FIRST 5 BUTTE COUNTY
CHILDREN & FAMILIES COMMISSION

Budget Narrative for Fiscal Year 2022-23

Summary

The Commission proposes a 2022-23 budget based on projected revenues of $2.39 million, to be expended fully as follows:

- $648,629 for operating expenditures,
- $1,651,255 for program expenditures,
- $5,165 for initiative expenditures, and
- $85,000 for evaluation expenditures.

The fund balance is projected to end the current fiscal year, and begin FY 22/23, at $7 million unless the Commission approves any additional, significant expenditures over the course of the year.

	2021-22 Adopted Budget	2021-22 Revised Budget	2021-22 Actual (projected)	2022-23 Proposed Budget
Revenues	**2,441,478**	**2,645,603**	**2,033,629**	**2,390,049**
Expenditures				
Operating Expenditures	604,214	718,488	558,349	648,629
Program Expenditures	1,282,489	1,367,758	683,146	1,651,255
Initiative Expenditures	403,538	408,120	368,622	5,165
Evaluation Expenditures	151,237	151,237	89,750	85,000
Total expenditures	**2,441,478**	**2,645,603**	**1,699,867**	**2,390,049**
Excess of revenues over expenditures	0	0	333,762	0
Emergency Response and Recovery Fund	0	0	0	0
Beginning fund balance	**6,667,490**	**6,667,490**	**6,667,490**	**7,001,252**
plus excess of revenues over expenditures	0	0	333,762	0
less emergency funds expended	0	0	0	0
Ending fund balance	**6,667,490**	**6,667,490**	**7,001,252**	**7,001,252**

Revenues

The FY 22/23 budget projects tobacco tax revenues of $1.3 million and carryover of remaining FY 21/22 Home Visiting Coordination funds of $40K. These projections assume a decrease in tobacco tax revenue based upon the likely passage of a November ballot initiative that would uphold Senate Bill 793 and ban the sale of certain flavored tobacco products. The Commission proposes to direct unspent funds from the personnel and program line items in FY 21/22 into next fiscal year's budget. Interest income is projected to total $70K.

	2021-22 Revised Budget	2021-22 Actual (projected)	2022-23 Proposed Budget
A. Revenues			
tobacco tax revenue (Prop 10 and 56)	1,670,889	1,470,174	1,316,846
Dual Language Learner	326,832	326,832	-
Home Visiting Coordination	155,855	115,071	40,784
unspent personnel funds - carryover	131,608	61,556	216,307
unspent program funds - carryover	95,322	-	746,099
restricted public and private contributions	-	-	-
interest income	65,097	59,996	70,013
transferred from Fund Balance	200,000	-	-
TOTAL REVENUES	**2,645,603**	**2,033,629**	**2,390,049**

Operating Expenditures

Operating expenditures are expected to total $648K in FY 22/23, including $525K in personnel costs. Overhead costs, including County support services and the indirect rate charged by Public Health (10% of salaries and benefits) will remain stable. The Commission will continue contracting for professional services to further develop the grants management database, pursue technology solutions, and upgrade the Commission's reports and outreach materials; however, to more accurately reflect the support these services provide within the four priority areas, those expenses will be captured under program expenditures in FY 22/23.

	2021-22 Revised Budget	2021-22 Actual (projected)	2022-23 Proposed Budget
B. Operating Expenditures			
Personnel	553,957	424,100	525,117
Billed by Public Health	79,690	76,223	79,867
Share of County services	2,037	2,016	2,330
Professional services / Communications	47,400	22,120	-
Other	35,404	33,890	41,315
Total Operating Expenditures	**718,488**	**558,349**	**648,629**

Program Expenditures

The Commission has budgeted $1.65 million for program expenditures in FY 22/23. This budget reflects expenditures across the four priority areas identified in the 2021-26 Strategic Plan. Expenditures for discretionary grants, used to fund professional development, mini-grants, and event sponsorships, will be captured under each corresponding priority area in FY 22/23. Within Strong

	2021-22 Revised Budget	2021-22 Actual (projected)	2022-23 Proposed Budget
C. Program Expenditures			
Health and Development	204,444	150,270	59,890
Strong Families	831,477	475,000	1,330,984
High Quality Learning	50,000	18,276	41,000
Sustainability and Systems Change	254,837	30,000	219,381
Discretionary Grants	27,000	9,600	-
Total Program Expenditures	**1,367,758**	**683,146**	**1,651,255**

Families, the Commission has budgeted $800K to fund Family Resource Center capacity building. Within Sustainability and Systems Change, the Commission has budgeted $75K to contract for grant writing training, capacity building, and technical assistance, and $50K to fund Race, Equity, Diversity and Inclusion work.

<u>First 5 California Initiative Expenditures</u>

	2021-22 Revised Budget	2021-22 Actual (projected)	2022-23 Proposed Budget
D. Initiative Expenditures			
Home Visiting Coordination	106,068	66,570	5,165
Dual Language Learning	302,052	302,052	-
Total Initiative Expenditures	**408,120**	**368,622**	**5,165**

The Commission proposes a $40K investment of funds, carried over from FY 21/22, for Home Visiting Coordination (HVC). Funding will be allocated to staff time for this initiative. Staffing costs are budgeted under personnel but paid out of First 5 California initiative funds. Initiative expenditures reflect indirect costs reimbursed by First 5 California. Dual Language Learner initiative funding will end as of June 30, 2022.

<u>Evaluation Expenditures</u>

	2021-22 Revised Budget	2021-22 Actual (projected)	2022-23 Proposed Budget
E. Evaluation Expenditures			
evaluation services	111,237	68,500	85,000
family survey incentives	40,000	21,250	-
Total Evaluation Expenditures	**151,237**	**89,750**	**85,000**

The Commission is proposing $85K to pay for evaluation services, including data collection, technical assistance for grantees, expansion of database functionality, and database licensing.

<u>Fund Balance</u>

	2021-22 Revised Budget	2021-22 Actual (projected)	2022-23 Proposed Budget
Beginning fund balance	**6,667,490**	**6,667,490**	**7,001,252**
plus excess of revenues over expenditures	-	333,762	(0)
Ending fund balance	**6,667,490**	**7,001,252**	**7,001,252**

The fund balance is expected to total $7 million at the end of FY 21/22, with future declines anticipated if tobacco tax revenue decreases at the projected rate and if the Commission continues to dedicate funding to build the capacity of Family Resource Centers. The fund balance may also decrease if the Commission approves any additional, significant expenditures over the next fiscal year.