



AGENDA ITEM: 15  
 DATE OF MEETING: January 28, 2015  
 ACTION: \_\_\_\_\_  
 INFORMATION:  X

**FINANCIAL UPDATE**

**SUMMARY**

First 5 California staff will provide an update on tax revenue projections and First 5 California’s (F5CA) Financial Plan for Fiscal Years (FY) 2015–16 through FY 2020–21, based on existing authorizations, current revenue, and expenditure projections.

**REVENUE**

The following table represents the actual tax revenues transferred from the California Children and Families Trust Fund (Fund) to F5CA state accounts beginning with FY 2010–11 through FY 2014–15, and projected revenue for FY 2015–16 through 2019–20, with the percentage decline from each fiscal year to the next.

**TABLE 1  
 Actual and Projected First 5 California Revenue through FY 2019–20**

Fiscal Year	Tax Revenue Amount	% Decline
2010–11	\$94,050,327	1.86%
2011–12	\$93,381,688	0.71%
2012–13	\$90,100,191	3.51%
2013–14	\$86,103,907	4.44%
2014–15	\$86,027,892	(0.14)%
Fiscal Year	Projected Tax Revenue Amount	
2015–16	\$83,389,000	3.07%
2016–17	\$80,830,000	3.07%
2017–18	\$78,330,000	3.09%
2018-19	\$75,850,000	3.17%
2019–20	\$73,450,000	3.04%

## **Revenue Adjustments**

The Board of Equalization (BOE) collects Proposition 10 revenue and administers the Fund, which includes determining the amount of adjustments prior to the transfer of funds to the designated State Commission accounts and the Counties Children and Families Account. These adjustments include the annual backfill to the Proposition 99 Fund and Breast Cancer Fund (“backfill”), as well as monthly BOE administrative costs for tax collection and enforcement programs.

### **Backfill**

Pursuant to Health and Safety Code (HSC) section 130105, the Fund was created in the State Treasury for the receipt of tobacco tax revenue collected pursuant to the taxes imposed by section 30131.2 of the Revenue and Taxation Code. BOE administers the Fund and determines the amount to be transferred to specific (non-Proposition 10) programs to offset the revenue decrease directly resulting from the additional taxes imposed by Proposition 10. The backfill amount is deducted annually from the revenue prior to the BOE’s transfer of funds to First 5 California’s state accounts and the Counties Children and Families Account.

At BOE’s Board meeting on November 18, 2015, the Board approved the staff recommendation to adjust the Fund by \$16.1 million for backfill. Attachment A – Effects of Proposition 10 on Cigarette and Tobacco Products Consumption – November 2015 Board Meeting explains the backfill determination in detail. The adjustment offset October tax revenue, which was transferred by the BOE at the end of November.

### **BOE Administration**

Pursuant to Revenue and Tax Code section 30131.3, the BOE has budget authority to spend \$18.1 million in FY 2015–16 and \$18.3 million in FY 2016–17 for operational costs incurred for tax collection and enforcement activities. Although the BOE is authorized to spend up to these amounts, actual expenditures incurred have historically been approximately \$1 to \$2 million less than budgeted.

## **Revenue Projections**

Historically, DOF projections have demonstrated tobacco tax revenue is declining. The rate of decline is caused by both intended and unintended factors, which include federal legislation, state initiatives, First 5 California’s parent education and outreach efforts, and comprehensive smoking cessation programs to reduce tobacco use. The condition of the State’s economy and the growing popularity of e-cigarettes also have an impact on the tobacco tax revenue although the State does not yet have enough data to isolate and quantify the later factor.

According to the most recent revenue projections provided by DOF, tax revenue is declining at a steady rate, averaging 2.8 percent annually. Table 2 below displays

revenue projections, anticipated adjustments to the Fund, and allocations to the Counties Children and Families Account and state accounts.

**TABLE 2**  
**First 5 California Projected Revenue by Account**  
(Based on Governor’s Budget FY 2016–17)

	ACTUAL	GOVERNOR'S BUDGET			DOF PROJECTIONS	
	FY 2014/15	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20
<b>TOTAL REVENUE (1)</b>	\$461,000,000	\$451,100,000	\$438,500,000	\$426,000,000	\$413,600,000	\$401,600,000
<b>OTHER ITEMS OF REVENUE OR COSTS</b>						
Administration(2)	(\$16,200,000)	(\$18,138,000)	(\$18,335,000)	(\$18,335,000)	(\$18,335,000)	(\$18,335,000)
0623 SMIF Interest (3)	\$85,000	\$85,000	\$85,000	\$85,000	\$85,000	\$85,000
PROP 99 BACKFILL(4)	(\$14,700,000)	(\$16,100,000)	(\$16,100,000)	(\$16,100,000)	(\$16,100,000)	(\$16,100,000)
<b>TOTAL OTHER COSTS</b>	<b>(\$30,815,000)</b>	<b>(\$34,153,000)</b>	<b>(\$34,350,000)</b>	<b>(\$34,350,000)</b>	<b>(\$34,350,000)</b>	<b>(\$34,350,000)</b>
<b>AVAILABLE TO TRANSFER</b>	<b>\$430,185,000</b>	<b>\$416,947,000</b>	<b>\$404,150,000</b>	<b>\$391,650,000</b>	<b>\$379,250,000</b>	<b>\$367,250,000</b>
<b>FUNDS TRANSFERRED TO:</b>						
Counties (80%)	\$344,148,000	\$333,557,600	\$323,320,000	\$313,320,000	\$303,400,000	\$293,800,000
First 5 CA (20%)	\$86,037,000	\$83,389,400	\$80,830,000	\$78,330,000	\$75,850,000	\$73,450,000
Accounts						
30% Media - 0631	\$25,811,100	\$25,016,820	\$24,249,000	\$23,499,000	\$22,755,000	\$22,035,000
25% Education - 0634	21,509,250	20,847,350	20,207,500	19,582,500	18,962,500	18,362,500
15% Child Care - 0636	12,905,550	12,508,410	12,124,500	11,749,500	11,377,500	11,017,500
15% Research - 0637	12,905,550	12,508,410	12,124,500	11,749,500	11,377,500	11,017,500
5% Administration - 0638	4,301,850	4,169,470	4,041,500	3,916,500	3,792,500	3,672,500
10% Unallocated - 0639	8,603,700	8,338,940	8,083,000	7,833,000	7,585,000	7,345,000
100.00% Total:	\$430,185,000	\$416,947,000	\$404,150,000	\$391,650,000	\$379,250,000	\$367,250,000

**FINANCIAL PLAN**

F5CA tracks actual and projected revenue and expenditures for First 5 California programs and operations by fiscal year for the following six Proposition 10 accounts for use by the State Commission: Mass Media Communications, Education, Child Care, Research and Development, Administration, and Unallocated. Attachment C displays the Financial Plan for FYs 2014–15 through 2019–20. This plan includes projected revenue and expenditures by account for the current fiscal year and four subsequent budget years.

**FISCAL MAPPING TO THE STRATEGIC PLAN**

F5CA’s Strategic Plan, adopted by the Commission in January 2014, is the driving force behind operational expenditures incurred by F5CA. Activities of the Commission, unless

statutorily mandated, fall under one of the Strategic Priority Areas (SPA) identified in the Strategic Plan. Attachment C – Fiscal Mapping to the Strategic Plan maps expenditures included in the Financial Plan to the SPAs and goals identified in the Strategic Plan.

## **ATTACHMENTS**

- A. Effects of Proposition 10 on Cigarette and Tobacco Products Consumption – November 2015 Board Meeting
- B. First 5 California Financial Plan FYs 2014–15 through FY 2019–20
- C. First 5 California Fiscal Mapping to the Strategic Plan

# Memorandum

To: Honorable Jerome E. Horton, Chairman  
Senator George Runner (Ret.), Vice Chair  
Honorable Fiona Ma, CPA, Second District  
Honorable Diane L. Harkey, Fourth District  
Honorable Betty T. Yee, State Controller

Date: October 1, 2015

From: Joe Fitz, Chief Economist  
Research and Statistics Section

Subject: **EFFECTS OF PROPOSITION 10 ON CIGARETTE AND TOBACCO PRODUCTS  
CONSUMPTION**

## NOVEMBER 2015 BOARD MEETING

Background. Prior to 1989, California imposed a \$0.10 per pack excise tax on cigarettes. Proposition 99 increased the cigarette tax by \$0.25 per pack, effective January 1, 1989. In 1993, the Legislature passed AB 478 (Ch. 660, 1993) and AB 2055 (Ch. 661, 1993), which became effective on January 1, 1994 and added an excise tax of \$0.02 per package of cigarettes for breast cancer and early detection services. This legislation brought the total tax to \$0.37 per pack. Proposition 10 increased the cigarette tax from \$0.37 per pack to \$0.87 per pack, effective January 1, 1999.

California tax-paid cigarette distributions have decreased dramatically over the past 30 years, both before and after Proposition 10. As a result, revenues for all funds supported by cigarette taxes also have declined. Based on outcomes from similar tax increases in California and other states, strong evidence indicates that the Proposition 10 tax increase accelerates declines in annual cigarette and tobacco sales.

Section 130105(c) of the Health and Safety Code, as added by Proposition 10, requires the Board to determine the effect of Proposition 10 on the consumption of cigarettes and tobacco products and directs a transfer of funds to Proposition 99 and Breast Cancer programs to backfill for revenue losses resulting from consumption changes triggered by Proposition 10. The backfill is intended to maintain the funding of certain Proposition 99 and breast cancer programs at the same levels as they would have been without the Proposition 10 tax increase.

These determinations affect tax allocation, rather than the amount or imposition of tax. The Proposition 10 backfill determination increases funds allocated to Proposition 99 and other cigarette tax programs, including health education, health research, breast cancer education, and breast cancer research and decreases funds otherwise allocated to the California Children and Families First Trust Fund enacted by Proposition 10. (See Attachment 1 for a detailed breakout of the cigarette taxes.) These allocation adjustments ensure that Proposition 99 program funding is not negatively impacted by the enactment of Proposition 10.

Recommended Determination. Staff recommends that the Board approve a backfill determination of \$16.1 million for fiscal year 2014-15. The transfer would be made from revenues received in fiscal year 2015-16 to backfill funds affected by changes in consumption during fiscal year 2014-15.

In November 2014, the Board approved a total backfill figure of \$14.7 million for fiscal year 2013-14. This year's proposed backfill figure of \$16.1 million for fiscal year 2014-15 is \$1.4 million more than the prior fiscal year. This year-over-year difference appears typical in the context of historical year-over-year differences. For example, despite the \$1.4 million year-over-year increase from fiscal year 2013-14 to fiscal year 2014-15, the total backfill for fiscal year 2013-14 is smaller than for fiscal year 2010-11.

