



AGENDA ITEM 8

DATE OF MEETING: October 24, 2013

ACTION: _____

INFORMATION: X

**FISCAL YEAR-END SUMMARY
(FISCAL YEAR ENDING JUNE 30, 2013)**

SUMMARY

Staff will provide the Commission fiscal briefings in three areas: First 5 California's year-end revenue and expenditures for Fiscal Year (FY) 2012-13, revenue and expenditure projections through FY 2015-16, and the Fund Condition beginning FY 2013-14.

BACKGROUND

In accordance with Health and Safety Code (HSC) Section 130105, the California Children and Families Trust Fund (hereinafter referred to as "Fund"), was created in the State Treasury and receives tobacco tax revenue collected pursuant to Section 30131.2 of the Revenue and Taxation Code.

The Board of Equalization (BOE) collects Proposition 10 revenue and administers the Fund. BOE first determines the amount for adjustments to the Fund prior to the transfer of moneys to the designated State Commission accounts and County Fund. These adjustments include the annual backfill to the Proposition 99 Fund and Breast Cancer Fund ("backfill"), as well as the monthly BOE operational costs for tax collection and enforcement programs.

After these adjustments, BOE determines the amounts to be allocated to the State and county commissions pursuant to the percentages outlined in HSC Section 130105. Eighty percent of the revenue is allocated to the county commissions and deposited in individual local Children and Families Trust Funds administered by each county commission. The remaining twenty percent is allocated and transferred to the following six Proposition 10 accounts for use by the State Commission: Mass Media Communications, Education, Child Care, Research and Development, Administration, and Unallocated, all of which are interest-bearing accounts.

Attachment A provides an overview of how the funds are transferred to the individual Proposition 10 county commission funds and State Commission accounts. Per HSC Sections 130100 through 130155, First 5 California disburses 80 percent of Proposition 10 tobacco tax revenue to county commissions monthly if they have met statutory requirements. County commissions receive a portion of the total moneys available to all county commissions equal to the percentage of the number of births recorded in the

relevant county in proportion to the total number of births recorded in California. Interest that accumulates in the County Fund also is disbursed annually to the county commissions using this same formula.

First 5 California's Administrative Services Division (ASD) disburses funds from the six State Commission accounts consistent with the directives of the State Commission and the Bylaws for the California Children and Families Commission. ASD also maintains financial records of disbursements.

The annual financial statement audit of the Fund and related State Commission accounts are available on First 5 California's website. The audit report for FY 2012-13 will be available in December 2013.

FY 2012-13 YEAR END SUMMARY

Revenue Collection, Fund Administration, and Adjustments

The total Proposition 10 tobacco tax revenue collected by the BOE in FY 2011-12 (prior to BOE adjustments) was \$499 million. The total revenue received in FY 2012-13 was \$481 million, representing a 3.61 percent decrease in revenue from FY 2011-12.

Attachment B provides a comparison of the Proposition 10 revenue projections and actual revenue received for the five previous fiscal years. The Department of Finance (DOF) projects the tobacco tax revenue annually. As displayed in Attachment B, DOF's projection methodology is conservative and within 5 percent most fiscal years.

In FY 2012-13, the BOE transferred a total of \$450,500,957 to the County Fund and six State Commission accounts.

The amount of monthly revenue received varies each month of each year. During the first and fourth quarters of each year, revenues received are consistently higher than during the second and third quarters. The BOE-calculated backfill typically occurs during the second quarter.

As represented in Attachment C, the BOE adjustments to the tax revenue are as follows:

- The FY 2012-13 backfill totaled \$15 million, a decrease of 9.09 percent from FY 2011-12.
- Adjustments for BOE operational costs for tax collection and enforcement activities totaled \$15.8 million, an increase of 0.76 percent from FY 2011-12.
- As displayed in the July financial update, BOE's administration costs for FY 2012-13 were projected at \$17.1 million. The actual costs ended up being \$15.8 million

- \$1.3 million lower than projected due to reduced personnel costs, resulting from state furloughs.
- Also displayed in the July financial update were projected BOE costs for FY 2013-14 in the amount of \$17.6 million. A recent update from BOE displayed projected expenditures for FY 2013-14 and FY 2014-15 to be \$17.8 million each year. The estimated \$200,000 increase is due to increased health benefit and retirement costs, as well as a 3 percent salary increase for employees who work specifically on tobacco tax revenue collection and enforcement. Projected administrative costs are normally overstated, however, with the elimination of furloughs this fiscal year First 5 California does not anticipate as large of a variance as in previous years.

BOE's cost allocation plan was received by First 5 California on October 8, 2013. Staff is in the process of reviewing the plan, but were not able to complete the review and analysis before agenda materials needed to be submitted to the Commission. Copies of the plan and a summary will be provided at the January meeting.

Attachment D displays the State Commission's share of the FY 2012-13 tobacco tax revenue available (after backfill and BOE adjustments occur), which totaled \$90.1 million, and represents a 3.51 percent decrease from FY 2011-12 revenue (\$93.4 million). The counties' share, or eighty percent of the total amount available after adjustments, totaled \$360.4 million. The attachment also shows the projected revenues through FY 2016-17.

Surplus Money Investment Fund Earnings

First 5 California investments consist of cash in excess of current needs on deposit in the State Surplus Money Investment Fund (SMIF). The Fund and related State Commission accounts participate in the State of California's Pooled Money Investment Program, whereby cash on deposit in the State Treasury determined to be in excess of immediate needs is transferred to the SMIF for investment purposes. All earnings derived from investment of the SMIF are apportioned to the contributing fund as provided in the Government Code.

The rate of interest earned on investment changes regularly and is posted to First 5 California's accounts quarterly. As of June 30, 2013, the interest rate was 0.246 percent, as reflected in the Yield Rate Charts developed by the State Controllers' Office located at <http://www.sco.ca.gov/Files-ARD/smifrate.pdf>.

Table 1 provides a summary of SMIF revenue by account beginning with FY 2007-08 through FY 2012-13.

**TABLE 1
SMIF Revenue by Account**

	FY 07-08	FY 08-09	FY 09-10	FY 10-11	FY 11-12	FY 12-13
Media	\$2,860,932	\$1,843,497	\$592,458	\$184,025	\$121,192	\$67,787
Education	\$6,119,513	\$2,748,882	\$653,916	\$353,841	\$138,253	\$113,365
Child Care	\$3,001,928	\$1,341,339	\$343,215	\$173,764	\$100,460	\$83,929
Research	\$3,518,258	\$1,669,417	\$455,931	\$227,359	\$73,942	\$47,689
Administration	\$1,082,924	\$549,629	\$157,822	\$115,721	\$87,788	\$66,620
Unallocated	\$168,851	\$359,669	\$176,966	\$149,310	\$23,001	\$35,882

First 5 California received a total of \$415,272 in interest earnings during FY 2012-13 for all State Commission accounts, representing a decrease of 24 percent from FY 2011-12 interest earnings (\$544,635). First 5 California has seen a 97.5 percent decrease in interest earnings from 2007-08, when California started experiencing the latest economic downturn. Attachment E shows this dramatic decrease in SMIF funds. With the decrease each year in our fund balances and the significant reduction in the interest yield rates, the interest earned on First 5 California accounts is relatively minimal.

