

SUMMARY ACTION MINUTES

REGULAR MEETING FIRST 5 ORANGE COUNTY, CHILDREN & FAMILIES COMMISSION

Friday, December 6, 2024, 9:00 A.M.

Orange County Transportation Authority Conference Center
550 South Main Street
Orange, California

JACKIE FILBECK
Chair

SOLEDAD L. RIVERA
Vice Chair

RAMIN BASCHSHI, MD
Commissioner

DOUG CHAFFEE
Commissioner

VERONICA KELLEY, DSW, LCSW
Commissioner

YVETTE LAVERY, MPA, MBE
Commissioner

ANGIE ROWE
Commissioner

IRENE SALAZAR
Commissioner

AN TRAN
Commissioner

ATTENDANCE: Commissioners: Baschshi, Filbeck, Kelley, Lavery, Rivera, Rowe and Salazar

EXCUSED: Commissioners: Chaffee and Tran

PRESENT: PRESIDENT/CEO Kimberly Goll
COMMISSION COUNSEL Cassie Trapesonian
CLERK OF THE COMMISSION Maria Lopez, Deputy

PLEDGE OF ALLEGIANCE

Pledge of Allegiance led by Commission Counsel Cassie Trapesonian

PRESENTATIONS: (Item 1)

1. Receive Presentation on Early Development Index and 2025 Data Collection
PRESENTED

SUMMARY ACTION MINUTES

CONSENT CALENDAR: (Items 2 - 7)

581234679 **APPROVED AS RECOMMENDED**

x x

2. Approve First 5 Orange County Meeting Calendar for 2025
3. Receive 30th Annual Report on the Conditions of Children in Orange County
4. Receive Update on Work to Improve Access to Speech and Language Services
5. Approve Modifications to the Technical Advisory Committee Bylaws and Appoint Loan English and Misael Hernandez as an Alternates
6. Adopt Fiscal Year 2025-2026 Employer and Employee Retirement Contribution Rates as Established and Adopted by the Orange County Employees Retirement System
7. Receive and Approve Corrected Prenatal Strategy Term Sheet and Adopt Resolution Authorizing Amendments to Agreements for Continued Implementation
RESO: 24-034

PUBLIC HEARING: (Item 8)

8. Conduct Public Hearing and Authorize President/CEO to Submit the Annual Comprehensive Financial Report to First 5 California and the State Controller's Office

C.O. **CLOSED PUBLIC HEARING**

612345789 **APPROVED AS RECOMMENDED**

x x

REGULAR ITEMS: (Items 9 - 12)

9. Adopt Resolutions Authorizing Amendments to Consultant Agreements to Update the Child Care Landscape and the Acceptance of Funds from Partner Agencies to Support Child Care Workforce Development

541236789 **APPROVED AS RECOMMENDED**

x x *RESOS: 24-035 -24-038 C&FC*

10. Adopt Resolution Authorizing Annual Membership Payment to the First 5 Association of California and Receive List of Professional Association Memberships and Sponsorships

651234789 **APPROVED AS RECOMMENDED**

x x *RESO: 24-039 C&FC*

11. Adopt Resolutions Authorizing Agreements and Amendments with Designated Organizations to Provide Home Visiting and Support Services

871234569 **APPROVED AS RECOMMENDED**

x x *RESOS: 24-040 -24-041 C&FC*

12. Adopt Resolution Authorizing an Amendment to Agreement with NetChemistry for the Development of a Community Health Worker Database

751234689 **APPROVED AS RECOMMENDED**

x x *RESO: 24-042 C&FC*

SUMMARY ACTION MINUTES

PRESIDENT/CEO REPORT: (Item 13)

13. Receive the President/Chief Executive Officers Report
 - a. Black Infant Health Update
 - b. Board Recruitment
 - c. Financial Update
 - d. Action Plan Update

RECEIVED

PUBLIC & COMMISSION COMMENTS:

PUBLIC COMMENTS: None

COMMISSION COMMENTS:

Commissioner Filbeck - Oral re: Attended two conferences OC Forum and OC Business Watch and congratulated Kim Goll on her nomination from Women and Business; and wanted to wish everyone a safe Holiday Season.

ADJOURNED: 10:06 A.M.

*** KEY ***

Left Margin Notes

1 Ramin Baschshi, MD	A = Abstained
2 Doug Chaffee	X = Excused
3 Jackie Filbeck	N = No
4 Veronica Kelley, DSW, LCSW	C.O. = Commission Order
5 Yvette Lavery, MPA, MBE	
6 Soledad L. Rivera	
7 Angie Rowe	Reso = Resolution
8 Irene Salazar	Ord = Ordinance
9 An Tran	

(1st number = Moved by; 2nd number = Seconded by)



JACKIE FILBECK
Chair



Maria Lopez, Deputy
Clerk of the Commission

A G E N D A

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Commissioner

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Commissioner

AN TRAN
Commissioner

President/CEO
Kimberly Goll

Commission Counsel
Cassie Trapesonian

Clerk of the Commission
Maria Lopez, Deputy

The First 5 Orange County, Children & Families Commission welcomes you to this meeting. This agenda contains a brief general description of each item to be considered. The Commission encourages your participation. Except as otherwise provided by law, no action shall be taken on any item not appearing in the agenda.

Members of the public can either attend the meeting in-person or participate via Zoom by clicking the link or calling in as described below:

Please click the link below to join the webinar:

<https://us02web.zoom.us/j/88359930264?pwd=Ym9SSmxoRnJlOWcvdDcxM0w0cVBWZz09>

Passcode: 302048

Or One tap mobile: US: +16699009128,, 883 5993 0264#,,, *302048# or +16694449171,, 883 5993 0264#,,, *302048# Or

Telephone: Dial(for higher quality, dial a number based on your current location): US: +1 669 900 9128 or +1 669 444

9171 or +1 253 205 0468

Webinar ID: 883 5993 0264

Passcode: 302048

Instructions for Public Comments: Members of the public may address the Commission regarding any item in person, via Zoom, or by submitting in written comments as outlined below. All speakers providing public comment in person or through Zoom will be recognized by the Chair at the time the agenda item is to be considered. If you wish to speak on a matter that does not appear on the agenda, you may do so during the Public Comments period at the close of the meeting. A speaker's comments shall be limited to three minutes.

A G E N D A

1. In-Person Comment - Members of the public may attend the meeting in person and address the Commission regarding any item contained in the agenda. If you wish to speak on an agenda item, please complete a Speaker Form identifying the item(s) and deposit it in the Speaker Form Return box located next to the Clerk. Speaker Forms are available at the entrance of the Conference Center

2. Verbal Comment (Zoom) – Public Comment may also be made by member of the public participating via Zoom. When the item is called, use the “Raise Hand” feature in Zoom or dial *9 if participating by phone. Please wait to be called upon by staff.

3. Written Comment - Public comments may be submitted in writing by emailing them to First5OC@cfcoc.ocgov.com. The comments will be distributed to all of the Commissioners and read into the meeting record. If you wish to comment on a specific agenda item, please identify the item in your email. General public comments will be addressed during the general public comment item on the agenda. In order to ensure that staff has the ability to provide comments to the Commissioners in a timely manner, please submit your comments by 12:00 p.m. on December 5, 2024. Public comments will be made available to the public upon request.

Any member of the public requiring a reasonable accommodation to participate in this meeting should contact the Commission at least 48 hours prior to the meeting at First5OC@cfcoc.ocgov.com or (714) 834-2206.

All supporting documentation is available for public review in the office of the Clerk of the Board of Supervisors located in the County Administration North, 400 W. Civic Center Dr., 6th Floor, Santa Ana, California 92701 during regular business hours, 8:00 a.m. - 5:00 p.m., Monday through Friday.

9:00 A.M.

PLEDGE OF ALLEGIANCE

PRESENTATIONS: (Item 1)

1. Receive Presentation on Early Development Index and 2025 Data Collection

CONSENT CALENDAR: (Items 2 - 7)

All matters are approved by one motion unless pulled by a Commission Member for discussion or separate action. At this time, any member of the public may ask the Commission to be heard on any item on the Consent Calendar.

2. Approve First 5 Orange County Meeting Calendar for 2025
3. Receive 30th Annual Report on the Conditions of Children in Orange County
4. Receive Update on Work to Improve Access to Speech and Language Services
5. Approve Modifications to the Technical Advisory Committee Bylaws and Appoint Loan English and Misael Hernandez as an Alternates
6. Adopt Fiscal Year 2025-2026 Employer and Employee Retirement Contribution Rates as Established and Adopted by the Orange County Employees Retirement System
7. Receive and Approve Corrected Prenatal Strategy Term Sheet and Adopt Resolution Authorizing Amendments to Agreements for Continued Implementation

A G E N D A

PUBLIC HEARING: (Item 8)

8. Conduct Public Hearing and Authorize President/CEO to Submit the Annual Comprehensive Financial Report to First 5 California and the State Controller's Office

REGULAR ITEMS: (Items 9 - 12)

At this time, members of the public may ask the Commission to be heard on the following items as those items are called.

9. Adopt Resolutions Authorizing Amendments to Consultant Agreements to Update the Child Care Landscape and the Acceptance of Funds from Partner Agencies to Support Child Care Workforce Development
10. Adopt Resolution Authorizing Annual Membership Payment to the First 5 Association of California and Receive List of Professional Association Memberships and Sponsorships
11. Adopt Resolutions Authorizing Agreements and Amendments with Designated Organizations to Provide Home Visiting and Support Services
12. Adopt Resolution Authorizing an Amendment to Agreement with NetChemistry for the Development of a Community Health Worker Database

PRESIDENT/CEO REPORT: (Item 13)

13. Receive the President/Chief Executive Officers Report
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 - b. Board Recruitment
 - c. Financial Update
 - d. Action Plan Update

PUBLIC & COMMISSION COMMENTS & ADJOURNMENT:

At this time members of the public may address the Commission on any matter not on the agenda but within the jurisdiction of the Commission. The Commission or Chair may limit the length of time each individual may have to address the Commission.

PUBLIC COMMENTS:

COMMISSION COMMENTS:

ADJOURNED:

NEXT MEETINGS:

February 5, 2025 Regular Meeting, 9:00 A.M.



**PRESENTATION
Agenda Item 1
December 6, 2024**

DATE: October 29, 2024
TO: First 5 Orange County
FROM: Kimberly Goll, President/CEO *Kimberly Goll*
ACTION: Receive Presentation on Early Development Index and 2025 Data Collection

SUMMARY:

For more than 20 years, First 5 Orange County has funded school districts to collect Early Development Index (EDI) data in order to understand how ready Orange County's young children are when they enter kindergarten. The EDI, which is a teacher-completed assessment of children's readiness that is conducted once every three years, has been extensively validated. We have had participation by 100% of Orange County schools that have a kindergarten population since 2015. The EDI includes five developmental domains: physical health and well-being; social competence; emotional maturity; language and cognitive development; and general knowledge and communication.

First 5 and our partners use the EDI to inform policies and investments to improve outcomes for young children and their families. It is a springboard to engage families around their children's needs and desired outcomes for their communities. We also use it to leverage our work with system partners, for example, to validate the need to invest in early childhood mental health, to promote well-child visits and developmental screens, or to fund business assistance for child care providers.

Cristina Blevins, Early Learning Senior Program Officer, will present a brief background of the EDI, summarize the 2025 data collection process and products, and outline next steps for rollout of the updated data.

ATTACHMENT:

1. Presentation Slides: Early Development Index

CONTACT: Cristina Blevins

First 5 Orange County's Early Development Index



video
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Agenda

- Background
- How we use EDI data
- Timeline for 2025 data collection
- Planning for rollout of new data
- Next Steps

Background

- EDI data collected since 2007
- 100% participation by school districts since 2015
- Collection happens once every three years
- 2024/25 is a collection year; new data available in 2025

11/22/2024



EDI Domains and Sub-Domains

- **Physical Health and Well-Being**
 - Physical readiness for school day
 - Physical independence
 - Gross and fine motor skills
- **Social Competence**
 - Overall social competence
 - Responsibility and respect
 - Approaches to learning
 - Readiness to explore new things
- **Emotional Maturity**
 - Prosocial and helping behavior
 - Anxious and fearful behavior
 - Aggressive behavior
 - Hyperactive and inattentive behavior
- **Language and Cognitive Development**
 - Basic literacy skills
 - Interest in literacy/numeracy
 - Advanced literacy skills
 - Basic numeracy
- **Communication Skills and General Knowledge**
 - Communication skills and general knowledge



Purpose of Collecting EDI Data

- First 5 OC's summative indicator of how we are doing
- Shows how communities are preparing children for school and life
- Highlights where additional resources are needed
- Provides a springboard to engage families around their children's needs
- Informs our work with partners

EDI Research

- Overall validity
- Predictive validity
- Between group reliability
- Construct validity
- Cross-cultural validity
- Internal consistency
- Rasch Analysis

EDI Background and Research Profile First 5 OC
website: [Resources>Early Development Index](#)

11/22/2024





First 5 Investment in EDI

- Teacher training
- Substitutes while teachers complete questionnaires
- UCLA's time to aggregate and clean the data
- Consultant time to analyze and create reports (initially and throughout the year)

How We Use the Data

To Inform Programs

- **School Districts**
 - Aggregate data used to develop school district scopes of work
 - Additional funds to districts based on EDI findings
 - School-specific data given to individual schools
- **Early Learning and Child Care**
 - Using for quality improvement efforts via Quality Start OC trainings
 - Identifying neighborhoods for business cohort expansion
- **Engaged Neighborhoods (EN)**
 - Used to select communities to pursue for an EN
 - Used to identify neighborhood/community needs and inform scopes of work

11/22/2024





To Inform Programs

- Prenatal to Three/Home Visiting
 - HealthySteps sites
 - New Home Visiting partners and inform scopes of work
 - Sites for Prenatal Cohorts
- Kid Builders
 - Toolkits aligning EDI to Kid Builder activities
 - Crosswalk between domains and Kid Builder focus areas
- Pretend City
 - Focus neighborhoods and cities for parent education series and community engagement grant applications
 - Inform educational programming



To Build and Support Early Childhood Champions

- **Elected Officials**
 - Federal, state, county, and cities receive customized reports for their jurisdiction
 - First 5 OC staff outreaches with reports, trends, and to highlight related policies and investment opportunities
- **Philanthropy Outreach and Investment**
 - OC Grantmakers used EDI to develop the Early Childhood Issue Table
 - Orange County Community Foundation uses it to target communities for funding
 - PNC Bank uses it to identify early learning programs and where they fund

To Build and Support Early Childhood Champions

- **Local Collaboratives**
 - Detect & Connect OC
 - For messaging campaigns
 - To target outreach to providers
 - Home Visiting Collaborative
 - To develop messaging
 - To support targeted outreach strategies (Regional Group Connections)
- **State Partners**
 - Support to First 5 Alameda for EDI roll-out
 - Data sharing to support Lowell Joint School District with First 5 LA
- **National Partnerships**
 - Participate on Early Development Index Learning Exchange

11/22/2024



2025 EDI Data Collection and Analysis Timeline

Schedule	Activity
Now through early January	Districts inform principals and teachers of EDI data collection effort, F5OC staff and consultants prepare for trainings
January - February 2025	Teacher Trainings (each district has its own Zoom training)
January - March 2025	Teachers complete questionnaires on all their K students
April - June	UCLA prepares data file, including analysis of domain and subdomain data
Early July	UCLA sends First 5 OC the deidentified 2025 EDI data file
July 2025 on as needed	First 5 OC data expert analyzes the data and prepares maps and reports

Planning for 2025 EDI Rollout



11/22/2024

Standard Reports

- F5OC website - countywide maps with updated aggregated data
 - Overall kindergarten readiness
 - By five domains
- School district reports (aggregated data)
- School reports (school-specific data)
- Legislator Reports
- Indicator Reports
 - Conditions of Children report
 - Orange County Community Indicators Report

Community Convening

- **Opportunity To**
 - Share new 2025 EDI data
 - Highlight programs effectively using EDI data
 - Highlight “early childhood” cities
 - Inspire partners to use EDI data for decision-making to improve young children and family outcomes
- **Possible Timing**
 - Fall of 2025

11/22/2024



Next Steps

- **Meet with First 5 OC Board members**
 - One on one or in pairs
 - Provide input and ideas on how you'd like to see the new EDI data rolled out
- **February First 5 OC Board Meeting**
 - Discussion by F5OC Board on desired rollout

Questions?



