Children & Families
Commission of Orange County

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Executive Officers Report
April 2, 2008 Meeting

DATE: March 24, 2008

TO: Children and Families Commission of Orange County

FROM: Michael M. Ruane, Executive Director

SUBJECT: Executive Officer Report

The Executive Officers Report for April 2, 2008 will include the following items.

A. Informational Items *(Report)*
1. Financial Highlights (Attachment 1)
2. State Association and State Commission Meetings

B. Korean Community Needs Assessment *(Report)*
On May 2, 2007, your Commission recommended funding for five capacity building projects and approved a set aside in the amount of $50,000 to conduct a needs assessment of the Korean community. Commission staff has worked with community agencies currently serving or looking to expand services into the Korean community. A collaborative partnership has formed to develop a demographic study and needs assessment for the Korean community, focusing on families with children prenatal through age five in Orange County. Korean Community Services, California State University Fullerton, Institute for Healthcare Advancement and other Asian Pacific Islander community based agencies will work in a collaborative partnership to develop the study. We are now able to enter into an agreement with Korean Community Services, as the lead entity for the collaborative, to implement the proposed needs assessment in an amount not to exceed $50,000.

C. Strategic Assessment- Follow up Actions *(Information)*
The Strategic Assessment report has been completed by the Bridgespan Group and will be distributed to each Commissioner. Staff is developing an implementation plan for the June Annual Planning Session. In addition, a Statewide Innovation Network has been proposed to implement some of the report recommendations.

There will be a brief update at the meeting.

17320 Redhill Avenue, Suite 200 · Irvine, California · 92614
714-834-5310 · FAX 949-474-2243

D. State Budget and Legislative Update *(Report and Action)*
At the April 2, 2008 meeting, staff will provide a report along with any required actions regarding the current state budget and Legislative proposals.

E. Progress Report on Community Education Program and New Partnership with HomeAid Orange County *(Information)*

Community Education Program
There will be a brief presentation on the current review of the Commission Community Education Program and proposed timeline for implementation.

***"Essential for Young Lives"* Sponsorship with HomeAid Orange County**
In addition to sponsoring the construction of new transitional shelter projects, the Commission currently serves as presenting sponsor for HomeAid Orange County's Project Playhouse which provides support for HomeAid's operations and planning for new shelters. A new opportunity has emerged which may be even more in alignment with your Commission's goals with the *"Essentials for Young Lives"* campaign. This campaign would raise public awareness and collect needed items for homeless infants and toddlers at shelters constructed by HomeAid Orange County include those sponsored by the Commission. Additional details are enclosed.

It is recommended that our community education partnership with HomeAid Orange County focus on this new campaign instead of Project Playhouse. The current annual sponsorship of $50,000 with HomeAid is recommended for allocation to the *"Essentials for Young Lives"* campaign. The Commission would serve as the exclusive named sponsor for the campaign.

Attachments:
1. Financial Highlights
2. HomeAid's "Essentials For Young Lives" Informational Flyer

FINANCIAL HIGHLIGHTS
February 29, 2008

Investment Update

The Children and Families Commission of Orange County investment portfolio consisting of U.S. Treasury bills is **$40,490,515** with laddered maturities extending through October 2009. The Commission's investment portfolio report is included in Attachment 1C. Unrealized gains and losses that are noted have not become actual. They become realized gains and losses when the security in which there is a gain or loss is actually sold. The U.S. Treasuries in the Commission's investment portfolio are held until maturity.

Revenue Update

The Children and Families Commission of Orange County received and recorded **$25,901,363** in total revenues year to date. The detail of all revenues received is included in Attachment 1B.

- $21,141,452 – Tobacco Tax Revenues for July 2007 through January 2008. As reported by the state, Prop 10 revenues for July 2007 through January 2008 were approximately $141,452 or 0.7% higher than the year to date estimated budget plan of $21,000,000. Commission cash receipts for tobacco tax revenue include payments through December totaling $18,253,307 as included in Attachment 1B.

- $5,491,889 – Interest Revenues received for July 2007 through February 2008 are approximately $825,222 or 17.7% higher than the year to date estimated budget plan of $4,666,666. The increase in rate of return earned by the Commission's funds on deposit at the County Treasurer has contributed to the higher than expected interest earnings.

Expenditure Update

The total actual operating expenditures and encumbrances year to date are **$62,803,625**. Overall budgeted expenditures and encumbrances were approximately $14,082,965 or 29% higher than the year to date current operating budget plan of $48,720,660. This variance is due to timely contract executions resulting in encumbrance reservations against the fiscal year 2007-2008 budget.