FY 2012-13 Fund Condition

The Fund and related accounts are classified as “Other Governmental Cost Funds” for State of California financial reporting purposes, and defined as special revenue funds used to account for revenues restricted by law for specified purposes. Table 2 below provides a summary of First 5 California’s Fund Condition as of June 30, 2013.

**TABLE 2
FY 2012-13 Fund Condition Overview**

2012-13 Fund Condition (Dollars in Millions)	
	Actual 2012-13
Prior Year Fund Balance	\$112
Revenues and Transfers	\$91
Total Resources Available	\$203
Expenditures ¹	\$67
Ending Fund Balance	\$136

¹Includes Accruals and Encumbrances

Table 3 shows First 5 California's adjusted beginning balance, FY 2012-13 year-end revenue and expenditure results, and the FY 2012-13 year-end balances by account. Each of the following First 5 California accounts ended FY 2012-13 in a positive position.

TABLE 3
Summary of FY 2012-13 Revenue/Expenditures by Account

Fund	FY 2012-13 Beginning Balance	FY 2012-13 Revenue	FY 2012-13 Expenditures	FY 2012-13 Ending Balance
Mass Media Communications	\$19,747,151	\$27,809,010	\$27,336,081	\$20,220,080
Education	\$21,122,380	\$22,638,413	\$9,811,793	\$33,949,000
Child Care	\$24,589,113	\$13,598,957	\$10,400,535	\$27,787,536
Research and Development	\$12,368,581	\$13,562,718	\$8,559,386	\$17,371,913
Administration	\$23,237,336	\$4,571,630	\$4,969,584	\$22,839,380
Unallocated	\$10,618,543	\$9,045,901	\$6,323,106	\$13,341,338
Totals	\$111,683,104	\$91,226,629	\$67,400,485	\$135,509,247

Total revenue exceeds total expenditures in FY 2012-13 due to the State Commission's hesitation to fund new programs due to the unknown commitment needed for the Governor's budget solutions. Therefore, First 5 California realized an increase in fund balance from the previous year.

The Administration Account can only expend funds related to personnel and other operating costs to administer the Act. For FY 2012-13, personnel expenditures totaled \$3,384,839 and general operating expenses and equipment totaled \$1,224,824. Pro Rata and other State fees for FY 2012-13 totaled \$359,922.

Revenue and Expenditure Projections

Attachment F shows the distribution of FY 2013-14 projected revenue for each State Commission account.

Attachment G compares revenue and expenditures with two years of actual data from FY 2011-12 and FY 2012-13, along with three years of projected data through FY 2015-16. The projected expenditures displayed in FY 2015-16 are significantly less than previous years due to the expiration of the Child Signature Program in June 2015.

Attachment G also illustrates that expenditures exceed revenue when programs are fully operational, resulting in a reduction of fund balances.

Financial Plan for FY 2012-13 through FY 2015-16

First 5 California's Financial Plan, Attachment H, is based on actual cash balances for FY 2012-13 and projected cash balances, estimated revenue, and expenditures for the current fiscal year and two budget years.

The Financial Plan is organized by fiscal year and shows the beginning "cash" balances available on July 1 of each fiscal year, the obligated full-year expenditures by project, the amount of projected current year revenue needed to meet current year obligations for each First 5 California account, and the projected year-end balance. A negative number showing in the subtotal of any account does not represent an obligation or funding deficit, but the amount of funds needed from the current year revenue to meet current year obligations.

General Discussion

Revenue is received throughout the year, so First 5 California does not realize the full fiscal year total until August or September of the following fiscal year.

First 5 California operates on a cash basis. In order to encumber funds (set aside funds for current commitments and obligations of the State Commission), there must be either a carryover cash balance sufficient to cover these costs or projected current year revenue that would ensure sufficient cash in the given fiscal year to cover the fiscal year obligations.

During previous Commission meetings, staff indicated that once a more definite expenditure amount to implement a major program could be identified, any remaining authority that existed would be reported to the Commission.

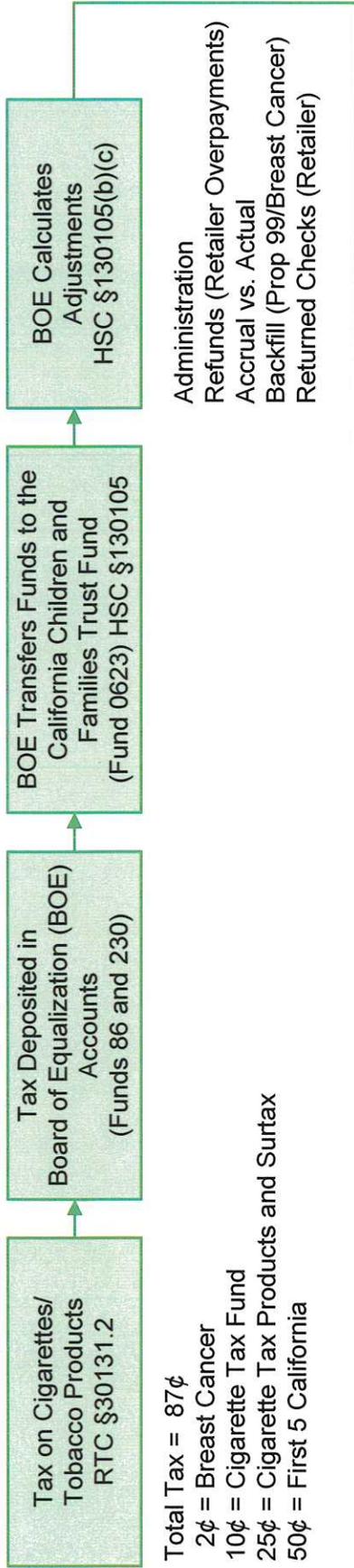
- Attachment I – Educare is a public-private partnership with the intent of establishing three to four Educare early childhood centers in California. First 5 California's commitment of \$6 million, \$2 million each year from FY 2011-12 to FY 2013-14, was to support Educare programs and evaluation. There is an estimated \$5.6 million balance in this program due to delays in implementation.
- Attachment J – Child Signature Program is the continuation of increased access and quality enhancement of the Power of Preschool program. Approximately \$40.7 million is remaining in the Commission's authorization for county grant disbursements due to less-than-expected participation in the program.
- Attachment K – CARES Plus Round 2 is a continuation of the original CARES Plus program. An estimated \$8 million is remaining in the Commission's authorization for county grant disbursements due to less-than-expected participation in the program.