Yearly variation is expected because backfill determinations are not simple linear trends. As discussed in Attachment 2, backfill determinations result from multiple calculations involving population, tax-paid distributions, cigarette prices, federal and state excise taxes, and the California consumer price index.

The \$16.1 million total backfill determination is approximately 3.5 percent of the estimated \$460.4 million in total 2014-15 California Children and Families First Commission spending.

Table 1 of Attachment 2 summarizes the calculations necessary to derive the proposed backfill determination. The \$16.1 million total backfill adjustment is comprised of the \$3.6 million proposed transfer to breast cancer programs and the \$12.5 million proposed transfer to targeted Proposition 99 programs.

JF:jm

Attachments

cc: Mr. Michael Cohen, Director, Department of Finance  
Mr. Peter Ng, Department of Finance  
Ms. Cynthia Bridges, Executive Director  
Mr. Randy Ferris, Chief Counsel  
Mr. Robert Lambert  
Ms. Lynn Bartolo  
Ms. Michele Pielsticker  
Ms. Joann Richmond  
Mr. Mark Durham  
/with attachments

Recommendation by:

  
\_\_\_\_\_  
Joe Fitz, Chief Economist  
Research and Statistics Section  
Legislative and Research Division

Approved:

  
\_\_\_\_\_  
Ms. Cynthia Bridges  
Executive Director

BOARD APPROVED

at the \_\_\_\_\_ Board Meeting

\_\_\_\_\_  
Joann Richmond, Chief  
Board Proceedings Division

<b>Breakdown of Cigarette Taxes</b> Tax of 87 Cents on a 20-Count Pack of Cigarettes								
Pack 87¢	Initial Fund	Target Fund or Agency		Account		Program		Purpose
10¢	Cigarette Tax Fund	100%	General Fund					
2¢	Cigarette Tax Fund	100%	Breast Cancer Fund	50%	Breast Cancer Research Account 1/	10%	Cancer Surveillance Section	Conduct epidemiological research on the rate of breast cancer occurrence in the population.
						90%	Breast Cancer Research Program	Research the cause, cure, treatment, and earlier detection of breast cancer.
				50%	Breast Cancer Control Account 1/		Provide screening, referral, advocacy, outreach, and education services for uninsured and underinsured women.	
25¢	Cigarette and Tobacco Products Surtax Fund	100%	Cigarette and Tobacco Products Surtax Fund	20%	Health Education Account 1/		School and community health education programs	Prevent and reduce tobacco use, primarily among children.
				35%	Hospital Services Account			Treat people who cannot afford to pay for hospital services and are not covered by insurance or a federal program.
				10%	Physician Services Account			Treat people who cannot afford to pay physician services and are not covered by insurance or a federal program.
				5%	Research Account 1/			Research tobacco-related diseases.
				5%	Public Resources Account	50%		Restore, protect, enhance, or maintain fish, waterfowl, and wildlife habitat.
						50%		Enhance state and local park and recreation resources.
				25%	Unallocated			Provide monies for any of the purposes to which money is allocated from the surtax fund.

1/ Programs to receive transfers from Proposition 10 funds.

<b>Breakdown of Cigarette Taxes</b>							
<b>Tax of 87 Cents on a 20-Count Pack of Cigarettes</b>							
<b>Pack 87¢</b>	<b>Initial Fund</b>	<b>Target Fund or Agency</b>		<b>Account</b>		<b>Program</b>	<b>Purpose</b>
<b>50¢</b>	California Children and Families First Trust Fund	20%	CC&FF State Commission	30%	Mass Media Communications Account		Communicate to general public on childhood development, child care, and health and social services; prevention of tobacco, alcohol, and drug use by pregnant women; detrimental effect of second-hand smoke on children.
				25%	Education Account		Develop educational materials; provide professional and parental education and training; provide technical support to CC&FF county commissions.
				15%	Child Care Account		Educate and train child care providers; develop educational materials and guidelines for childcare workers.
				15%	Research and Development Account		Determine best practices of and assess early childhood development programs and services.
				5%	Administration Account		Cover administrative expenditures of the CC&FF State Commission.
				10%	Unallocated Account		Provide monies for any of the purposes of the CC&FF Act except administrative expenditures.
		80%	CC&FF County Commissions				Provide, sponsor, or facilitate programs relating to early childhood development; measure outcomes; integrate childhood development programs, services, and projects into a consumer-oriented and easily accessible system.

## Attachment 2

### Proposition 10 Backfill Methodology and Documentation of Calculations

#### I. Methodology

**Cigarette Consumption Impacts.** Staff continues to estimate California cigarette consumption with an econometric equation that is similar to those used in other studies found in the literature. The model isolates California excise taxes from other relevant factors affecting consumption.<sup>1</sup> As in previous years, staff updated the data and used our econometric model to estimate the cigarette consumption impacts of Proposition 10.<sup>2</sup>

Staff calculated the difference in consumption with and without Proposition 10 using model-generated estimates of actual consumption in both cases. The model is run twice, with two different tax rates, \$0.37 per pack before Proposition 10 and \$0.87 per pack after Proposition 10. All other factors that affect tax-paid distributions in the model remain unchanged, including federal taxes.

In the model, percentage changes in cigarette consumption per capita are related to percentage changes in cigarette prices, federal excise taxes, and California excise taxes. All dollar figures are converted to constant dollars using the California consumer price index. Our model estimates cigarette consumption based on packs of cigarettes per capita. To calculate total consumption, staff multiplied the model-projected per capita consumption estimate by California civilian population.<sup>3</sup>

**Tobacco Products Consumption Impacts.** To estimate the impacts of Proposition 10 on tobacco products consumption,<sup>4</sup> staff assumed a typical relationship between price and consumption based studies of such relationships for cigarettes and tobacco products. Specifically, BOE staff assumed a price elasticity of demand of -0.50. Staff then applied this relationship to the increase in tax rates resulting from Proposition 10 to estimate the consequential decline in tobacco products consumption. Staff assumed the entire tax increase was passed on to consumers in the form of higher prices, again based on our review of the relevant literature.

The -0.50 price elasticity figure means that every 10 percent increase in the price of tobacco products would result in a 5 percent decline in quantity consumed or dollar volume sales. Based on available data, staff calculated the percentage price increase resulting from additional taxes due to Proposition 10. Applying this percentage price increase and a price elasticity figure, staff determined an expected sales decline through an algebraic solution. Then staff applied the Proposition 99 tax rate to the predicted amount by which these dollar sales declined to estimate the Proposition 99 revenues that would have been expected without the Proposition 10 tax increase.

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<sup>1</sup> Copies of the documentation of the model are available upon request from Joe Fitz, Chief Economist, Research and Statistics Section, 1-916-323-3802.

<sup>2</sup> As used throughout this discussion, the term "consumption" refers to tax-paid distributions.

<sup>3</sup> The model uses California civilian population, beginning fiscal year July 1, to scale mathematically total California tax-paid cigarette distributions. Including minors in these calculations has no significant effect on model results since model results are multiplied by the same scaling factor.

<sup>4</sup> As defined in statute, "tobacco products" exclude cigarettes.

## II. Documentation and Explanation of Backfill Calculations for Proposition 99 and Breast Cancer Programs

### Cigarette Consumption Impacts

Sections 1 and 2 of Table 1 show the calculations necessary for estimating the backfill amount resulting from changes in cigarette consumption.

- July 1, 2014 civilian population of California is estimated by the California Department of Finance to have been approximately 38.336 million people.<sup>5</sup> The statistical model shows that per capita consumption of cigarettes would have been 27.0 packs per person without Proposition 10. Multiplying these two figures yields an estimate of 1,035.1 million packs of cigarettes (far right column of Section 1 of Table 1).
- The statistical model estimates per capita consumption of cigarettes of 22.3 packs per person using the current tax rate of \$0.87 per pack. When multiplied by civilian population, the model estimates tax paid distributions of 854.9 million packs.
- The difference in these two estimates is 180.2 million fewer packs of cigarettes sold with Proposition 10 in effect than without Proposition 10. Some of this decline in consumption may have been caused by increased cigarette tax evasion. However, based on previous studies, most of the decline probably results from reduced cigarette consumption.

Section 2 of Table 1 shows the calculations necessary to derive revenue losses associated with 180.2 million fewer packs of cigarettes incurred by backfill-targeted programs.

- The Breast Cancer programs are funded by a tax rate of two cents per pack. Multiplying \$0.02 by 180.2 million packs yields a result of approximately \$3.6 million.
- The tax rate funding all Proposition 99 programs is twenty-five cents per pack, of which 25 percent is to be backfilled. Therefore, the backfill amount for Proposition 99 programs is \$0.0625 per pack ( $\$0.25 \times .25 = \$0.0625$ ). Multiplying \$0.0625 times 180.2 million packs yields a result of approximately \$11.3 million.
- The total backfill amount related to decreased cigarette sales for the Breast Cancer programs and the targeted Proposition 99 programs combined is \$14.9 million ( $\$3.6 + \$11.3 = \$14.9$ ).

### Tobacco Products Consumption Impacts

Section 3 of Table 1 estimates revenue based on tobacco products sales that would have funded Proposition 99 programs in the absence of the Proposition 10 tax.<sup>6</sup> Our backfill estimate for tobacco products is \$1.2 million. The calculations are shown in Table 2A.

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<sup>5</sup> The model is specified using July 1 California civilian population for the beginning day of the fiscal year. Therefore, to calculate total cigarette consumption for fiscal year 2014-15, staff needs to use July 1, 2014 California civilian population. The source of the July 1, 2014 population figure is from an e-mail from staff at the California Department of Finance Demographic Research Unit.

<sup>6</sup> The Breast Cancer programs do not receive revenues from sales of tobacco products, only from sales of cigarettes.