The following is an overview of the actual operating expenditures and encumbrances for the year to date ended February 29, 2008:

- $62,803,625 – Total Year To Date Actual Operating Expenditures and Encumbrances
  - $58,249,049 for Children's Programs
    - $32,516,736 – Healthy Children Programs
    - $5,400,238 – Strong Families Programs
    - $15,289,456 – Ready to Learn (School Readiness) Programs
    - $5,042,620 – Quality Services including Capacity Grants, AmeriCorps/VISTA, POMS (Evaluation costs of $1,934,407)
  - $4,554,576 for Administrative Functions

Administrative costs and functions are defined by State Commission guidelines (Fiscal Memorandum No. 05-01, dated April 14, 2006) pursuant to Chapter 284, Statutes of 2005 (AB 109). Actual Administrative expenditures and encumbrances of $4,554,576 were 4% of the year to date ended February 29, 2008 Operating Budget of $107,708,288.

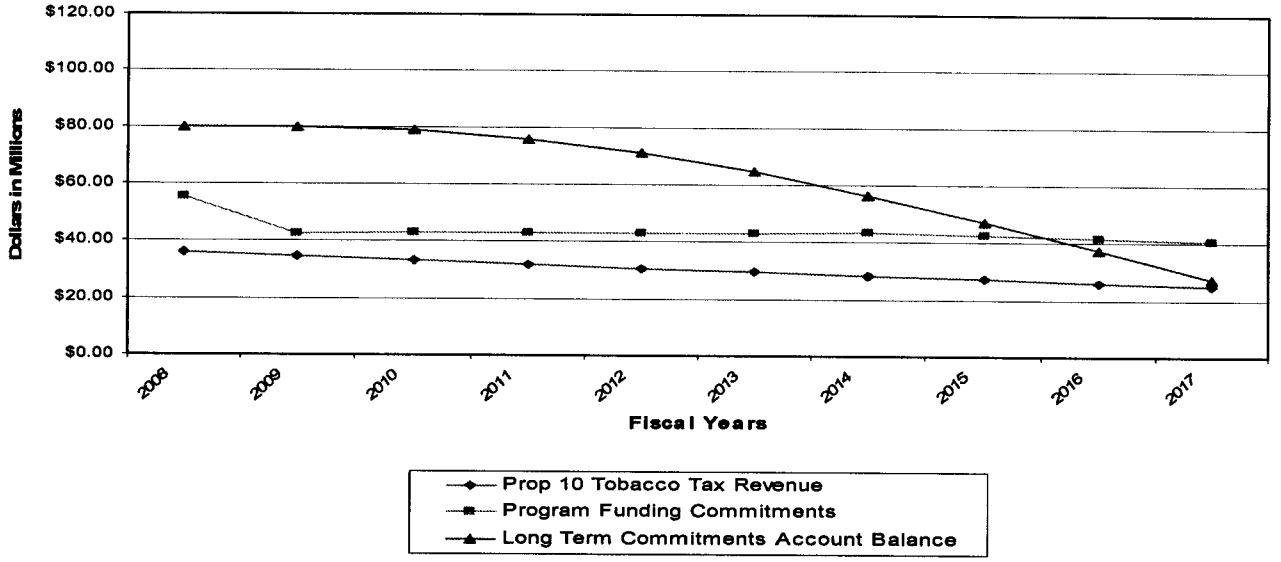
Consistent with 10-Year Financial Plan

The Commission has dedicated funding for long-term support of programs consistent with the current Ten-Year Financial Plan.

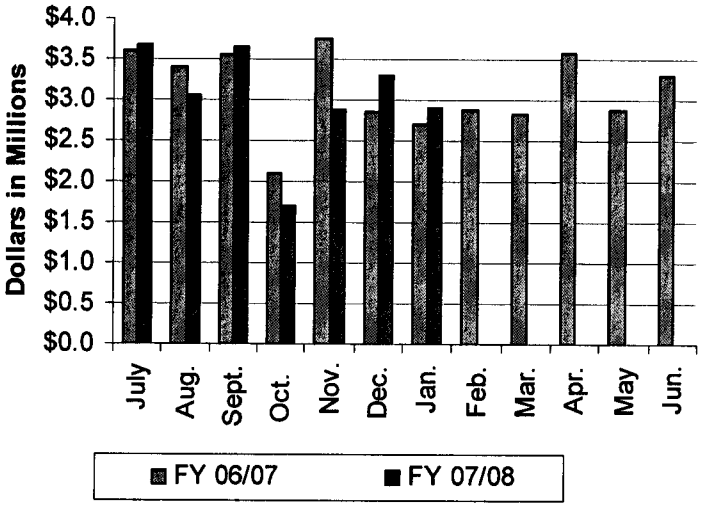
Attachment 1A

Children and Families Commission of Orange County
Snapshot Period Ended February 29, 2008