The potential uses for unallocated balances displayed in Attachments I – K will be addressed at the October Commission meeting.

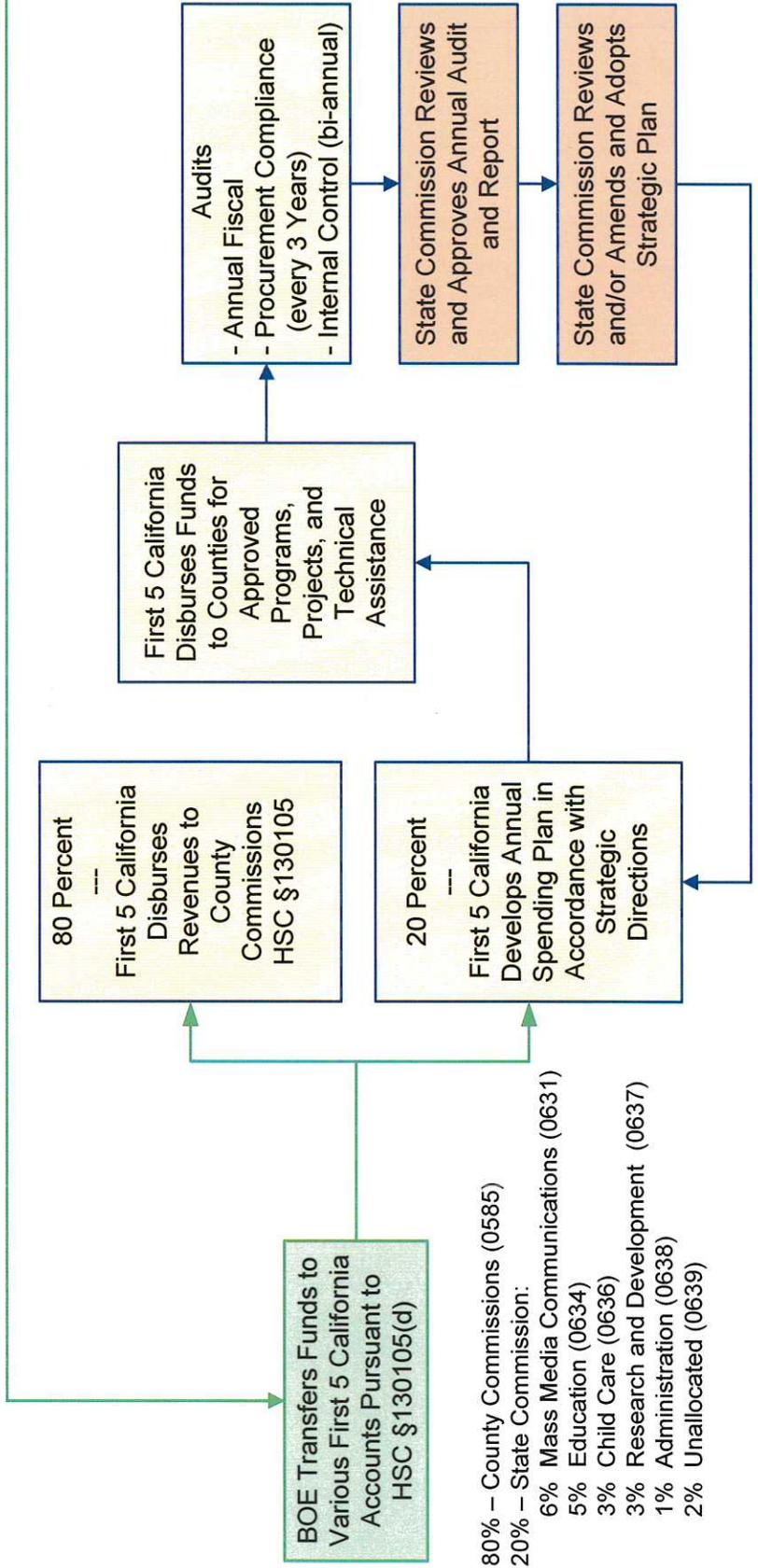
Attachments:

- A. Funding Structure
- B. First 5 California Trust Fund Revenue Projections vs. Actuals
- C. Board of Equalization Adjustments
- D. Actual and Projected State Revenue by Fiscal Year
- E. Surplus Money Investment Fund
- F. Fiscal Year 2013-14 Projected First 5 California Revenues by Account
- G. State Revenue and Expenditures by Fiscal Year
- H. First 5 California Financial Plan FY 2012-13 through FY 2015-16
- I. Educare Status Report
- J. Child Signature Program Status Report
- K. CARES Plus, Round 2 Status Report

Funding Structure



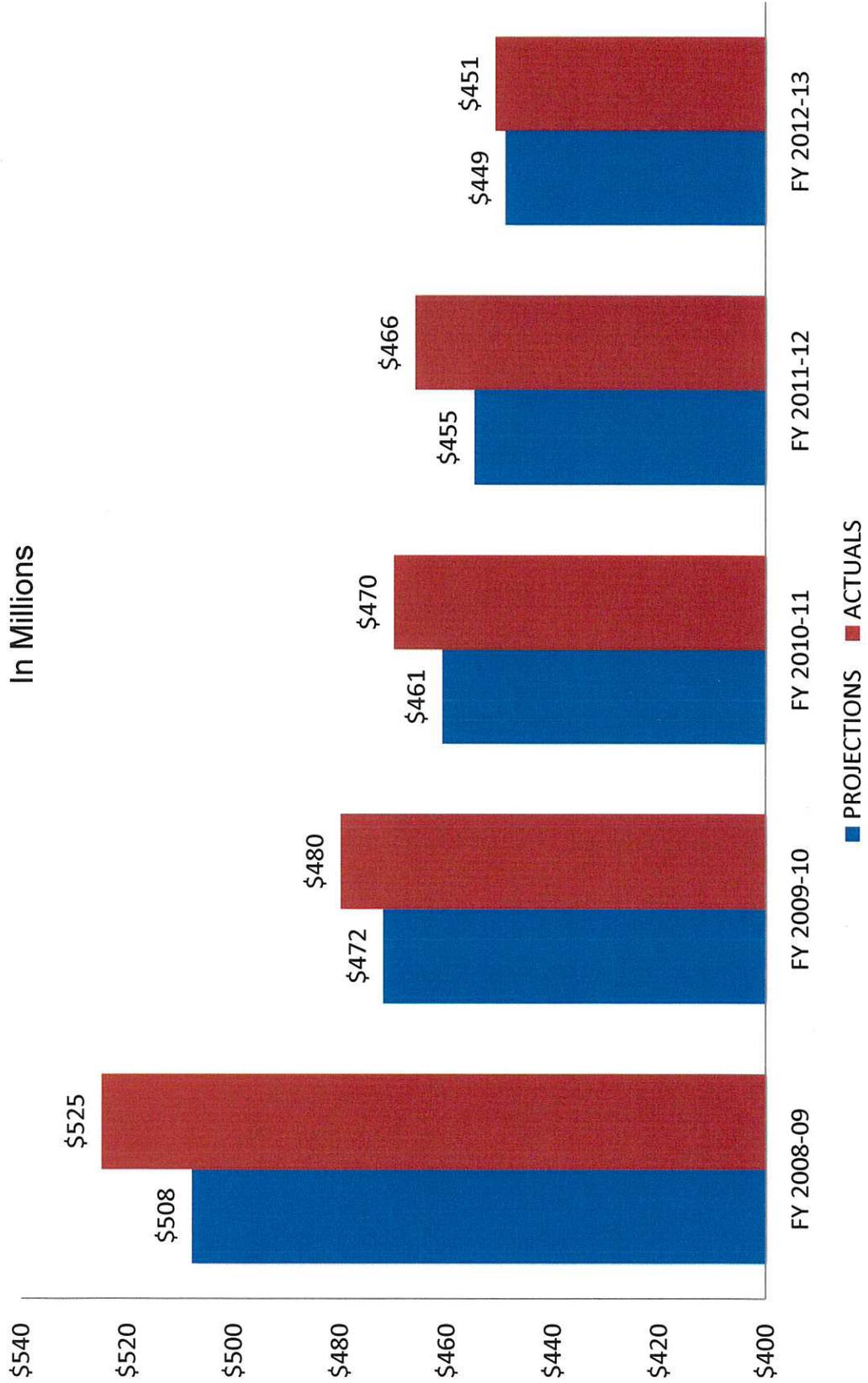
Total Tax = 87¢
 2¢ = Breast Cancer
 10¢ = Cigarette Tax Fund
 25¢ = Cigarette Tax Products and Surtax
 50¢ = First 5 California





