

**Agenda Item 10**
May 6, 2015**DATE:** April 24, 2015**TO:** Children and Families Commission of Orange County**FROM:** Christina Altmayer, Executive Director**SUBJECT:** Executive Officer's Report

The following is the Executive Officer's Report for May 6, 2015:

a. Financial Update Report

The Commission's total Tobacco Tax Revenue through February 2015 as reported by First 5 California is \$17,207,504. Proposition 10 revenues for July through February are 1.69% lower than the same period in the prior year compared to a budgeted decrease of 4.41%. Staff will continue to monitor actual revenue and will make any recommendations for adjustment as part of the year-end report in October 2015.

Commission staff was notified that the State Controller's Office has completed the desk review of the Commission's annual audit report for the fiscal year ended June 30, 2014. The review disclosed the audit report met the reporting standards contained in the FY 2013/14 First 5 Audit Guide and prescribed in California Health and Safety Code section 130151(b).

b. Annual June Planning Meeting

The Commission's planning meeting is held annually and this year is scheduled in lieu of the regular meeting on June 3. The planning meeting will be convened off-site at CHOC Children's new Holmes Tower. The agenda includes a focus on two key areas: Supporting Early Childhood Mental Health in Pediatric Primary Care and Anaheim Capacity Building. Lawrence Wissow M.D., M.P.H. has been invited to begin the discussion related to early childhood mental health. Dr. Wissow, professor of Health, Behavior, and Society at Johns Hopkins Bloomberg School of Public Health, was funded by the National Institute of Mental Health to test innovative models for integrating mental health into pediatric primary care. Speaker expenses will be reimbursed consistent with Commission's policies. The second focus on the Planning Meeting will be addressing early childhood needs for children in Anaheim. A panel of project stakeholders will update the Commission on the state of philanthropic efforts to support and strengthen systems and services in Anaheim. A preliminary draft agenda for the planning meeting is included as attachment 2.

c. Help Me Grow National Conference

The March Commission meeting will include a presentation on the status of developmental screening in Orange County. The presentation will include a brief video that was shown last month at the Help Me Grow national forum held in Orange County. The three-day forum included an awards reception at the Bowers Museum in Santa Ana. Dr. Maria Minon accepted an award recognizing the Commission as a local leader for children's healthy development and for the Commission's long-standing support of Help Me Grow. The Children and Families Commission supported the implementation of the first replication site of the nationally

recognized program that was started in Connecticut. Dr. Joe Donnelly also received an award as a champion for Help Me Grow and his leadership as a pediatric neurologist and Medical Director for the Center for Autism and Neurodevelopmental Disorders of Southern California. Help Me Grow is currently in 24 states providing connections for children that are at risk for developmental and behavioral issues with a comprehensive and coordinated referral system. There are also nine affiliate counties implementing Help Me Grow in California along with 22 counties participating in a learning community to explore adoption of the model.

d. Institute for Child Success - Pay for Success Conference

The Second Annual Early Childhood Social Impact Performance Advisors Conference was held April 27-29, 2015 in San Diego. This is a major national conference on Pay for Success (PFS) social impact financing and the only such conference focused on early childhood Pay for Success social impact financing. Jurisdictional teams with membership composed from multiple stakeholders necessary to develop Pay for Success projects (e.g. service providers, funders, governments, and business and community leaders) were selected to participate based on grant applications. The Children and Families Commission in partnership with the Social Service Agency of Orange County submitted an application focused on the Early Intervention and Prevention Catalytic Project and were awarded five slots for conference attendance. The conference is focused on developing Pay for Success transactions in early childhood, as well as thought leadership in the areas of investing, risk management, contracting, capacity building, early childhood program features, and global developments. Christina Altmayer presented as part of a panel discussion on Local Government and Pay for Success Partnerships.

ATTACHMENTS:

1. Financial Update
2. June Planning Meeting Agenda

Financial Highlights As of March 31, 2015

Comparison of Budget vs. Actual Fiscal Year 2014-15 Unaudited Period Ending 3/31/15

	FY 2014-15 Amended Budget	FY 2014-15 Actual Expenses	
Financing Sources			
Tobacco Tax Revenue	\$25,230,753	\$15,289,405	60.6%
Interest Earnings	150,000	155,678	103.8%
Other Revenue	<u>5,350,598</u>	<u>545,863</u>	10.2%
Revenue Total	\$30,731,351	\$15,990,946	
Expenses			
Healthy Children	\$15,391,725	\$4,852,212	31.5%
Strong Families	2,397,872	1,236,508	51.6%
Early Learning	9,928,928	2,880,405	29.0%
Capacity Building*	<u>2,717,024</u>	<u>1,332,448</u>	49.0%
Program Services	\$30,435,549	\$10,301,573	
Admin. Functions**	<u>2,536,182</u>	<u>1,475,802</u>	
Total Operating Exp.	\$32,971,731	\$11,777,375	

*Includes Evaluation costs of \$428,427

**Administrative costs and functions are defined by State Commission guidelines (Fiscal Memo No. 05-01, dated April 14, 2006) pursuant to Chapter 284, Statutes of 2005 (AB 109). Actual Administrative expenses of \$1,475,802 and encumbrances of \$467,183 were 5.9% of the Fiscal Year 2014-15 Amended Budget of \$32,971,731. Final administrative expenses are projected to be 8.7% at year end.

