

**Mid-Year Budget Revision (FY 2023-24)****Budget Revisions to Revenue:**

- The beginning fund balance was corrected to reflect the results of the annual audit. Based upon the amount of interest income received to date, no corresponding changes were made to the interest income line item.
- The Commission received an additional \$121 in Home Visiting Coordination grant funding through First 5 California.
- The Commission had a carryover from the 2022-23 budget of \$614 from a grant through Connecticut Children's Medical Center to implement the Healthy Outcomes from Positive Experiences (HOPE) framework. Those funds were fully expended in Quarter 1 in compliance with the requirements of the grant.
- In July 2023, the Commission was awarded a \$750,000 Child and Youth Behavioral Health Initiative (CYBHI) Round 1 grant through the Department of Health Care Services to implement the Positive Parenting Program (Triple P) in the Family Centers. The California Department of Healthcare Services has directed its third party manager to provide advance funds to all awardees, therefore it is estimated the Commission will receive the first \$450,000 disbursement by the end of this fiscal year, resulting in an unexpended carryover of approximately \$236,328 into FY 2024-25. The estimated carryover is reflected on the FY 2023-24 budget as an addition to the fund balance, and will be reflected on the FY 2024-25 budget as a transfer from the fund balance, wherein it will be used to offset the remaining costs to implement Triple P in the Family Centers.
- The Commission negotiated a lower than estimated contract for the Butte Baby Steps program, resulting in a reduction of fund balance transfers to cover the full cost of the program. The cost savings have been rolled over into supporting Family Center implementation.
- The Child Abuse Prevention Council strategic investment contract expired with a remaining unexpended budget of \$47,406 that was not transferred from the fund balance. A portion of this cost savings has been rolled over into supporting Family Center implementation.

**Budget Revisions to Expenditures:**

- Operating Expenditures increased as a result of a formula error in the original budget spreadsheet that did not capture the rental expenses line item.
- A portion of Operating Expenditures will be offset by the Commission claiming 15% indirect for administration of the CYBHI Round 1 grant.
- First 5 staff attended Help Me Grow and Zero to Three conferences in the first half of this year, while expenditures for Mothers Strong have been less than anticipated. To ensure adequate funding for the remainder of the fiscal year, \$2,000 was transferred from Mothers Strong into Help Me Grow.
- The Tu Tus Menyuum program contract expired with \$8,646 in unexpended funds. This cost savings has been rolled over into supporting Family Center implementation.
- The budget for Family Centers has been increased to account for the following: higher than anticipated partner contracts; the need for non-contracted direct costs, such as supplemental training for FRC staff; Triple P training costs (CYBHI); a contract with January Giles, ASW, for partner training; and the costs for staff from Cloverleaf Counseling to participate in Triple P training (CYBHI). The increased budget is offset by cost savings from other contracts, and, where noted, by CYBHI Round 1 grant funding.
- Two additional Little Readers programs were added to the Early Literacy budget, and the GROWN Project contract expired with an unexpended balance of \$460. These changes were within the planned Early Literacy budget and did not impact the overall budget for High Quality Learning.
- Initiative Expenditures were increased to account for greater than anticipated carryover in the HOPE Grant line item, as well as to add a line item for travel-related expenses connected to the Home Visiting Coordination grant.

In summary, revenues for 2023-24 are intentionally budgeted to exceed expenditures by \$236,328. The excess revenues represent the anticipated carryover from the CYBHI grant, which will be used to continue to fund Triple P implementation in the Family Centers in the new fiscal year. Although revenues will exceed expenditures, the fund balance was used to fund contracts for Butte Baby Steps, Family Centers, and Strategic Investments. As such, the fund balance is still anticipated to decrease.

<b>First 5 Butte County</b>			
<b>Mid-Year Budget Revision Overview (FY 2023-24)</b>			
	<b>2023-24</b>	<b>2023-24</b>	<b>2023-24</b>
	<b>Adopted Budget</b>	<b>Proposed Revision</b>	<b>Revised Budget</b>
<b>Revenues and Use of Fund Balance</b>	<b>2,768,533</b>	<b>445,017</b>	<b>3,213,550</b>
<b>Expenditures</b>			
Operating Expenditures	724,328	36,000	760,328
Program Expenditures	2,133,637	31,244	2,164,881
Initiative Expenditures	500	1,514	2,014
Evaluation Expenditures	50,000	-	50,000
<b>Total expenditures</b>	<b>2,908,465</b>	<b>68,758</b>	<b>2,977,223</b>
Excess of revenues over expenditures	(139,931)	376,259	236,328
Emergency Response and Recovery Fund	-	-	-
<b>Beginning fund balance</b>	<b>6,798,331</b>	<b>(92,639)</b>	<b>6,705,692</b>
plus excess of revenues over expenditures	(139,931)	376,259	236,328
less approved transfer from fund balance for HOPE	-	(614)	(614)
less approved transfer from fund balance for BBS	(353,493)	127,766	(225,727)
less approved investments from fund balance for FRCs	(939,575)	(169,454)	(1,109,029)
less approved investments from fund balance for SIFs	(250,556)	47,406	(203,150)
less emergency funds expended	-	-	-
<b>Net change in fund balance</b>	<b>(1,683,555)</b>	<b>381,363</b>	<b>(1,302,193)</b>
<b>Ending fund balance</b>	<b>5,114,776</b>	<b>288,724</b>	<b>5,403,500</b>