First 5 California Trust Fund Revenue Projections vs. Actuals

Model projections based on funds available for transfer, which includes reductions for backfill and BOE Administration.





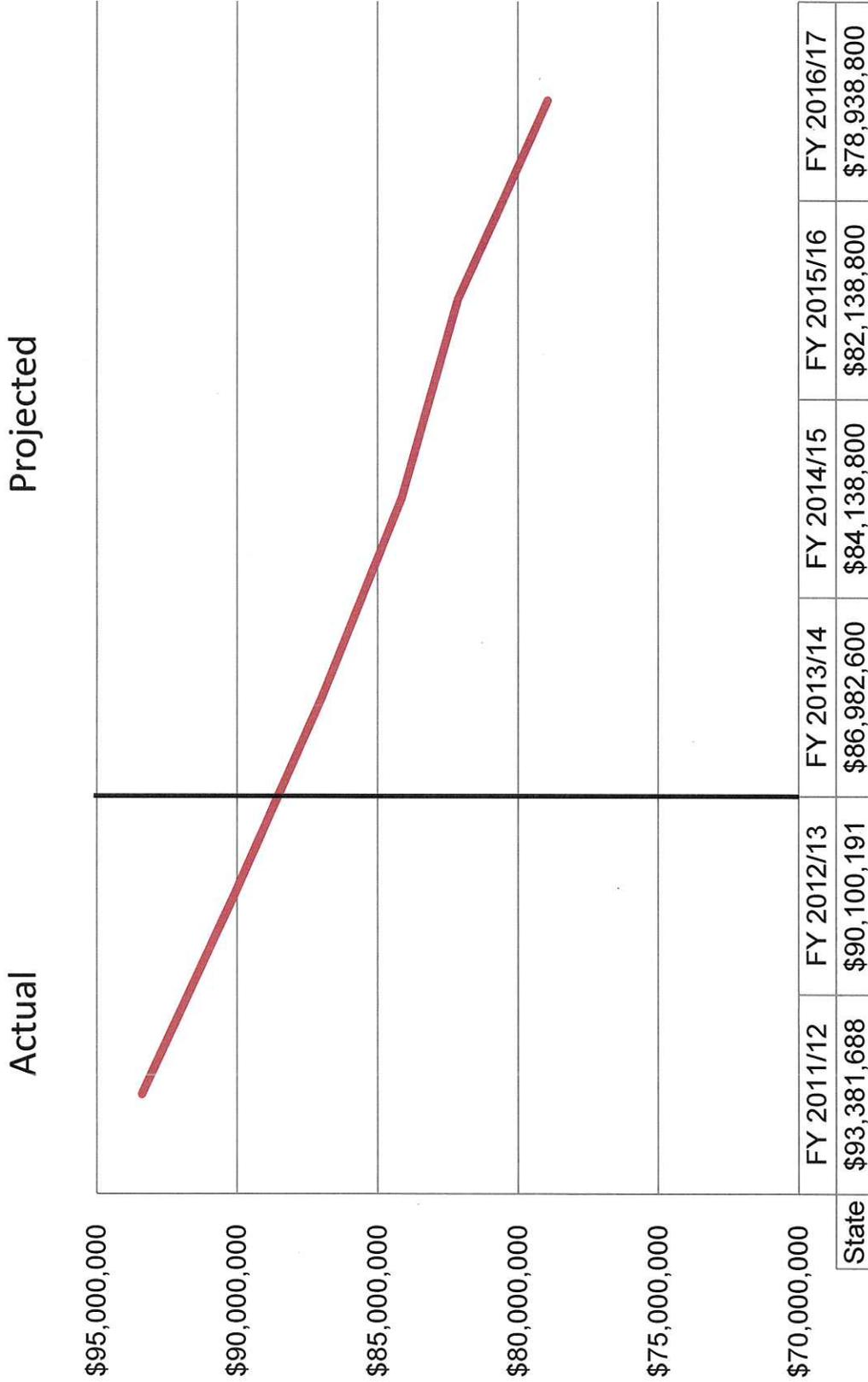
Board of Equalization Adjustments

Board of Equalization (BOE) adjustments to total Proposition 10 tax revenue collected are deducted before any disbursement to First 5 California accounts. The two primary deductions include BOE tax collection, enforcement, and administrative costs; and Proposition 99 backfill amounts. Summaries of these costs over the past decade are listed below:

BOE ADMINISTRATION	BACKFILL
FY 2003-04 \$2,301,371	FY 2003-04 \$21,700,000
FY 2004-05 \$4,642,000	FY 2004-05 \$21,300,000
FY 2005-06 \$4,958,000	FY 2005-06 \$20,300,000
FY 2006-07 \$7,388,000	FY 2006-07 \$18,500,000
FY 2007-08 \$11,162,000	FY 2007-08 \$19,600,000
FY 2008-09 \$11,721,382	FY 2008-09 \$21,200,000
FY 2009-10 \$12,693,653	FY 2009-10 \$21,800,000
FY 2010-11 \$14,229,862	FY 2010-11 \$20,200,000
FY 2011-12 \$15,711,540	FY 2011-12 \$16,500,000
FY 2012-13 \$15,830,475	FY 2012-13 \$15,000,000
FY 2013-14 \$17,578,000	FY 2013-14 \$13,600,000
FY 2014-15 \$17,797,000	

