

First 5 Ventura County Financial Plan

Operating Fund	Audited FS		Forecast		Proposed Budget		Forecast				
	2016/17	2017/18	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
BEGINNING FUND BALANCE	\$7,479,143	\$7,778,482	\$8,370,965	\$7,455,015	\$7,012,554	\$6,298,928	\$6,598,064	\$6,432,395	\$6,081,045		
REVENUES											
Prop 10 Distribution	\$6,723,254	\$5,529,485	\$6,082,435	\$5,839,140	\$5,605,575	\$5,381,350	\$4,959,450	\$4,761,075	\$4,570,630		
First 5 CA IMPACT	\$717,514	\$899,860	\$402,950	\$401,535							
Pay for Success - Feasibility Study Grant	\$9,716	\$109,871	\$170,710								
CDE - QRIS Certification Grant	\$22,279	\$65,402	\$7,400								
Center for Study of Social Policy (CSSP)	\$38,472	\$35,011	\$21,800								
VCCF Grants		\$5,000									
Donations	\$1,000	\$500									
Other Revenues											
Subtotal Revenues	\$7,512,235	\$6,645,129	\$6,685,295	\$6,240,675	\$5,605,575	\$5,381,350	\$4,959,450	\$4,761,075	\$4,570,630		
SMIF	\$5,476										
Interest Earnings (@2.40%)	\$69,855	\$117,587	\$314,300	\$178,920	\$168,299	\$151,173	\$158,354	\$154,378	\$145,947		
Transfer of Funds from Sustainability Fund	\$3,167,485	\$4,887,308	\$6,299,755								
Transfer of Funds from Loan Fund	\$0	\$1,319	\$8,580	\$18,715	\$12,500	\$29,732	\$13,317	\$33,197	\$19,597		
TOTAL REVENUES	\$10,755,051	\$11,651,343	\$13,307,930	\$6,438,310	\$5,786,374	\$5,562,255	\$5,134,331	\$4,948,650	\$4,736,174		
EXPENDITURES											
Neighborhoods for Learning (NfLs)	\$5,843,826	\$6,000,460	\$8,523,750								
Countywide Specialized Program Strategies	\$1,647,231	\$1,551,535	\$1,879,000								
Countywide Preschool Efforts	\$1,709,772	\$2,021,865	\$1,501,130								
Place-based Services (e.g., PACT/Family Support)				\$2,900,000	\$2,900,000	\$2,900,000	\$2,900,000	\$2,900,000	\$2,900,000		
Preschool Spaces				\$1,035,000	\$1,035,000	\$325,000	\$325,000	\$325,000	\$325,000		
Countywide Linkage to Resources & Early Intervention				\$365,000	\$365,000	\$700,000	\$700,000	\$700,000	\$700,000		
Systems Change Efforts				\$1,080,770	\$700,000	\$400,000	\$400,000	\$400,000	\$400,000		
Challenge Grants				\$400,000	\$400,000	\$4,325,000	\$4,325,000	\$4,325,000	\$4,325,000		
Subtotal - Program Initiatives	\$9,200,829	\$9,573,860	\$12,303,880	\$5,780,770	\$5,400,000	\$2,900,000	\$2,900,000	\$2,900,000	\$2,900,000		
Program Management & Community Initiatives	\$564,270	\$600,000	\$930,000								
Results Accountability	\$257,839	\$275,000	\$312,000								
Administration	\$425,601	\$600,000	\$670,000								
Equipment Replacement	\$7,173	\$10,000	\$8,000								
TOTAL EXPENDITURES	\$10,455,712	\$11,058,860	\$14,223,880	\$6,880,770	\$6,500,000	\$5,300,000	\$5,300,000	\$5,300,000	\$5,300,000		
Percent increase/decrease compared to prior year	-11.02%	5.77%	28.62%	5-year total	\$49,119,222	-22.97%	-22.97%	-62.74%	-22.97%	-18.46%	
Projected Administrative Percent	3.97%	5.25%	4.59%	-51.63%	-5.53%						
ENDING FUND BALANCE*	\$7,778,482	\$8,370,965	\$7,455,015	\$7,012,554	\$6,298,928	\$6,561,183	\$6,598,064	\$6,432,395	\$6,081,045	\$5,517,219	

NOTE: Fund balances do not include Fair Market Value (FMV), the unrealized loss/gain on investments