**Table 1**  
**Summary of Backfill Calculations for Proposition 99 and Breast Cancer Programs**  
**Fiscal Year 2014-15**

**(1) Change in California Cigarette Consumption a/**

	Estimated July 1, 2014 Civilian California Population (Millions) b/	Estimated Per Capita Consumption (Packs/Person) c/	California Cigarette Consumption (Million Packs)
Model Estimated Cigarette Consumption:	38.336		
Without Proposition 10		27.0	1,035.1
With Proposition 10		22.3	854.9
Difference			-180.2

**(2) Changes in Cigarette Revenue**

	Backfill Tax Rate (Dollars Per Pack)	Estimated Change in Consumption (Million Packs) d/	Estimated Change in Revenue (\$ Millions)
Breast Cancer Programs	0.0200	-180.2	-3.6
Proposition 99 Programs e/	0.0625	-180.2	-11.3
Total	0.0825		-14.9

**(3) Change in Tobacco Products Revenue**

*(See Tables 2A and 2B for Calculations)*

	Estimated Change in Revenue (\$ Millions)
Proposition 99 Programs f/	-\$1.2

**(4) Summary of Total Fund Backfill Changes**

	Accounts (Millions of Dollars)	Programs (Millions of Dollars)
Breast Cancer Programs		-3.6
Proposition 99 Programs		-12.5
Health Education Account (20% of Proposition 99 Funds)	-10.01	
Research Account (5% of Proposition 99 Funds)	-2.50	
Total Backfill Amount, All Programs		-16.1

Note: All numbers are rounded off from original spreadsheet figures in order for them to sum to the specified totals.

a/ Consumption here and throughout the rest of this table refers to tax-paid consumption.

b/ Source: California Department of Finance.

c/ Source: BOE Research and Statistics Section econometric cigarette consumption estimation model.

d/ Source: Total change in consumption calculated above.

e/ As specified in Proposition 10, 25 percent of the Proposition 99 tax rate of \$0.25 per pack tax is to be backfilled. This percentage is \$0.0625 per pack (\$0.25 x 0.25).

f/ This figure is 25% of the revenue loss due to decreased sales caused by the Proposition 10 tax increase.

Table 2A shows how staff algebraically solved for the predicted sales change using the price elasticity of demand formula shown at the top of Table 2A. The table has four components in addition to the formula, which are marked off by horizontal lines. The first column of the table shows the row letters of each line. Lines (a) through (e) show the steps involved in determining the percentage increase in price caused by Proposition 10.

- As shown in line (e) of the table, Proposition 10 increased the price of tobacco products in fiscal year 2014-15 by 17.86 percent.
- Lines (f) and (g) show the calculations made to determine the resulting 8.93 percent decrease in sales.
- Lines (h) through (l) display calculations made to apply the tax to the decline in sales.
  - BOE tax return data show fiscal year sales of \$282.68 million in 2014-15 (line h).
  - Line (i) shows the \$309.10 million result of solving the price elasticity of demand formula (details shown in Table 2B).
  - Line (j) shows that these figures imply a sales decline of \$26.42 million.
  - Multiplying this figure by the Proposition 99 tax rate of 18.39 percent results in a total Proposition 99 revenue loss of \$4.86 million (line l).
- Multiplying this figure by 0.25 (since Proposition 99 programs to be backfilled receive 25 percent of Proposition 99 revenues collected) results in a figure of \$1.21 million (line m). Mathematically rounding off this figure produces a result of \$1.2 million less in revenues from sales of tobacco products that would have funded Proposition 99 programs, as shown in Table 1.

### Summary of Total Backfill Changes

Cigarette tax revenues comprise about 93 percent of the entire backfill estimate amount. (Of the \$16.1 million backfill total, \$14.9 million is related to cigarette consumption changes. The remaining \$1.2 million is related to changes in tax paid consumption of tobacco products.) Section 4 of Table 1 summarizes the figures computed for the backfill amounts from Sections 1 through 3. The total backfill amount is \$16.1 million, with \$3.6 million allocated to Breast Cancer programs and \$12.5 million allocated to the specified Proposition 99 programs. Of the \$12.5 million going to Proposition 99 programs, \$10.01 million will be allocated to the Health Education Account (which receives 20 percent of Proposition 99 revenues) and \$2.50 million will be allocated to the Research Account (which receives 5 percent of Proposition 99 revenues).

### Historical Consumption and Sales

Tables 3 and 4 provide some additional background information on tax-paid cigarette and tobacco products consumption. Table 3 shows tax-paid cigarette distributions from fiscal years 1987-88 through 2014-15 (preliminary data). It also shows tax-paid wholesale sales of tobacco products from fiscal years 1990-91 through 2014-15 (preliminary data). Table 4 shows total backfill determinations approved by the Board since 1999.

<b>Table 2A</b>		
<b>Revenue Change in Tobacco Products, Proposition 10 Backfill</b>		
<b>Fiscal Year 2014-15</b>		
Price Elasticity of Demand Formula: $e_p = (Q_1 - Q_2) / ((Q_1 + Q_2) / 2) / (P_1 - P_2) / ((P_1 + P_2) / 2)$ Where (generally): P = price, and Q = sales of tobacco products Alternatively stated, $e_p = \text{average \% change in sales} / \text{average \% change in price}$ Assume $e_p = -0.50$ , based on review of the literature		
<b>Line #</b>	<b>Data Description or Calculations</b>	<b>Result</b>
<b>Solving for the percentage change in tobacco products price:</b>		A/
a	Average wholesale cost per pack of 20 cigarettes	\$4.73
b	Proposition 10 tobacco products equivalent per pack rate	\$1.00
c	Other per pack taxes	\$0.37
d	Estimated per pack cost, including taxes (line a + line b + line c)	\$6.10
e	Estimated change in per pack cost due to Proposition 10, % [line b / ((line a + line c + line d) / 2 )]	17.86%
<b>Solving for the percentage change in tobacco products sales:</b>		
f	Assumed price elasticity of demand = -0.50	-0.50
g	Estimated percent change in sales of tobacco products, % (line e x line f)	-8.93%
<b>Applying Proposition 99-only portion of 2014-15 tax to predicted change in sales:</b>		
h	California wholesale sales of tobacco products (excluding taxes), FY 2014-15, millions of dollars	B/ \$282.68
i	Estimated wholesale sales of tobacco products without Proposition 10, million \$ (Table 2B, line 5)	\$309.10
j	Estimated decline in wholesale sales of tobacco products due to Proposition 10, million \$ (line h - line i)	-\$26.42
k	Tobacco products tax rate, excluding Prop. 10, % [\$0.87 / wholesale cigarette cost (line a)]	C/ 18.39%
l	Estimated taxes lost due to the decline in sales caused by Proposition 10, million \$ (line j x line k)	-\$4.86
<b>Applying proportion of Proposition 99 revenue loss to backfill Proposition 99 target accounts:</b>		
m	Line l * 0.25 (25% of all Proposition 99 programs are backfilled)	-\$1.21
<p>A/ Source of wholesale price (Line a): State Board of Equalization April 22, 2014 Meeting Agenda, Item P4-1, "2014/15 Tobacco Products Tax Rate." Additional note: Substituting the equivalent per-pack rate of \$1.00 for the tobacco products tax change caused by Proposition 10 and using the sum of wholesale cost per pack and total per-pack taxes to calculate change in price isolates the change in price of tobacco products caused by Proposition 10. This is because the tax rate on tobacco products is the sum of the combined rate of tax on cigarettes imposed by Proposition 99 and the rate of tax on cigarettes imposed by Proposition 10 divided by the wholesale price of cigarettes. The change in the numerator of the tobacco products tax rate formula brought about by Proposition 10 is \$1.00 per pack--50 cents from the Proposition 99 combined rate of tax on cigarettes and 50 cents from the Proposition 10 tax on cigarettes. An increase in cigarette taxes will increase the tobacco products tax rate if wholesale cost is held constant. Conversely, an increase in wholesale cost will decrease the tobacco products tax rate if cigarette taxes are held constant.</p> <p>B/ Source: Board of Equalization Excise Taxes Division, "Big Return Report Annual Summary," line number 7, run September 8, 2015.</p> <p>C/ Note: The tobacco products tax rate excluding Proposition 10 is comprised of the original tobacco products rate (\$0.25), the general fund rate (\$0.10), the Breast Cancer rate (\$0.02) and the rate associated with Proposition 10 (\$0.50), for a total rate excluding Proposition 10 of \$0.87. There are no separate non-Proposition 99 rates on tobacco products. Tobacco products are only taxed by Propositions 99 and 10; general fund and Breast Cancer excise taxes only apply to cigarettes.</p>		

Source: BOE Research and Statistics Section

**Table 2B****Arc Elasticity Calculations, Tobacco Products, Solving for Q<sub>2</sub> With Known P<sub>1</sub>, P<sub>2</sub>, Q<sub>1</sub> and Elasticity**

		Line Number	
P <sub>1</sub>	[Retail price per pack equivalent (includes excise taxes) Current Law, Table 2A, line d]	1	\$6.10
P <sub>2</sub>	[Retail price per pack equivalent (Without Proposition 10), line 1 - Table 2A, line b]	2	\$5.10
Q <sub>1</sub>	[Wholesale Sales (Million Dollars, Current Law), Table 2A, line h]	3	\$282.68
Elasticity	[Table 2A, line f]	4	-0.50
Q <sub>2</sub>	[Estimated Wholesale Sales Without Proposition 10 (Million Dollars), see equation below]	5	\$309.10

*Arc elasticity of demand formula, solving for Q<sub>2</sub>:*

$$Q_2 = ((-P_1 * Q_1) - (Q_1 * P_2) - (E * P_2 * Q_1) + (E * P_1 * Q_1)) / ((E * P_2) - P_2 - (E * P_1) - P_1)$$

*Where:*

*E = price elasticity of demand;*

*Q<sub>1</sub> is quantity demanded in time period 1;*

*Q<sub>2</sub> is quantity demanded in time period 2;*

*P<sub>1</sub> is the price in time period 1;*

*P<sub>2</sub> is the price in time period 2.*

Source: BOE Research and Statistics Section

**Table 3  
Historical California Tax-Paid Cigarette Distributions and Sales of Tobacco Products**

<b>Fiscal Year</b>	<b>Tax Paid Cigarette Distributions (Millions of Packs) a/</b>	<b>Percent Change</b>	<b>Wholesale Sales of Tobacco Products (Millions of Dollars) b/</b>	<b>Percent Change</b>
1987-88	2,570	-1.0%	n.a.	n.a.
1988-89	2,353	-8.4%	n.a.	n.a.
1989-90	2,219	-5.7%	n.a.	n.a.
1990-91	2,102	-5.3%	67.9	n.a.
1991-92	2,050	-2.5%	74.0	9.0%
1992-93	1,923	-6.2%	77.0	4.1%
1993-94	1,824	-5.1%	83.9	9.0%
1994-95	1,791	-1.8%	92.4	10.1%
1995-96	1,742	-2.7%	109.4	18.3%
1996-97	1,716	-1.5%	178.0	62.7%
1997-98 c/	1,668	-2.8%	130.7	-26.5%
1998-99	1,523	-8.7%	113.9	-12.9%
1999-00	1,353	-11.2%	95.9	-15.8%
2000-01	1,288	-4.8%	90.9	-5.2%
2001-02	1,237	-4.0%	77.1	-15.2%
2002-03	1,196	-3.3%	80.8	4.8%
2003-04	1,184	-1.0%	94.7	17.3%
2004-05	1,187	0.3%	114.8	21.2%
2005-06	1,190	0.3%	123.6	7.7%
2006-07	1,158	-2.7%	151.4	22.5%
2007-08	1,107	-4.4%	162.6	7.4%
2008-09	1,058	-4.4%	174.5	7.4%
2009-10	972	-8.1%	194.0	11.2%
2010-11	961	-1.2%	212.2	9.4%
2011-12	951	-1.0%	225.2	6.1%
2012-13	907	-4.7%	254.8	13.2%
2013-14	871	-4.0%	272.8	7.1%
2014-15	867 d/	-0.4%	282.7	3.6%

a/ Source: 2013-14 Board of Equalization Annual Report

b/ Source: Board of Equalization Excise Taxes Division. Represents wholesale sales of tobacco products as reported by distributors.