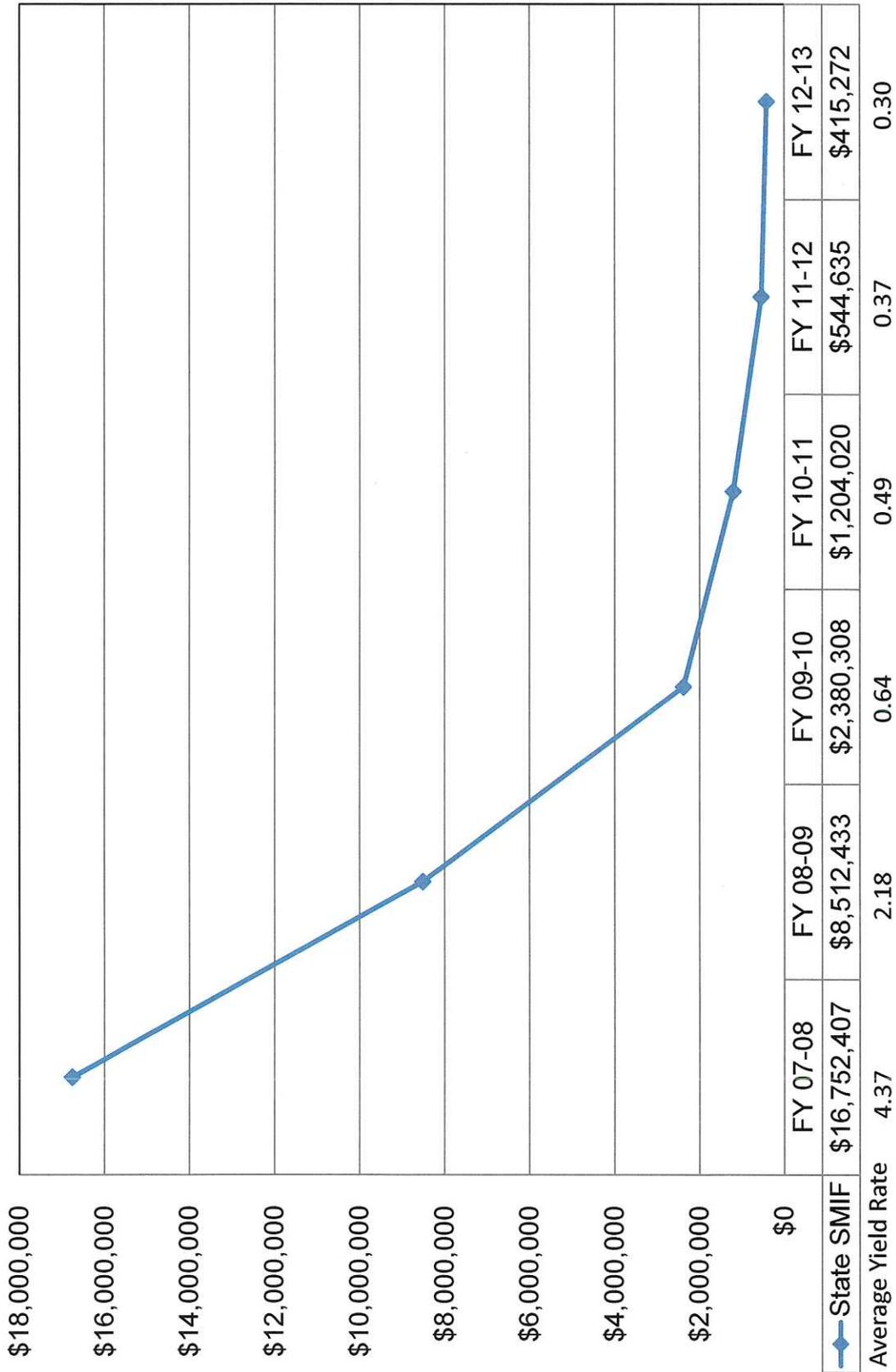


Actual and Projected State Revenue by Fiscal Year





Surplus Money Investment Fund



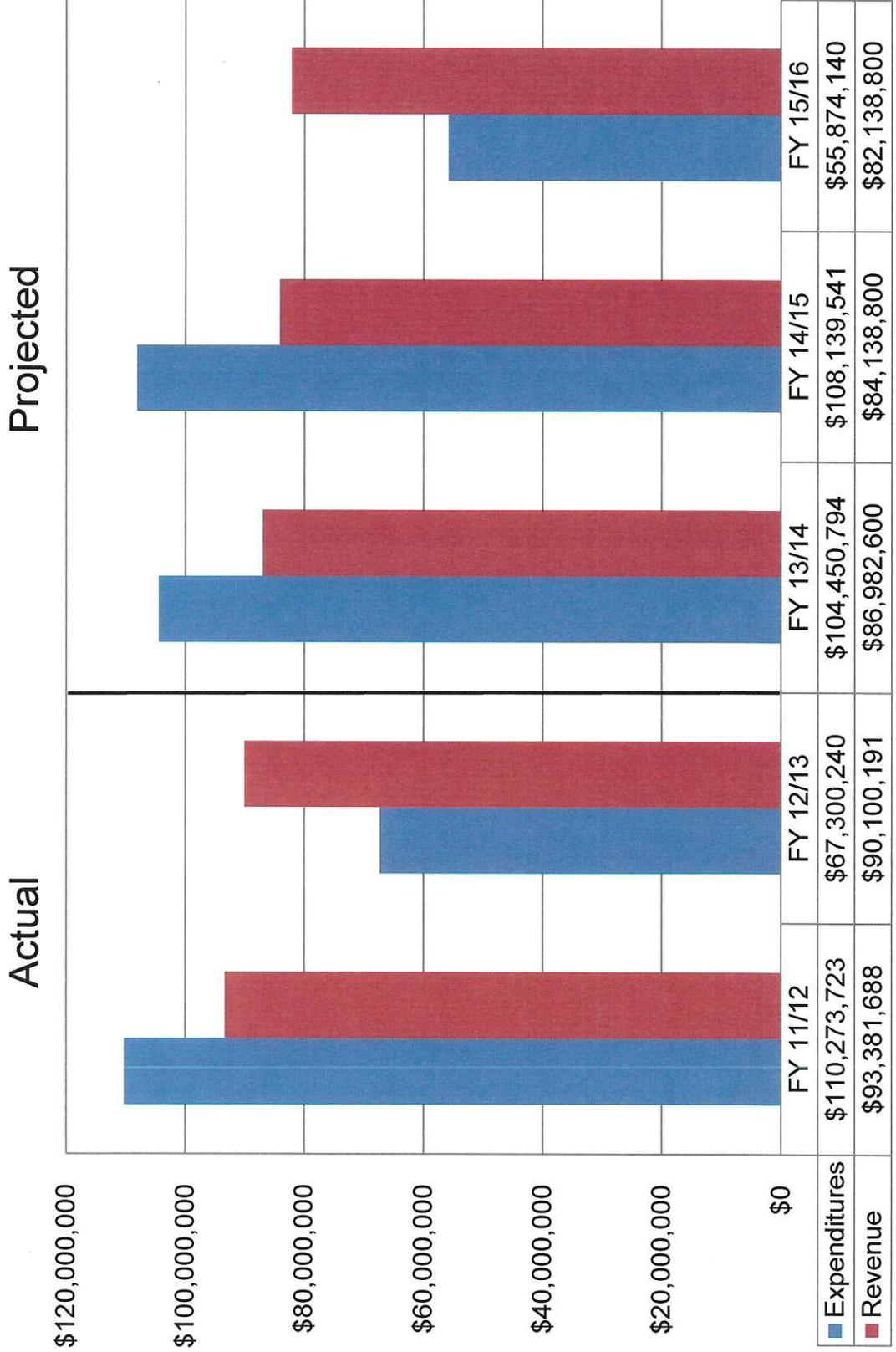


**Fiscal Year 2013-14 Projected
First 5 California Revenue by Account**

- Includes projected tax revenue disbursements to First 5 California (20 percent)
- First 5 California disbursements are distributed according to statute

Account Type	Statutory Distribution	% to Total Conversion	Projected Revenue (Excluding Interest)
Media	6%	30%	\$ 26,094,780
Education	5%	25%	\$ 21,745,650
Child Care	3%	15%	\$ 13,047,390
Research	3%	15%	\$ 13,047,390
Unallocated	2%	10%	\$ 8,698,260
Administration	<u>1%</u>	<u>5%</u>	<u>\$ 4,349,130</u>
	20%	100%	\$ 86,982,600

State Revenue and Expenditures by Fiscal Year



**First 5 California
Financial Plan
FY 2012-13 through FY 2015-16**

Account/Project	FY 12-13	FY 13-14	FY 14-15	FY 15-16
Mass Media Communications (0631)				
Beginning Balance	\$19,731,055	\$20,220,080	\$19,766,186	\$8,510,111
Projected expenditures and obligations	27,319,986	27,109,333	37,057,014	28,441,333
Projected Revenue	27,030,057	26,094,780	25,241,640	24,641,640
Projected Interest	67,788	60,660	59,299	25,530
Other Revenue (Federal Reimbursement for Kit)	711,165	500,000	500,000	500,000
Year-end Balance	\$20,220,080	\$19,766,186	\$8,510,111	\$5,235,949
Education (0634)				
Beginning Balance	\$21,236,975	\$33,949,000	\$23,934,033	\$19,031,409
Projected expenditures and obligations	9,926,388	31,862,464	26,009,126	808,000
Projected Revenue	22,525,048	21,745,650	21,034,700	20,534,700
Projected Interest	113,365	101,847	71,802	57,094
Year-end Balance	\$33,949,000	\$23,934,033	\$19,031,409	\$38,815,204
Child Care (0636)				
Beginning Balance	\$24,499,428	\$27,787,536	\$21,890,263	\$15,548,472
Projected expenditures and obligations	10,310,850	19,028,025	19,028,282	12,728,000
Projected Revenue	13,515,029	13,047,390	12,620,820	12,320,820
Projected Interest	83,929	83,363	65,671	46,645
