

**FIRST 5 VENTURA COUNTY
COMMISSION MEETING
MINUTES**

May 18, 2017

Commissioners Present: Bruce Stenslie, Stan Mantooth, Dr. Michael Gollub, Dr. Cesar Morales, Barbara Marquez-O'Neill, Dr. Carola Oliva-Olson

Excused Absence: Kelly Long, Barry Zimmerman, Dr. Robert Levin

Staff Present: Amy Schroeder, Jennifer Johnson, Petra Puls, Nani Oesterle, Sam McCoy, John Anderson, Lauren Arzu

Public Present: Melissa M. Staley, Gloria Valdez, Alicia Villicana, Sharon Elmensdorp, Rafaela Frausto, Mary Linn Daehlin

1. Welcome

Chair Mantooth opened the meeting at 1:08 p.m.

2. Approval of Minutes from April 20, 2017 Regular Commission Meeting.

A motion was made by Commissioner Oliva-Olson, seconded by Commissioner Marquez-O'Neill, to approve the minutes from the April 20, 2017 Commission meeting. The motion passed unanimously.

3. Agenda Approval and Review of Commission Packets

Petra Puls provided an overview of the supplemental packet.

A motion was made by Commissioner Stenslie, seconded by Commissioner Gollub, to approve the agenda. The motion passed unanimously.

4. Public Comments/Correspondence

There were no comments from the public.

CONSENT AGENDA

5. Receive and File the First 5 Ventura County Financial Reports as of March 31, 2017

A motion was made by Commissioner Morales, seconded by Commissioner Gollub, to approve the consent agenda. The motion passed unanimously.

REGULAR AGENDA

6. Review of First 5 Ventura County FY 2015-2020 Strategic Plan in compliance with Health and Safety Code Section 130140

Petra Puls summarized the statutory requirements for an annual review of the strategic plan. She noted that the current plan was adopted in June 2015 and that FY 2016-2017 was the first implementation year. Petra reviewed the community based services offered by NfL's and highlighted regional investments. Commissioner Oliva-Olson asked about the Talk, Read, Sing program, and Petra clarified that it is considered a campaign, rather than a funded program. She provided an overview of the evaluation framework, outcomes and indicators which will be used for the first three years of the plan. Petra reviewed the progress made in preschools and supporting families. She noted that challenges include increasing poverty among children, stagnant third grade reading scores, not enough preschool spaces, and declining revenues. Petra reviewed the vision, mission, and guiding principles. She summarized strategic priorities calling attention to a new addition for this plan - communities are engaged in supporting and prioritizing children. Petra reviewed the financial plan, noting that funding resources significantly decline in years four and five due to full depletion of the Sustainability Fund. She commented that with lower funding, in years four and five the focus will be on promoting evidence based practices, investing in direct services only when other resources are not available, and serving those who benefit the most. Petra reviewed the progress that has been made and provided an updated implementation plan for remaining items. Petra indicated that staff is not recommending any changes to the plan and invited comments and questions from the Commissioners. Commissioners did not have any comments or concerns with the staff recommendation to continue the current plan without changes.

A motion was made by Commissioner Stenslie, seconded by Commissioner Oliva-Olson, to receive and file the First 5 Ventura County FY 2015-2020 Strategic Plan in compliance with Health and Safety Code Section 130140. The motion carried unanimously.

7. Report of Committees

a. Administration and Finance Committee

(1) Recommendation to adopt proposed budgets for Fiscal Year 2017-18

Stan Mantooth turned it over to Jennifer Johnson to present the proposed budgets which were previously reviewed by the Administration and Finance Committee.

Jennifer noted that FY 2017-18 represents the second funding year of the new strategic plan. She indicated that \$6.65 million is projected in Prop 10 tax distributions, based on an estimated 4% decline from the current year, commenting that distributions were higher than projected in our prior financial plan. She reviewed leveraged funds included in the budget and noted that we are utilizing our fund balance and the Sustainability Fund to maintain program services, utilizing an anticipated \$5.4 million for FY 2017-18. She reported on proposed expenditures of \$13,265,000, which includes the previously approved funded partner allocations, estimated carry over of unspent funds, as well as \$200,000 for Challenge Grants, an initiative identified in the new strategic plan. Jennifer reported that the Community Investment Load Fund budget includes loan disbursements of \$250,000 for FY 2017-18. She stated that the loan administration costs are

anticipated to be fully offset by interest earnings. Based on the overall operating budget, Jennifer reported that the projected administrative rate is 4.61%.