Commissioners:
Jackie Filbeck, Chair
Soledad Rivera, Vice Chair, Ramin Baschshi, M.D
Doug Chaffee, Veronica Kelley Ph.D., Angie Rowe,
Irene Salazar, An Tran, Yvette Lavery
CEO/President: Kimberly Goll

**Agenda Item 2
December 6, 2024**

DATE: November 6, 2024
TO: First 5 Orange County
FROM: Kimberly Goll, President/CEO *Kimberly Goll*
ACTION: Approve First 5 Orange County Meeting Calendar for 2025

SUMMARY:
First 5 Orange County conducts regularly scheduled meetings throughout the year. This item recommends approval of meeting dates for calendar year 2025.

DISCUSSION:
First 5 Orange County Board Members are appointed by the Orange County Board of Supervisors to direct the policy, funding, and business to improve outcomes for children, prenatally through age five, and their families. Staff recommends that the First 5 Orange County Board continues to meet during the same day, months, and location as shown below:

Date	Time	Location
Wednesday, February 5, 2025	9:00 am	OCTA Conference Center
Wednesday, April 2, 2025	9:00 am	OCTA Conference Center
Wednesday, June 4, 2025	9:00 am	OCTA Conference Center
Wednesday, August 6, 2025	9:00 am	OCTA Conference Center
Wednesday, October 1, 2025	9:00 am	OCTA Conference Center
Thursday, December 4, 2025	9:00 am	OCTA Conference Center

First 5 OC Board member attendance requirements are set by Article 25 Section 1-2-337 of the County of Orange Ordinances, establishing the Children and Families Commission (First 5 Orange County). The ordinance mandates that failure of a Board member to attend four (4) consecutive meetings or a total of six (6) meetings within a 12-month period results in automatic removal from the First 5 OC Board. This is regardless of the meeting type – regular, special, study session, etc. The Clerk of the Board is required to certify the vacancy to the Board of Supervisors within five days of the missed meeting. The 12-month period runs continuously and is not based on the calendar year. To avoid any vacancies in office, please note the calendar of meetings attached so that you can accommodate the attendance requirements.

STRATEGIC PLAN & FISCAL SUMMARY:
The recommended action has been reviewed in relation to the Strategic Plan and is consistent with all goal areas. There is no funding action proposed for this item.

PRIOR COMMISSION ACTIONS:

- December 2023 – Approve the 2024 First 5 Orange County Meeting Calendar
- December 2022 – Approve the 2023 First 5 Orange County Meeting Calendar
- December 2021 – Approve First 5 Orange County Children and Families Commission and Technical Advisory Committee Meeting Calendar for 2022

RECOMMENDED ACTION:

Approve the 2025 First 5 Orange County meeting calendar.

ATTACHMENTS:

None

CONTACT:

Kim Goll



**Agenda Item 3
December 6, 2024**

DATE: October 18, 2024
TO: First 5 Orange County
FROM: Kimberly Goll, President/CEO *Kimberly Goll*
ACTION: Receive 30th Annual Report on the Conditions of Children in Orange County

SUMMARY:

First 5 Orange County manages the development of the annual report on the Conditions of Children in Orange County, under contract to the County of Orange Social Services Agency. The 30th annual report is complete. This item highlights key report findings and summarizes next steps.

DISCUSSION:

For many years, First 5 Orange County has supported the development of the annual Report on the Conditions of Children in Orange County. The report reflects how Orange County's children are faring in the areas of Good Health, Economic Well-Being, Educational Achievement, and Safe Homes and Communities. Each focus area includes a set of indicators with the most recent data available, as well as 10 years of historical data to highlight trends that are improving or worsening. The intent of the report is to provide Orange County officials and community leaders with information that can help ensure all Orange County children thrive.

In January 2023, we responded to a Request for Proposals from the County of Orange, Social Services Agency (SSA), to develop the Conditions of Children report. We were awarded a three-year contract to provide project management, data collection, analysis, and report design for reports in 2023, 2024, and 2025. First 5 OC also contributes in-kind support for the report development, including staff time, data (Early Development Index and child care), printing, and event support.

Each year, we create the report in partnership with SSA leadership and a team of community organizations/volunteers who provide input into report development. Two indicators were added to the report this year – child care and perinatal behavioral health. This reflects the continued need to address these pressing issues in our county.

The 30th Annual Report (2024) is now complete, with the finished product scheduled to be received by the Board of Supervisors on December 3, 2024. Highlights from the report include the following:

Improving

- The percentage of Orange County children up to date with required immunizations continues to increase, rebounding from a decline in 2020.
- Prenatal care rates increased, exceeding state and national averages.
- Students showed great strides in English Language Arts (ELA) and Math achievement standards since 2015, particularly among economically disadvantaged students.

- The number of children receiving CalWORKs in Orange County slightly increased, suggesting that more eligible children were receiving benefits.
- The percentage of children receiving CalFresh in Orange County improved but remained lower than the state average.
- The rate of substantiated child abuse allegations decreased, although it remained higher than the state's average rate.

Needs Improvement

- Racial and ethnic disparities in prenatal care access remain, with White and Asian pregnant people having higher rates of early prenatal care.
- Hispanic and Black/African American infants have higher infant mortality rates than other groups, with birth defects and maternal complications being the major causes.
- Heightened preterm birth rates and low birth weight infants require close monitoring.
- There is concern regarding increasing substance use during pregnancy, with both alcohol consumption and cannabis use increasing.
- Kindergarteners continued to struggle with communication skills, general knowledge and gross and fine motor skills which are essential for school readiness.
- Orange County faces challenges related to child care access, economic disparities, and insecure housing. The decrease in licensed child care slots and rising costs (especially for infant and preschool care) make it difficult for families to find affordable options.

In addition to managing development and design of the report, our scope of work includes supporting community forums centered around the report findings. The community forums provide an opportunity to dig deeper into a topic and engage a range of stakeholders based on data highlighted in the report. The forums are implemented in collaboration with SSA and the Board of Supervisors.

The 30th Annual Report on the Conditions of Children in Orange County is available on our website, and hard copies will be available for the First 5 OC Board members and the public at the December meeting. Our next step is to work with SSA and Board of Supervisors' offices to plan community forums and disseminate the reports. We will keep the First 5 OC Board apprised of upcoming forums. If you would like additional hard copies of the report, please contact Lisa Burke.

STRATEGIC PLAN & FISCAL SUMMARY:

The recommended action has been reviewed in relation to the Strategic Plan and is in alignment. There is no funding action proposed for this item.

PRIOR COMMISSION ACTIONS:

- February 2024 – Receive Presentation on the 29th Annual Report on the Conditions of Children in Orange County
- March 2023 – Adopt Resolutions Authorizing Agreements to produce the Annual Report on the Conditions of Children in Orange County and Authorize Receipt of Project Funding
- December 2021 – Receive the 27th Annual Report on the Conditions of Children in Orange County
- October 2021 – Authorize receipt of \$113,000 and adopt resolution authorizing the President/CEO, or designee, and Commission Counsel to prepare and negotiate an amendment to agreement with the Orange County Social Services Agency for the production of the 2022 Report on the Conditions of Children in Orange County and authorizing the

President/CEO, or designee, and Commission Counsel to prepare and negotiate amendments to agreements with designated organizations to provide evaluation, project management, and graphic design services for the 2022 Annual Report on the Conditions of Children in Orange County

- August 2020 – Authorize receipt of \$113,000 and adopt resolution authorizing the President/CEO, or designee, and Commission Counsel to prepare and negotiate an amendment to agreement with the Orange County Social Services Agency for the production of the 2021 Report on the Conditions of Children in Orange County.
- April 2019 – Adopted resolution authorizing the President/CEO, or designee, to enter into agreements with designated organizations to provide evaluation, project management, and graphic design services for the 2019 and 2020 Annual Reports on the Conditions of Children in Orange County.

RECOMMENDED ACTION:

Receive the 30th Annual Report on the Conditions of Children in Orange County.

ATTACHMENTS:

None

CONTACT:

Lisa Burke



Agenda Item 4 December 6, 2024

DATE: October 25, 2024
TO: First 5 Orange County
FROM: Kimberly Goll, President/CEO *Kimberly Goll*
ACTION: Receive Update on Work to Improve Access to Speech and Language Services

SUMMARY:

This item provides an update on First 5 Orange County's work to improve families' access to speech and language services, including materials developed in partnership with Detect & Connect OC and other First 5 OC partners. It also highlights exploratory work with higher education and therapy centers to address related workforce issues.

DISCUSSION:

One of First 5 Orange County's goals is to increase developmental screenings for young children and link them to services they may need to support their development. We know that developmental delays impact one in every six children under the age of three, and estimates are that more than 80% of these children do not receive early intervention services that can help close that developmental gap. One reason for this is that less than half of Orange County's children receive the recommended well visits in their first 15 months of life, and only one in four children receive a developmental screening in the first three years of life. These statistics are based on claims data for Orange County children with Medi-Cal insurance, which is the available data we have. To address this need, we are working to ensure that children get their well-child visits and developmental screens at key milestones.

Integral to this work is our participation in Detect & Connect OC. Detect & Connect OC is a collaborative focused on a shared vision: *to ensure all children in Orange County receive timely, recommended well visits and developmental screenings in accordance with national, evidence-based guidelines, and are connected to a coordinated system of resources and interventions as early as possible.* First 5 OC funds consultants to facilitate the collaborative's steering group and workgroups.

The collaborative has been meeting together for about five years, and includes system stakeholders invested in this vision, including First 5 OC, American Academy of Pediatrics, CalOptima, CHOC Children's, Kaiser Permanente, OC Health Care Agency, OC Social Services Agency, representative school districts, and Pretend City, among others. Detect & Connect OC has three workgroups: Data, Systems of Care, and Shared Messaging. Attachment 1 provides a list of Detect & Connect OC participants.

The Systems of Care workgroup has been focusing on the issue of speech and language needs in Orange County. We conducted a landscape analysis that showed that it is a complicated system for families to navigate, and that there are long wait lists for many children to receive

speech and language services, particularly those who do not qualify for Regional Center services. Children with Medi-Cal insurance are disproportionately impacted, with less access and fewer centers which accept that insurance.

We shared these findings with Detect & Connect's System of Care workgroup to identify and implement strategies to address the needs. Our consultant, Jacqueline Russell-Erickson supported the workgroup over the past year. She conducted a series of interviews with speech and language providers – both frontline service providers as well as executive leadership from organizations providing speech and language services, including two First 5 OC board members, Dr. Baschshi and Angie Rowe. She also conducted focus groups with parents.

Findings from this work elevated several areas that impact families' ability to access services including:

- It is a complex system for parents to navigate for diagnosis, referral, and treatment.
- Medi-Cal reimbursement rates are low, leading to a shortage of providers that will take Medi-Cal.
- For providers that do take Medi-Cal, there are challenges hiring/keeping specialists because they cannot offer competitive salaries.
- This leads to long wait lists for speech/language services, particularly for children with Medi-Cal.

The Detect & Connect OC steering group continues to discuss long-term solutions, such as policy changes to increase the Medi-Cal reimbursement rates for speech therapy services, publicly available dashboards that transparently show appointment availability, wait times, and accepted insurances, and workforce partnerships that increase Speech Language Pathologist Assistants who work at Medi-Cal serving institutions. The System of Care workgroup tackled two short-term solutions. First is a very simple resource for medical providers to know when and how to refer to Regional Center of Orange County and Help Me Grow (provided as Attachment 2 and available on our website). This resource was built collectively with insights from families, speech therapists, and pediatricians. There were multiple feedback loops and revisions with the System of Care working group. It is available in English, Spanish, and Vietnamese.

Secondly, the group worked on a document to help parents and providers understand the process required to access speech/language services. An initial document has been drafted and is currently being tested with pediatricians and parents. These materials aim to address the complex navigation system issue.

In addition to the work that Detect & Connect OC has been doing, First 5 OC has also been working on complementary efforts. To provide parents with resources for building speech and language skills, we developed a series of tips aligned with Centers for Disease Control milestones. These tips are available in a toolkit for providers to share with their parents (attached, and also available on our website on the resources tab>professional resources. We are designing the parent tips to align with our Kid Builder resources and will add those to the Kid Builder and parent resource pages soon.

We are also working on developing video clips of speech therapists demonstrating speech-building skills with young children. These resources can support all parents of young children including those waiting for services. These are a work in progress that we will continue to develop and grow over the next year. We plan to build out the Kid Builders webpage to also include these additional speech-focused activities.

Finally, we have been in dialogue with colleges and universities and speech centers to explore partnerships that would address the workforce issue described above. While this work is in the early stages of development, the goal is to increase the number of children with Medi-Cal insurance who get seen by a speech therapist through a creative workforce project. The concept is to connect current speech/language students to centers that serve patients with Medi-Cal. We see potential for expanding workforce capacity through strategies such as offering tuition reimbursement or other incentives for graduates to become Speech/Language Pathology Assistants at centers that serve children with Medi-Cal; and facilitating centers to be able to increase their capacity/reduce waiting lists by using their existing Speech/Language Pathologists (or engaging retired Speech/Language Pathologists) to oversee SLPAs (the students/graduates).

While we have reached out to multiple colleges/universities, Santa Ana College seems the most ready to test this concept. Jacqueline is currently in the process of outreaching to Centers located near the college to ascertain if they serve Medi-Cal patients, have waiting lists, and are interested in a trial project.

The next steps for First 5 OC's efforts include: 1) continue building out speech and language activities on the Kid Builders page, including more video clips; 2) solidify the concept of workforce expansion using Speech/Language Pathologists and Speech/Language Pathology Assistants; and 3) work with colleges/centers including seeking funding source(s) for this work.

STRATEGIC PLAN & FISCAL SUMMARY:

The recommended action has been reviewed and aligns with the Strategic Plan. No funding is associated with this item.

PRIOR COMMISSION ACTIONS:

- April 2023 – Receive Presentation on Landscape Analysis for Speech and Language Services
- August 2022 – Receive Report on Access to Speech and Language Services

RECOMMENDED ACTION:

Receive update on work to improve access to speech and language services.

ATTACHMENTS:

1. Detect & Connect OC Participants
2. Speech and Language One-Pager

CONTACT: Lisa Burke

Detect & Connect OC

Steering Group and Working Group Members

Updated As of November 2024

Steering Group:	Data Working Group:	System of Care Working Group:	Shared Messaging Working Group:
<ul style="list-style-type: none"> ● Reshmi Basu, AAP-OC ● Sara Brown, First 5 OC ● Lisa Burke, First 5 OC ● Michele Cheung, OC HCA ● Tiffany Damikolas, Alta Med ● Mary Grace, (Retired) Anaheim Elem School District ● Rebecca Hernandez, HMG OC ● Terri Iler, CHOC Children's ● Marie Jeannis, CalOptima Health ● Carmen Katsarov, Cal Optima ● Dr. Gordon Lowell, Families Together ● Dr. Sara Marchese, OC SSA ● Arif Shaikh, Kaiser Permanente ● Jamie McDonald, AAP-OC ● Marni Nagel, CHOC Children's ● Dr. Nazanin Sanaei, Share Our Selves ● Carly Snyder, Pretend City ● Dr. Sharief Taraman, AAP-OC ● Kaitlyn Truong, Regional Center of Orange County ● Scarlett VonThenen, State Council on Developmental Disabilities (SCDD) ● Christy Ward, Share Our Selves ● Dr. Weir, Child Guidance Center ● Dr. Mike Weiss, CHOC Children's 	<ul style="list-style-type: none"> ● Lisa Burke, First 5 OC ● Michelle Cheung, OC HCA ● Rebecca Hernandez, HMG ● Terri Iler, CHOC ● Carmen Katsarov, CalOptima ● Jaquely Norton, HMG OC ● Sharief Taraman, Cognoa, AAP ● Janell Violi, OCDE ● Mike Weiss, CHOC Children's ● Diana Duarte, MOMS OC ● Molly Jensen, MOMS OC ● Justina Ryan-Baldwin, The Priority Center ● Claudia Espinoza, The Priority Center ● Maura Byron, Family Support Network 	<ul style="list-style-type: none"> ● Scarlett VonThenen, SCDD ● Lien Ly-Guerrero, CHOC Children's ● Marni Nagel, CHOC Children's ● Sara Brown, First 5 OC ● Dr. Sara Marchese, OC SSA ● Rebecca Sirbu, Regional Center of Orange County ● Wendy Altamirano, Thompson Autism Center, CHOC ● Jacqueline Erickson Russell, First 5 Orange County Consultant ● Maureen Dillon, Center for Autism & Neurological Disorders ● Christina Lee, Friends of Family 	<ul style="list-style-type: none"> ● Carly Snyder, Pretend City ● Rebecca Hernandez, HMG ● Janis Rizzuto, CalOptima ● Jamie McDonald, AAP-OC ● Lien Ly-Guerrero, CHOC Children's ● Lisa Burke, First 5 Orange County ● Dr. Weir, Child Guidance Center ● Mary Grace, Anaheim Elementary School District (Retired)

Are There any Concerns about a Child's **Speech-Language** Development?