Year End Balance	\$27,787,536	\$21,890,263	\$15,548,472	\$15,187,938
Research and Development (0637)				
Beginning Balance	\$12,384,327	\$17,371,913	\$22,006,056	\$26,648,941
Projected expenditures and obligations	8,575,133	8,465,363	8,043,952	1,988,000
Projected Revenue	13,515,029	13,047,390	12,620,820	12,320,820
Projected Interest	47,690	52,116	66,018	79,947
Year End Balance	\$17,371,913	\$22,006,056	\$26,648,941	\$37,061,708
Unallocated (0639)				
Beginning Balance	\$10,641,650	\$13,341,338	\$11,216,771	\$8,956,019
Projected expenditures and obligations	6,346,213	10,862,852	10,708,282	4,408,000
Projected Revenue	9,010,019	8,698,260	8,413,880	8,213,880
Projected Interest	35,882	40,024	33,650	26,868
Year-end Balance	\$13,341,338	\$11,216,771	\$8,956,019	\$12,788,767
Program Accounts 0631, 0634, 0636, 0637, 0639 Totals:				
Total cigarette and tobacco tax revenue	\$85,595,182	\$82,633,470	\$79,931,860	\$78,031,860
Total resources per year	\$175,148,435	\$196,141,346	\$179,541,609	\$157,462,898
Total expenditures per year	\$62,478,569	\$97,328,037	\$100,846,655	\$48,373,333
Total Over/Under:	\$112,669,866	\$98,813,309	\$78,694,954	\$109,089,565
Administration (0638)				
Beginning Balance	\$23,089,422	\$22,839,381	\$20,134,271	\$17,108,729
Projected expenditures and obligations	4,821,671	7,122,757	7,292,886	7,500,807
Projected Revenue	4,505,010	4,349,130	4,206,940	4,106,940
Projected Interest	66,620	68,518	60,403	51,326
Year End Balance	\$22,839,381	\$20,134,271	\$17,108,729	\$13,766,188
ALL FIRST 5 CALIFORNIA FUNDS				
Total cigarette and tobacco tax revenue	\$90,100,191	\$86,982,600	\$84,138,800	\$82,138,800
Total resources per year	\$202,809,487	\$223,398,375	\$203,943,223	\$178,729,893
Total expenditures per year	\$67,300,240	\$104,450,794	\$108,139,541	\$55,874,140
Total Over/Under:	\$135,509,247	\$118,947,580	\$95,803,682	\$122,855,754
Total 15% reserve	\$13,515,029	\$13,047,390	\$12,620,820	\$12,320,820
Net after reserve	\$121,994,218	\$105,900,190	\$83,182,862	\$110,534,934