Jennifer reviewed the budget assumptions for the internal budgets, pointing out that the methodology for allocation costs between internal cost centers has been updated based on “budgeted” full-time equivalents (FTEs), rather than “regular” FTEs to account for grant-funded/temporary projects portion of shared operating/office expenses. She advised that overall cost estimates are very similar to last year’s budget, with most line items having minor rate increases.

Jennifer reviewed the staffing pattern changes and the reallocation of staff between cost centers, based on alignment with 2017-18 duties. Jennifer turned to the Administration budget, noting that the proposed budget amount of \$625,000 reflects a 2% reduction from last year. Jennifer presented Program Management and Community Initiatives budget, the Results Based Accountability & Quality Assurance budget, and the Equipment Budget.

Commissioner Stenslie asked for clarification on the increase to the Program Management & Community Initiatives budget and Jennifer noted that the increase is primarily due to the re-design of the Commission’s website. Commissioner Mantooh asked how to ensure against malware and other security breaches. Jennifer advised that strong anti-virus software and firewall security device are in place and monitored daily by the Commission’s vendor for information technology. Commissioner Mantooh asked for clarification on how computer back-ups are handled. Jennifer reported that there is dual form of back-up implemented to ensure maximum coverage, whereby there is an on-site back-up device as well as an off-site backup that occurs remotely.

The operating budget shall be the final budget if there are no substantive comments by the Community Commission of Ventura County and the Board of Supervisors after their reviews.

A motion was made by Commissioner Morales, seconded by Commissioner Oliva-Olson, to approve the budgets for Fiscal Year 2017-18. The motion passed unanimously.

(2.) Recommendation to approve updated FY 2016-26 financial plan, in compliance with Health and Safety Code Section 130151

Commissioner Mantooh reported on the Administration and Finance Committee’s review of the updated financial plan. He stated that revenues are doing better than expected since the last update to the plan in May 2016 and turned it over to Jennifer Johnson to present the plan.

Jennifer Johnson reviewed the updates made to the plan to reflect the FY 2015-16 audited actuals and the forecast of revenues and expenditures for FY 2016-17. She stated that the plan forecasts Prop 10 revenues declining at a rate of 5.25% for FY 2016-17 based on current trend information and the typical rate of 4% decline for each subsequent fiscal years with projected interest earnings at 0.75%. She indicated that the plan proposes \$53.5 million in total funding dollars for FY 2016-17 thru FY 2020-21. Jennifer reported that the plan utilizes \$1 million from the updated forecast of Prop 10 distributions, interest earnings, and projected unspent funds from FY 2015-17 and proposes these available resources be utilized to increase from a \$7 million to a \$7.5 million

spending level annually for years four and five. The proposed plan also allocates \$400,000 to Challenge Grants, beginning in FY 2017-18. Jennifer noted that the plan has been extended to add projections for 5 additional years.

A motion was made by Commissioner Gollub, seconded by Commissioner Marquez-O'Neill, to approve the updated financial plan for FY 2016-26, in compliance with Health and Safety Code Section 130151. The motion passed unanimously.

(3.) Recommendation to maintain targeted administrative cap at 5.5% of total operating budget for FY 2017-18

Jennifer Johnson noted that county commissions are required to adopt a policy establishing a limit on the percentage of the commission's operating budget that may be spent on administrative functions. She reported that the FY 2016-17 targeted cap was maintained at 5.5% and is forecasted to come in at 3.85%. She stated that the recommendation from the Administration and Finance Committee is to maintain the targeted administrative cap at 5.5% of total operating budget for FY 2017-18. She advised that after a review of the policy, no changes are recommended at this time.

A motion was made by Commissioner Stenslie, seconded by Commissioner Morales, to approve the recommendation to maintain targeted administrative cap at 5.5% of total operating budget for FY 2017-18.

(4.) Recommendation to approve one-time salary parity adjustment for staff hired prior to July 1, 2016

Commissioner Mantooh advised that salary ranges were reviewed and updated in July 2016 to align with market rates. He stated that in doing so, an imbalance was created between existing staff with multiple years of service and recent hires.