SECURING RELIABLE HELP: TWO ESSENTIAL RESOURCES

There are two key resources to help caregivers navigate and secure access to speech-language services and support.

CHILD HAS KNOWN SPEECH-LANGUAGE NEED + **UNDER 34 MONTHS OLD**

The Regional Center of Orange County offers an Early Start Program that focuses on children from birth - 34 months. Contact Regional Center to determine if this program is suitable for the child.

Care coordination with Regional Center includes:

- Connections to speech evaluations within 45 days
- Referrals for Early Intervention services after evaluation
- Dedicated staff to coordinate the process

RC OC Comfort Connection Family Resource Center

- Call 714-796-5354 (Regional Center Intake)
- Email ccfrc@rcocdd.com
- Drop by 1525 N. Tustin Ave., Santa Ana Monday - Friday, 9:00 am - 5:00 pm

REGIONAL CENTER OF ORANGE COUNTY

CHILD MAY HAVE SPEECH-LANGUAGE NEEDS + **UNDER 9 YEARS OLD**

Help Me Grow connects families to resources for services including, but not limited to, resources for speech-language services for children prenatal through eight years old.

Care coordination includes:

- Tailored recommendations, referrals, and contact information for services and resources that are available and appropriate
- Live conversations with care coordinators who have expertise in early childhood development
- Follow-up care coordination with caregivers to ensure connection to services
- Providers receive closed-loop referrals, with consent from caregivers, that will inform them of referrals and outcomes

Help Me Grow
ORANGE COUNTY

Help Me Grow Orange County

- Call 1-866-476-9025 Monday - Friday, 8:30 am - 5:00 pm
- Or visit www.helpmegrowoc.org to use the online portal to refer families 24/7, seven days a week. Care coordinators will reach out to caregivers via phone calls, emails, and text messages.

GET SUPPORT TODAY

Help **Prepare Caregivers** for What to Expect

TIPS



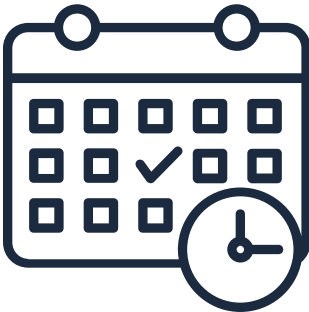
BE PREPARED

Call Insurance to find out which speech providers accept your coverage.



EXPLORE MULTIPLE PROVIDERS

By calling various providers, caregivers can get on waitlists for evaluations and speech therapy, increasing the chances of securing timely services.



FLEXIBLE SCHEDULING

Caregivers can schedule appointments regardless of insurance approval status, ensuring their child receives timely care. If the appointment occurs before approval, out-of-pocket expenses may apply, but this can expedite access to necessary services.



UTILIZE REGIONAL CENTER SUPPORT

Regional Centers can often assist with funding for services. If a child qualifies for Regional Center speech services but not under insurance criteria, the denial letter from the insurance can be presented to the Regional Center, which can continue funding the needed speech therapy.



**Agenda Item 5
December 6, 2024**

DATE: November 6, 2024
TO: First 5 Orange County
FROM: Kimberly Goll, President/CEO *Kimberly Goll*
ACTION: Approve Modifications to the Technical Advisory Committee Bylaws and Appoint Loan English and Misael Hernandez as an Alternates

SUMMARY:

This item proposes modifications to the Technical Advisory Committee (TAC) bylaws and the appointment of alternate TAC members.

DISCUSSION:

The TAC held its first community summit in conjunction with Detect & Connect OC on May 10, 2024. A second community summit and possibly a third is anticipated to be held in 2025. At their most recent meeting, the TAC noted that additional planning and/or follow up for these events will be needed.

Currently, the bylaws state that the First 5 OC Board must adopt the calendar of meetings for the TAC. There is not a set meeting schedule for 2025; however, it has been difficult to find dates and times to accommodate TAC member schedules and ensure quorum. Staff recommends amending the bylaws to allow the TAC to set its own meeting schedule, in accordance with the Brown Act. This will allow for greater flexibility in scheduling and facilitate the planning of the TAC summits.

Additionally, the TAC bylaws allow for the First 5 OC Board to appoint alternates to the TAC. Staff recommends appointing Loan English and Misael Hernandez as alternates to serve as representatives on the TAC, which will also help with reaching quorum if a member is unable to attend. Brief bios for Loan and Misael are attached.

Finally, the bylaws require that the chair and vice chair are elected at the first meeting of the calendar year. There is a potential that the first meeting of 2025 will be a public-facing summit. Rather than require the selection of chair and vice chair at an outward-facing meeting like a summit, staff recommends amending the bylaws to select chair and vice chair at the first *regular* meeting of the TAC. Because the summits are considered special meetings, this will address the issue.

The TAC bylaws with proposed amendments are included as Attachment 1, with a strikethrough version provided as Attachment 2. Also, an updated First 5 OC Policies and Procedures No. 2.05 is provided as Attachment 3 to reflect the amended bylaws.

STRATEGIC PLAN & FISCAL SUMMARY:

The recommended actions have been reviewed in relation to the Strategic Plan and are consistent with all goal areas. There is no funding action associated with this item.

PRIOR COMMISSION ACTIONS:

- August 2024 – Appoint Susan McClintic and Marie Jeannis to the First 5 Orange County Technical Advisory Committee
- August 2023 – Appoint Jade Jenkins to the First 5 Orange County Technical Advisory Committee
- February 2023 – Approve Restructure of Technical Advisory Committee and Bylaws
- December 2022 – Discuss and Provide Direction on Next Steps for Determining the Configuration of the Technical Advisory Committee

RECOMMENDED ACTIONS:

1. Approve amended Technical Advisory Committee bylaws.
2. Appoint Loan English and Misael Hernandez as alternates.

ATTACHMENTS:

1. Amended Bylaws
2. Amended Bylaws with Strikethrough
3. Updated Policy and Procedure No. 2.05
4. Bio for Loan English
5. Bio for Misael Hernandez

CONTACT: Lisa Burke

BYLAWS OF THE FIRST 5 ORANGE COUNTY CHILDREN AND FAMILIES COMMISSION TECHNICAL ADVISORY COMMITTEE

ARTICLE I PURPOSE

The California Children and Families Act, under Section 130145 of the California Health and Safety Code, requires that each county commission establish one or more advisory committees to provide technical and professional expertise that will be beneficial in accomplishing the purposes of the Act. The purpose of the Technical Advisory Committee (TAC) shall be to provide a panel of experts that First 5 Orange County can call upon to provide insight and guidance on systems improvement work. Additionally, the TAC will help to elevate the importance of early childhood and engage more community partners in systems improvement work. The TAC shall meet and make recommendations and reports to the First 5 Orange County Children and Families Commission (First 5 Orange County) as deemed necessary or appropriate.

ARTICLE II MEETINGS

- Section 1. MEETINGS. All meetings of the TAC will be held in accordance with the Ralph M. Brown Act, Government Code Section 54950 et seq. ("Brown Act"). Regular meetings, special meetings, study sessions, workshops, etc. may be called in accordance with the Brown Act.
- Section 2. AGENDAS. Meeting agendas are distributed to TAC members at least 72 hours before a regularly scheduled meeting and 24 hours before a special meeting. The meeting agenda is posted at the location of the meeting and made available to the public in compliance with the Brown Act. Agenda materials are also posted to the First 5 Orange County website prior to the meeting.
- Section 3. QUORUM. A majority of the TAC Members, or designated alternates, constitutes a quorum of the TAC for the transaction of any business.
- Section 4. MINUTES. Regular minutes shall be kept of each TAC meeting.
- Section 5. COMMISSION COUNSEL ATTENDANCE. The Commission Counsel, or designee, is required to attend any meeting where formal voting action is taken.

ARTICLE III
MEMBERSHIP

- Section 1. COMMITTEE MEMBERS. The First 5 Orange County Board of Commissioners shall appoint TAC Members during a public meeting. In addition, the President/CEO shall serve as an ex-officio non-voting member. Appointed TAC members shall be comprised of representatives of service providers, public agencies, private agencies, or members of the public as appears expedient and useful and shall be appointed based on expertise or experience in pediatric health, early education, and early childhood development. TAC Members may also include representatives from the First 5 Orange County Commission as well as parent representatives.
- Section 2. ALTERNATE COMMITTEE MEMBERS. The First 5 Orange County Board of Commissioners may appoint alternate TAC Members who may replace an absent member at any meeting of the TAC.
- Section 3. TERM LIMITS. Each TAC Member shall serve for a three (3) year term, except as otherwise set forth in this Section. No person shall serve more than two consecutive three (3) year terms as a member of the TAC. The Commission intends for the TAC Member terms to be staggered. Therefore, each existing TAC Member serving as of April 5, 2023 will be re-appointed for a one (1), two (2), or (3)-year initial term (the “Initial Term”). The Commission shall place the names of the TAC Members on equally-sized cards, which shall be randomly deposited in a container. In a public session, the Commission Chairperson will draw three (3) names from said container to serve for a one-year term, three (3) names to serve for a two-year term, and two (2) names to serve for a three-year term. After serving their Initial Terms, said TAC Members shall be eligible to serve for a consecutive three (3) year term as otherwise permitted by this Section.
- Section 4. VACANCIES. Should a vacancy occur by expiration of term, or prior to expiration by removal or resignation, the Commissioners may appoint a new member, at their discretion, at any time and as necessary.
- Section 5. REMOVAL. The Commissioners may remove a TAC Member at any time and for any reason prior to the expiration of term.

ARTICLE IV
COMPENSATION

- Section 1. COMPENSATION AND REIMBURSEMENT. Members of the TAC shall serve without compensation. TAC Members may receive such reimbursement for expenses, or *per diem*, as may be fixed or determined by First 5 Orange County.

ARTICLE V
CHAIRPERSON AND VICE CHAIRPERSON

- Section 1. CHAIRPERSON. The Chairperson of the TAC shall preside at all meetings of the TAC and shall conduct business in the manner prescribed by these Bylaws. The Chairperson shall preserve order and decorum, and shall decide all questions of order, subject to the action of a majority of the TAC Members.
- Section 2. VICE CHAIRPERSON. The Vice Chairperson shall act as Chairperson in the absence of the Chairperson and, when so acting, shall have all the powers of, and be subject to all the restrictions upon, the Chairperson.
- Section 3. ELECTION AND TERM. The Chairperson and Vice-Chairperson of the TAC shall be elected at the first regular meeting of each calendar year that meetings are held by a majority of the vote of the TAC Members present. They shall serve for one year, or until the next Chairperson and Vice-Chairperson are elected, unless sooner removed or subsequently re-elected by a majority vote of the TAC Members.
- Section 5. CHAIRPERSON PRO TEMPORE. In the absence or inability to act of both the Chairperson and the Vice Chairperson, the TAC Members in attendance at a duly noticed meeting shall elect a Chairperson Pro Tempore, who shall then preside at the meeting, and shall have all of the powers and duties of the Chairperson for the remainder of the meeting.

ARTICLE VI RULES OF PROCEDURE

- Section 1. RULES. When conducting public meetings, the TAC shall follow the Rules of Procedure (“Rules”) adopted by the First 5 Orange County Board of Commissioners. The Rules are deemed to be procedural only and are intended to expedite transaction of the business in an orderly fashion. The failure to strictly observe application of the Rules shall not affect the jurisdiction of the TAC or invalidate any action taken at a meeting that is otherwise held in conformity with law.
- Section 2. CONFLICTS OF INTEREST. Any TAC Member who is disqualified from participating in a decision with regard to an item because of a “financial interest” (whether direct or remote) as defined in Government Code sections 1090, 1091, or 87103 shall disclose the facts constituting such interest at the meeting at which the item is considered, and those facts shall be noted in the official meeting minutes.

ARTICLE X OTHER

- Section 1. AMENDMENTS. These Bylaws may be amended or repealed by the approval of a majority of the Commissioners.

Section 4. GENDER. As used herein, the masculine gender includes the feminine and neuter, the singular includes the plural, the plural includes the singular, and the term “person” includes both a legal entity and a natural person.

BYLAWS OF THE FIRST 5 ORANGE COUNTY CHILDREN AND FAMILIES COMMISSION TECHNICAL ADVISORY COMMITTEE

ARTICLE I PURPOSE

The California Children and Families Act, under Section 130145 of the California Health and Safety Code, requires that each county commission establish one or more advisory committees to provide technical and professional expertise that will be beneficial in accomplishing the purposes of the Act. The purpose of the Technical Advisory Committee (TAC) shall be to provide a panel of experts that First 5 Orange County can call upon to provide insight and guidance on systems improvement work. Additionally, the TAC will help to elevate the importance of early childhood and engage more community partners in systems improvement work. The TAC shall meet and make recommendations and reports to the First 5 Orange County Children and Families Commission (First 5 Orange County) as deemed necessary or appropriate.

ARTICLE II MEETINGS

- Section 1. ~~REGULAR MEETINGS. The TAC shall meet a minimum of two (2) times per year during the time and at the location designated by the First 5 Orange County Board of Commissioners.~~ All meetings of the TAC will be held in accordance with the Ralph M. Brown Act, Government Code Section 54950 et seq. (“Brown Act”). Regular meetings, sSpecial meetings, study sessions, workshops, etc. may be called in accordance with the Brown Act.
- Section 2. AGENDAS. Meeting agendas are distributed to TAC members at least 72 hours before a regularly scheduled meeting and 24 hours before a special meeting. The meeting agenda is posted at the location of the meeting and made available to the public in compliance with the Brown Act. Agenda materials are also posted to the First 5 Orange County website prior to the meeting.
- Section 3. QUORUM. A majority of the TAC Members, or designated alternates, constitutes a quorum of the TAC for the transaction of any business.
- Section 4. MINUTES. Regular minutes shall be kept of each TAC meeting.

Section 5. COMMISSION COUNSEL ATTENDANCE. The Commission Counsel, or designee, is required to attend any meeting where formal voting action is taken.

ARTICLE III MEMBERSHIP

Section 1. COMMITTEE MEMBERS. The First 5 Orange County Board of Commissioners shall appoint TAC Members during a public meeting. In addition, the President/CEO shall serve as an ex-officio non-voting member. Appointed TAC members shall be comprised of representatives of service providers, public agencies, private agencies, or members of the public as appears expedient and useful and shall be appointed based on expertise or experience in pediatric health, early education, and early childhood development. TAC Members may also include representatives from the First 5 Orange County Commission as well as parent representatives.

Section 2. ALTERNATE COMMITTEE MEMBERS. The First 5 Orange County Board of Commissioners may appoint alternate TAC Members who may replace an absent member at any meeting of the TAC.

Section 3. TERM LIMITS. Each TAC Member shall serve for a three (3) year term, except as otherwise set forth in this Section. No person shall serve more than two consecutive three (3) year terms as a member of the TAC. The Commission intends for the TAC Member terms to be staggered. Therefore, each existing TAC Member serving as of April 5, 2023 will be re-appointed for a one (1), two (2), or (3)-year initial term (the “Initial Term”). The Commission shall place the names of the TAC Members on equally-sized cards, which shall be randomly deposited in a container. In a public session, the Commission Chairperson will draw three (3) names from said container to serve for a one-year term, three (3) names to serve for a two-year term, and two (2) names to serve for a three-year term. After serving their Initial Terms, said TAC Members shall be eligible to serve for a consecutive three (3) year term as otherwise permitted by this Section.

Section 4. VACANCIES. Should a vacancy occur by expiration of term, or prior to expiration by removal or resignation, the Commissioners may appoint a new member, at their discretion, at any time and as necessary.

Section 5. REMOVAL. The Commissioners may remove a TAC Member at any time and for any reason prior to the expiration of term.

ARTICLE IV COMPENSATION

Section 1. COMPENSATION AND REIMBURSEMENT. Members of the TAC shall serve without compensation. TAC Members may receive such reimbursement for expenses, or *per diem*, as may be fixed or determined by First 5 Orange County.

ARTICLE V
CHAIRPERSON AND VICE CHAIRPERSON

Section 1. CHAIRPERSON. The Chairperson of the TAC shall preside at all meetings of the TAC and shall conduct business in the manner prescribed by these Bylaws. The Chairperson shall preserve order and decorum, and shall decide all questions of order, subject to the action of a majority of the TAC Members.