**First 5 California
Financial Plan
FY 2012-13 through FY 2015-16**

		ACTUAL			
Account/Project		FY 12-13	FY 13-14	FY 14-15	FY 15-16
1	Mass Media Communications (0631)				
	Beginning Balance	\$19,731,055	\$20,220,080	\$19,766,186	\$8,510,111
A	School Readiness, Cycle 2	(4,800)			
B	Parent Signature Program - Education and Outreach	8,413,086	11,362,023	7,681,784	0
C	Parent Signature Program - Education and Outreach		0	11,666,667	23,333,333
D	Parent Signature Program - 1-800 Number	61,204	100,000	100,000	100,000
E	Parent Signature Program - Kit for New Parents	4,067,994	3,039,060	5,000,000	5,000,000
F	Child Signature Program	4,796,386	8,076,369	8,076,881	
G	Unallocated Authority		4,523,682	4,523,682	
H	Miscellaneous Media	328	200	0	0
I	DDS Contract - Budget Solution	10,000,000			
J	SCO/PRORATA/ADJUSTMENTS	1,883	8,000	8,000	8,000
	Total Budgeted Expenditures	27,336,081	27,109,333	37,057,014	28,441,333
	Prior Year Adjustments	(16,095)	0	0	0
	Adjusted Fund Balance Expenditures	27,319,986	27,109,333	37,057,014	28,441,333
	Subtotal	(\$7,588,930)	(\$6,889,254)	(\$17,290,827)	(\$19,931,222)
	Projected Revenue	27,030,057	26,094,780	25,241,640	24,641,640
	Projected Interest	67,788	60,660	59,299	25,530
	Other Revenue (Federal Reimbursement for Kit)	711,165	500,000	500,000	500,000
	Year-end Balance	\$20,220,080	\$19,766,186	\$8,510,111	\$5,235,949
	15% Reserve	4,054,509	3,914,217	3,786,246	3,696,246
	Net Year-end Balance	\$16,165,571	\$15,851,969	\$4,723,865	\$1,539,703
2	Education (0634)				
	Beginning Balance	\$21,236,975	\$33,949,000	\$23,934,033	\$19,031,409
A	School Readiness, Cycle 2	(\$10,666)			
B	Statewide Conference	139,742	150,000	150,000	150,000
C	Co-Sponsorship Funding	10,000	150,000	150,000	150,000
D	Child Signature Program - Educare	78,061	254,362		
E	Unallocated Authority		5,600,000		
F	Teacher Signature Program - CARES Plus		500,000	500,000	500,000
G	Child Signature Program	9,592,773	16,152,737	16,153,762	
H	Unallocated Authority		9,047,364	9,047,364	
I	SCO/PRORATA/ADJUSTMENTS	1,883	8,000	8,000	8,000
	Total Budgeted Expenditures	9,811,793	31,862,464	26,009,126	808,000
	Prior Year Adjustments	114,595	0	0	0
	Adjusted Fund Balance Expenditures	9,926,388	31,862,464	26,009,126	808,000
	Subtotal	\$11,310,587	\$2,086,536	(\$2,075,093)	\$18,223,409
	Projected Revenue	22,525,048	21,745,650	21,034,700	20,534,700
	Projected Interest	113,365	101,847	71,802	57,094
	Year-end Balance	\$33,949,000	\$23,934,033	\$19,031,409	\$38,815,204
	15% Reserve	3,378,757	3,261,848	3,155,205	3,080,205
	Net Year-end Balance	\$30,570,243	\$20,672,186	\$15,876,204	\$35,734,999
	Purple: Amount pending Commission approval.				
	Royal Blue: Amount projected if Commission approves sustained level of effort.				
	Green: Subtotal amounts.				

**First 5 California
Financial Plan
FY 2012-13 through FY 2015-16**

	Account/Project	FY 12-13	FY 13-14	FY 14-15	FY 15-16
3	Child Care (0636)				
	Beginning Balance	\$24,499,428	\$27,787,536	\$21,890,263	\$15,548,472
A	School Readiness, Cycle 2	(\$4,533)			
B	Child Signature Program	2,398,193	4,038,184	4,038,440	
C	Unallocated Authority		2,261,841	2,261,841	
D	Teacher Signature Program - CARES Plus	8,004,993	10,058,543	10,059,703	10,058,744
E	Unallocated Authority		2,661,457	2,660,297	2,661,256
F	SCO/PRORATA/ADJUSTMENTS	1,883	8,000	8,000	8,000
	Total Budgeted Expenditures	10,400,535	19,028,025	19,028,282	12,728,000
	Prior Year Adjustments	(89,685)	0	0	0
	Adjusted Fund Balance Expenditures	10,310,850	19,028,025	19,028,282	12,728,000
	Subtotal	\$14,188,578	\$8,759,510	\$2,861,981	\$2,820,472
	Projected Revenue	13,515,029	13,047,390	12,620,820	12,320,820
	Projected Interest	83,929	83,363	65,671	46,645
	Year End Balance	\$27,787,536	\$21,890,263	\$15,548,472	\$15,187,938
	15% Reserve	2,027,254	1,957,109	1,893,123	1,848,123
	Net Year-end Balance	\$25,760,281	\$19,933,154	\$13,655,349	\$13,339,815
4	Research and Development (0637)				
	Beginning Balance	\$12,384,327	\$17,371,913	\$22,006,056	\$26,648,941
A	School Readiness, Cycle 2	(\$6,666)			
B	Annual Report	110,000	221,667	150,000	150,000
C	PEDS Maintenance	73,680			
D	General Research Software	24,110			
E	CARES Plus Program Data Collection and Storage	350,011	780,000	780,000	780,000
F	California Health Interview Survey	418,998	1,000,000	500,000	750,000
G	IT Development	187,020			
H	Child Signature Program	2,400,352	4,041,819	4,042,075	0
I	Unallocated Authority		2,263,877	2,263,877	
J	DDS Contract - Budget Solution	5,000,000			
K	Transitional Kindergarten Study		150,000	300,000	300,000
L	SCO/PRORATA/ADJUSTMENTS	1,883	8,000	8,000	8,000
	Total Budgeted Expenditures	8,559,386	8,465,363	8,043,952	1,988,000
	Prior Year Adjustments	15,746			
	Adjusted Fund Balance Expenditures	8,575,133	8,465,363	8,043,952	1,988,000
	Subtotal	\$3,809,195	\$8,906,550	\$13,962,103	\$24,660,941
	Projected Revenue	13,515,029	13,047,390	12,620,820	12,320,820
	Projected Interest	47,690	52,116	66,018	79,947
	Year End Balance	\$17,371,913	\$22,006,056	\$26,648,941	\$37,061,708
	15% Reserve	2,027,254	1,957,109	1,893,123	1,848,123
	Net Year-end Balance	\$15,344,658	\$20,048,947	\$24,755,818	\$35,213,585