c/ Fiscal year 1997-98 was the last year unaffected by Proposition 10, which became law on January 1, 1999.

d/ Preliminary data. Source: Board of Equalization Excise Taxes Division.

n.a. not applicable

Source: BOE Research and Statistics Section

**Table 4****Backfill History**

Fiscal Year	Total Backfill (\$Millions) a/		Breast Cancer Programs	Proposition 99 Programs	
				Health Education Account	Research Account
1998-99	\$12.6	b/	\$2.9	\$7.8	\$1.9
1999-00	\$24.0		\$5.4	\$14.9	\$3.7
2000-01	\$25.9		\$6.0	\$15.9	\$4.0
2001-02	\$35.9	c/	n.a.	n.a.	n.a.
2002-03	\$21.7		\$5.0	\$13.4	\$3.3
2003-04	\$21.3		\$4.9	\$13.1	\$3.3
2004-05	\$20.3		\$4.6	\$12.6	\$3.1
2005-06	\$18.5		\$4.2	\$11.4	\$2.9
2006-07	\$19.6		\$4.4	\$12.2	\$3.0
2007-08	\$21.2		\$4.7	\$13.2	\$3.3
2008-09	\$21.8		\$4.9	\$13.5	\$3.4
2009-10	\$20.2		\$4.5	\$12.6	\$3.1
2010-11	\$16.5		\$3.7	\$10.2	\$2.6
2011-12	\$15.0		\$3.4	\$9.3	\$2.3
2012-13	\$13.6		\$3.0	\$8.5	\$2.1
2013-14	\$14.7		\$3.3	\$9.2	\$2.3
2014-15 d/	\$16.1		\$3.6	\$10.0	\$2.5

a/ Detail may not sum to total backfill due to rounding.

b/ Half-year backfill.

c/ The staff recommendation backfill was not adopted. This figure was proposed by a Board Member and adopted by the Board. No breakout is available in the records kept by the Research and Statistics Section.

d/ Proposed.

Source: BOE Research and Statistics Section

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Account/Project	ACTUAL FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20
<b>Mass Media Communications (0631)</b>						
<b>Beginning Balance</b>	<b>\$20,498,024</b>	<b>\$23,802,259</b>	<b>\$21,826,288</b>	<b>\$19,026,725</b>	<b>\$15,471,263</b>	<b>\$18,670,677</b>
Projected Expenditures and Obligations	23,165,851	27,564,197	27,614,042	27,611,542	20,102,000	20,102,000
Projected Revenue	25,808,368	25,016,820	24,249,000	23,499,000	22,755,000	22,035,000
Projected Interest	64,229	71,407	65,479	57,080	46,414	56,012
Federal Reimbursement for Kit	597,490	500,000	500,000	500,000	500,000	500,000
<b>Year-end Balance</b>	<b>\$23,802,259</b>	<b>\$21,826,288</b>	<b>\$19,026,725</b>	<b>\$15,471,263</b>	<b>\$18,670,677</b>	<b>\$21,159,689</b>
<b>Education (0634)</b>						
<b>Beginning Balance</b>	<b>\$42,464,873</b>	<b>\$48,259,869</b>	<b>\$42,445,569</b>	<b>\$41,428,406</b>	<b>\$38,983,191</b>	<b>\$35,710,640</b>
Projected Expenditures and Obligations	16,003,573	26,806,429	21,352,000	22,152,000	22,352,000	22,152,000
Projected Revenue	21,670,238	20,847,350	20,207,500	19,582,500	18,962,500	18,362,500
Projected Interest	128,331	144,780	127,337	124,285	116,950	107,132
<b>Year-end Balance</b>	<b>\$48,259,869</b>	<b>\$42,445,569</b>	<b>\$41,428,406</b>	<b>\$38,983,191</b>	<b>\$35,710,640</b>	<b>\$32,028,272</b>
<b>Child Care (0636)</b>						
<b>Beginning Balance</b>	<b>\$29,785,590</b>	<b>\$32,054,668</b>	<b>\$28,098,498</b>	<b>\$29,305,295</b>	<b>\$26,140,712</b>	<b>\$22,594,635</b>
Projected Expenditures and Obligations	10,722,556	16,560,744	11,002,000	15,002,000	15,002,000	15,002,000
Projected Revenue	12,904,184	12,508,410	12,124,500	11,749,500	11,377,500	11,017,500
Projected Interest	87,451	96,164	84,295	87,916	78,422	67,784
<b>Year-end Balance</b>	<b>\$32,054,668</b>	<b>\$28,098,498</b>	<b>\$29,305,295</b>	<b>\$26,140,712</b>	<b>\$22,594,635</b>	<b>\$18,677,920</b>
<b>Research and Development (0637)</b>						
<b>Beginning Balance</b>	<b>\$25,901,464</b>	<b>\$33,505,869</b>	<b>\$37,161,172</b>	<b>\$33,158,131</b>	<b>\$29,143,081</b>	<b>\$24,743,985</b>
Projected Expenditures and Obligations	5,376,867	8,953,624	16,239,000	15,864,000	15,864,000	15,864,000
Projected Revenue	12,904,184	12,508,410	12,124,500	11,749,500	11,377,500	11,017,500
Projected Interest	77,087	100,518	111,459	99,450	87,405	74,207
<b>Year-end Balance</b>	<b>\$33,505,869</b>	<b>\$37,161,172</b>	<b>\$33,158,131</b>	<b>\$29,143,081</b>	<b>\$24,743,985</b>	<b>\$19,971,693</b>
<b>Unallocated (0639)</b>						
<b>Beginning Balance</b>	<b>\$14,362,059</b>	<b>\$13,722,095</b>	<b>\$15,002,215</b>	<b>\$15,878,688</b>	<b>\$18,345,863</b>	<b>\$20,643,124</b>
Projected Expenditures and Obligations	9,288,382	7,099,986	7,251,534	5,413,461	5,342,777	5,263,630
Projected Revenue	8,602,789	8,338,940	8,083,000	7,833,000	7,585,000	7,345,000
Projected Interest	45,629	41,166	45,007	47,636	55,038	61,929
<b>Year-end Balance</b>	<b>\$13,722,095</b>	<b>\$15,002,215</b>	<b>\$15,878,688</b>	<b>\$18,345,863</b>	<b>\$20,643,124</b>	<b>\$22,786,423</b>
<b>Program Accounts 0631, 0634, 0636, 0637, and 0639 Totals:</b>						
Total Cigarette and Tobacco Tax Revenue	<b>\$81,889,762</b>	<b>\$79,219,930</b>	<b>\$76,788,500</b>	<b>\$74,413,500</b>	<b>\$72,057,500</b>	<b>\$69,777,500</b>
Total Resources Per Year	\$215,901,988	\$231,518,724	\$222,255,821	\$214,127,113	\$201,025,838	\$193,007,627
Total Expenditures Per Year	\$64,557,229	\$86,984,981	\$83,458,576	\$86,043,003	\$78,662,777	\$78,383,630
<b>Total Over/Under</b>	<b>\$151,344,760</b>	<b>\$144,533,743</b>	<b>\$138,797,245</b>	<b>\$128,084,110</b>	<b>\$122,363,061</b>	<b>\$114,623,997</b>
<b>Administration (0638)</b>						
<b>Beginning Balance</b>	<b>\$21,330,919</b>	<b>\$19,726,087</b>	<b>\$17,481,293</b>	<b>\$15,085,682</b>	<b>\$12,385,842</b>	<b>\$9,376,243</b>
Projected Expenditures and Obligations	6,198,537	6,473,630	6,489,742	6,661,784	6,839,444	7,022,936
Projected Revenue	4,542,393	4,169,470	4,041,500	3,916,500	3,792,500	3,672,500
Projected Interest	51,312	59,366	52,631	45,444	37,345	28,316
<b>Year-end Balance</b>	<b>\$19,726,087</b>	<b>\$17,481,293</b>	<b>\$15,085,682</b>	<b>\$12,385,842</b>	<b>\$9,376,243</b>	<b>\$6,054,123</b>
<b>ALL FIRST 5 CALIFORNIA FUNDS</b>						
Total Cigarette and Tobacco Tax Revenue	<b>\$86,432,155</b>	<b>\$83,389,400</b>	<b>\$80,830,000</b>	<b>\$78,330,000</b>	<b>\$75,850,000</b>	<b>\$73,450,000</b>
Total Resources Per Year	\$241,826,612	\$255,473,646	\$243,831,244	\$233,174,739	\$217,241,525	\$206,084,686
Total Expenditures Per Year	\$70,755,765	\$93,458,611	\$89,948,318	\$92,704,787	\$85,502,221	\$85,406,566
<b>Total Over/Under</b>	<b>\$171,070,847</b>	<b>\$162,015,035</b>	<b>\$153,882,926</b>	<b>\$140,469,952</b>	<b>\$131,739,304</b>	<b>\$120,678,120</b>
Total 15% Reserve	\$12,964,823	\$12,508,410	\$12,124,500	\$11,749,500	\$11,377,500	\$11,017,500
Net After Reserve	\$158,106,023	\$149,506,625	\$141,758,426	\$128,720,452	\$120,361,804	\$109,660,620