Section 2. VICE CHAIRPERSON. The Vice Chairperson shall act as Chairperson in the absence of the Chairperson and, when so acting, shall have all the powers of, and be subject to all the restrictions upon, the Chairperson.

Section 3. ELECTION AND TERM. The Chairperson and Vice-Chairperson of the TAC shall be elected at the first regular meeting of ~~the each~~ calendar year that meetings are held by a majority of the vote of the TAC Members present. They shall serve for one year, or until the next Chairperson and Vice-Chairperson are elected, unless sooner removed or subsequently re-elected by a majority vote of the TAC Members.

Section 5. CHAIRPERSON PRO TEMPORE. In the absence or inability to act of both the Chairperson and the Vice Chairperson, the TAC Members in attendance at a duly noticed meeting shall elect a Chairperson Pro Tempore, who shall then preside at the meeting, and shall have all of the powers and duties of the Chairperson for the remainder of the meeting.

ARTICLE VI
RULES OF PROCEDURE

Section 1. RULES. When conducting public meetings, the TAC shall follow the Rules of Procedure (“Rules”) adopted by the First 5 Orange County Board of Commissioners. The Rules are deemed to be procedural only and are intended to expedite transaction of the business in an orderly fashion. The failure to strictly observe application of the Rules shall not affect the jurisdiction of the TAC or invalidate any action taken at a meeting that is otherwise held in conformity with law.

Section 2. CONFLICTS OF INTEREST. Any TAC Member who is disqualified from participating in a decision with regard to an item because of a “financial interest” (whether direct or remote) as defined in Government Code sections 1090, 1091, or 87103 shall disclose the facts constituting such interest at the meeting at which the item is considered, and those facts shall be noted in the official meeting minutes.

ARTICLE X
OTHER

- Section 1. AMENDMENTS. These Bylaws may be amended or repealed by the approval of a majority of the Commissioners.
- Section 4. GENDER. As used herein, the masculine gender includes the feminine and neuter, the singular includes the plural, the plural includes the singular, and the term “person” includes both a legal entity and a natural person.

POLICIES AND PROCEDURES**No: 2.05****TECHNICAL ADVISORY COMMITTEE**

PURPOSE

The California Children and Families Act, under Section 130145 of the California Health and Safety Code, requires that each county commission establish one or more advisory committees to provide technical and professional expertise that will be beneficial in accomplishing the purposes of the Act.

To meet this requirement, First 5 Orange County has established a Technical Advisory Committee (TAC). The First 5 Orange County Board of Commissioners determined that the purpose of its TAC is to support and strengthen First 5 Orange County's systems change work. TAC members are appointed based on expertise and/or lived experience in the early childhood systems in which First 5 participates and works to improve. These include, but are not limited to, developmental screening and linkage to services, home visiting services, and child care. TAC members shall be comprised of representatives of service providers, public agencies, private agencies, or members of the public as appears expedient and useful and shall be appointed based on expertise or experience in pediatric health, early education, and early childhood development.

The TAC meets as needed. TAC members are responsible for providing technical advice and recommendations to help inform the decisions and actions of First 5 Orange County. Recommendations will align with the goals and objectives, as defined in the Strategic Plan, with a specific focus on investments and partnerships that lead to cross-sector, systems-level impact. TAC members will have the following roles:

- Serve on a countywide collaborative(s) that is working to improve systems that serve young children and families, in alignment with First 5 OC's Strategic Plan.
- Participate in TAC meetings.
- Bring their related expertise and advice to First 5 staff on an ongoing basis, and to Board meetings as appropriate.

Quorum Requirements:

- A majority of the Technical Advisory Committee members, or their alternates, shall constitute a quorum.

Stipends and Reimbursement of Members:

- First 5 Orange County Board Members shall receive no additional stipends for TAC meetings.
- Members of the TAC shall serve without compensation. TAC Members may receive such reimbursement for expenses, or *per diem*, as may be fixed or determined by First 5 Orange County.

POLICY STATEMENT

It is the policy of First 5 Orange County to comply with California Health and Safety Code Section 130145, Proposition 10 Statutes of the California Children and Families Act, requiring the establishment of one or more advisory committees to provide technical and professional expertise and support that will be beneficial in accomplishing the purposes of the Commission.

ATTACHMENTS

1. Bylaws of the First 5 Orange County Children and Families Commission Technical Advisory Committee

Loan English, MPA

Deputy Division Director

Family Self-Sufficiency/Adult Services

Loan began her career with the Orange County Social Services Agency (SSA) in 2005, of which 14 years have been in a leadership capacity. Loan has experience in multiple divisions and programs at SSA.

Loan serves as a Deputy Division Director in Family Self-Sufficiency (FSS) Operations and Policy Team. In this role, Loan is responsible for planning, developing, and managing program and business operations to support the FSS division which consists of the CalWORKs, Welfare to Work, Refugee Cash Assistance and Foster Care Eligibility programs. Loan's scope of responsibilities includes but is not limited to the following: ensuring compliance with program mandates and performance standards; administering program operations that comply with statutes and regulations; making policy decisions, participating and engaging in internal and external stakeholder meetings; and managing high level projects and initiatives. Loan's team also has oversight of contracts of up to \$50 million which require contract monitoring and performance monitoring. The CalWORKs and Welfare-to-Work program provides services to over 13,000 families and over 30,000 individuals. The Foster Care Eligibility team supports approximately 8,300 cases.

Loan has a bachelor's degree in social work from Cal-State Fullerton and Master's Degree in Public Administration with an emphasis in Organizational Leadership.

Misael Hernandez

Human Services Manager, Child Care Coordinator

Operations and Policy Team (OPT)

Family Self- Sufficiency/Adult Services

Misael began his career with the Orange County Social Services Agency (SSA) in 2021. Misael serves as a Human Services Manager and represents the County of Orange as the Board appointed Child Care Coordinator. In his role, Misael is assigned to the Family Self-Sufficiency (FSS) Operations and Policy Team, where he is responsible for planning, developing, and managing the operations for the CalWORKs Stage One Child Care and Home Visitation Programs.

In addition, Misael serves on the board of the Local Planning Council that serves as a forum to address the child care needs of all families in the community. Prior to working at SSA, Misael was a Firefighter for the City of Los Angeles, a Substitute Teacher at Capistrano Unified School District, and a Program Director for Tustin Unified School District.

Misael has a bachelor's degree in child development from Cal State University, Long Beach and selected coursework in Public Policy and Administration.



**Agenda Item 6
December 6, 2024**

DATE: November 5, 2024
TO: First 5 Orange County
FROM: Kimberly Goll, President/CEO *Kimberly Goll*
ACTION: Adopt Fiscal Year 2025-2026 Employer and Employee Retirement Contribution Rates as Established and Adopted by the Orange County Employees Retirement System

SUMMARY:

First 5 Orange County is a participant of the Orange County Employees Retirement System (OCERS). This item requests approval for the annual adoption of the employer and employee retirement contribution rates as required by Assembly Bill 538 (effective January 1, 2006).

DISCUSSION:

On June 17, 2024, the OCERS Board of Trustees adopted new employer and employee retirement contribution rates for Fiscal Year 2025-2026, inclusive for First 5 OC. These rates are based on a comprehensive actuarial study of the Retirement System. The December 31, 2023 Actuarial Valuation Report presents the OCERS funding requirements for Fiscal Year 2025-2026 and is located on the OCERS website at www.ocers.org.

First 5 OC employees fall within two OCERS retirement plans. Plan J includes retirement system members who started employment before January 1, 2013. Plan U includes all members starting after January 1, 2013.

Employer Contribution

The newly adopted employer contribution rates for Plans J and U (provided on Attachment 1) consist of two components: the Normal Retirement Rate which covers retirement costs going forward; and the Unfunded Accrued Actuarial Liability (UAAL) rate which covers retroactive retirement costs.

Normal Retirement Rate: The Fiscal Year 2025-2026 employer Normal Rate for Plan J members of 15.29% represents an increase from 14.57%. Employer rates for Plan U members will decrease to 9.15% from the previous rate of 9.24%. Rate changes are due to the actual contributions and other experience factored into the December 31, 2023 actuarial valuation.

Unfunded Accrued Actuarial Liability Rate: First 5 OC paid off its current UAAL on November 15, 2017, and the Fiscal Year 2025-2026 rates reflect that payment. The UAAL rate without the payoff adjustment would have been close to 25% instead of the current proposed rate of 5.46%.

Employee Contribution

The employee Normal Rate (also provided on Attachment 1) is determined by employee age at entry to OCERS and will experience an increase of 0.01% for Fiscal Year 2025-2026 for Plan J members and a decrease of 0.03% for Plan U members, based on the average entry age of 28.

Staff recommends that the First 5 OC Board adopt the employer and employee retirement contribution rates as recommended and adopted by OCERS for Fiscal Year 2025-2026.

The necessary steps for First 5 OC to participate in the early payment discount for Fiscal Year 2025-2026 are being implemented. Since net fixed income returns on First 5 OC investments with the County Treasurer are projected to earn 3.5% for Fiscal Year 2024-2025, securing a 7% discount by early payment is a prudent budgeting decision that will not impact required cash flow nor interest earnings.

STRATEGIC PLAN & FISCAL SUMMARY:

The Fiscal Year 2025-2026 retirement contribution rate schedule recommended and adopted by OCERS has been reviewed in relation to the Strategic Plan and is consistent with prior practice and supports all goal areas of the Strategic Plan. The Fiscal Year 2025-2026 retirement contribution rates will be incorporated into the Fiscal Year 2025-2026 budget.

PRIOR COMMISSION ACTIONS:

- December 2023 – Adopted implementation of employer and employee retirement contribution rates as recommended and adopted by OCERS for FY 2024-2025
- December 2022 – Adopted implementation of employer and employee retirement contribution rates as recommended and adopted by OCERS for FY 2023-2024
- October 2017 – Authorized payment of the Children and Families Commission of Orange County's Unfunded Actuarial Accrued Liability to OCERS in an amount not to exceed \$1,800,000.

RECOMMENDED ACTION:

Adopt implementation of Fiscal Year 2025-2026 employer and employee retirement contribution rates as established and adopted by the Orange County Employees Retirement System (OCERS) on June 17, 2024.

ATTACHMENT:

1. Fiscal Year 2025-2026 Orange County Employees Retirement System (OCERS) Employee Contribution Rates

CONTACT: Michael Garcell



Active Participating Employers:

CITY OF SAN JUAN
CAPISTRANO

COUNTY OF ORANGE

ORANGE COUNTY
CEMETERY DISTRICT

ORANGE COUNTY CHILDREN
& FAMILIES COMMISSION

ORANGE COUNTY
EMPLOYEES RETIREMENT
SYSTEM

ORANGE COUNTY FIRE
AUTHORITY

ORANGE COUNTY IN-HOME
SUPPORTIVE SERVICES
PUBLIC AUTHORITY

ORANGE COUNTY LOCAL
AGENCY FORMATION
COMMISSION

ORANGE COUNTY PUBLIC
LAW LIBRARY

ORANGE COUNTY
SANITATION DISTRICT

ORANGE COUNTY
TRANSPORTATION
AUTHORITY

SUPERIOR COURT OF
CALIFORNIA, COUNTY
OF ORANGE

TRANSPORTATION
CORRIDOR AGENCIES

October 3, 2024

Ms. Kim Goll
kim.goll@cfcoc.ocgov.com
 Orange County Children and Families Commission
 1505 East 17th Street, Suite 230
 Santa Ana, CA 92705

Re: New Employer/Employee Contribution Rates 2025/2026

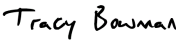
Dear Ms. Goll:

At the June 17, 2024 regular board meeting, the Board of Retirement adopted fiscal year 2025/2026 employer and employee contribution rates for the existing plans as part of the December 31, 2023 Actuarial Valuation Report. These new rates will go into effect **beginning with pay period 15 in 2025.**

The attached schedules include both the employer rates and a listing of the employee contribution rates for your various plans. Additional plan information, including a detailed breakdown of the UAAL by rate group, can be found in the Actuarial Valuation as of December 31, 2023 located on the OCERS website at: www.ocers.org Forms & Publications, Financial Reports page.

If you have any questions or require additional information, feel free to contact me at (714) 558-6206 or by email at tbowman@ocers.org.

Regards,

DocuSigned by:

 1F40C2352C3A468...

Tracy Bowman
Director of Finance

cc: Michael Garcell (Michael.Garcell@cfcoc.ocgov.com), Erica Lin (Erica.Lin@ac.ocgov.com), Evarista Narciso (Evarista.Narciso@ac.ocgov.com), Chi Vu (Chi.vu@ac.ocgov.com)



**Orange County Children and Families Commission
Employer / Employee Contribution Rates
Effective Pay Period 15, June 27, 2025**

Employer Contribution Rates

Rate Group	Plan	Rate	
#2	J (General)	Normal	15.29%
		UAAL	<u>5.46%</u>
		Total	20.75%
#2	U – PEPRA	Normal	9.15%
		UAAL	<u>5.46%</u>
		Total	14.61%

***Reverse Pickups:**

OCCFC bargaining units under the 2.7% at 55 plans are subject to an employee-paid reverse pickup which has not been accounted for in the employer rate above. Any reverse pickup arrangements are between the employer and employee bargaining units. The reverse pickup rate schedule is available online at:

<https://www.ocers.org/sites/main/files/file-attachments/reversepickups.pdf>

Employee Contribution Rates

Entry Age	Plan J (2.7% @ 55)	PEPRA
		Plan U (2.5% @ 67)
16	9.87%	7.41%
17	10.05%	7.08%
18	10.23%	6.74%
19	10.42%	6.87%
20	10.61%	7.00%
21	10.81%	7.13%
22	11.01%	7.26%
23	11.21%	7.40%
24	11.42%	7.53%
25	11.63%	7.67%
26	11.84%	7.82%
27	12.06%	7.96%
28	12.29%	8.11%
29	12.52%	8.26%
30	12.75%	8.41%
31	12.99%	8.57%
32	13.24%	8.73%
33	13.49%	8.89%
34	13.75%	9.05%
35	14.00%	9.22%
36	14.25%	9.39%
37	14.50%	9.56%
38	14.76%	9.74%



**Orange County Children and Families Commission
Employer / Employee Contribution Rates
Effective Pay Period 15, June 27, 2025
(continued)**

**Employee Contribution Rates
(continued)**

Entry Age	Plan J (2.7% @ 55)	PEPRA
		Plan U (2.5% @ 67)
39	15.02%	9.92%
40	15.28%	10.11%
41	15.54%	10.30%
42	15.80%	10.50%
43	16.06%	10.70%
44	16.32%	10.90%
45	16.53%	11.11%
46	16.71%	11.33%
47	16.83%	11.54%
48	16.89%	11.75%
49	16.85%	11.96%
50	16.69%	12.17%
51	16.42%	12.39%
52	16.14%	12.61%
53	16.67%	12.84%
54	17.23%	13.06%
55	17.23%	13.29%
56	17.23%	13.51%
57	17.23%	13.70%
58	17.23%	13.87%
59	17.23%	13.99%
60	17.23%	14.06%
61	17.23%	14.06%
62	17.23%	13.97%
63	17.23%	13.80%
64	17.23%	13.67%
65	17.23%	14.12%
66 and thereafter	17.23%	14.60%

Average entry age and discounted percentages applicable to employee contributions paid under Section 31581.1 are:

Rate Group	Plan	Discounted Percentage	Average Entry Age
#2	Plan J (General)	99.46%	28



**Agenda Item 7
December 6, 2024**

DATE: November 21, 2024
TO: First 5 Orange County
FROM: Kimberly Goll, President/CEO *Kimberly Goll*
ACTION: Receive and Approve Corrected Prenatal Strategy Term Sheet and Adopt Resolution Authorizing Amendments to Agreements for Continued Implementation

SUMMARY:

This agenda item requests approval of a corrected term sheet for the prenatal strategy previously approved by the Board in October, 2024. Staff identified missing information from the original term sheet. No new funding is requested for this item.

DISCUSSION:

In October, the First 5 Orange County Board approved an additional 18 months of funding for existing prenatal strategy agreements. The original term sheet approved by the Board did not state the existing contract amounts or the new aggregated maximum payment obligations reflecting the additional funding that was approved. Staff have reviewed and corrected the original term sheet submitted to the Board. The approved prenatal strategy action has had no changes to the substance, term, or overall funding. However, the term sheet has been corrected to encompass the entirety of the original contract and amended terms, and therefore staff recommends adopting a new resolution to reflect the updated term sheet. This corrected prenatal strategy term sheet will be submitted to the Clerk of the Board for administrative filing purposes.