Jennifer Johnson advised that historically, the Commission's salary ranges were set at lower than market rates. While some minor changes had been made incrementally, in 2016 the ranges were adjusted to fully align with market rates. Upon conducting research on salaries from comparable agencies and organization, and analyzing salaries for all employees, a disparity was identified between staff brought in using the new ranges as compared to staff with multiple years of service. To correct this imbalance, the Committee is recommending that a one-time parity adjustment be implemented for staff hired prior to July 1, 2016 that is based on the research conducted, and in recognition of inflation. This one-time parity adjustment for staff hired prior to July 1, 2016 would not exceed a total of \$23,000, retroactive to July 1, 2016 consistent with the adoption of the new ranges. Due to staff vacancies there are sufficient funds budgeted to cover this adjustment.

Commissioner Mantooh asked if there were any other anticipated consequences of the proposed action, to which staff answered no.

A motion was made by Commissioner Gollub, seconded by Commissioner Oliva-Olson, to approve the recommendation for a one-time salary parity adjustment for staff hired prior to July 1, 2016. The motion carried unanimously.

8. Recommendation to Continue Contract with Economic Development Collaborative - Ventura County to Manage and Implement the Community Investment Loan Fund

Commissioner Stenslie recused himself.

Petra Puls advised that each year we bring a recommendation forward to continue contracting with Economic Development Collaborative Ventura County (EDC-VC) for implementing the Community Investment Loan Fund. She advised we have been partnering with EDC-VC since 2009 for managing all aspects of the fund. Petra advised that the projected costs to manage and implement the loan fund would not exceed \$30,000 for FY 2017-18. She noted that these costs are covered by the interest earned on loans issued. She advised that \$1.3M was allocated at the inception of the loan fund. EDC-VC has issued a little over \$600,000 in loans and an additional two loans totaling \$590,000 are in process. The proposed budget for loan distribution is \$250,000.

Commissioner Mantooth commented that one of the biggest challenges in preschool is securing facilities to house preschool programs and the loan fund offers a great resource for addressing this issue.

A motion was made by Commissioner Oliva-Olson, seconded by Commissioner Gollub, to approve the recommendation to continue contracting with Economic Development Collaborative - Ventura County to manage and implement the Community Investment Loan Fund. The motion carried unanimously.

Commissioner Stenslie returned to the meeting.

9. Recommendation for Pleasant Valley Neighborhood for Learning to utilize current funds for prior years' salary corrections

Jennifer Johnson stated that the Pleasant Valley School District (PVSD) is the contract agency for the First 5 Pleasant Valley Neighborhood for Learning (PV NfL). Staff of the PV NfL are employees of the PVSD and are subject to the employment practices and benefits of the school district. Upon a transition of leadership at the PVSD, they identified that beginning in FY 2012-13, PV NfL employees should have been issued increases that were approved by the school board, however, they were not provided. The district determined that these NfL employees were entitled to and should have been paid these district-approved salary increases.

As the PV NfL is a grant-funded project of the school district, other sources of funds do not exist to cover this prior period correction of approximately \$40,000. PVSD has proposed to reduce their indirect costs by a total of \$23,000 for FY2016-19. Jennifer explained that the error was identified in FY2016-17, however, the First 5 allocations for those years have been almost fully expended. Jennifer stated that the amount needed for these salary corrections would come from funds allocated in the current funding cycle (FY 2016-19). Jennifer advised that additional funds would not need to be allocated by the Commission, as the PV NfL has sufficient funds within their approved three year allocation of \$1,293,660 to cover the cost while maintaining current staffing and having a minimal programmatic impact on preschool scholarships.

Commissioner Stenslie asked for clarification on whether this will be recognized as a current year expense and Jennifer confirmed. Commissioner Stenslie asked if there were any impacts to the program. Jennifer noted that the impact to preschool scholarships in future years is somewhat mitigated by the district recently receiving a State Preschool grant award.

A motion was made by Commissioner Stenslie, seconded by Commissioner Oliva-Olson, to approve the recommendation for the Pleasant Valley Neighborhood for Learning to utilize current funds for prior years' salary corrections. The motion carried unanimously.