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	Account/Project	Strategic Plan Goal	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
<b>1</b>	<b>Mass Media Communications (0631)</b>							
	<b>Beginning Balance</b>		<b>\$20,498,024</b>	<b>\$23,802,259</b>	<b>\$21,826,288</b>	<b>\$19,026,725</b>	<b>\$15,471,263</b>	<b>\$18,670,677</b>
A	Parent Signature Program - Education and Outreach	3.1	10,549,800	0	0	0	0	0
B	Parent Signature Program - Education and Outreach	3.1	0	22,459,542	22,509,542	22,509,542	15,000,000	15,000,000
C	Parent Signature Program - 1-800 Number	3.1	84,795	100,000	100,000	100,000	100,000	100,000
D	Parent Signature Program - Kit for New Parents	3.1	0	0	0	0	0	0
E	Parent Signature Program - Kit for New Parents	3.1	5,116,109	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
F	Child Signature Program	1.1, 1.2, 2.1, 2.2	7,809,448	0	0	0	0	0
G	Miscellaneous	3.1	1,855	2,655	2,500	0	0	0
H	SCO/PRORATA/ADJUSTMENTS		2,763	2,000	2,000	2,000	2,000	2,000
	<b>Total Budgeted Expenditures</b>		<b>23,564,771</b>	<b>27,564,197</b>	<b>27,614,042</b>	<b>27,611,542</b>	<b>20,102,000</b>	<b>20,102,000</b>
	Prior Year Adjustments		(398,920)	0	0	0	0	0
	<b>Adjusted Fund Balance Expenditures</b>		<b>23,165,851</b>	<b>27,564,197</b>	<b>27,614,042</b>	<b>27,611,542</b>	<b>20,102,000</b>	<b>20,102,000</b>
	<b>Subtotal</b>		<b>(\$2,667,827)</b>	<b>(\$3,761,938)</b>	<b>(\$5,787,754)</b>	<b>(\$8,584,817)</b>	<b>(\$4,630,737)</b>	<b>(\$1,431,323)</b>
	Projected Revenue		<b>25,808,368</b>	<b>25,016,820</b>	<b>24,249,000</b>	<b>23,499,000</b>	<b>22,755,000</b>	<b>22,035,000</b>
	Projected Interest		64,229	71,407	65,479	57,080	46,414	56,012
	Federal Reimbursement for Kit		597,490	500,000	500,000	500,000	500,000	500,000
	Other Revenue		0	0	0	0	0	0
	<b>Year-end Balance</b>		<b>\$23,802,259</b>	<b>\$21,826,288</b>	<b>\$19,026,725</b>	<b>\$15,471,263</b>	<b>\$18,670,677</b>	<b>\$21,159,689</b>
	15% Reserve		3,871,255	3,752,523	3,637,350	3,524,850	3,413,250	3,305,250
	<b>Net Year-end Balance</b>		<b>\$19,931,004</b>	<b>\$18,073,765</b>	<b>\$15,389,375</b>	<b>\$11,946,413</b>	<b>\$15,257,427</b>	<b>\$17,854,439</b>
<b>2</b>	<b>Education (0634)</b>							
	<b>Beginning Balance</b>		<b>\$42,464,873</b>	<b>\$48,259,869</b>	<b>\$42,445,569</b>	<b>\$41,428,406</b>	<b>\$38,983,191</b>	<b>\$35,710,640</b>
A	Statewide Summit	2.1, 2.2, 3.1	221,155	0	200,000	0	200,000	0
B	Co-Sponsorship Funding		44,220	150,000	150,000	150,000	150,000	150,000
C	Educare	1.2, 2.1	0	2,700,000	3,000,000	0	0	0
D	Teacher Signature Program - CARES Plus	1.2, 2.1, 2.2	128,949	1,354,429	0	0	0	0
E	Child Signature Program	1.1, 1.2, 2.1, 2.2	15,577,670	0	0	0	0	0
F	Child Signature Program 1 and 3 Extension	1.1, 1.2, 2.1, 2.2	0	10,600,000	0	0	0	0
G	First 5 IMPACT	1.1, 1.2, 1.3 2.1, 2.2	0	12,000,000	16,000,000	20,000,000	20,000,000	20,000,000
H	Proposed Pilot Programs	1.2, 1.3	0	0	2,000,000	2,000,000	2,000,000	2,000,000
I	QRIS Training and Technical Assistance	2.1, 2.2	3,138	0	0	0	0	0
J	Miscellaneous		1,199	0	0	0	0	0
K	SCO/PRORATA/ADJUSTMENTS		2,763	2,000	2,000	2,000	2,000	2,000
	<b>Total Budgeted Expenditures</b>		<b>15,979,094</b>	<b>26,806,429</b>	<b>21,352,000</b>	<b>22,152,000</b>	<b>22,352,000</b>	<b>22,152,000</b>
	Prior Year Adjustments		24,479	0	0	0	0	0
	<b>Adjusted Fund Balance Expenditures</b>		<b>16,003,573</b>	<b>26,806,429</b>	<b>21,352,000</b>	<b>22,152,000</b>	<b>22,352,000</b>	<b>22,152,000</b>
	<b>Subtotal</b>		<b>\$26,461,300</b>	<b>\$21,453,439</b>	<b>\$21,093,569</b>	<b>\$19,276,406</b>	<b>\$16,631,191</b>	<b>\$13,558,640</b>
	Projected Revenue		<b>21,506,973</b>	<b>20,847,350</b>	<b>20,207,500</b>	<b>19,582,500</b>	<b>18,962,500</b>	<b>18,362,500</b>
	Miscellaneous revenue-Child Summit		163,265					
	Projected Interest		128,331	144,780	127,337	124,285	116,950	107,132
	<b>Year-end Balance</b>		<b>\$48,259,869</b>	<b>\$42,445,569</b>	<b>\$41,428,406</b>	<b>\$38,983,191</b>	<b>\$35,710,640</b>	<b>\$32,028,272</b>
	15% Reserve		3,226,046	3,127,103	3,031,125	2,937,375	2,844,375	2,754,375
	<b>Net Year-end Balance</b>		<b>\$45,033,823</b>	<b>\$39,318,466</b>	<b>\$38,397,281</b>	<b>\$36,045,816</b>	<b>\$32,866,265</b>	<b>\$29,273,897</b>
	<b>Purple: Amount pending Commission approval.</b>							
	<b>Royal Blue: Amount projected based on sustained level of effort.</b>							
	<b>Green: Subtotal amounts.</b>							

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	Account/Project	Strategic Plan Goal	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
<b>3</b>	<b>Child Care (0636)</b>							
	<b>Beginning Balance</b>		<b>\$29,785,590</b>	<b>\$32,054,668</b>	<b>\$28,098,498</b>	<b>\$29,305,295</b>	<b>\$26,140,712</b>	<b>\$22,594,635</b>
A	Child Signature Program	1.1, 1.2, 2.1, 2.2	3,904,724	0	0	0	0	0
B	Child Signature Program 1 and 3 Extension	1.1, 1.2, 2.1, 2.2	0	1,500,000	0	0	0	0
C	Teacher Signature Program - CARES Plus	1.2, 2.1, 2.2	6,786,407	10,058,744	0	0	0	0
D	RTT-ELC Environmental Rating Scales Training	1.2	0	0	0	0	0	0
E	First 5 IMPACT	1.1, 1.2, 1.3 2.1, 2.2	0	5,000,000	11,000,000	15,000,000	15,000,000	15,000,000
F	SCO/PRORATA/ADJUSTMENTS		2,763	2,000	2,000	2,000	2,000	2,000
	<b>Total Budgeted Expenditures</b>		<b>10,693,894</b>	<b>16,560,744</b>	<b>11,002,000</b>	<b>15,002,000</b>	<b>15,002,000</b>	<b>15,002,000</b>
	Prior Year Adjustments		28,662	0	0	0	0	0
	<b>Adjusted Fund Balance Expenditures</b>		<b>10,722,556</b>	<b>16,560,744</b>	<b>11,002,000</b>	<b>15,002,000</b>	<b>15,002,000</b>	<b>15,002,000</b>
	<b>Subtotal</b>		<b>\$19,063,034</b>	<b>\$15,493,924</b>	<b>\$17,096,498</b>	<b>\$14,303,295</b>	<b>\$11,138,712</b>	<b>\$7,592,635</b>
	Projected Revenue		<b>12,904,184</b>	<b>12,508,410</b>	<b>12,124,500</b>	<b>11,749,500</b>	<b>11,377,500</b>	<b>11,017,500</b>
	Projected Interest		87,451	96,164	84,295	87,916	78,422	67,784
	<b>Year-end Balance</b>		<b>\$32,054,668</b>	<b>\$28,098,498</b>	<b>\$29,305,295</b>	<b>\$26,140,712</b>	<b>\$22,594,635</b>	<b>\$18,677,920</b>
	15% Reserve		<b>1,935,628</b>	<b>1,876,262</b>	<b>1,818,675</b>	<b>1,762,425</b>	<b>1,706,625</b>	<b>1,652,625</b>
	<b>Net Year-end Balance</b>		<b>\$30,119,041</b>	<b>\$26,222,237</b>	<b>\$27,486,620</b>	<b>\$24,378,287</b>	<b>\$20,888,010</b>	<b>\$17,025,295</b>
<b>4</b>	<b>Research and Development (0637)</b>							
	<b>Beginning Balance</b>		<b>\$25,901,464</b>	<b>\$33,505,869</b>	<b>\$37,161,172</b>	<b>\$33,158,131</b>	<b>\$29,143,081</b>	<b>\$24,743,985</b>
A	Annual Report		11,754	<b>12,000</b>	<b>12,000</b>	<b>12,000</b>	<b>12,000</b>	<b>12,000</b>
B	CARES Plus Program Data Collection and Storage	1.2, 2.1, 2.2	315,151	780,000	0	0	0	0
C	California Health Interview Survey	1.1, 1.2	750,000	850,000	850,000	<b>850,000</b>	<b>850,000</b>	<b>850,000</b>
D	Child Signature Program	1.1, 1.2, 2.1, 2.2	3,908,247	0	0	0	0	0
E	Child Signature Program 1 and 3 Extension	1.1, 1.2, 2.1, 2.2	0	1,500,000	0	0	0	0
F	Transitional Kindergarten Study	1.2	370,000	740,000	375,000	0	0	0
G	Help Me Grow	1.1, 2.1	0	19,834	0	0	0	0
H	Quality Improvement Study-CSU Northridge	2.2	12,885	49,790	0	0	0	0
I	Proposed Pilots	1.2, 1.3	0	0	<b>6,000,000</b>	<b>6,000,000</b>	<b>6,000,000</b>	<b>6,000,000</b>
J	First 5 IMPACT	1.1, 1.2, 1.3 2.1, 2.2	0	5,000,000	9,000,000	9,000,000	9,000,000	9,000,000
K	SCO/PRORATA/ADJUSTMENTS		2,763	2,000	2,000	2,000	2,000	2,000
	<b>Total Budgeted Expenditures</b>		<b>5,370,800</b>	<b>8,953,624</b>	<b>16,239,000</b>	<b>15,864,000</b>	<b>15,864,000</b>	<b>15,864,000</b>
	Prior Year Adjustments		6,067	0	0	0	0	0
	<b>Adjusted Fund Balance Expenditures</b>		<b>5,376,867</b>	<b>8,953,624</b>	<b>16,239,000</b>	<b>15,864,000</b>	<b>15,864,000</b>	<b>15,864,000</b>
	<b>Subtotal</b>		<b>\$20,524,598</b>	<b>\$24,552,245</b>	<b>\$20,922,172</b>	<b>\$17,294,131</b>	<b>\$13,279,081</b>	<b>\$8,879,985</b>
	Projected Revenue		<b>12,904,184</b>	<b>12,508,410</b>	<b>12,124,500</b>	<b>11,749,500</b>	<b>11,377,500</b>	<b>11,017,500</b>
	Projected Interest		77,087	100,518	111,459	99,450	87,405	74,207
	<b>Year-end Balance</b>		<b>\$33,505,869</b>	<b>\$37,161,172</b>	<b>\$33,158,131</b>	<b>\$29,143,081</b>	<b>\$24,743,985</b>	<b>\$19,971,693</b>
	15% Reserve		<b>1,935,628</b>	<b>1,876,262</b>	<b>1,818,675</b>	<b>1,762,425</b>	<b>1,706,625</b>	<b>1,652,625</b>
	<b>Net Year-end Balance</b>		<b>\$31,570,241</b>	<b>\$35,284,911</b>	<b>\$31,339,456</b>	<b>\$27,380,656</b>	<b>\$23,037,360</b>	<b>\$18,319,068</b>
	<b>Purple: Amount pending Commission approval.</b>							
	<b>Royal Blue: Amount projected based on sustained level of effort.</b>							
	<b>Green: Subtotal amounts</b>							