STRATEGIC PLAN & FISCAL SUMMARY:

The recommended action has been reviewed in relation to the Strategic Plan and is consistent with all goal areas. There is no new funding action proposed for this item.

PRIOR COMMISSION ACTIONS:

- October 2024 – Receive Update on Prenatal Strategy and Authorize Agreements for Continued Implementation

RECOMMENDED ACTIONS:

1. Receive and approve corrected prenatal strategy term sheet.
2. Adopt resolution (Attachment 2) authorizing President/CEO, or designee, and Commission Counsel to prepare and negotiate agreements, at the President/CEO sole discretion, with designated organizations to provide prenatal services for the terms, in the amounts, and on the conditions as specified in Attachment 2.

ATTACHMENTS:

1. Corrected Term Sheet
2. Resolution

CONTACT: Yvette Nuñez

Organization	Contract Number	New Term	09/01/2023 - 01/01/2025)	01/02/2025 - 06/30/2026)	New Maximum Obligation	Scope of Work
MOMS Orange County	FCI-PN3-01	9/1/2023-6/30/2026	\$150,000	\$150,000	\$300,000	Provide prenatal prevention and intervention with lighter touch services. Provide 6 week prenatal group series in two targeted communities with anticipation of serving 150 families. Participate in Community Health Worker (CHW) billing, maintain CHW documentation, support with CHW workflow, connect families to Help Me Grow for expanded PN3 services process and administer pre and post prenatal group series surveys.
Padres Unidos	FCI-PN3-02	9/1/2023-6/30/2026	\$150,000	\$150,000	\$300,000	Provide prenatal prevention and intervention with lighter touch services. Provide 8 week prenatal group series with the intergration of Daddy Bootcamp in the three targeted communities with anticipation of serving 150 families. Participate in Community Health Worker (CHW) billing, maintain CHW documentation, support with CHW workflow, connect families to Help Me Grow for expanded PN3 services process and administer pre and post prenatal group series surveys.
Children's Hospital of Orange County (Help Me Grow Orange County)	FCI-PN3-03	9/1/2023-6/30/2026	\$65,000	\$95,000	\$160,000	Provide targeted physican outreach to OB/GYN clinics, WIC, and Federally Qualified Health Clinics implementing a strategic follow-up cadence. Increase number of outreach presentations to prenatal practices/providers per month. Track prenatal families, referrals to prenatal groups series connecting with MOMS and Padres Unidos and other prenatal and postnatal service providers to ensure effective triaging and referral linkage. Continue to additional prenatal services to the Help Me Grow resource inventory. Participate in Community Health Worker (CHW) billing, maintain CHW documentation, and support with CHW workflow and use of Bridges Connect system.
TOTAL			\$365,000	\$395,000	\$760,000	

CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY

RESOLUTION NO. ___-24-C&FC

December 6, 2024

A RESOLUTION OF THE CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY AUTHORIZING THE PRESIDENT/CEO AND COMMISSION COUNSEL TO PREPARE AND NEGOTIATE AMENDMENTS TO AGREEMENTS, AT THE PRESIDENT/CEO'S SOLE DISCRETION, WITH DESIGNATED ORGANIZATIONS TO PROVIDE PRENATAL SERVICES; AND, AUTHORIZING APPROVAL AND EXECUTION OF SUCH AMENDMENTS ON BEHALF OF THE COMMISSION

WHEREAS, in order to facilitate the creation and implementation of an integrated, comprehensive, and collaborative system of information and services to enhance optimal early childhood development, the legislature adopted legislation set forth in the California Children and Families Act of 1998, Health and Safety Code Section 130100, *et seq.* (as amended, the "Act") implementing the Children and Families First Initiative passed by the California electorate in November, 1998 and establishing the California Children and Families Commission and County Children and Families Commissions, including this Children and Families Commission of Orange County ("Commission"); and

WHEREAS, Commission adopted its Strategic Plan to define how funds authorized under the Act and allocated to the Commission should best be used to meet the critical needs of Orange County's children prenatal to five years of age as codified in the Act; and

WHEREAS, the Commission previously entered into agreements for prenatal services (hereinafter collectively referred to as the "Agreements") with various organizations (hereinafter referred to as the "Contractors"), which are identified in the staff report and attachments for this December 6, 2024 Agenda Item (hereinafter referred to as the "Agenda Item").

WHEREAS, the Commission desires to amend the Agreements, at the President/CEO's sole discretion, with each of the Contractors for the terms, in the amounts, and on the conditions as described in the Agenda Item (hereinafter referred to as the "Amendments"); and

WHEREAS, each Contractor desires to amend its Agreement, if authorized by the President/CEO, in furtherance of the purposes of the Act and the Strategic Plan on the terms and conditions set forth in the Amendment; and

WHEREAS, Commission has reviewed the Agenda Item relating to the scopes of services to be provided and hereby finds and determines that the proposed Amendments are in furtherance of and consistent with the Commission's Strategic Plan; and

WHEREAS, Commission desires to authorize the Commission Chair and Commission Clerk to execute the Amendments to the Agreements with each of the Contractors for the terms, in the amounts, and on the conditions as specified in the Agenda Item.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSIONERS OF THE CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY AS FOLLOWS:

Section 1 Commission finds and determines the foregoing Recitals are true and correct and are a substantive part of this Resolution.

Section 2 Commission authorizes the President/CEO, or designee, and Commission Counsel to prepare and negotiate Amendments to Agreements with each of the Contractors for the terms, in the amounts, and on the conditions consistent with the Agenda Item; and

Section 3 The form of any Amendments shall be substantially similar to the standard form agreements, subject to minor, non-substantive revisions, or as otherwise required to comply with funding sources, and will be reviewed and approved by the President/CEO, or designee, and Commission Counsel. The approval by the President/CEO, or designee, of the Agreements shall be conclusively evidenced by the execution of such Amendments by the Commission Chair and delivery thereof to the Commission Clerk.

Section 4 Commission hereby approves the Amendments, which will be authorized at the President/CEO's sole discretion, with each of the Contractors for the terms, in the amounts, and on the conditions as specified in the Agenda Item.

Section 5 The Commission Chair and the Clerk of the Commission are hereby authorized to execute and attest, respectively, the Amendments on behalf of the Commission.

Section 6 A copy of each final Amendment when executed by the Commission Chair and attested by the Clerk of the Commission shall be appended hereto as a part of Exhibit A to this Resolution. Exhibit A is hereby fully incorporated as a part of this Resolution by this reference and made a part hereof. Each final executed Amendment shall be placed on file in the office of the Clerk of the Commission.

Section 7 In addition to the authorization of Section 2 above, the President/CEO, or designee, is hereby authorized, on behalf of the Commission, (i) to sign all documents necessary and appropriate to carry out and implement the Agreement(s), including any Amendment(s); (ii) to cause the issuance of warrants; (iii) to administer the Commission's obligations, responsibilities, and duties to be performed under such agreement(s); and (iv) during the term thereof to provide waivers, administrative interpretations, and minor modifications of the provisions of such agreement(s) in the furtherance thereof.

Section 8 The Clerk of the Commission shall certify to the adoption of this Resolution.

The foregoing resolution was passed and adopted by the following vote of the Children and Families Commission of Orange County on December 6, 2024 to wit:

AYES Commissioners: _____

NOES: Commissioner(s): _____

EXCUSED: Commissioner(s): _____

ABSTAINED: Commissioner(s) _____

CHAIR

STATE OF CALIFORNIA)
)
COUNTY OF ORANGE)

I, ROBIN STIELER, Clerk of the Commission of Orange County, California, hereby certify that a copy of this document has been delivered to the Chair of the Commission and that the above and foregoing Resolution was duly and regularly adopted by the Children and Families Commission of Orange County.

IN WITNESS WHEREOF, I have hereto set my hand and seal.

ROBIN STIELER
Clerk of the Commission, Children and Families Commission of
Orange County, County of Orange, State of California

Resolution No: __-24-C&FC

Agenda Date: December 6, 2024

Item No. __



I certify that the foregoing is a true and correct copy of the Resolution adopted by the

Robin Stieler, Clerk of the Commission

By: _____
Deputy

EXHIBIT A TO RESOLUTION OF COMMISSION

(Attach copy(ies) of final executed Amendments and Agreements)



**Agenda Item 8
December 6, 2024**

DATE: November 5, 2024
TO: First 5 Orange County
FROM: Kimberly Goll, President/CEO *Kimberly Goll*
ACTION: Conduct Public Hearing and Authorize President/CEO to Submit the Annual Comprehensive Financial Report to First 5 California and the State Controller's Office

SUMMARY:

First 5 Orange County is required to conduct a public hearing to approve the annual audit before submittal to First 5 California and the State Controller's Office. This item presents the annual independent audit report conducted by Eide Bailly LLP.

DISCUSSION:

The California Children and Families Act of 1998 (Health and Safety Code Sections 130140 & 130150) requires that each county commission complete an annual audit and program report of the preceding fiscal year, conduct a public hearing on the audit and program reports, and submit both to the First 5 California Commission and the audit report to the State Controller's Office on or before November 1st of each year. The annual program report was provided and approved at the October 2024 meeting.

Due to circumstances beyond the control of First 5 Orange County, an extension was requested and granted by the California State Controller's Office until December 9, 2024, for the submission of the annual audit report for Fiscal Year 2023-2024. As a participant in the County of Orange Retiree Medical Plan, First 5 OC is required to report in the financial statements and required supplementary information specific financial details related to other post-employment benefits. County of Orange auditors had to first verify all information in the report detailing the Retiree Medical Plan before it could be provided to the plan sponsors. This process created the delay, and the deadline to submit the annual audit to the California State Controller's Office and First 5 California was extended. The audit of the Retiree Medical Plan has since been completed, and the Annual Comprehensive Financial Report is submitted as Attachment 1.

Annual Comprehensive Financial Report

Eide Bailly LLP performed an independent annual audit of Commission financial statements for Fiscal Year 2023-2024 that included the expanded audit compliance requirements mandated by statute. The auditors conducted their work in accordance with all standards applicable to financial audits including generally accepted auditing standards, standards and procedures issued by the California State Controller's Office, and Government Auditing Standards issued by the Comptroller General of the United States. The Comprehensive Annual Financial Report for the Year Ended June 30, 2024 (Attachment 1) was prepared in compliance with the most up to date guidelines issued by the State Controller.

The independent auditors found no instances of noncompliance with state or federal laws and regulations concerning financial matters. The auditors found no significant deficiencies, material weaknesses involving internal controls over financial reporting, or audit adjustments, and rendered an unmodified opinion on the Commission's Comprehensive Annual Financial Report for Year End June 30, 2024. Eide Bailly states these same results in the following reports:

Independent Auditor's Report: "In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and general fund of the Commission, as of June 30, 2024, and the respective changes in financial position thereof and budgetary comparison for the general fund for the year then ended, in accordance with accounting principles generally accepted in the United States of America."

Auditors' Report on State Compliance: "In our opinion, the Commission complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the California Children and Families Program for the year ended June 30, 2024."

STRATEGIC PLAN & FISCAL SUMMARY:

The report and recommended actions presented in this report have been reviewed in relation to First 5 Orange County's Strategic Plan and are consistent with applicable goals. There is no funding action proposed for this item.

PRIOR COMMISSION ACTIONS:

- October 2024 – Conducted Public Hearing on Fiscal Year 2023-2024 Annual Report
- December 2023 – Conducted Public Hearing and authorized the President/CEO to submit the Annual Financial Report to First 5 California and the State Controller's Office
- October 2023 – Conducted Public Hearing on Fiscal Year 2022-2023 Annual Report

RECOMMENDED ACTIONS:

1. Conduct public hearing.
2. Receive the Annual Comprehensive Financial Report for Year Ended June 30, 2024, including State Compliance Report (Attachment 1) and authorize the President/CEO to submit the Annual Financial Audit Report, along with any supporting materials, to First 5 California and the State Controller's Office.

ATTACHMENTS:

1. Annual Comprehensive Financial Report for Year Ended June 30, 2024
2. Audit Conclusion Communication Letter

CONTACT: Michael Garcell



1505 E. 17th Street, Suite 230
Santa Ana, CA 92705
714-834-5310 first5oc.org

Commissioners:
Jackie Filbeck, Chair
Soledad Rivera, Vice Chair, Ramin Baschshi, M.D
Doug Chaffee, Veronica Kelley Ph.D., Angie Rowe,
Irene Salazar, An Tran, Yvette Lavery
CEO/President: Kimberly Goll

TO: Clerk of the Board

FROM: Michael Garcell, First 5 OC

DATE: December 3, 2024

SUBJECT: Attachments 1 and 2 for 12/6/24 Agenda Item # 8

Attachment 1 and 2 are now ready for Agenda Item 08 – Public Hearing to authorize President/CEO to submit the Annual Comprehensive Financial Report to First 5 California and the State Controller's Office.

- Included:
1. Annual Comprehensive Financial Report for Year Ended June 30, 2024
 2. Audit Conclusion Communication Letter

**CHILDREN AND FAMILIES COMMISSION
OF ORANGE COUNTY**
(a Component Unit of the
County of Orange, California)

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Year Ended June 30, 2024

Prepared by:

Michael Garcell, CPA (inactive)

Director of Finance

**CHILDREN AND FAMILIES COMMISSION
OF ORANGE COUNTY
FOR THE YEAR ENDED JUNE 30, 2024**

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December 2, 2024

Board of Commissioners
First 5 Orange County
Children and Families Commission of Orange County
1505 East 17th Street, Suite 230
Santa Ana, CA 92705

Dear Commissioners and Citizens of Orange County

The Annual Comprehensive Financial Report (ACFR) of the Children and Families Commission of Orange County (the Commission) is hereby submitted. This report contains financial statements that have been prepared in conformity with United States Generally Accepted Accounting Principles (GAAP) prescribed for governmental entities. Responsibility for the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the Commission. To the best of our knowledge and belief, the enclosed data is accurate in all material aspects and is reported in a manner that presents fairly the financial position and changes to the financial position of the Children and Families Commission of Orange County. All disclosures necessary to enable the reader to gain an understanding of the Commission's financial activities have been included.

The ACFR has been audited by the independent certified public accounting firm of Eide Bailly, LLP. The goal of the independent audit was to provide reasonable assurance about whether the basic financial statements of the Commission for the year ended June 30, 2024, are free of material misstatement. The independent certified public accounting firm has issued an unmodified ("clean") opinion on the Commission's financial statements as of and for the year ended June 30, 2024. The independent auditor's report is located at the front of the financial section of this report.

This letter of transmittal is designed to complement and should be read in conjunction with the Management's Discussion and Analysis (MD&A) that immediately follows the independent auditor's report. The MD&A provides a narrative introduction, overview, and an analysis of the basic financial statements.

Profile of the Commission

The Commission was established by the Orange County Board of Supervisors in September 1999 following the passage of Proposition 10, through which California voters made an unprecedented investment in early childhood development. The Commission's activities have been built to develop, adopt, promote and implement programs to support early childhood development. Since inception, the Commission has made a lasting positive impact in Orange County through its expenditures of approximately \$858 million toward grants, programs and operations that improve the well-being of young children and families in Orange County.

Relevant Financial Policies

Financial Plan

In April 2024, the Board of Commissioners confirmed the updated Long-Term Financial Plan (LTFP). The LTFP, which is reviewed annually to incorporate the prior year-end financials as well as updated revenue projections and continues to anticipate annual decreases in Proposition 10 tobacco tax collections. Since its peak in 2000, the Commission has had an overall reduction of over 50% in revenue, and tobacco revenue is projected to continue to decline at a rate of 3% to 4% annually. Above and beyond the expected annual decline in tobacco tax revenue was the passage of the sale of flavored tobacco products in November 2022. The ban on the sale of these products had an immediate impact on the tax revenue received in Fiscal Year 2022-2023 and continued to decrease further in Fiscal Year 2023-2024.

The overall decrease in tobacco tax revenues is the focus of discussions around the LTFP. Reduced future year expenditure targets were incorporated into the plan along with some remaining set asides for future anticipated one-time systems building funding. The annual budget reductions will be supplemented with funding reserves to align with future, expected tobacco tax revenue and the Strategic Plan.

Strategic Plan

In April 2021, First 5 OC updated its Strategic Plan envisioning an Orange County in which “All children reach their full potential.” The updated Plan was reviewed again in April 2022. The groundwork for this vision to be achieved is set during a child’s earliest years. First 5 OC partners with many organizations working towards creating and maintaining an early childhood system that families experience as a seamless network of care. The conditions needed for children to thrive are:

- Early and Ongoing Health and Development;
- Equitable Distribution of Resources;
- A Safe, Stable, and Nurturing Home; and
- Neighborhoods that Support Young Children and Families.