Total Encumbrances as of March 31, 2015 including multi-year contracts through FY 2016-17

Healthy Children	\$32,201,719
Strong Families	\$1,901,189
Early Learning	\$17,177,838
Capacity Building	\$2,491,201
Admin. Functions	\$467,183

Revenue and Cash Balance Update

The Commission's total Tobacco Tax Revenue through February 2015 as reported by First 5 California is \$17,207,504. Prop 10 revenues for July through February are 1.69% below the same period in the prior year. Revenue has been received through January 2015.

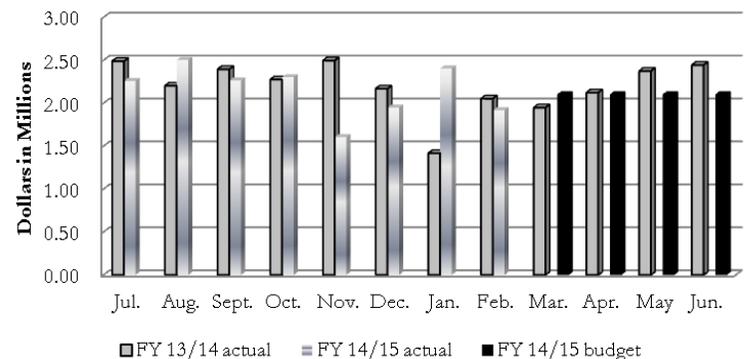
Interest earnings for July 2014 through March 2015 are \$155,678.

Catalytic Funding Update

\$9,953,816 in Catalytic Funding was expensed in FY 2012-13 and FY 2013-14. Expenses booked in the current year total \$2,661,130 as of March 31, 2015. Another \$6,250,000 was previously distributed for Catalytic Homeless Programs but has not yet been expensed.

As of March 31, 2015, \$21,403,089 was encumbered for Round 1 and Round 2 programs. Over \$15 million is encumbered for Children's Dental and \$4 million for Developmental Services.

Fiscal Year 2013-14 & 2014-15 Tobacco Monthly Revenues



Forecasted Fiscal Year 2014-15 Ending Fund Balance

From Commission Long Term Financial Plan

Beginning Fund Balance, July 1, 2014	\$61,718,344
Forecasted Revenue	30,731,351
Budgeted Program Expenses	(30,435,549)
Budgeted Administrative Expenses	(2,536,182)
Catalytic Projects	<u>(45,348,949)</u>
Projected June 30, 2015 Fund Balance	\$14,129,015*

*Based on Commission action through December 2014. Projected fund balance does not include Catalytic funding. For financial planning purposes, Catalytic funding has been designated by Commission action and removed from available fund balance.

**Annual Planning Meeting
CHOC Children's Holmes Tower**

June 3, 2015
8:00 a.m. – 12:00 p.m.

Proposed Agenda

Welcome and Opening Comments	Maria Minon MD, Chair
Supporting Young Children's Mental Health in Pediatric Primary Care	Presentation Larry Wissow MD, MPH, Professor Health, Behavior, and Society Johns Hopkins Bloomberg School of Public Health
<p><i>Objectives:</i></p> <ul style="list-style-type: none"> • <i>Understand the importance of supporting young children's social-emotional health</i> • <i>Explore approach to integrate child mental health into pediatric primary care</i> • <i>Identify policy and practice opportunities and challenges in implementing a local coordinated system of care in Orange County</i> • <i>Consider Commission role in ensuring a strong foundation for an integrated health care delivery system focused on optimizing young children's social-emotional development</i> 	<p>Panel</p> <ul style="list-style-type: none"> • <u>CHOC Children's Hospital</u> Heather Huszti, PhD - Facilitator Chief Psychologist, Dept of Pediatric Psychology • <u>CalOptima</u> Donald Sharps, MD Medical Director, Behavioral Health Integration • <u>County Social Services Agency</u> Anne Light, MD Medical Director • <u>Anaheim City School District</u> Rosa Santoyo, LMFT Family Support Specialist
Anaheim Capacity Building	Panel
<p><i>Objectives:</i></p> <ul style="list-style-type: none"> • <i>Discuss the current needs and services and Commission Capacity Investments to date</i> • <i>Understand current state of philanthropic efforts to support strengthen the system of services in Anaheim</i> • <i>Explore opportunities for continued Commission support in Anaheim</i> 	<ul style="list-style-type: none"> • <u>Children and Families Commission of Orange County</u> Kim Goll Director, Program Operations • <u>Orange County Community Foundation</u> Shelley Hoss President • <u>Anaheim City School District / Network Anaheim</u> Wendy Dallin Liaison, Business Planning • <u>Disneyland Resorts</u> Jill Bolton Vice President of Community Relations Board Chair Anaheim YMCA
Recap and Commissioner Comments	Lisa Burke, Facilitator