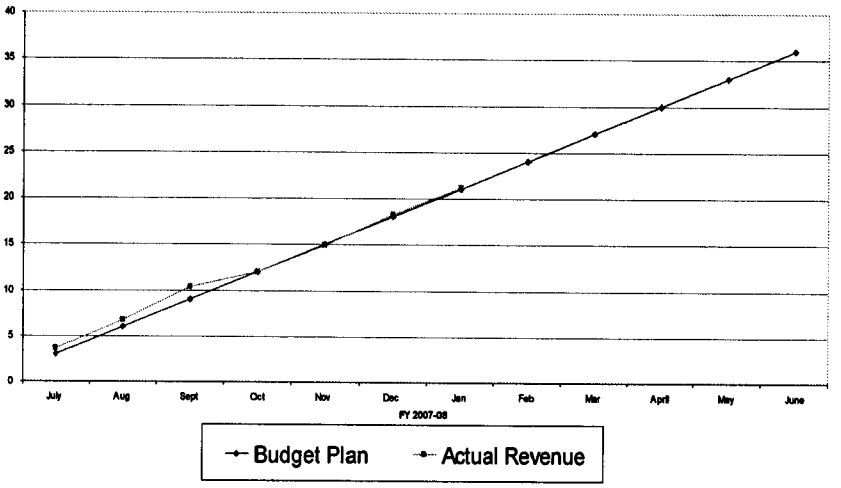
1) Ten-Year Financial Plan Projections



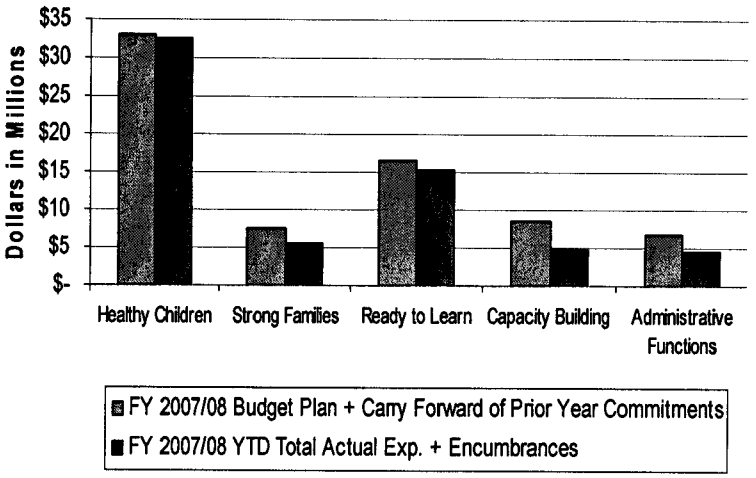
2) FYS 06/07 & 07/08 Tobacco Monthly Revenues *



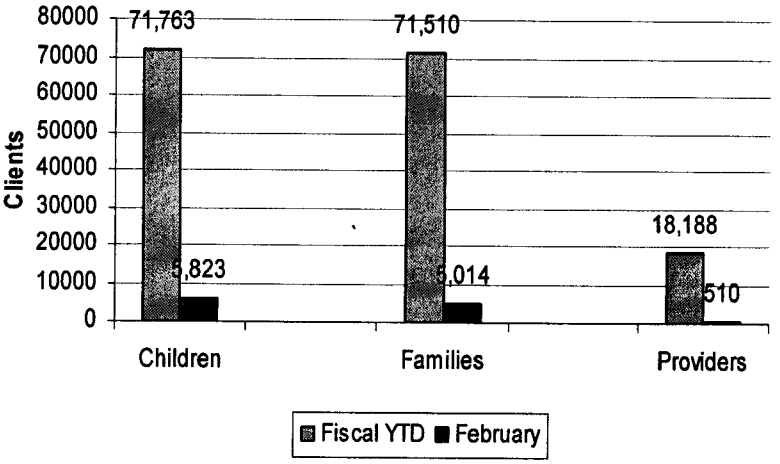
3) FY 2007-08 Cumulative Tobacco Tax Revenue Budget Plan Vs. Actuals To Date *