First 5 OC uses four guiding strategies to provide a lens through which to prioritize our work. We believe these four strategies have the most impact on improving the conditions needed for children and families to thrive:

- Get Involved Early;
- Elevate Equity;
- Empower Champions; and
- Align Systems of Care.

Other Financial Information

Internal Control

The management of the Commission is responsible for establishing and maintaining internal controls designed to ensure that the assets of the public entity are protected from loss, theft, or misuse. Management is also responsible for ensuring that adequate accounting data are compiled to allow for the preparation of the basic financial statements in conformity with accounting principles generally accepted in the United States of America. Internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Budgetary Control

The objective of budgetary control is to ensure that spending is limited to the total amount authorized by the Board of Commissioners. The initial budget for Fiscal Year 2023-2024 was adopted on June 7, 2023. The President/CEO has the discretion to adjust the budget as defined within the budget policy of the Board of Commissioners. Monthly financial highlights are provided to the Board of Commissioners.

Risk Management

The Commission manages its risk exposure in part through the purchase of Workers Compensation, Property, General Liability, Auto, Crime and Directors and Officers insurance through the County of Orange.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Commission for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2023. This was the tenth consecutive year that the Commission has achieved this prestigious award. In order to be awarded a Certificate of Achievement, the Commission must publish an easily readable and efficiently organized Annual Comprehensive Financial Report. This report must satisfy both accounting principles generally accepted in the United State of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. I believe that the current Annual Comprehensive Financial Report continues to meet the Certificate of Achievement program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

I would like to express my sincere appreciation to Commission staff and the staff of the certified public accounting firm of Eide Bailly, LLP. I hope this report will be of interest and use to those in the County of Orange, other governmental agencies, and the public interested in the financial activity of the Commission.

Sincerely,



Kimberly Goll
President/CEO

CHILDREN AND FAMILIES COMMISSION
OF ORANGE COUNTY
BOARD OF COMMISSIONERS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

First 5 OC COMMISSION BOARD MEMBERS (9)

Jackie Filbeck (A)
Chair

Soledad Rivera (A)
Vice Chair

Ramin Baschshi, M.D. (A)

Doug Chaffee (M)
Board of Supervisors

Veronica Kelley, DSW (M)
Health Care Agency

Yvette Lavery (A)

Irene Salazar (A)

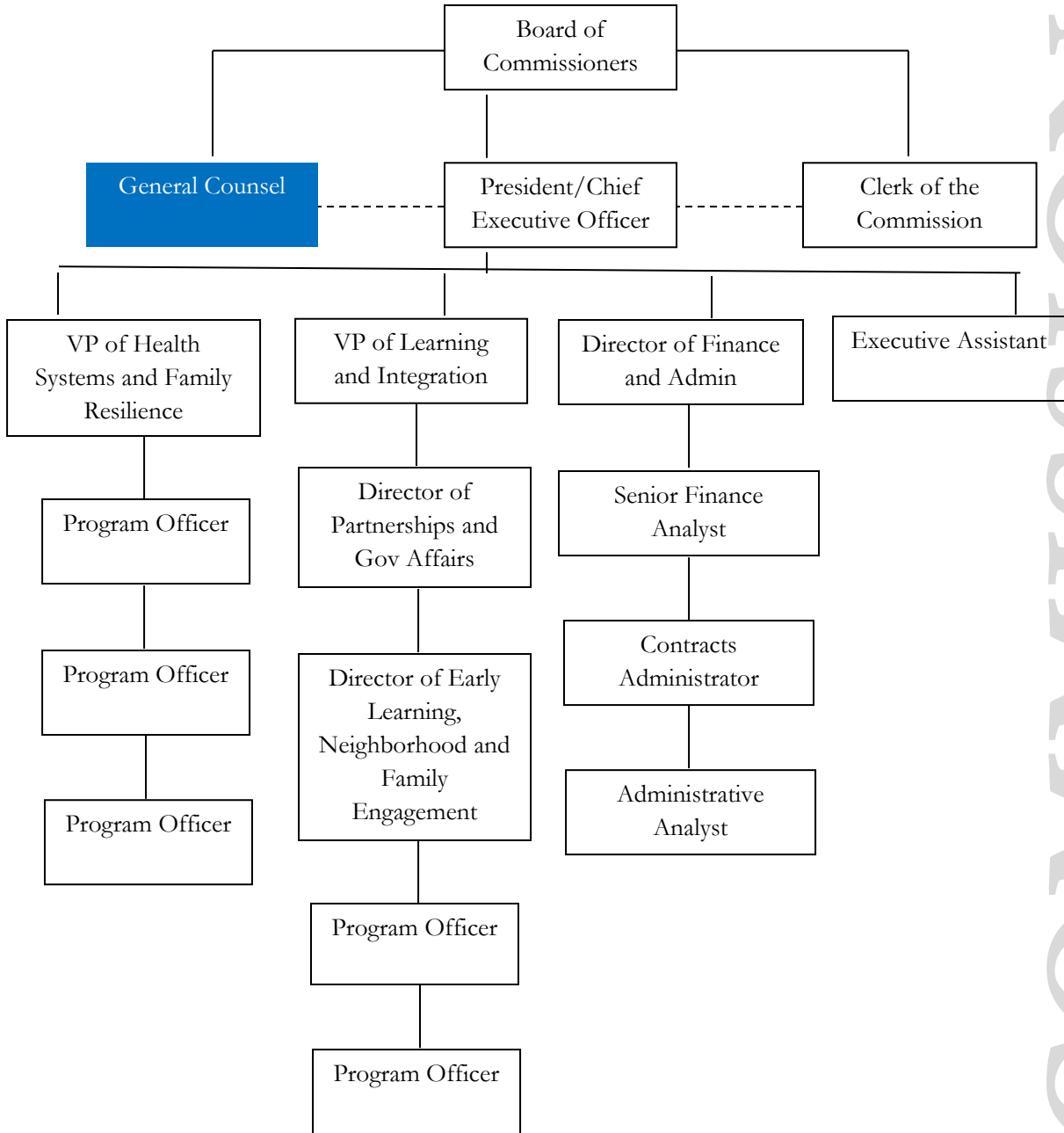
Angie Rowe (A)

An Tran (M)
Social Services Agency

(M) Mandatory members
(A) At-large members

COMMISSION

**CHILDREN AND FAMILIES COMMISSION
OF ORANGE COUNTY
ORGANIZATION CHART
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**



COMMISSION



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Children and Families Commission of Orange County
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morrill

Executive Director/CEO



Independent Auditor's Report

To the Board of Commissioners
Children and Families Commission of Orange County
Santa Ana, California

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and the general fund of the Children and Families Commission of Orange County (Commission), a component unit of the County of Orange, California as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the general fund of the Commission, as of June 30, 2024, and the respective changes in financial position and the budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Commission and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Commission's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Commission's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of proportionate share of the net pension liability, schedule of changes in Commission's net OPEB liability, and schedules of the Commission's contributions – pension and OPEB, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Commission's basic financial statements. The schedule of First 5 California Funding is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of First 5 California Funding is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 2, 2024, on our consideration of the Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Commission's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Commission's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Eide Sully LLP". The signature is written in a cursive, flowing style.

Laguna Hills, California
December 2, 2024

**CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
MANAGEMENT DISCUSSION AND ANALYSIS
FISCAL YEAR ENDED JUNE 30, 2024**

As management of the Children and Families Commission of Orange County (Commission), we offer readers of the Commission's Annual Comprehensive Financial Report this overview and analysis of the financial activities for the fiscal year ended June 30, 2024. Please read in conjunction with the Commission's basic financial statements and accompanying notes.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the Commission as reported on the Statement of Net Position exceeded its liabilities and deferred inflows of resources by \$72.2 million at the end of the current fiscal year, an increase of \$5.4 million (8.1%) from the prior fiscal year. The increase in Net Position is primarily due to increased interest earnings on investment balances along with program reimbursement revenues and planned decreases in overall program spending.
- As of June 30, 2024, the Commission's governmental fund statements reported an ending fund balance totaling \$69.9 million, an increase of \$4.3 million (6.5%).
- The total ending fund balance of \$69.9 million was classified into the following categories: \$0.8 million as non-spendable, \$11 million as committed, \$44 million as assigned, and \$14 million as unassigned.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual comprehensive financial report consists of three parts: the introduction section, the basic financial statements including government-wide financial statements, governmental fund financial statements and notes to the basic financial statements, and the statistical section. The Commission's financial statements, prepared in accordance with generally accepted accounting principles (GAAP), offer key, high-level financial information about the activities during the reporting period.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Commission's finances and activities. These statements are prepared using the full accrual basis of accounting and a total economic resource measurement focus, in order to provide both long-term and short-term information about the Commission's overall financial status. A detailed definition of these methods is described in Note 1 of the basic financial statements.

The Statement of Net Position presents information on all Commission assets, deferred outflows of resources, liabilities and deferred inflows of resources with the difference reported as net position. Changes in net position may serve as a useful indicator of whether the financial position of the Commission is improving or declining.

The Statement of Activities presents changes in the Commission's net position during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but not received, unused vacation leave, net pension liability).

Fund Financial Statements - A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund accounting is used to ensure and demonstrate compliance with finance-related and legal requirements. All Commission activities are accounted for in the general fund.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund

**CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
MANAGEMENT DISCUSSION AND ANALYSIS
FISCAL YEAR ENDED JUNE 30, 2024**

financial statements focus on near-term inflows and outflows of spendable resources, as well as on *balances of spendable resources available at the end of the year*. Such information may be useful in evaluating the Commission’s near-term financing requirements.

Because the focus of government funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Commission’s near-term financial decisions. Reconciliations are presented for the Balance Sheet of governmental funds and the Statement of Revenues, Expenditures and Changes in Fund Balances of governmental funds to facilitate comparison between governmental funds and governmental activities.

Governmental Fund Financial Statements are prepared on a modified accrual basis, which means that they measure only current financial resources and uses. Capital assets and long-term liabilities are not presented in the Governmental Fund Financial Statements, as they do not represent current available resources or obligations. The Commission adopts an annual appropriated budget for the general fund. A budgetary comparison statement for the general fund is presented in the basic financial statements to demonstrate compliance with the adopted budget.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found immediately following the basic financial statements.

ANALYSIS OF THE COMMISSION’S GOVERNMENT-WIDE FINANCIAL STATEMENTS

Net Position

Net position may serve over time as a useful indicator of a government’s financial position. In the case of the Commission, net position was approximately \$72.2 million at the end of the current fiscal year, an increase of 8.1% from the prior fiscal year’s net position. The increase is due to increased revenue from investments and planned reductions in ongoing programs costs to align with the long-term financial plan. Following is a summary of the government-wide Statement of Net Position comparing balances at June 30, 2024 and June 30, 2023.

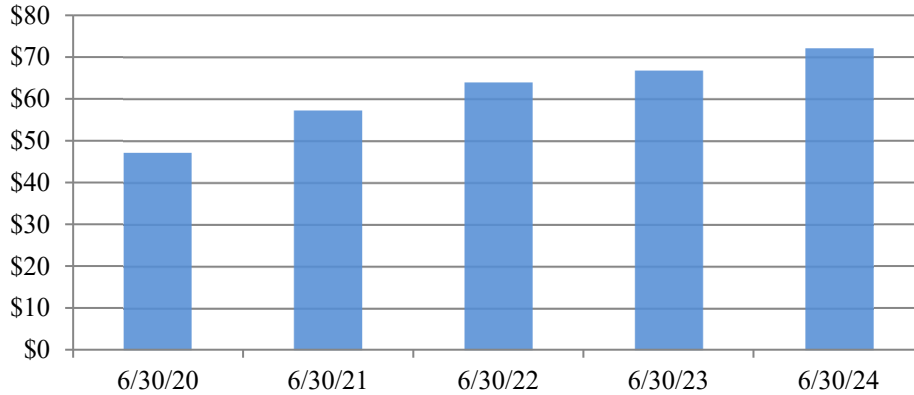
Most of the Commission’s net position as of June 30, 2024 is considered unrestricted because their use is not for a purpose narrower than the Commission’s purpose and were comprised of the following:

**CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
MANAGEMENT DISCUSSION AND ANALYSIS
FISCAL YEAR ENDED JUNE 30, 2024**

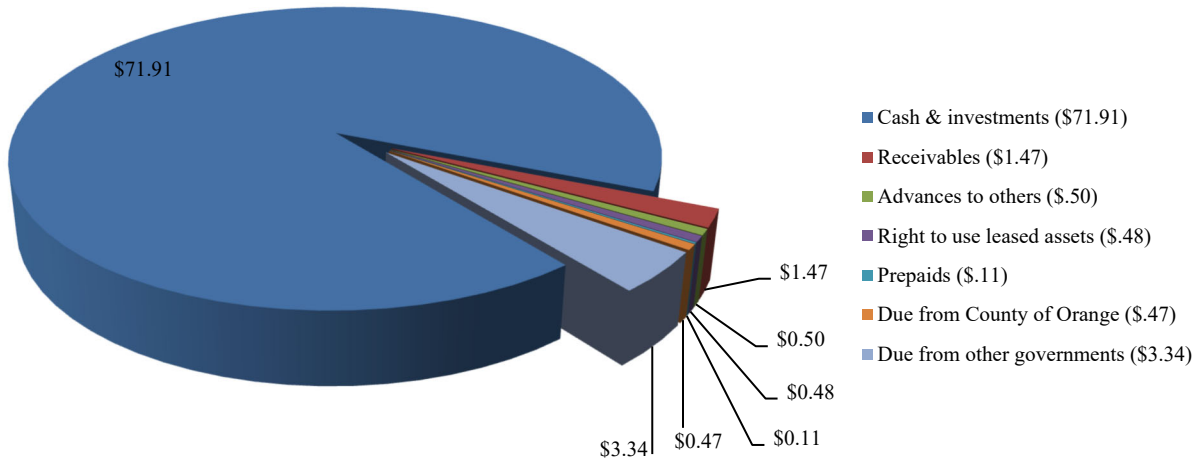
	FY 2023-24	FY 2022-23	Percent Increase (Decrease)
Assets:			
Cash and investments	\$ 71,907,994	\$ 67,389,655	6.7%
Imprest cash	0	10,000	-100.0%
Interest receivable	1,473,657	620,439	137.5%
Due from County of Orange	469,448	309,971	51.4%
Due from other governments	3,336,577	3,464,279	-3.7%
Prepays	112,808	94,779	19.0%
Advances to others	500,000	581,843	-14.1%
Net pension asset	0	21,849	-100.0%
Capital assets - right-to-use lease assets, net of amortization	484,265	521,429	-7.1%
Total assets	<u>78,284,749</u>	<u>73,014,244</u>	7.2%
Deferred Outflows of Resources:			
Pension related amounts	1,442,169	1,355,246	6.4%
OPEB related amounts	121,000	116,000	4.3%
Total deferred outflows of resources	<u>1,563,169</u>	<u>1,471,246</u>	6.2%
Liabilities:			
Accounts payable	2,191,480	2,090,514	4.8%
Due to County of Orange	361,992	317,042	14.2%
Due to other governments	2,345,645	2,392,306	-2.0%
Retentions payable	1,171,243	1,195,485	-2.0%
Accrued wages and benefits	108,874	94,980	14.6%
Non-Current liabilities:			
Due Within One Year			
Compensated absences	102,720	91,669	12.1%
Lease payables	65,707	57,873	13.5%
Due in More than One Year			
Compensated absences	13,760	16,490	-16.6%
Lease payables	434,506	465,651	-6.7%
Net Pension Liability	189,581	0	
Net OPEB Liability	249,000	269,000	-7.4%
Total liabilities	<u>7,234,508</u>	<u>6,991,010</u>	3.5%
Deferred Inflows of Resources:			
Pension related amounts	359,309	689,028	-47.9%
OPEB related amounts	76,000	41,000	85.4%
Total deferred inflows of resources	<u>435,309</u>	<u>730,028</u>	-40.4%
Net Position:			
Net Investment in Capital Assets	(15,948)	(2,095)	661.2%
Unrestricted	72,194,049	66,766,547	8.1%
Total net position	<u>\$ 72,178,101</u>	<u>\$ 66,764,452</u>	8.1%

**CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
 MANAGEMENT DISCUSSION AND ANALYSIS
 FISCAL YEAR ENDED JUNE 30, 2024**