**First 5 California
Financial Plan
FY 2012-13 through FY 2015-16**

	Account/Project	FY 12-13	FY 13-14	FY 14-15	FY 15-16
5	Unallocated (0639)				
	Beginning Balance	\$10,641,650	\$13,341,338	\$11,216,771	\$8,956,019
A	Small County Augmentations	2,995,574	2,894,688	3,000,000	3,000,000
B	California Smoker's Helpline	880,188	1,519,510	1,400,000	1,400,000
C	Strategic Planning Consultant	54,336	95,664		
D	Strategic Planning Consultant Amendment		44,964		
E	Child Signature Program	2,398,193	4,038,184	4,038,440	0
F	Unallocated Authority		2,261,841	2,261,841	
G	HFP Abatement	(7,068)			
H	SCO/PRORATA/ADJUSTMENTS	1,883	8,000	8,000	8,000
	Total Budgeted Expenditures	6,323,106	10,862,852	10,708,282	4,408,000
	Prior Year Adjustments	23,107	0	0	0
	Adjusted Fund Balance Expenditures	6,346,213	10,862,852	10,708,282	4,408,000
	Subtotal	\$4,295,438	\$2,478,487	\$508,489	\$4,548,019
	Projected Revenue	9,010,019	8,698,260	8,413,880	8,213,880
	Projected Interest	35,882	40,024	33,650	26,868
	Year-end Balance	\$13,341,338	\$11,216,771	\$8,956,019	\$12,788,767
	15% Reserve	1,351,503	1,304,739	1,262,082	1,232,082
	Net Year-end Balance	\$11,989,836	\$9,912,032	\$7,693,937	\$11,556,685
	Program Accounts 0631, 0634, 0636, 0637, 0639 Totals:				
	Total cigarette and tobacco tax revenue	\$85,595,182	\$82,633,470	\$79,931,860	\$78,031,860
	Total resources per year	\$175,148,435	\$196,141,346	\$179,541,609	\$157,462,898
	Total expenditures per year	\$62,478,569	\$97,328,037	\$100,846,655	\$48,373,333
	Total Over/Under:	\$112,669,866	\$98,813,309	\$78,694,954	\$109,089,565
	Total 15% Reserve	\$12,839,277	\$12,395,021	\$11,989,779	\$11,704,779
		\$99,830,589	\$86,418,288	\$66,705,175	\$97,384,786
6	Administration (0638)				
	Beginning Balance	\$23,089,422	\$22,839,381	\$20,134,271	\$17,108,729
A	Administrative Expense	4,609,663	6,898,191	7,018,593	7,120,807
B	SCO/PRORATA/ADJUSTMENTS	359,922	224,566	274,293	380,000
	Total Budgeted Expenditures	4,969,584	7,122,757	7,292,886	7,500,807
	Prior Year Adjustments	(147,914)	0	0	0
	Adjusted Fund Balance Expenditures	4,821,671	7,122,757	7,292,886	7,500,807
	Subtotal	\$18,267,751	\$15,716,623	\$12,841,386	\$9,607,922
	Projected Revenue	4,505,010	4,349,130	4,206,940	4,106,940
	Projected Interest	66,620	68,518	60,403	51,326
	Year End Balance	\$22,839,381	\$20,134,271	\$17,108,729	\$13,766,188
	15% reserve	675,751	652,370	631,041	616,041
	Net Year-end Balance	\$22,163,629	\$19,481,902	\$16,477,688	\$13,150,147
	ALL FIRST 5 CALIFORNIA FUNDS				
	Total cigarette and tobacco tax revenue	\$90,100,191	\$86,982,600	\$84,138,800	\$82,138,800
	Total resources per year	\$202,809,487	\$223,398,375	\$203,943,223	\$178,729,893
	Total expenditures per year	\$67,300,240	\$104,450,794	\$108,139,541	\$55,874,140
	Total Over/Under:	\$135,509,247	\$118,947,580	\$95,803,682	\$122,855,754
	Total 15% reserve	\$13,515,029	\$13,047,390	\$12,620,820	\$12,320,820
	Net after reserve	\$121,994,218	\$105,900,190	\$83,182,862	\$110,534,934



Educare Status Report

Maximum Authorization FY 11/12 FY 12/13 FY 13/14 Totals

\$2,000,000 \$2,000,000 \$2,000,000 \$6,000,000

Contract Disbursements:	Actual Expenditures	Actual Expenditures	Projected Expenditures	Total Expenditures
CFF 7261, First 5 Santa Clara	\$67,577	\$78,061	\$154,362	\$300,000
First 5 Los Angeles	\$0	\$0	\$100,000	\$100,000
Subtotal	\$67,577	\$78,061	\$154,362	\$400,000

Unallocated Authority \$1,932,423 \$1,921,939 \$1,845,638 \$5,600,000



Child Signature Program Status Report

	FY 12/13	FY 13/14	FY 14/15	Total
Maximum Authorization	\$45,000,000	\$45,000,000	\$45,000,000	\$135,000,000

Grant Allocations	Actual Expenditures	Projected Expenditures	Projected Expenditures	Total Expenditures
CSP 1, Program Budgets	\$21,998,751	\$21,998,751	\$21,998,751	\$65,996,253
CSP 1, Coordination Budgets	\$799,999	\$799,999	\$799,999	\$2,399,997
CSP 2, Program Budgets	\$2,577,105	\$2,579,024	\$2,581,329	\$7,737,458
CSP 3, Program Budgets		\$4,473,666	\$4,473,666	\$8,947,332
Operation Contracts	\$1,750	\$4,600,000	\$4,600,000	\$9,201,750
Contract Subtotal	\$25,377,605	\$34,451,440	\$34,453,745	\$94,282,790

Unallocated Authority \$19,622,395 \$10,548,560 \$10,546,255 \$40,717,210



CARES Plus, Round 2 Status Report

Maximum Authorization

FY 13/14	FY 14/15	FY 15/16	Total
\$14,000,000	\$14,000,000	\$14,000,000	\$42,000,000

County Grants					Totals
Maximum Grant Allocations	\$7,000,000	\$7,000,000	\$7,000,000	\$7,000,000	\$21,000,000
Approved Grant Applications	\$4,338,543	\$4,339,703	\$4,338,744	\$4,338,744	\$13,016,990
Grant Unallocated Authority	\$2,661,457	\$2,660,297	\$2,661,256	\$2,661,256	\$7,983,010

Contract Disbursements:					
Partnerships	\$5,720,000	\$5,720,000	\$5,720,000	\$5,720,000	\$17,160,000
Statewide Evaluation	\$200,000	\$200,000	\$200,000	\$200,000	\$600,000
Data Collection and Storage	\$580,000	\$580,000	\$580,000	\$580,000	\$1,740,000
CDE Training	\$500,000	\$500,000	\$500,000	\$500,000	\$1,500,000
Contract Subtotal	\$7,000,000	\$7,000,000	\$7,000,000	\$7,000,000	\$21,000,000

Child Care Account Allocation	\$10,058,543	\$10,059,703	\$10,058,744	\$10,058,744	\$30,176,990
Education Account Allocation	\$500,000	\$500,000	\$500,000	\$500,000	\$1,500,000
Research and Development Allocation	\$780,000	\$780,000	\$780,000	\$780,000	\$2,340,000
Total	\$11,338,543	\$11,339,703	\$11,338,744	\$11,338,744	\$34,016,990