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	Account/Project	Strategic Plan Goal	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
<b>5</b>	<b>Unallocated (0639)</b>							
	<b>Beginning Balance</b>		<b>\$14,362,059</b>	<b>\$13,722,095</b>	<b>\$15,002,215</b>	<b>\$15,878,688</b>	<b>\$18,345,863</b>	<b>\$20,643,124</b>
A	Small Population County Funding Augmentation	2.2	4,017,979	4,393,327	4,599,534	3,761,461	3,690,777	3,611,630
B	California Smoker's Helpline	2.2, 3.1	1,304,984	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000
C	Grant/Program Development Consultant	1.2	52,009	54,750	0	0	0	0
D	Child Signature Program	1.1, 1.2, 2.1, 2.2	3,904,724	0	0	0	0	0
E	Help Me Grow	1.1, 2.1	0	149,909	0	0	0	0
F	Trusted Messenger	3.1	0	1,000,000	1,000,000	0	0	0
G	Stakeholder Meeting Facilitation	1.2	0	100,000	250,000	250,000	250,000	250,000
H	SCO/PRORATA/ADJUSTMENTS		2,763	2,000	2,000	2,000	2,000	2,000
	<b>Total Budgeted Expenditures</b>		<b>9,282,459</b>	<b>7,099,986</b>	<b>7,251,534</b>	<b>5,413,461</b>	<b>5,342,777</b>	<b>5,263,630</b>
	Prior Year Adjustments		5,923	0	0	0	0	0
	<b>Adjusted Fund Balance Expenditures</b>		<b>9,288,382</b>	<b>7,099,986</b>	<b>7,251,534</b>	<b>5,413,461</b>	<b>5,342,777</b>	<b>5,263,630</b>
	<b>Subtotal</b>		<b>\$5,073,677</b>	<b>\$6,622,109</b>	<b>\$7,750,681</b>	<b>\$10,465,227</b>	<b>\$13,003,086</b>	<b>\$15,379,494</b>
	Projected Revenue		8,602,789	8,338,940	8,083,000	7,833,000	7,585,000	7,345,000
	Projected Interest		45,629	41,166	45,007	47,636	55,038	61,929
	<b>Year-end Balance</b>		<b>\$13,722,095</b>	<b>\$15,002,215</b>	<b>\$15,878,688</b>	<b>\$18,345,863</b>	<b>\$20,643,124</b>	<b>\$22,786,423</b>
	15% Reserve		1,290,418	1,250,841	1,212,450	1,174,950	1,137,750	1,101,750
	<b>Net Year-end Balance</b>		<b>\$12,431,677</b>	<b>\$13,751,374</b>	<b>\$14,666,238</b>	<b>\$17,170,913</b>	<b>\$19,505,374</b>	<b>\$21,684,673</b>
	<b>Program Accounts 0631, 0634, 0636, 0637, 0639 Totals:</b>							
	Total Cigarette and Tobacco Tax Revenue		\$81,726,497	\$79,219,930	\$76,788,500	\$74,413,500	\$72,057,500	\$69,777,500
	Total Resources Per Year		\$215,738,723	\$231,518,724	\$222,255,821	\$214,127,113	\$201,025,838	\$193,007,627
	Total Expenditures Per Year		\$64,557,229	\$86,984,981	\$83,458,576	\$86,043,003	\$78,662,777	\$78,383,630
	<b>Total Over/Under</b>		<b>\$151,344,760</b>	<b>\$144,533,743</b>	<b>\$138,797,245</b>	<b>\$128,084,110</b>	<b>\$122,363,061</b>	<b>\$114,623,997</b>
	Total 15% Reserve		\$12,258,975	\$11,882,990	\$11,518,275	\$11,162,025	\$10,808,625	\$10,466,625
	Net After Reserve		\$139,085,785	\$132,650,753	\$127,278,970	\$116,922,085	\$111,554,436	\$104,157,372
<b>6</b>	<b>Administration (0638)</b>							
	<b>Beginning Balance</b>		<b>\$21,330,919</b>	<b>\$19,726,087</b>	<b>\$17,481,292</b>	<b>\$15,085,682</b>	<b>\$12,385,842</b>	<b>\$9,376,243</b>
A	Administrative Expense	4.1, 4.2	5,887,142	5,978,116	5,993,742	6,165,784	6,343,444	6,526,936
B	SCO/PRORATA/ADJUSTMENTS		251,534	495,514	496,000	496,000	496,000	496,000
	<b>Total Budgeted Expenditures</b>		<b>6,138,676</b>	<b>6,473,630</b>	<b>6,489,742</b>	<b>6,661,784</b>	<b>6,839,444</b>	<b>7,022,936</b>
	Prior Year Adjustments		59,861	0	0	0	0	0
	<b>Adjusted Fund Balance Expenditures</b>		<b>6,198,537</b>	<b>6,473,630</b>	<b>6,489,742</b>	<b>6,661,784</b>	<b>6,839,444</b>	<b>7,022,936</b>
	<b>Subtotal</b>		<b>\$15,132,382</b>	<b>\$13,252,457</b>	<b>\$10,991,551</b>	<b>\$8,423,898</b>	<b>\$5,546,398</b>	<b>\$2,353,306</b>
	Projected Revenue		4,301,395	4,169,470	4,041,500	3,916,500	3,792,500	3,672,500
	Miscellaneous Revenue-CDE Travel Reimbursement		240,998					
	Projected Interest		51,312	59,366	52,631	45,444	37,345	28,316
	<b>Year-end Balance</b>		<b>\$19,726,087</b>	<b>\$17,481,292</b>	<b>\$15,085,682</b>	<b>\$12,385,842</b>	<b>\$9,376,243</b>	<b>\$6,054,122</b>
	15% Reserve		645,209	625,421	606,225	587,475	568,875	550,875
	<b>Net Year-end Balance</b>		<b>\$19,080,878</b>	<b>\$16,855,872</b>	<b>\$14,479,457</b>	<b>\$11,798,367</b>	<b>\$8,807,368</b>	<b>\$5,503,247</b>
	<b>ALL FIRST 5 CALIFORNIA FUNDS</b>							
	Total Cigarette and Tobacco Tax Revenue		\$86,027,892	\$83,389,400	\$80,830,000	\$78,330,000	\$75,850,000	\$73,450,000
	Total Resources Per Year		\$241,422,349	\$255,473,646	\$243,831,244	\$233,174,739	\$217,241,525	\$206,084,685
	Total Expenditures Per Year		\$70,755,765	\$93,458,611	\$89,948,318	\$92,704,787	\$85,502,221	\$85,406,566
	<b>Total Over/Under</b>		<b>\$170,666,584</b>	<b>\$162,015,035</b>	<b>\$153,882,926</b>	<b>\$140,469,952</b>	<b>\$131,739,304</b>	<b>\$120,678,119</b>
	Total 15% Reserve		\$12,904,184	\$12,508,410	\$12,124,500	\$11,749,500	\$11,377,500	\$11,017,500
	Net After Reserve		\$157,762,400	\$149,506,625	\$141,758,426	\$128,720,452	\$120,361,804	\$109,660,619
	<b>Purple: Amount pending Commission approval.</b>							
	<b>Royal Blue: Amount projected based on sustained level of effort.</b>							
	<b>Green: Subtotal amounts.</b>							

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Expenditures by Program*	Authorized Amount	Term	Funding Source (F5CA Account)	Expenditures Incurred	Proposed Expenditures	Total Expenditures
<b>EXISTING/APPROVED:</b>						
Child Signature Program	\$135,000,000	July 1, 2012 - June 30, 2015	Mass Media Communications	19,850,619	0	19,850,619
			Education	39,660,012	0	39,660,012
			Child Care	9,925,309	0	9,925,309
			Research and Development	9,934,254	0	9,934,254
			Unallocated	9,925,309	0	9,925,309
			<b>Total</b>	<b>\$89,295,503</b>	<b>\$0</b>	<b>\$89,295,503</b>
Teacher Signature Program - CARES Plus	\$42,000,000	July 1, 2013 - June 30, 2016	Education	145,571	1,354,429	1,500,000
			Child Care	14,523,742	10,058,744	24,582,486
			Research and Development	884,511	780,000	1,664,511
			<b>Total</b>	<b>\$15,553,824</b>	<b>\$12,193,173</b>	<b>\$27,746,997</b>
Child Signature Program 1 and 3 Extension	\$13,600,000	July 1, 2015 - June 30, 2016	Education	0	10,600,000	10,600,000
			Child Care	0	1,500,000	1,500,000
			Research and Development	0	1,500,000	1,500,000
			<b>Total</b>	<b>\$0</b>	<b>\$13,600,000</b>	<b>\$13,600,000</b>
First 5 IMPACT	\$190,000,000	July 1, 2015 - June 30, 2020	Education	0	88,000,000	88,000,000
			Child Care	0	61,000,000	61,000,000
			Research and Development	0	41,000,000	41,000,000
			<b>Total</b>	<b>\$0</b>	<b>\$190,000,000</b>	<b>\$190,000,000</b>
<b>PROPOSED:</b>						
Dual Language Learner Pilot	\$16,000,000	July 1, 2016 - June 30, 2020	Education	0	4,000,000	4,000,000
			Research and Development	0	12,000,000	12,000,000
			<b>Total</b>	<b>\$0</b>	<b>\$16,000,000</b>	<b>\$16,000,000</b>
Family Engagement Pilots	\$16,000,000	July 1, 2016 - June 30, 2020	Education	0	4,000,000	4,000,000
			Research and Development	0	12,000,000	12,000,000
			<b>Total</b>	<b>\$0</b>	<b>\$16,000,000</b>	<b>\$16,000,000</b>
* Only programs with multiple funding sources identified.						