**Net Position
 Comparison of Last Five Fiscal Years
 (\$ in millions)**



**Assets
 As of June 30, 2024
 (\$ in millions)**



**CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
MANAGEMENT DISCUSSION AND ANALYSIS
FISCAL YEAR ENDED JUNE 30, 2024**

Assets, Current and Other

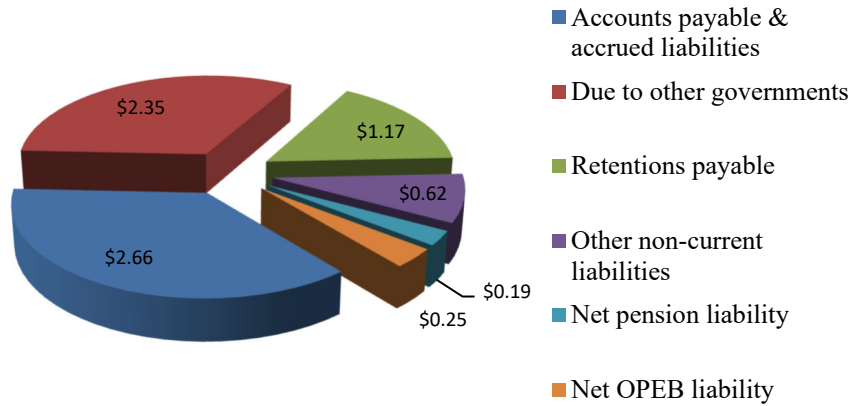
- Cash and investments totaled \$71.9 million. All \$71.9 million was invested in the Orange County Investment Pool (OCIP), with the only exception for a small petty cash fund held at the Commission that was closed this past fiscal year. The investments in OCIP are managed by the County Treasurer and reviewed for compliance with the Commission’s Annual Investment Policy. Cash and investments increased by 6.7% due to increased revenues from interest earnings and the timing of program revenues along with a lower baseline of program expenditures. This approach has been intentional to build a fund balance to supplement future-year revenue declines.
- Due from other governments totaled \$3.3 million. Of this amount, \$2.1 million is Prop 10 tobacco tax revenue due from the State of California for the May and June 2024 allocations as well as California Electronic Cigarette Excise Tax (CECET) revenue for the fiscal year.
- Advances to others totaled \$500,000 and represents funds advanced to contractors for services not provided by June 30, 2024. The balance remaining is an advance to expand and improve the quality of developmental screenings countywide. The advances cover future periods up to Fiscal Year 2030.
- Prepays represents early payments made to the Orange County Employee’s Retirement System for employer contributions that will be applied towards contributions after the next measurement date of December 31, 2024.
- Intangible right-to-use assets, net of amortization totaled \$484,265 for the Commission’s office space lease and copier lease. The increase from the amount reported in the prior year is due to a seven-year lease extension agreed upon during the fiscal year. Note 10 to the Commission financial statements provides further detail on the Commission’s leases.

Deferred Outflows of Resources

- The Commission participates in a cost-sharing multiple-employer pension plan, the Orange County Employees Retirement System, and the cost-sharing multiple-employer County of Orange Retiree Benefit Plan. As a participant, the Commission is required to report its proportionate share of deferred outflows of resources related to pensions and other post-employment benefits.
- Deferred outflows of resources include \$1,442,169 which represents pension related amounts for measurement period ending December 31, 2023. Also included are total deferred outflows related to OPEB of \$121,000 as of measurement period ending December 31, 2023.
- Note 8 and 13 to the Commission financial statements provides further detail of all deferred outflows of resources reported in Fiscal Year 2023-2024.

**CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
MANAGEMENT DISCUSSION AND ANALYSIS
FISCAL YEAR ENDED JUNE 30, 2024**

**Liabilities
As of June 30, 2024**



Liabilities

- Accounts payable and due to other governments total \$4.9 million. These payables are for funded program services not yet billed at June 30, 2024 and are based on established contract terms. The current balance represents a decrease from the prior year because several Commission funded programs had smaller budgets compared to the prior year and timelier submittal of invoices from program partners.
- Retentions payable total \$1.2 million. Retentions payable are held until end of contract audits are completed and received by the Commission to ensure compliance with contract terms.
- Other liabilities total \$108,874 consisting of accrued wages and benefits.
- Non-current liabilities total \$1.1 million consisting of amount due for compensated absences, leases, Pension and OPEB liabilities. The increase from the prior year is due to the seven-year extension of the office lease.

Deferred Inflows of Resources

- The Commission participates in a cost-sharing multiple-employer pension plan, the Orange County Employees Retirement System, and the cost-sharing multiple-employer County of Orange Retiree Benefit Plan. As a participant, the Commission is required to report its proportionate share of deferred inflows of resources related to pensions and other post-employment benefits.
- Total deferred inflows of resources of \$0.4 million is the result of the differences between expected and actual experience, changes of assumptions, net difference between projected and actual earnings on plan investments, and changes in the Commission’s proportionate share occurring over the measurement period ending December 31, 2023.
- Note 8 and 13 to the Commission financial statements provides further detail of all deferred inflows of resources recognized in Fiscal Year 2023-2024.

**CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
MANAGEMENT DISCUSSION AND ANALYSIS
FISCAL YEAR ENDED JUNE 30, 2024**

Changes in Net Position

For the year ended June 30, 2024, current year operations increased the Commission’s net position by \$5.4 million. The increase is due to both the timing of revenues from outside program funding specifically for the new Healthy Steps expansion program, most significantly the increased interest revenue, and the overall planned reduction of program expenditures. The following is a summary of the Commission’s Statement of Activities comparing revenues, expenses and changes in net position for the fiscal years ended June 30, 2024 and June 30, 2023.

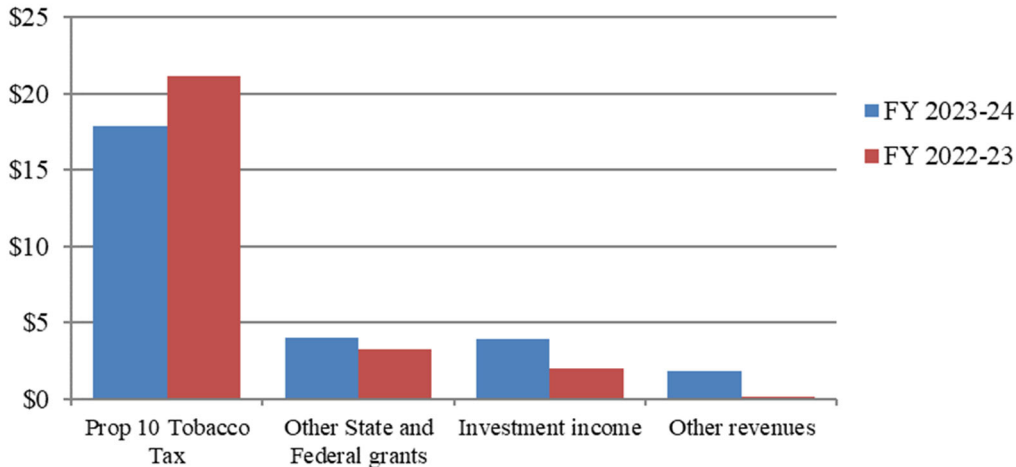
	FY 2023-24	FY 2022-23	Percent Increase (Decrease)
Revenues:			
Program Revenues			
Tobacco taxes	\$ 17,723,441	\$ 21,069,393	-15.9%
Other State and Federal operating grants and contributions	4,056,637	3,281,694	23.6%
Interest income earned on tobacco taxes at the State	121,897	77,855	56.6%
Total program revenues	<u>21,901,976</u>	<u>24,428,943</u>	-10.3%
General Revenues			
Investment income net of decrease in fair value	3,925,635	2,014,113	94.9%
Miscellaneous revenues	1,802,017	180,737	897.0%
Total general revenues	<u>5,727,652</u>	<u>2,194,849</u>	161.0%
Total revenues	<u>27,629,628</u>	<u>26,623,792</u>	3.8%
Expenses:			
0-5 Child development programs	19,933,041	21,921,125	-9.1%
Salaries and benefits	2,282,938	1,867,850	22.2%
Total expenses	<u>22,215,979</u>	<u>23,788,975</u>	-6.6%
Change in net position:	5,413,649	2,834,817	
Net position – July 1	66,764,452	63,929,635	4.4%
Net position – June 30	<u>\$ 72,178,101</u>	<u>\$ 66,764,452</u>	8.1%

**CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
MANAGEMENT DISCUSSION AND ANALYSIS
FISCAL YEAR ENDED JUNE 30, 2024**

Total revenues

The Commission’s total revenues are comprised of both program revenues, which are restricted to one or more specific program uses, and general revenues.

**Total Revenues
Comparison of Current and Prior Fiscal Year
(\$ in millions)**



- *Program revenues*
The Commission’s program revenues totaled \$21.9 million in Fiscal Year 2024. This represented a decrease of \$2.5 million (-10.3%) from Fiscal Year 2022-2023 program revenues. The decrease is due to lower tobacco tax revenue from a decline in statewide tobacco product sales.
 - Tobacco Tax revenue includes revenues from taxes levied on tobacco products by the State of California and distributed amongst all counties based on the percentage of county birthrates as established in Proposition 10. This revenue decreased by \$3.3 million from the prior fiscal year. The lower tax revenues are a result of the first full year the statewide ban on the sale flavored tobacco products was in effect. Beginning July 1, 2022, retailers of electronic cigarettes (in-state or out-of-state) are required to collect from the purchaser at the time of sale the California Electronic Cigarette Excise Tax (CECET) at the rate of 12.5 percent (12.50%) of the retail selling price of electronic cigarettes containing or sold with nicotine. A portion of CECET collected was allocated to First 5 CA and county First 5 Commissions. \$301,687 of CECET revenue was recognized by the Commission in Fiscal-Year 2023-2024.
 - Other State and Federal operating grants and contributions for Fiscal Year 2023-2024 includes revenue from the state-wide IMPACT and Home Visiting program reimbursements that are variable from year to year and based on actual expenses. Of the total operating grants and contributions, \$1.5 million was for the state-wide IMPACT program and \$.64 was for the CalWORKS Home Visiting Program.
- *General revenues*
The Commission’s general revenues totaled \$5.7 million in Fiscal Year 2023-2024. General revenues include all revenues that do not qualify as program revenues, such as investment income and other miscellaneous revenue reimbursements.
 - Investment income increased significantly from the prior fiscal year. The increase in investment income from the Orange County Investment Pool (OCIP), which is administered by the County Treasurer, is due

**CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
MANAGEMENT DISCUSSION AND ANALYSIS
FISCAL YEAR ENDED JUNE 30, 2024**

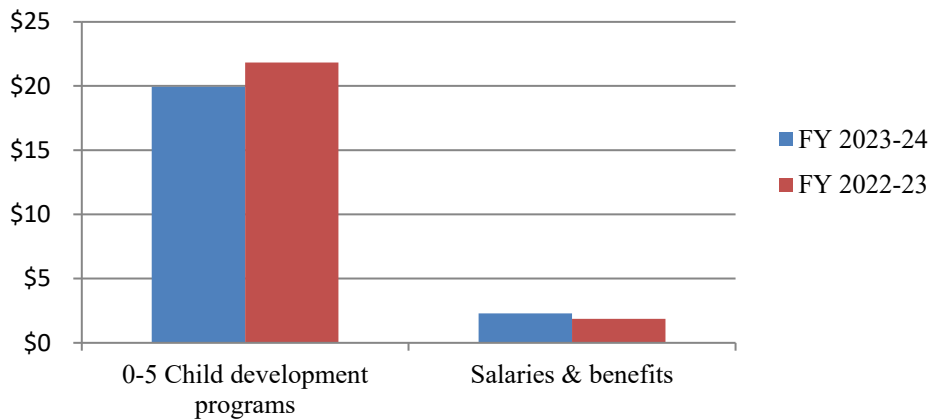
to higher investment returns and the reversal of the prior year fair value adjustment. The Commission is required to record changes in the fair value of investments, and the prior year negative fair value adjustment was reported against revenue in the operating statement last year.

- Miscellaneous revenue increased due (897%) due to new revenue through the California State Department of Health Care Services Intergovernmental Transfers Revenue (IGT). The Commission has participated in IGTs in the past to support program partners. This is the first year the revenue was returned directly to the Commission. This amount represents the reimbursement of uncompensated amounts conducted through Medi-Cal managed care plans in the County that are funded by the Commission.

Governmental Activities Expenses

Total expenses decreased by \$1.6 million (6.6%) from the prior fiscal year. The decrease is due mostly to the planned step-down of specific funding levels across different program areas to be aligned with the long-term financial plan.

**Total Expenses
Comparison of Current and Prior Fiscal Year
(\$ in millions)**



- Zero-to-five child development programs decreased by \$2 million (9.1%) from the prior fiscal year to fund programs serving children and families within the Commission’s strategic goal areas of Prenatal-to-Three, School Readiness Initiative, and Systems Building. The decrease is due to the planned step-down of specific funding levels across different program areas.
- Salaries and benefits increased by \$415,088 (22.2%) from the prior fiscal year due partly to the addition of staff and partly to cost of living increases and salary adjustments provided to staff.

**CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
MANAGEMENT DISCUSSION AND ANALYSIS
FISCAL YEAR ENDED JUNE 30, 2024**

ANALYSIS OF THE COMMISSION’S GOVERNMENTAL FUND STATEMENTS

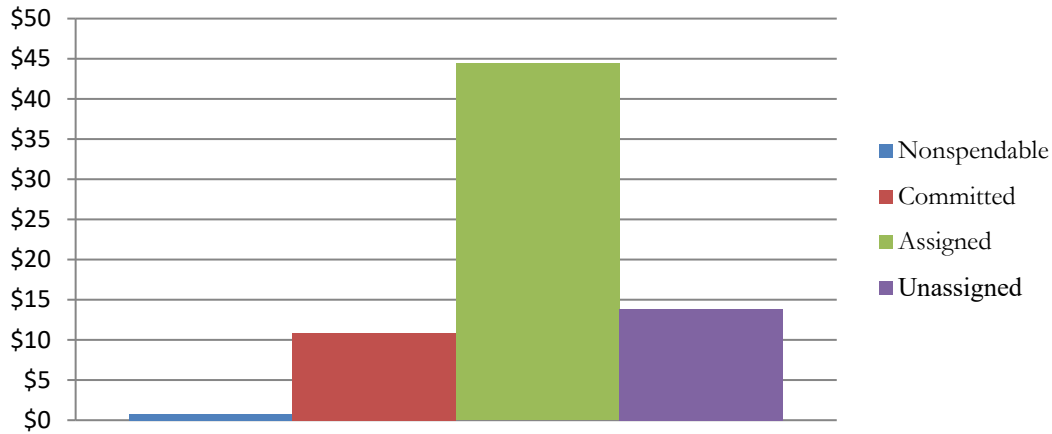
As noted earlier, the Commission uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The activities are contained in the general fund of the Commission. The focus of the Commission’s governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the Commission’s financing requirements. In particular, fund balance may serve as a useful measure of a government’s net resources, both committed and available for future operational needs. Program revenues of approximately \$1.86 million were not received within the Commission’s period of availability and, as such, are recorded as deferred inflows on the Governmental Fund Balance Sheet.

As of the end of the current fiscal year, the Commission’s general fund reported total ending fund balance of \$69.9 million, an increase of \$4.3 million (6.5%) in comparison with the prior fiscal year. The increase is due mostly to increased interest revenue from investment balances along with planned reductions in ongoing programs costs to align with the long-term financial plan

Fund Balance Classifications
As of June 30, 2024
(\$ in millions)



Budget Amendments

The budget amendments are approved during each fiscal year for the General Fund in order to reflect the most current revenue trends and to account for shifts in funding objectives.

- No budget amendments occurred during the fiscal year. The initial approved budget was not adjusted and remained as the final budget.

**CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
MANAGEMENT DISCUSSION AND ANALYSIS
FISCAL YEAR ENDED JUNE 30, 2024**

Budget to Actual Comparisons

This section contains an explanation of the significant differences between the Commission’s Final Budget amounts and actual amounts recorded for revenues and expenditures for Fiscal Year 2023-2024 as detailed on the Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual.