4) FY 2007-08 Budget Plan Vs. YTD Total Actuals



5) Clients served in February and Fiscal YTD



* SOURCE: County Funds Distribution Report (July 07 – January 08) First 5 California

Attachment 1B

Children and Families Commission of Orange County
Comparison of FY 2007-08 Budget vs. Actuals - Unaudited
Period Ended 2/29/08

High Level Summary

	FY 2007-08 (budget + carry forward for prior year commitments)	FY 2007-08 YTD Total Actual Expend. & Encumb. Thru 2/29/08	Budget vs. Actuals	Actuals % of Final Budget Amount
FINANCING				
General Purpose Revenues				
Tobacco Tax Revenue	36,000,000	18,253,307	-17,746,693	51%
All Other General Purpose Revenues	8,070,000	5,620,218	-2,449,782	70%
General Purpose Revenues Subtotal	44,070,000	23,873,525	-20,196,475	54%
Special Purpose Revenues	5,649,564	2,027,837	-3,621,727	36%
TOTAL REVENUES	49,719,564	25,901,363	-23,818,201	52%
Multi-Year Commitments - Operating Budget	0	0		
Fund Balance Available	46,500,000	43,587,439		
PY Carry forward Encumbrances	11,488,724	14,087,217		
TOTAL FINANCING	107,708,288	83,576,019	-23,818,201	78%
REQUIREMENTS				
PROGRAM SERVICES				
Healthy Children	33,059,512	32,516,736	-542,776	98%
Strong Families	7,632,423	5,400,238	-2,232,186	71%
Ready to Learn	16,643,485	15,289,456	-1,354,029	92%
Capacity Building	8,395,398	5,042,620	-3,352,778	60%
TOTAL PROGRAM SERVICES	65,730,819	58,249,049	-7,481,769	89%
Administrative Functions	6,850,172	4,554,576	-2,295,596	66%
Contingency Funding	500,000	0	-500,000	0%
TOTAL OPERATING EXPENSES	73,080,990	62,803,625	-10,277,365	86%
Transfer to Long Term Commitments Account	10,000,000	0	-10,000,000	0%
Undesignated/Unreserved	24,627,298			
TOTAL REQUIREMENTS	107,708,288	62,803,625	-20,277,365	58%
FINANCES LESS EXPENSES	0	20,772,393	20,772,394	

Children and Families Commission of Orange County
Investment Portfolio Report
As of February 29, 2008

Issuer	Purchase Date	Maturity Date	Days to Maturity	Yield (%)	CUSIP	Cost	Market Value	Unrealized Gain (Loss)	Capital Accrual	Interest Accrual	Book Value	Previous To Date	Coupon Payment	Paid Interest	Accrued Earnings For Month	Accrued Earnings To Date
Treasury Bill (issued at a discount)																
U.S. Treasury Security	1/31/2008	7/31/2008	182	2.0100	912795F71	$ 4,949,191.67	$ 4,962,390.00	$ 13,198.33	$ -	$ 8,375.00	$ 4,949,191.67	$ 279.17	$ -	$ -	$ 8,095.83	$ 8,375.00
Subtotal for: Treasury Bill						4,949,191.67	4,962,390.00	13,198.33	-	8,375.00	4,949,191.67	279.17	-	-	8,095.83	8,375.00
Treasury Bond (semi-annual coupons)																
U.S. Treasury Security	8/25/2006	4/30/2008	614	4.9197	912828FC9	4,996,093.75	5,022,655.00	23,036.72	3,524.53	81,250.00	4,999,618.28	65,276.51	-	-	19,498.02	84,774.53
U.S. Treasury Security	9/6/2006	4/30/2008	602	4.8511	912828FC9	5,001,562.50	5,022,655.00	22,499.27	(1,406.77)	81,250.00	5,000,155.73	60,604.98	-	-	19,238.25	79,843.23
U.S. Treasury Security	9/15/2006	10/15/2008	761	4.7986	912828BM1	4,835,937.50	5,042,970.00	92,124.07	114,908.43	58,913.93	4,950,845.93	155,189.84	-	-	18,632.52	173,822.36
U.S. Treasury Security	9/26/2006	1/15/2009	842	4.5856	912828BV1	4,855,468.75	5,067,970.00	122,898.74	89,602.51	20,535.71	4,945,071.26	92,213.88	-	-	17,924.34	110,138.22
U.S. Treasury Security	10/2/2006	4/15/2009	926	4.6332	912828CE8	4,821,484.40	5,087,500.00	166,540.38	99,475.22	58,913.93	4,920,959.62	140,418.02	-	-	17,971.13	158,389.15
U.S. Treasury Security	10/11/2006	7/15/2009	1008	4.7447	912828CN8	4,856,445.30	5,140,625.00	211,975.10	72,204.60	22,905.22	4,928,649.90	76,539.52	-	-	18,570.30	95,109.82
U.S. Treasury Security	10/16/2006	10/15/2009	1095	4.8011	912828CX6	4,803,125.00	5,143,750.00	250,368.15	90,256.85	63,627.05	4,893,381.85	135,298.96	-	-	18,584.94	153,883.90
Subtotal for: Treasury Bond						34,170,117.20	35,528,125.00	889,442.43	468,565.37	387,395.84	34,638,682.57	725,541.71	-	-	130,419.50	855,961.21
Grand Total						$ 39,119,308.87	$ 40,490,515.00	$ 902,640.76	$ 468,565.37	$ 395,770.84	$ 39,587,874.24	$725,820.88	$ -	$ -	$ 138,515.33	$ 864,336.21

