



Budget Narrative for Fiscal Year 2023-24

Summary

The Commission proposes a 2023-24 budget based on projected revenues of \$1.22 million, and transfers from the fund balance of \$1.54 million to be expended fully as follows:

- \$724,328 for operating expenditures,
- \$2,133,637 for program expenditures,
- \$500 for initiative expenditures, and
- \$50,000 for evaluation expenditures.

The fund balance is projected to end the current fiscal year, and begin FY 23/24, at \$6.8 million unless the Commission approves any additional, significant expenditures over the course of the year.

	2022-23	2022-23	2022-23	2023-24
	Adopted Budget	Revised Budget	Actual (projected)	Proposed Budget
Revenues	2,390,049	2,435,875	1,609,233	2,768,533
Expenditures				
Operating Expenditures	648,629	710,889	704,535	724,328
Program Expenditures	1,651,255	1,854,790	783,156	2,133,637
Initiative Expenditures	5,165	35,000	34,500	500
Evaluation Expenditures	85,000	71,875	57,000	50,000
Total expenditures	2,390,049	2,672,554	1,579,191	2,908,465
Excess of revenues over expenditures	-	(236,679)	30,042	(139,931)
Emergency Response and Recovery Fund	-	-	-	-
Beginning fund balance	7,001,252	6,876,487	6,876,487	6,798,331
plus excess of revenues over expenditures	-	(236,679)	30,042	(139,931)
less approved carryover	-	-	-	-
less approved transfer from fund balance for BBS	-	-	-	(353,493)
less approved investments from fund balance for FRCs	-	-	(46,360)	(939,575)
less approved investments from fund balance for SIFs	-	-	(61,838)	(250,556)
less emergency funds expended	-	-	-	-
Ending fund balance	7,001,252	6,639,808	6,798,331	5,114,776

Revenues

The FY 23/24 budget projects tobacco tax revenues of \$1.1 million. These projections assume a decrease in tobacco tax revenue based upon the passage of a November ballot initiative that upheld a ban on the sale of certain flavored tobacco products. The Commission has committed a portion of the excess fund balance to temporarily increase funding for the Butte Baby Steps program, fund Family Resource Centers, and continue to fund three Strategic Investment Contracts. Interest income is projected to total \$68K.

	2022-23 Revised Budget	2022-23 Actual (projected)	2023-24 Proposed Budget
A. Revenues			
tobacco tax revenue (Prop 10 and 56)	1,298,920	1,298,920	1,100,000
Home Visiting Coordination	40,784	40,784	56,926
HOPE Grant	60,000	60,000	-
restricted public and private contributions	5,000	14,500	-
interest income	68,765	86,831	67,983
unspent personnel/operating funds - carryover	216,307	-	-
unspent program funds - carryover	746,099	-	-
transferred from Fund Balance - Butte Baby Steps	-	-	353,493
transferred from Fund Balance - Strong Families (FRCs)	-	46,360	939,575
transferred from Fund Balance - Strategic Investment	197,035	61,838	250,556
TOTAL REVENUES	2,435,875	1,609,233	2,768,533

Operating Expenditures

Operating expenditures are expected to total \$724K in FY 23/24, including \$619K in personnel costs. Overhead costs, including County support services and the indirect rate charged by Public Health (10% of salaries and benefits) will increase. Rent will be removed from the expenditures billed by Public Health and moved into Other expenses, as staff are no longer housed in Public Health offices as of January 1, 2023.

	2022-23 Revised Budget	2022-23 Actual (projected)	2023-24 Proposed Budget
B. Operating Expenditures			
Personnel	582,618	582,618	619,275
Billed by Public Health	91,126	90,897	63,993
Share of County services	2,330	2,330	7,770
Other	34,815	28,690	33,290
Total Operating Expenditures	710,889	704,535	724,328

Program Expenditures

The Commission has budgeted \$2.1 million for program expenditures in FY 23/24. 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 23/24. Within Strong Families, the Commission has budgeted \$940K to fund Family Resource Centers. Within Sustainability and Systems Change, the Commission has budgeted \$50K to contract for grant writing training, capacity building, and technical assistance, and \$5K to fund Race, Equity, Diversity and Inclusion work.

	2022-23 Revised Budget	2022-23 Actual (projected)	2023-24 Proposed Budget
C. Program Expenditures			
Health and Development	59,890	46,675	25,525
Strong Families	1,353,022	594,482	1,800,701
High Quality Learning	42,000	12,175	23,531
Sustainability and Systems Change	399,878	129,824	283,880
Total Program Expenditures	1,854,790	783,156	2,133,637

First 5 California Initiative Expenditures

The Commission anticipates receiving \$57K 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. The Commission will carryover \$500 from the HOPE Grant to fund materials costs in FY 23/24.

	2022-23 Revised Budget	2022-23 Actual (projected)	2023-24 Proposed Budget
D. Initiative Expenditures			
Home Visiting Coordination	-	-	-
HOPE Grant	35,000	34,500	500
Total Initiative Expenditures	35,000	34,500	500

Evaluation Expenditures

The Commission is proposing \$50K to pay for evaluation services, including data collection, technical assistance for grantees, expansion of database functionality, and database licensing.

	2022-23 Revised Budget	2022-23 Actual (projected)	2023-24 Proposed Budget
E. Evaluation Expenditures			
evaluation services	71,875	57,000	50,000
Total Evaluation Expenditures	71,875	57,000	50,000

Fund Balance

The fund balance is expected to total \$5.1 million at the end of FY 23/24, 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.