Strategic Plan Area 1: Children and Families		FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Goal 1.1 Child Health:	Children prenatal through age 5 and their families access the full spectrum of health and behavioral health services needed to enhance their well-being.							
	<b>Child Signature Program (Aggregate investment reflected in Goals 1.1, 1.2, 2.1, and 2.2)</b>							
	Mass Media Communications \$15,054,232	\$7,244,784	\$7,809,448	\$0	\$0	\$0	\$0	\$0
	Education \$30,067,239	\$14,489,569	\$15,577,670	\$0	\$0	\$0	\$0	\$0
	Child Care \$7,527,116	\$3,622,392	\$3,904,724	\$0	\$0	\$0	\$0	\$0
	Research and Development \$7,533,901	\$3,625,654	\$3,908,247	\$0	\$0	\$0	\$0	\$0
	Unallocated \$7,527,116	\$3,622,392	\$3,904,724	\$0	\$0	\$0	\$0	\$0
	<b>Child Signature Program 1 and 3 Extension (Aggregate investment reflected in Goals 1.1, 1.2, 2.1, and 2.2)</b>							
	Education \$10,600,000	\$0	\$0	\$10,600,000	\$0	\$0	\$0	\$0
	Child Care \$1,500,000	\$0	\$0	\$1,500,000	\$0	\$0	\$0	\$0
	Research and Development \$1,500,000	\$0	\$0	\$1,500,000	\$0	\$0	\$0	\$0
	<b>First 5 IMPACT (Aggregate investment reflected in Goals 1.1, 1.2, 1.3, 2.1, and 2.2)</b>							
	Education \$88,000,000	\$0	\$0	\$12,000,000	\$16,000,000	\$20,000,000	\$20,000,000	\$20,000,000
	Child Care \$61,000,000	\$0	\$0	\$5,000,000	\$11,000,000	\$15,000,000	\$15,000,000	\$15,000,000
	Research and Development \$41,000,000	\$0	\$0	\$5,000,000	\$9,000,000	\$9,000,000	\$9,000,000	\$9,000,000
	<b>California Health Interview Survey (Split between 1.1 and 1.2)</b>							
	Research and Development \$5,750,000	\$750,000	\$750,000	\$850,000	\$850,000	\$850,000	\$850,000	\$850,000
	<b>Help Me Grow (Aggregate investment reflected in Goals 1.1 and 2.1)</b>							
	Research and Development \$19,834	\$0	\$0	\$19,834	\$0	\$0	\$0	\$0
	Unallocated \$149,909	\$0	\$0	\$149,909	\$0	\$0	\$0	\$0
	<b>Help Group 2014 Summit (Co-sponsorship)</b>							
	Education \$19,221	\$0	\$9,221	\$10,000	\$0	\$0	\$0	\$0
	<b>Help Me Grow National Forum (Co-sponsorship)</b> <b>(Aggregate investment reflected in Goals 1.1 and 2.1)</b>							
	Education \$10,000	\$0	\$10,000	\$0	\$0	\$0	\$0	\$0
	<b>8th Biennial Childhood Obesity Conference (Co-sponsorship)</b> <b>(Aggregate investment reflected in Goals 1.1 and 2.2)</b>							
	Education \$10,000	\$0	\$5,000	\$5,000	\$0	\$0	\$0	\$0
	<b>Parents Anonymous (Co-sponsorship)</b> <b>(Aggregate investment reflected in Goals 1.1 and 1.3)</b>							
	Education \$31,000	\$21,000	\$10,000	\$0	\$0	\$0	\$0	\$0
Goal 1.2 Early Learning:	Children birth through age 5 benefit from high quality early education, early intervention, family engagement, and support that prepares all children to reach their optimal potential in school and life.							
	<b>Child Signature Program (Aggregate investment reflected in Goals 1.1, 1.2, 2.1, and 2.2)</b>							
	Mass Media Communications \$15,054,232	\$7,244,784	\$7,809,448	\$0	\$0	\$0	\$0	\$0
	Education \$30,067,239	\$14,489,569	\$15,577,670	\$0	\$0	\$0	\$0	\$0
	Child Care \$7,527,116	\$3,622,392	\$3,904,724	\$0	\$0	\$0	\$0	\$0
	Research and Development \$7,533,901	\$3,625,654	\$3,908,247	\$0	\$0	\$0	\$0	\$0
	Unallocated \$7,527,116	\$3,622,392	\$3,904,724	\$0	\$0	\$0	\$0	\$0
	<b>Child Signature Program 1 and 3 Extension (Aggregate investment reflected in Goals 1.1, 1.2, 2.1, and 2.2)</b>							
	Education \$10,600,000	\$0	\$0	\$10,600,000	\$0	\$0	\$0	\$0
	Child Care \$1,500,000	\$0	\$0	\$1,500,000	\$0	\$0	\$0	\$0
	Research and Development \$1,500,000	\$0	\$0	\$1,500,000	\$0	\$0	\$0	\$0
	<b>CARES Plus (Aggregate investment reflected in Goals 1.2, 2.1, and 2.2)</b>							
	Education \$1,500,000	\$16,622	\$128,949	\$1,354,429	\$0	\$0	\$0	\$0
	Child Care \$24,582,486	\$7,737,335	\$6,786,407	\$10,058,744	\$0	\$0	\$0	\$0
	Research and Development \$1,664,511	\$569,360	\$315,151	\$780,000	\$0	\$0	\$0	\$0
	<b>First 5 IMPACT (Aggregate investment reflected in Goals 1.1, 1.2, 1.3, 2.1, and 2.2)</b>							
	Education \$88,000,000	\$0	\$0	\$12,000,000	\$16,000,000	\$20,000,000	\$20,000,000	\$20,000,000
	Child Care \$61,000,000	\$0	\$0	\$5,000,000	\$11,000,000	\$15,000,000	\$15,000,000	\$15,000,000
	Research and Development \$41,000,000	\$0	\$0	\$5,000,000	\$9,000,000	\$9,000,000	\$9,000,000	\$9,000,000
	<b>California Health Interview Survey (Split between 1.1 and 1.2)</b>							
	Research and Development \$5,750,000	\$750,000	\$750,000	\$850,000	\$850,000	\$850,000	\$850,000	\$850,000

		FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Goal 1.2 Early Learning:	Children birth through age 5 benefit from high quality early education, early intervention, family engagement, and support that prepares all children to reach their optimal potential in school and life.							
	<b>Transitional Kindergarten Study</b>							
	Research and Development \$1,485,000	\$0	\$370,000	\$740,000	\$375,000	\$0	\$0	\$0
	<b>Educare (Aggregate investment reflected in Goals 1.2 and 2.1)</b>							
	Education \$5,700,000	\$0	\$0	\$2,700,000	\$3,000,000	\$0	\$0	\$0
	<b>Environmental Rating Scales Training</b>							
	Child Care \$137,840	\$0	\$137,840	\$0	\$0	\$0	\$0	\$0
	<b>Stakeholder Meeting Facilitation</b>							
	Unallocated \$1,100,000	\$0	\$0	\$100,000	\$250,000	\$250,000	\$250,000	\$250,000
	<b>Grant/Program Development Consultant</b>							
Unallocated \$202,423	\$95,664	\$52,009	\$54,750	\$0	\$0	\$0	\$0	
<b>Dual Language Learner Pilot Program (Proposed)</b>								
Education \$4,000,000	\$0	\$0	\$0	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	
Research and Development \$12,000,000	\$0	\$0	\$0	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	
<b>Early Edge Transitional Kindergarten Conference (Co-sponsorship) (Aggregate investment reflected in Goals 1.2 and 2.2)</b>								
Education \$13,500	\$3,500	\$10,000	\$0	\$0	\$0	\$0	\$0	
Goal 1.3 Family and Community Support and Partnership:	Families and communities are engaged, supported, and strengthened through culturally effective resources and opportunities that assist them in nurturing, caring, and providing for their children's success and well-being.							
	<b>First 5 IMPACT (Aggregate investment reflected in Goals 1.1, 1.2, 1.3, 2.1, and 2.2)</b>							
	Education \$88,000,000	\$0	\$0	\$12,000,000	\$16,000,000	\$20,000,000	\$20,000,000	\$20,000,000
	Child Care \$61,000,000	\$0	\$0	\$5,000,000	\$11,000,000	\$15,000,000	\$15,000,000	\$15,000,000
	Research and Development \$41,000,000	\$0	\$0	\$5,000,000	\$9,000,000	\$9,000,000	\$9,000,000	\$9,000,000
	<b>Family Engagement Pilot Programs (Proposed)</b>							
	Education \$4,000,000	\$0	\$0	\$0	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
	Research and Development \$12,000,000	\$0	\$0	\$0	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000
	<b>Parents Anonymous (Co-sponsorship) (Aggregate investment reflected in Goals 1.1 and 1.3)</b>							
	Education \$31,000	\$21,000	\$10,000	\$0	\$0	\$0	\$0	\$0
<b>Strategic Plan Area 2: System and Network</b>								
Goal 2.1 Leadership as a Convener and Partner:	Work with First 5 county commissions, state agencies, and other stakeholders to convene, align, collaborate on, support, and strengthen statewide efforts and initiatives to facilitate the creation of a seamless system of integrated and comprehensive programs and services to improve the status and outcomes for children prenatal through age 5 and their families.							
	<b>Child Signature Program (Aggregate investment reflected in Goals 1.1, 1.2, 2.1, and 2.2)</b>							
	Mass Media Communications \$15,054,232	\$7,244,784	\$7,809,448	\$0	\$0	\$0	\$0	\$0
	Education \$30,067,239	\$14,489,569	\$15,577,670	\$0	\$0	\$0	\$0	\$0
	Child Care \$7,527,116	\$3,622,392	\$3,904,724	\$0	\$0	\$0	\$0	\$0
	Research and Development \$7,533,901	\$3,625,654	\$3,908,247	\$0	\$0	\$0	\$0	\$0
	Unallocated \$7,527,116	\$3,622,392	\$3,904,724	\$0	\$0	\$0	\$0	\$0
	<b>Child Signature Program 1 and 3 Extension (Aggregate investment reflected in Goals 1.1, 1.2, 2.1, and 2.2)</b>							
	Education \$10,600,000	\$0	\$0	\$10,600,000	\$0	\$0	\$0	\$0
	Child Care \$1,500,000	\$0	\$0	\$1,500,000	\$0	\$0	\$0	\$0
Research and Development \$1,500,000	\$0	\$0	\$1,500,000	\$0	\$0	\$0	\$0	
<b>CARES Plus (Aggregate investment reflected in Goals 1.2, 2.1, and 2.2)</b>								
Education \$1,500,000	\$16,622	\$128,949	\$1,354,429	\$0	\$0	\$0	\$0	
Child Care \$24,582,486	\$7,737,335	\$6,786,407	\$10,058,744	\$0	\$0	\$0	\$0	
Research and Development \$1,664,511	\$569,360	\$315,151	\$780,000	\$0	\$0	\$0	\$0	