See page 3 for assumptions

Community Investment Loan Fund	Audited FS		Forecast		Proposed Budget		Forecast				
	2016/17	2017/18	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
BEGINNING FUND BALANCE	\$793,725	\$619,052	\$376,373	\$145,822	\$280,478	\$138,210	\$271,795	\$425,005	\$191,675	\$328,075	
REVENUES/LOAN REPAYMENTS											
Interest Earnings (@2.40%)	\$6,312	\$5,845	\$4,515	\$3,500	\$6,732	\$3,317	\$6,527	\$10,197	\$4,597	\$7,877	
Interest Earnings on Loans (@4.25%)	\$17,948	\$24,967	\$42,200	\$44,000	\$45,000	\$45,000	\$45,000	\$45,000	\$50,000	\$50,000	
Loan Origination Fees	\$5,000	\$6,800	\$7,000	\$0	\$13,000	\$0	\$0	\$13,000	\$0	\$6,500	
Loan Repayments (Principal)	\$74,008	\$90,060	\$109,315	\$140,870	\$490,500	\$150,000	\$150,000	\$500,000	\$150,000	\$150,000	
TOTAL REVENUES/LOAN REPAYMENTS	\$103,268	\$127,672	\$163,030	\$188,370	\$555,232	\$198,317	\$201,527	\$568,197	\$204,597	\$214,377	

EXPENDITURES/DISBURSEMENTS	Audited FS		Forecast		Proposed Budget		Forecast				
	2016/17	2017/18	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Loan Implementation	\$27,941	\$29,032	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	
Loan Disbursements (revolving \$1,300,000 fund)	\$250,000	\$340,000	\$350,000	\$0	\$650,000	\$0	\$0	\$750,000	\$0	\$0	
TOTAL EXPENDITURES/DISBURSEMENTS	\$277,941	\$369,032	\$385,000	\$35,000	\$685,000	\$35,000	\$35,000	\$785,000	\$35,000	\$35,000	
Transfer of Funds to Operating Fund	\$0	-\$1,319	-\$8,580	-\$18,715	-\$12,500	-\$29,732	-\$13,317	-\$16,527	-\$33,197	-\$19,597	
ENDING FUND BALANCE	\$619,052	\$376,373	\$145,822	\$280,478	\$138,210	\$271,795	\$425,005	\$191,675	\$328,075	\$162,855	

Sustainability Fund (\$13m)	Audited FS		Forecast		Proposed Budget		Forecast				
	2016/17	2017/18	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
BEGINNING FUND BALANCE	\$14,134,721	\$11,061,084	\$6,262,183	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Interest Earnings (@2.40%)	\$93,848	\$88,407	\$37,572	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Transfer of Funds to Operating Fund	-\$3,167,485	-\$4,887,308	-\$6,299,755	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
TOTAL	\$11,061,084	\$6,262,183	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	

*Note: The following demonstrates the amount to be reserved from the Operating Fund balance for the Equipment Replacement Fund and is based on the depreciation schedule for the useful life of assets.

Equipment Replacement Fund (\$25k)*	Audited FS		Forecast		Proposed Budget		Forecast				
	2016/17	2017/18	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
BEGINNING FUND BALANCE	\$13,628	\$12,279	\$8,111	\$10,705	\$13,663	\$15,857	\$14,535	\$16,535	\$18,335	\$19,835	
REVENUES											
Annual depreciation of equipment	\$5,824	\$5,832	\$7,594	\$7,958	\$7,194	\$6,678	\$7,000	\$6,800	\$6,500	\$6,300	
EXPENDITURES											
Equipment	(\$7,173)	(\$10,000)	(\$5,000)	(\$5,000)	(\$5,000)	(\$8,000)	(\$5,000)	(\$5,000)	(\$5,000)	(\$8,000)	
AMOUNT RESERVED FOR EQUIP. REPLACEMENT	\$12,279	\$8,111	\$10,705	\$13,663	\$15,857	\$14,535	\$16,535	\$18,335	\$19,835	\$18,135	

Infrastructure Fund (\$10k)	Audited FS		Forecast		Proposed Budget		Forecast				
	2016/17	2017/18	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
BEGINNING FUND BALANCE	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	
REVENUES											
Administration Budget Savings	\$0	\$0	\$0	\$0	\$5,000	\$0	\$0	\$5,000	\$0	\$0	
EXPENDITURES											
Infrastructure Expenditures	\$0	\$0	\$0	-\$5,000	\$0	\$0	-\$5,000	\$0	\$0	\$0	
AMOUNT RESERVED FOR INFRASTRUCTURE	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	

