Required	$4,890,000
							Reserved for Property	$1,500,000
							Excess (shortfall)	$796,857

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

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Community Investment Loan Fund	Audited	Forecast	Proposed Budget	Forecast	Forecast	Forecast	Forecast	Forecast
	2023/24	**2024/25**	**2025/26**	**2026/27**	**2027/28**	**2028/29**	**2029/30**	**20230/31**
BEGINNING FUND BALANCE	$1,117,402	$1,200,541	$1,113,611	$1,050,161	$1,125,161	$1,325,141	$1,402,972	$1,481,793
REVENUES/LOAN REPAYMENTS								
Interest Earnings (@ 3.4%)	$47,478	$49,574	$37,812	$35,766	$38,271	$45,015	$47,627	$50,381
Interest Earnings on Loans (@4.25% & 6.25%)	$4,524	$4,197	$10,975	$17,265	$15,769	$7,806	$4,509	$2,692
Loan Fees	$100	$3,550	$2,450	$0	$0	$0	$0	$0
Loan Repayments (Principal)	$51,037	$53,249	$60,263	$21,969	$145,940	$25,010	$26,685	$28,472
TOTAL REVENUES/LOAN REPAYMENTS	**$103,139**	**$110,570**	**$111,500**	**$75,000**	**$199,980**	**$77,831**	**$78,821**	**$81,545**
EXPENDITURES/DISBURSEMENTS								
Loan Implementation	$20,000	$20,000	$20,000	To be determined				
Loan Disbursements (revolving $1,300,000)	$0	$177,500	$122,500	To be determined				
TOTAL EXPENDITURES/DISBURSEMENTS	**$20,000**	**$197,500**	**$142,500**	To be determined				
Transfer of Funds to Operating Fund	$0	$0	-$32,450					
ENDING FUND BALANCE	**$1,200,541**	**$1,113,611**	**$1,050,161**	**$1,125,161**	**$1,325,141**	**$1,402,972**	**$1,481,793**	**$1,563,338**

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:

- Reflects revenues and expenditures for FY23-24 based on audited amounts.
- Updates amounts for FY24-25 based on forecasted revenues and expenditures.
- Forecasts Prop 10 distributions using a 10% rate of decline for FY24-25 based on current trend of base revenues. Resumes a projected annual decline rate of 4% thereafter.
- Estimates new Medi-Cal Community Health Worker funding – projects the process to become a contracted provider with Ventura County's Medi-Cal Managed Care Plan (Gold Coast Health Plan) is completed and the draw down of dollars to support the Commission's services occurs in FY26-27.
- Beginning FY25-26, projects interest earnings at 3.4% based on estimated yield rate for the Ventura County Investment Pool.
- Resumes receiving transfers from the Loan Fund for interest earnings that exceed the amount needed to operate the Loan Fund, thereby helping to sustain program funding levels in the Operating Fund.
- Reflects proposed budget for FY25-26, of just over $7.0 million, which includes:
    - $6,082,000 for core investments in Neighborhoods for Learning (NfL), Help Me Grow, Program and Systems Integration, along with resources for Results-Based Accountability and Administration;
    - $880,000 in estimated grant expenditures to expand the Neighborhoods for Learning initiative with funds from the County of Ventura for ARPA/pandemic recovery; and
    - $52,500 for strategic planning.
- Maintains projected expenditures as planned continuing through June 30, 2031 (with adjustments based on the proposed budget for FY25-26), which includes an overall 5% year over year increase to mitigate the potential loss of capacity due to costs rising over time.
- After exhausting County of Ventura - ARPA/pandemic recovery grant funding in FY26-27 ($803,000), proposes to utilize available Prop 10 resources to continue NfL expansion services through June 30, 2029 instead of June 30, 2027. *Note: $600,000 in NfL unspent funds previously approved to augment grant and ensure continuation through 6/30/2027.*
- Proposes $1.5 million is allocated to explore the purchase of a property to serve as a flagship site providing services and housing the administrative office.
- Assumes any additional available resources to increase spending levels subsequent to June 30, 2029 would be determined after closing FY25-26 and assessing the extent of revenue declines for Proposition 10.
- Maintains minimum 6 months of operating dollars in fund balance.
- Maintains $1 million (~15%), beyond minimum fund balance for operating capital, remain in fund balance as a safety net that could be allocated at a future time, if needed.

First 5 Ventura County Financial Plan Assumptions

ASSUMPTIONS FOR COMMUNITY INVESTMENT LOAN FUND:

- Reflects figures for FY23-24 based on audited amounts.
- Updates amounts for FY24-25 based on forecasted interest revenues, expenditures, and loan disbursements/repayments.
- Maintains a Community Investment Loan Fund at $1,300,000 for revolving loans while a needs assessment is conducted as part of strategic planning.
- Forecasts/budgets a total of $300,000 in loan disbursements for FY24-26, coinciding with the end of the strategic plan. After 6/30/2026, suspends the forecasting of additional loans and expenditures pending the outcome of strategic planning.
- Beginning FY25-26, projects interest earnings on funds that are held by the Commission at 3.4% based on estimated yield rate for the Ventura County Investment Pool. Forecasts earned income on the existing loan at 4.25% and 6.50% for any new loans.
- Transfers Loan Fund interest earnings that exceed the amount needed to operate the Fund into the Operating Fund, to help sustain program funding levels.