All of the above investments and any investment decisions made for the month February 29, 2008 were in full compliance with the Commission's investment policy as adopted on May 2, 2007.

The Commission had adequate cash flows for six months of operations.

Signed by:_____
Director of Finance

Mothers and children are one of the fastest growing segments of the homeless population.

For Mother's Day will you help a homeless mother provide essentials for her child?

HomeAid's essentials

FOR YOUNG LIVES

Essentials Needed:	Diapers (sizes newborn to toddler) Baby wipes Baby food Formula Baby laundry detergent Baby products (wash, lotion, shampoo, etc.)
Drop-Off Dates:	Monday, April 28—Thursday, May 1
Drop-Off Location:	
Benefitting:	HomeAid Orange County service provider partners providing aid for homeless families and children.
Contact:	

HomeAid Service Provider Partners Providing Aid for Families and Children

Anaheim Interfaith Shelter
Casa Teresa
Families Forward
Fullerton Interfaith Emergency Service
H.I.S. House
Human Options
Interval House
Laura's House
Mary's Shelter
Mercy House
Orange County Catholic Worker, Isaiah House
Orange County Rescue Mission
Precious Life Shelter
Shelter for the Homeless
Women's Transitional Living Center

HomeAid's Mission—To build dignified housing where homeless families and individuals can rebuild their lives.
HomeAid Orange County is a 501 (c) (3) corporation.
Federal Non-Profit Tax ID No. 33-0568079

HomeAid's essentials FOR YOUNG LIVES

HomeAid's essentials FOR YOUNG LIVES

Mother's Day

Essentials for Young Lives Drive
April 28 — May 1, 2008

Will you help a homeless mother provide essentials for her child?

HomeAid Orange County

HomeAid Orange County
Phone—949.553.9510
FAX—949.224.1855
www.homeaidoc.org

HomeAid's essentials FOR YOUNG LIVES

Mothers and children are one of the fastest growing segments of the homeless population.

They need our help.

Hold an Essentials for Young Lives Drive in your company or organization. It's easy.

- Designate a collection site in your office.
- Ask colleagues to donate "essential" baby items.
- HomeAid Orange County will pick-up the items.

ESSENTIALS NEEDED:
-Diapers (sizes newborn to toddler)
-Baby wipes
-Baby food
-Formula
-Baby laundry detergent
-Baby products (wash, lotion, shampoo)

COLLECTION DATES:
Monday, April 28 – Thursday, May 1, 2008
HomeAid will pick-up at your collection site on Friday, May 2, 2008.

BENEFITTING:
Service providers who operate facilities built in partnership with HomeAid Orange County

HomeAid's essentials FOR YOUNG LIVES

Please join us to help HomeAid service provider partners provide "the essentials" for homeless babies and toddlers by conducting an Essentials for Young Lives Drive.

Complete the following form and return to:
HomeAid Orange County
17744 Sky Park Circle, Suite 170
Irvine, CA 92614
FAX 949.224.1855

For more information, contact Carolyn Baker at 949.553.9510 x224 or carolyn@homeaidoc.org

☐ Yes my company/organization will conduct an Essentials for Young Lives Drive.

Company/Organization Name: _____

Address: _____

City: _____

State: _____ Zip _____

Contact Person:
Name: _____

Phone: _____

Email: _____