**First 5 California  
Fiscal Mapping to the Strategic Plan**

		FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	
<p>Goal 2.1 Leadership as a Convener and Partner: Work with First 5 county commissions, state agencies, and other stakeholders to convene, align, collaborate on, support, and strengthen statewide efforts and initiatives to facilitate the creation of a seamless system of integrated and comprehensive programs and services to improve the status and outcomes for children prenatal through age 5 and their families.</p> <p><b>First 5 IMPACT (Aggregate investment reflected in Goals 1.1, 1.2, 1.3, 2.1, and 2.2)</b>                      Education \$88,000,000                      Child Care \$61,000,000                      Research and Development \$41,000,000</p> <p><b>Educare (Aggregate investment reflected in Goals 1.2 and 2.1)</b>                      Education \$5,700,000</p> <p><b>Statewide Summit (Aggregate investment reflected in Goals 2.1, 2.2, and 3.1)</b>                      Education \$1,041,210</p> <p><b>Help Me Grow (Aggregate investment reflected in Goals 1.1 and 2.1)</b>                      Research and Development \$19,834                      Unallocated \$149,909</p> <p><b>QRIS Training and Technical Assistance (Aggregate investment reflected in Goals 2.1 and 2.2)</b>                      Education \$15,769</p> <p><b>Help Me Grow National Forum (Co-sponsorship) (Aggregate investment reflected in Goals 1.1 and 2.1)</b>                      Education \$10,000</p>									
		\$0	\$0	\$12,000,000	\$16,000,000	\$20,000,000	\$20,000,000	\$20,000,000	
		\$0	\$0	\$5,000,000	\$11,000,000	\$15,000,000	\$15,000,000	\$15,000,000	
		\$0	\$0	\$5,000,000	\$9,000,000	\$9,000,000	\$9,000,000	\$9,000,000	
		\$0	\$0	\$2,700,000	\$3,000,000	\$0	\$0	\$0	
		\$0	\$41,210	\$0	\$250,000	\$250,000	\$250,000	\$250,000	
		\$0	\$0	\$19,834	\$0	\$0	\$0	\$0	
		\$0	\$0	\$149,909	\$0	\$0	\$0	\$0	
		\$0	\$15,769	\$0	\$0	\$0	\$0	\$0	
		\$0	\$10,000	\$0	\$0	\$0	\$0	\$0	
	<p>Goal 2.2 Resource Exchange and Stewardship: Strategically fund and co-fund, align resources, facilitate the exchange of information and best practices, and seek new opportunities to maximize positive impact for children prenatal through age 5 and their families.</p> <p><b>Child Signature Program (Aggregate investment reflected in Goals 1.1, 1.2, 2.1, and 2.2)</b>                      Mass Media Communications \$15,054,232                      Education \$30,067,239                      Child Care \$7,527,116                      Research and Development \$7,533,901                      Unallocated \$7,527,116</p> <p><b>Child Signature Program 1 and 3 Extension (Aggregate investment reflected in Goals 1.1, 1.2, 2.1, and 2.2)</b>                      Education \$10,600,000                      Child Care \$1,500,000                      Research and Development \$1,500,000</p> <p><b>CARES Plus (Aggregate investment reflected in Goals 1.2, 2.1, and 2.2)</b>                      Education \$1,500,000                      Child Care \$24,582,486                      Research and Development \$1,664,511</p> <p><b>First 5 IMPACT (Aggregate investment reflected in Goals 1.1, 1.2, 1.3, 2.1, and 2.2)</b>                      Education \$88,000,000                      Child Care \$61,000,000                      Research and Development \$41,000,000</p> <p><b>Statewide Summit (Aggregate investment reflected in Goals 2.1, 2.2, and 3.1)</b>                      Education \$1,041,210</p> <p><b>QRIS Training and Technical Assistance (Aggregate investment reflected in Goals 2.1 and 2.2)</b>                      Education \$15,769</p> <p><b>Quality Improvement Study-CSU Northridge</b>                      Research and Development \$62,675</p> <p><b>Small Population County Funding Augmentation</b>                      Unallocated \$26,969,396</p> <p><b>California Smoker's Helpline (Aggregate investment reflected in Goals 2.2 and 3.1)</b>                      Unallocated \$9,294,606</p> <p><b>Early Edge Transitional Kindergarten Conference (Co-sponsorship) (Aggregate investment reflected in Goals 1.2 and 2.2)</b>                      Education \$13,500</p>								
			\$7,244,784	\$7,809,448	\$0	\$0	\$0	\$0	\$0
			\$14,489,569	\$15,577,670	\$0	\$0	\$0	\$0	\$0
			\$3,622,392	\$3,904,724	\$0	\$0	\$0	\$0	\$0
		\$3,625,654	\$3,908,247	\$0	\$0	\$0	\$0	\$0	
		\$3,622,392	\$3,904,724	\$0	\$0	\$0	\$0	\$0	
		\$0	\$0	\$10,600,000	\$0	\$0	\$0	\$0	
		\$0	\$0	\$1,500,000	\$0	\$0	\$0	\$0	
		\$0	\$0	\$1,500,000	\$0	\$0	\$0	\$0	
		\$16,622	\$128,949	\$1,354,429	\$0	\$0	\$0	\$0	
		\$7,737,335	\$6,786,407	\$10,058,744	\$0	\$0	\$0	\$0	
		\$569,360	\$315,151	\$780,000	\$0	\$0	\$0	\$0	
		\$0	\$0	\$12,000,000	\$16,000,000	\$20,000,000	\$20,000,000	\$20,000,000	
		\$0	\$0	\$5,000,000	\$11,000,000	\$15,000,000	\$15,000,000	\$15,000,000	
		\$0	\$0	\$5,000,000	\$9,000,000	\$9,000,000	\$9,000,000	\$9,000,000	
		\$0	\$41,210	\$0	\$250,000	\$250,000	\$250,000	\$250,000	
		\$0	\$15,769	\$0	\$0	\$0	\$0	\$0	
		\$0	\$12,885	\$49,790	\$0	\$0	\$0	\$0	
		\$2,894,688	\$4,017,979	\$4,393,327	\$4,599,534	\$3,761,461	\$3,690,777	\$3,611,630	
		\$989,622	\$1,304,984	\$1,400,000	\$1,400,000	\$1,400,000	\$1,400,000	\$1,400,000	
		\$3,500	\$10,000	\$0	\$0	\$0	\$0	\$0	

**First 5 California  
Fiscal Mapping to the Strategic Plan**

		FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Goal 2.2 Resource Exchange and Stewardship:	Strategically fund and co-fund, align resources, facilitate the exchange of information and best practices, and seek new opportunities to maximize positive impact for children prenatal through age 5 and their families.							
	<b>8th Biennial Childhood Obesity Conference (Co-sponsorship) (Aggregate investment reflected in Goals 1.1 and 2.2)</b> Education \$10,000	\$0	\$5,000	\$5,000	\$0	\$0	\$0	\$0
<b>Strategic Plan Area 3: Public Will and Investment</b>								
Goal 3.1 Communications:	Build public will in investing in early childhood by communicating the potential for positive outcomes for children and families, and the importance of prevention and early intervention.							
	<b>Parent Signature Program - Education and Outreach</b> Mass Media Communications \$126,026,337	\$17,997,911	\$10,549,800	\$22,459,542	\$22,509,542	\$22,509,542	\$15,000,000	\$15,000,000
	<b>Parent Signature Program - Kit for New Parents</b> Mass Media Communications \$31,731,518	\$1,615,409	\$5,116,109	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000
	<b>Parent Signature Program - 1-800 Number (Kit Call Center)</b> Mass Media Communications \$684,795	\$100,000	\$84,795	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
	<b>Parent Signature Program - Media Storage (included in Miscellaneous item)</b> Mass Media Communications \$7,020	\$0	\$1,855	\$2,665	\$2,500	\$0	\$0	\$0
	<b>California Smoker's Helpline (Aggregate investment reflected in Goals 2.2 and 3.1)</b> Unallocated \$9,294,606	\$989,622	\$1,304,984	\$1,400,000	\$1,400,000	\$1,400,000	\$1,400,000	\$1,400,000
	<b>Statewide Summit (Aggregate investment reflected in Goals 2.1, 2.2, and 3.1)</b> Education \$1,041,210	\$0	\$41,210	\$0	\$250,000	\$250,000	\$250,000	\$250,000
	<b>Advancement Project 2015 Water Cooler Conference (Co-sponsorship) (Aggregate investment reflected in Goals 3.1 and 3.2)</b> Education \$20,000	\$0	\$10,000	\$10,000	\$0	\$0	\$0	\$0
Goal 3.2 Legislative Engagement and Leadership:	Advocate for and influence policy change, both directly and in partnership with First 5 county commissions and other allies, from the local to federal levels that increase investments to improve conditions for children prenatal through age 5 and their families.							
	<b>Advancement Project 2015 Water Cooler Conference (Co-sponsorship) (Aggregate investment reflected in Goals 3.1 and 3.2)</b> Education \$20,000	\$0	\$10,000	\$10,000	\$0	\$0	\$0	\$0
<b>Strategic Plan Area 4: Institutional Development</b>								
Goal 4.1 Internal Structure and Systems:	Create and implement an integrated and transparent approach to internal planning, communication, and decision making.	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Goal 4.2 Team Development and Engagement:	Deepen management and staff awareness, understanding, knowledge, capacity, and involvement within and across organizational areas.							
	<b>Professional Development and Training</b> Administration \$95,807	\$13,077	\$5,230	\$15,500	\$15,500	\$15,500	\$15,500	\$15,500

Note: Specified program investments are aggregate, therefore total investments are not additive.