10. Recommendation to Grant Authority to the Executive Director to Directly Contract with Current Service Providers of the Triple P Positive Parenting Program

Commissioner Mantooth noted that since no action has been taken on item number 11, the correct title of this recommendation should be "Recommendation to Grant Authority to the Acting Executive Director". Staff noted his correction

Petra Puls gave an overview of the Triple P Positive Parenting Program, its origins and merits. She noted that F5VC has been working with Ventura County Behavioral Health Care Agency (VCBH) since FY2011-12 on implementing this program. Petra noted that in December 2015, the Commission approved three year allocations for implementing the Triple P program. She explained that VCBH sub-contracts with Interface and New Dawn to deliver the services and support funded partners who are implementing the program. Petra explained that due to policy changes around the Mental Health Services Act (MHSA) and MediCal funding, VCBH is unable to continue to provide leveraged funding for the program and is terminating the contract with F5VC. She advised that after conferring with all partners involved, it was determined that discontinuing investment in Triple P would disrupt services. Petra explained that the most seamless transition would be for F5VC to contract directly with the current two subcontractors and to split the remaining allocation evenly between the sub-contractors. Petra noted that the amount for the subcontractors would \$223,000 per year for the next two years. She proposed that the training and material distribution for other funded partners, such as NfLs, previously handled by VCBH would be assumed by F5VC at \$50,000 for two years.

Commissioner Stenslie asked for clarification on the amount of funding VCBH contributed. Petra explained that the amount varied because VCBH was drawing down matching funds when children qualified for EPSDT services. She further clarified that in FY2015-16 the amount was significantly lower at 20% largely due to changes in MHSA regulations, while in previous years the amount was around 40%.

A motion was made by Commissioner Oliva-Olson, seconded by Commissioner Marquez-O'Neill, to approve the recommendation to grant authority to the Acting Executive Director to directly contract with current service providers of the Triple P Positive Parenting Program. The motion carried unanimously.

11. Recommendation for Appointment of, and Compensation for, Executive Director

Commissioner Mantooth introduced the recommendation by acknowledging the loss of Claudia Harrison in October 2016. He noted that Petra Puls stepped into the role as Acting Executive

Director at that time. Commissioner Mantooth explained that an Ad Hoc Committee was formed to determine the process for identifying a regular Executive Director. He then thanked the members of the committee for serving on the task force. Commissioner Mantooth reviewed the recruitment options discussed by the committee, how the interview process was conducted, and how the committee ensured the successor had an alignment with Claudia Harrison's legacy and the organization's strategic plan. Commissioner Mantooth stated that the Committee was unanimous in recommending Petra Puls as the new Executive Director.

A motion was made by Commissioner Gollub, seconded by Commissioner Morales, to appoint Petra Puls as the Executive Director. The motion carried unanimously.

12. Report from Commission Staff

Petra provided highlights from her written report, congratulating the Santa Clara Valley and Rio Nfl's for assisting 1,500 families with their food needs in the third quarter. She noted that Pleasant Valley Nfl has implemented a new component to the Parent and Child Together (PACT) program called "Let's Talk Thursdays" that allows parents one on one time with teachers to discuss their children's progress. Petra discussed the Take 5 and Read to Kids event that took place on May 5, 2017. She noted the slideshow that played with photographs from the day and thanked the Commissioners who were able to participate as celebrity readers. Petra called attention to the media generated from the event and noted that more events will continue throughout the month of May. Petra noted that F5VC will be partnering with SEEag on promoting the importance of early literacy at their upcoming Farm Day and is reaching out to the Mexican Consulate to make more bilingual books to non-English speaking families available. She noted that during past Results Based Accountability discussions, the Commission has asked for more cumulative data on services F5VC has provided over the years. Petra advised that since 2004, F5VC has served over 80,000 children with intense services, 13,000 children have attended preschool, and over 90,000 fluoride varnish treatments have been provided. Staff is continuing to extract and analyze more data and is looking forward to presenting additional highlights at subsequent meetings. Petra provided an update on County, Regional and National items, noting that Civic Alliance 2017 State of the Region report was released which includes several items relevant to early education. . She provided highlights from the California State Budget May Revise, noting the pause on funding for preschool has been lifted and includes funding for 3,000 new full-day preschool spaces. Petra updated the Commission on First 5 Association policy and advocacy efforts. She then briefed the Commission on upcoming events.

13. Commissioner Comments

Commissioner Gollub noted that his granddaughters participated in the Take 5 and Read to Kids event to help encourage young children to look to older siblings as resources for reading. Commissioner Mantooth added that the annual compensation for the Executive Director will be \$145,000 with monthly auto allowance of \$525. Commissioner Stenslie noted it was a time for joy and celebration, and thanked Petra for accepting the Executive Director position.

14. Next Meeting:

The next meeting will be held on Thursday, June 18, 2015, at the Ventura County Office of Education, at 1:00 p.m.

The meeting was adjourned at 2:21 p.m.