NOTE: Fund balances do not include Fair Market Value (FMV), the unrealized loss/gain on investments

First 5 Ventura County Financial Plan Assumptions

OPERATING FUND ASSUMPTIONS:

- Updates figures for FY16/17 based on audited amounts.
- Updates figures for FY17/18 based on forecasted revenues and expenditures (9 months of actuals, 3 months of forecast).
- Revises FY18/19 revenues and expenditures based on proposed budget.
 - Includes estimated funded program unspent funds from FY16/17 and FY17/18 for use in 18/19.
- Updates Prop 10 revenues:
 - FY17/18 based on new F5CA projection of \$5.5 million (down from \$6.65 originally projected in budget) due to lag time in receiving backfill for passage of the new tobacco tax (Prop 56).
 - Backfill will occur in FY18/19, therefore Prop 10 distributions are estimated to be 10% higher in FY18/19.
 - For FY19/20 through FY25/26, the annual rate of decline is forecasted at 4%.
- Projects interest earnings at 2.40%, based on County projection for FY18/19.
- Utilizes the Sustainability Fund as planned to sustain program funding levels, until fully depleted in FY18/19.
- Receives transfers from Loan Fund for interest earnings that exceed amount needed to operate the fund to the Operating Fund, to help sustain program funding levels.
- Assumes \$49.1 million in total funding dollars for FY16/17 thru FY20/21 (\$46.2 million in local funding & \$2.9 million in leveraged dollars from external funders).
 - Releases F5CA IMPACT expenditures and required match along with associated revenues in FY18/19 & 19/20, as a result of Commission's action to no longer serve as the pass-through to VCOE's QRIS program. VCOE will directly contract with F5CA beginning July 1, 2018.
 - Maintains previous allocation of 400,000 for Challenge Grants for use in FY18/19.
 - Updates spending level of \$6.5 million in local dollars annually for years four and five (FY19-21) utilizing allocations to strategies that were approved in April 2018.
- Subsequent to completion of current strategic plan in June 2021, proposes a level spending level at \$5.3 million for a five year period (through June 2026) utilizing allocations considered at April 2018 Commission meeting.
- Maintains minimum 6 months of operating dollars in fund balance.
- Maintains \$1 million (20%), beyond minimum fund balance for operating capital, remain in fund balance as a safety net that could be allocated at a future time, if desired.
- Assumes any available resources to increase spending levels would be determined after FY18/19.

ASSUMPTIONS FOR COMMUNITY INVESTMENT LOAN FUND:

- Updates figures for FY16/17 based on audited amounts.
- Updates figures for FY17/18 based on forecasted interest revenues, expenditures, and loan disbursements/repayments.
- Maintains a Community Investment Loan Fund at \$1,300,000 for revolving loans.
- Projects interest earnings on funds that are held by the Commission at 2.40%, based on County projection for FY18/19.
- Projects earned income on loan funds at an estimated 4.25%.

First 5 Ventura County Financial Plan Assumptions

ASSUMPTIONS FOR COMMUNITY INVESTMENT LOAN FUND (cont'd):

- Transfers Loan Fund interest earnings that exceed amount needed to operate the fund to the Operating Fund, to help sustain program funding levels.
- Budgets loan fund balance to be distributed in FY18/19 and forecasts an average of 1-2 new loans made every other year thereafter.

ASSUMPTIONS FOR SUSTAINABILITY FUND:

- Updates figures for FY16/17 based on audited amounts.
- Updates figures for FY17/18 based on forecasted interest revenues.
- As planned, transfers remaining balance in the Sustainability Fund to the Operating Fund to sustain program funding levels through FY18/19.
- Projects interest earnings on funds that are held by the Commission at 2.40%, based on County projection for FY18/19.

ASSUMPTIONS FOR INFRASTRUCTURE FUND:

- Maintains \$10,000 for Infrastructure Budget Policy for current and/or future purchases of "infrastructure" types of investments (e.g., large software program, organizational development, etc.).
- The infrastructure budget is funded through annual savings from the Administrative budget. For the initial year, FY12/13, a maximum of \$10,000 in savings was designated from the FY12/13 Administrative budget. For each subsequent year, \$10,000 would be the maximum amount retained in the fund, unless a specific need(s) arises.
- In FY19/20 and FY22/23, forecasts expenditure of \$5,000 and replenishment from Administrative budget savings.