- Total actual revenues were above budgeted revenues in Fiscal Year 2023-2024 by \$4.2 million. Total revenues were over budget mostly due to larger than expected investment returns on investment balances.
- Total budgeted appropriations exceeded actual expenditures in Fiscal Year 2023-2024 by \$3.8 million due to program funds spent under Zero to Five Programs for Home Visitation Services, the timing of distributions of one-time Catalytic funds, and vacant staff positions.
 - 0-5 child development program expenditures were less than budgeted appropriations by \$3.7 million. This was due mostly to underspending for the Home Visitation Program and the IMPACT programs. The original appropriations for these programs represent total funds available through each program award, but each program has unique scheduling and timelines that guide when funds are expended.
 - Salaries and benefits actual expenditures were less than budgeted appropriations by approximately \$597,000 due to staff positions that were vacant for portions of the year.
 - Catalytic/Systems Building expenditures were more than budgeted appropriations by approximately \$484,000 due to Children’s Dental program costs above budget as the program was closed-out. Fiscal Year 2023-2024 was the eleventh year of Round 1 and 2 catalytic funding. The total funding amount of approximately \$61.9 million was approved by the Commission as detailed below. Expenditures are recognized as services are provided and deliverables met for each separate Catalytic/Systems Building program. At budget adoption, the timing of Fiscal Year 2023-2024 distributions and expense recognition were not known. Each Catalytic/Systems Building program has a unique scope and budget. Final payment terms are included in the contracts approved by the Commission for each Catalytic/Systems Building program. Remaining funding will be included in future year budgets as defined in the related Catalytic/System Building contract payment and deliverable schedules.

Commission Catalytic/Systems Building funding

Round 1:

Children’s Dental Programs	\$20,000,000
Early Developmental Services / Autism Program	7,000,000
Year-Round Emergency Shelter	7,000,000
Early Literacy and Math	5,000,000
Healthy Child Development	5,582,500
VISTA / AmeriCorps transition feasibility	25,000
	\$44,607,500

Round 2:

Capacity Building	\$3,250,000
Partnership for Children’s Health	6,023,474
Prevention Services	500,000
Nutrition and Fitness	365,000
Pediatric Vision Services	1,500,000
Healthy Steps	850,000
Catalytic Unallocated and Matching Funds	4,804,026
	\$17,292,500

**CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
MANAGEMENT DISCUSSION AND ANALYSIS
FISCAL YEAR ENDED JUNE 30, 2024**

CURRENTLY KNOWN FACTS, DECISIONS OR CONDITIONS

On November 8, 2022, Proposition 31 passed which upheld a statewide ban on the sale of flavored tobacco products. As a result, projections for future tobacco tax revenues will decline below previous estimates. The flavor ban began impacting revenue receipts and projections beginning in Fiscal Year 2022-2023 and Fiscal 2023-2024 was the first full year.

The Commission's financial plan has historically been conservative when estimating future-year revenues and maintains a fund balance in anticipation of future-year declining revenues. The assumptions used to project annual expenses/program funding throughout the ten-year financial plan will be adjusted to align with updated revenue projections from the California Department of Finance.

REQUESTS FOR FINANCIAL INFORMATION

This annual comprehensive financial report is intended to provide the public with an overview of the Commission's financial operations and condition for the fiscal year ended June 30, 2024. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the President/CEO, Children & Families Commission of Orange County, 1505 East 17th Street, Suite 230, Santa Ana, California 92705

CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
STATEMENT OF NET POSITION
JUNE 30, 2024

	<u>GOVERNMENTAL ACTIVITIES</u>
ASSETS	
Cash and investments in County Treasury	\$ 71,907,994
Interest receivable	1,473,657
Due from County of Orange	469,448
Due from other governments	3,336,577
Prepays	112,808
Advances to others	500,000
Capital assets - right to use lease assets, net of amortization	484,265
Total Assets	<u>78,284,749</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pension related amounts	1,442,169
Other postemployment benefits related amounts	121,000
Total Deferred Outflows of Resources	<u>1,563,169</u>
LIABILITIES	
Accounts payable	2,191,480
Due to County of Orange	361,992
Due to other governments	2,345,645
Retentions payable	1,171,243
Accrued wages and benefits	108,874
Non-Current liabilities:	
Due Within One Year	
Compensated absences	102,720
Leases	65,707
Due in More than One Year	
Compensated absences	13,760
Leases	434,506
Net pension liability	189,581
Net OPEB liability	249,000
Total Liabilities	<u>7,234,508</u>
DEFERRED INFLOWS OF RESOURCES	
Pension related amounts	359,309
Other postemployment benefits related amounts	76,000
Total Deferred Inflows of Resources	<u>435,309</u>
NET POSITION	
Net investment in capital assets	(15,948)
Unrestricted	72,194,049
Total Net Position	<u>\$ 72,178,101</u>

See accompanying notes to the basic financial statements.

**CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024**

	Expenses	Program Revenues Operating Grants And Contributions	Net (Expense) Revenue and Changes in Net Position Governmental Activities
Governmental Activities:			
Child development	\$ 22,215,979	\$ 21,901,976	\$ (314,003)
General Revenues:			
Investment income			3,925,635
Miscellaneous			1,802,017
Total General Revenues			5,727,652
Change in Net Position			5,413,649
Net Position, July 1			66,764,452
Net Position, June 30			\$ 72,178,101

See accompanying notes to the basic financial statements.

CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
GOVERNMENTAL FUND BALANCE SHEET
JUNE 30, 2024

	General Fund
ASSETS	
Cash and investments in County Treasury	\$ 71,907,994
Interest receivable	1,473,657
Due from County of Orange	469,448
Due from other governments	3,336,577
Prepaid items	256,039
Advances to others	500,000
Total Assets	\$ 77,943,715
 LIABILITIES	
Accounts payable	\$ 2,191,480
Due to County of Orange	361,992
Due to other governments	2,345,645
Retentions payable	1,171,243
Accrued wages and benefits	108,874
Total Liabilities	6,179,234
 DEFERRED INFLOWS OF RESOURCES	
Deferred inflows - unavailable revenue	1,861,115
Total Deferred Inflows of Resources	1,861,115
 FUND BALANCES	
Nonspendable fund balance	756,039
Committed fund balance	10,866,289
Assigned fund balance	44,400,860
Unassigned fund balance	13,880,178
Total Fund Balances	69,903,366
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 77,943,715

See accompanying notes to the basic financial statements.

**CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2024**

Fund balances of governmental funds	\$	69,903,366
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Amounts reported for governmental activities in the Statement of Net Position are different because:

Right to use lease assets used in governmental activities are not financial resources and therefore are not reported in the funds

Right to use assets	706,823	
Accumulated amortization	(222,558)	484,265

Deferred outflows of resources:

Pension related amounts		1,298,938
Other postemployment benefits related amounts		121,000

Long term assets/(liabilities) are not included in the governmental funds

Net pension liability		(189,581)
Compensated employee absences		(116,480)
Lease liability		(500,213)
Net OPEB liability		(249,000)

Certain revenues in the governmental funds are deferred because they are not collected within the prescribed time period after year-end. However, the revenues are included on the accrual basis used in the government-wide statements.

1,861,115

Deferred inflows of resources:

Pension related amounts		(359,309)
Other postemployment benefits related amounts		(76,000)

Net Position of governmental activities

\$ 72,178,101

See accompanying notes to the basic financial statements.

**CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
GOVERNMENTAL FUND STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2024**

	General Fund
Revenues	
Prop 10 Tobacco Tax	\$ 16,768,863
Investment income earned on tobacco taxes at the State level	199,753
Other State operating grants and contributions	2,203,660
CalWORKS Home Visiting Program	1,339,880
Medi-Cal Administrative Activities	362,912
Investment income	3,925,635
Other revenue	1,822,826
Total Revenues	26,623,529
Expenditures	
Current	
Salaries and benefits	2,428,495
Expenditures related to the "Zero to Five" Programs	18,626,334
Catalytic Round 1 and 2 Program Funding	1,208,999
Debt Service	
Principal retirement	60,823
Interest	20,937
Capital Outlay	37,513
Total Expenditures	22,383,101
Excess of revenues over expenditures	4,240,428
Other Financing Sources	
Leases	37,513
Total	37,513
Net Change in Fund Balance	4,277,941
FUND BALANCE, July 1	65,625,425
FUND BALANCE, June 30	\$ 69,903,366

See accompanying notes to the basic financial statements.

**CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE OF THE GOVERNMENTAL FUND
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024**

Net changes in fund balance - total governmental funds \$ 4,277,941

Amounts reported for governmental activities in the statement of revenues, expenditures, and changes in fund balance differs from the amounts reported in the statement of activities because:

Principal retirement expenditures reported in Governmental Funds, net of adjustments, are not reported in the Statement of Activities 58,728

Capital outlays are reported as expenditures in governmental funds. However, in the statement of activities the cost of capital assets is allocated over their estimated useful lives as amortization expense.

Capital outlay 37,513
Amortization expense (74,677)

Governmental funds report pension contributions and OPEB contributions as expenditures. However, in the Statements of Activities, pension and OPEB expense is measured as the change in the net pension and net OPEB liability and the amortization of deferred outflows and inflows related to pensions and OPEB. This amount represents the change in pension and OPEB related amounts.

Pension related amounts 182,878
Other postemployment benefits related amounts (29,000)

Compensated absences expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. This amount represents the net change in the compensated absences liability. (8,321)

Certain revenues in the governmental funds are deferred because they are not collected within the prescribed time period after year-end. However, the revenues are included on the accrual basis used in the government-wide statements. 1,006,100

The issuance of long-term leases provides current financial resources to governmental funds, but are not reported as revenues in the statement of activities.

Lease issued (37,513)

Change in net position of governmental activities \$ 5,413,649

See accompanying notes to the basic financial statements.

**CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2024**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Prop 10 Tobacco Tax	\$ 17,940,000	\$ 17,940,000	\$ 16,768,863	\$ (1,171,137)
Investment income earned on tobacco taxes at the State level	-	-	199,753	199,753
Other State operating grants and contributions	1,855,000	1,855,000	2,203,660	348,660
CalWORKS Home Visiting Program	2,000,000	2,000,000	1,339,880	(660,120)
Medi-Cal Administrative Activities	250,000	250,000	362,912	112,912
Investment income	100,000	100,000	3,925,635	3,825,635
Other revenue	232,700	232,700	1,822,826	1,590,126
Total Revenues	22,377,700	22,377,700	26,623,529	4,245,829
Expenditures				
Current				
Salaries and benefits	3,025,261	3,025,261	2,428,495	596,766
Expenditures related to the "Zero to Five" Program	22,345,487	22,345,487	18,626,334	3,719,153
Catalytic Round 1 and 2 Program Funding	725,000	725,000	1,208,999	(483,999)
Debt Service				
Principal retirement	64,500	64,500	60,823	3,677
Interest	19,500	19,500	20,937	(1,437)
Capital Outlay	-	-	37,513	(37,513)
Total Expenditures	26,179,748	26,179,748	22,383,101	3,796,647
Excess of revenues over expenditures	(3,802,048)	(3,802,048)	4,240,428	8,042,476
Other Financing Sources				
Leases	-	-	37,513	37,513
Net Change in Fund Balance	(3,802,048)	(3,802,048)	4,277,941	8,079,989
FUND BALANCE, July 1	63,362,269	63,362,269	65,625,425	-
FUND BALANCE, June 30	\$ 59,560,221	\$ 59,560,221	\$ 69,903,366	\$ 8,079,989

See accompanying notes to the basic financial statements.

CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 – ORGANIZATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Children and Families Commission of Orange County (the Commission) was established by the Orange County Board of Supervisors in 1999 under the provisions of the California Children and Families Act of 1998 (Act). The Commission is a public entity legally separate and apart from the County. The purpose of the Commission is to develop, adopt, promote and implement early childhood development and school readiness programs in the County of Orange consistent with the goals and objectives of the Act. The Commission's programs are funded primarily by taxes levied by the State of California on tobacco products.

A governing board of nine members, which are appointed by the County Board of Supervisors, oversees the Commission. Three members are considered Mandatory Members, comprised of representatives of the County Health Care Agency, Social Services Agency and Board of Supervisors. Other members are considered At-Large Members. The Board of Supervisors Mandatory Member serves for a one-year term without limitation on the number of terms he/she may serve. Other Mandatory Members serve until removed by the Board of Supervisors. At-Large Members serve for terms ranging from two to four years, not to exceed eight consecutive years. The County Board of Supervisors may remove any Commission Member at any time. The Commission is considered a discretely presented component unit of the County of Orange.

Upon termination of the commission, all assets of the Commission shall be returned to the State of California. The liabilities of the Commission shall not become liabilities of the County upon either termination of the Commission or the liquidation or disposition of the Commission's remaining assets.

Basis of Accounting and Measurement Focus

The basic financial statements of the Commission are composed of the following:

- Government-wide financial statements
- Fund financial statements
- Notes to the basic financial statements

Government-Wide Financial Statements

Government-wide financial statements consist of the statement of net position and the statement of activities. These statements are presented on an economic resources measurement focus. All economic resources and obligations of the reporting government are reported in the financial statements.

The government-wide financial statements have been prepared on the accrual basis of accounting. Under the accrual basis of accounting all assets, liabilities, deferred outflows and inflows of resources of the Commission are included on the statement of net position. The difference between the Commission's assets, liabilities, deferred outflows and inflows of resources is its net position. Net position represents the resources the Commission has available for use in providing services. The Commission's net position is classified as:

CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 – ORGANIZATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

Government-Wide Financial Statements, (Continued)

Unrestricted – This category represents neither restrictions nor right to use assets and may be used by the Commission for any purpose though they may not be necessarily liquid.

Net Investment in Capital Assets – This category includes the Commission’s office lease that is amortized over the life of the lease period.

The statement of activities presents a comparison of the direct expenses and program revenues for the Commission’s governmental activities. Program revenues include grants and contributions restricted for the operational requirements of a particular program. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met. Program revenues include tobacco taxes, First 5 California programs and federal revenues. General revenues are all revenues that do not qualify as program revenues and include investment income and miscellaneous income. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets and liabilities resulting from non-exchange transactions are recognized when the underlying exchange occurs or resources are received. On the modified accrual basis of accounting, revenues are recognized when the underlying exchange has occurred and the resources are available. Resources received before the underlying exchange has occurred are reported as deferred revenues.

Fund Financial Statements

The fund financial statements consist of the balance sheet, the statement of revenues, expenditures and changes in fund balance, and the statement of revenues, expenditures and changes in fund balance – budget and actual of the Commission’s general fund. These statements are presented on a current financial resources measurement focus. Generally, only current assets, deferred inflows of resources, and current liabilities are included on the balance sheet. The statement of revenues, expenditures and changes in fund balance for the governmental fund generally presents increases (revenues) and decreases (expenditures) in net current resources. All operations of the Commission are accounted for in the general fund.

The fund financial statements have been prepared on the modified accrual basis of accounting. Revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Revenues are considered available if they are received within 60 days after year-end. Revenues susceptible to accrual include tax revenues, grant revenues and investment income. Expenditures are recognized in the accounting period in which the fund liability is incurred except for compensated absences, which are recognized when due and payable at year-end.

Fair Value Measurement

The Commission categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset’s fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 – ORGANIZATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

Deferred Outflows and Inflows of Resources

Deferred inflows of resources represent an acquisition of net assets that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. Deferred outflow of resources represents a consumption of net assets that applies to future periods. The Commission has a deferred inflow, unavailable revenue, which occurs only under a modified accrual basis of accounting. Accordingly, the items are reported only in the governmental fund balance sheet. This amount is deferred and recognized as an inflow of resources in the period that the amounts become available. The Commission also recognizes deferred outflows and inflows related to pensions and other post-employment benefits under the accrual basis of accounting. These items are reported only in the government-wide Statement of Net Position.

Capital assets, net of accumulated depreciation/amortization

Capital assets, including right to use lease assets, are not considered to be a financial resource and therefore, is not reported as an asset in the fund financial statements. Capital assets are capitalized and reported at cost, net of accumulated depreciation/amortization in the government-wide financial statements. The one addition to capital assets for the year was a seven-year office lease extension reported in the right-to-use lease assets.

Capital assets are recorded at historical cost. The Commission capitalizes assets with cost in excess of \$5,000 for equipment, \$10,000 for leases and subscription-based information technology arrangements, and \$150,000 for other assets, following the County of Orange schedule of asset definitions, and a useful life greater than one year. The Commission depreciates/amortizes capital assets using a straight-line method over the estimated useful life of each asset. The estimated useful life of equipment, ranges from 5 to 10 years.

Adjustments Between Fund Financial Statements and Government-Wide Financial Statements

Prepaid Items

Prepaid pension contributions are reported as a prepaid item in the fund financial statements and in the Statement of Net Position. The prepaid pension contributions, at the fund level, pertain to the contributions required for the related payroll periods of July 1, 2024 to June 30, 2025. A balance of \$256,039 is reported as of June 30, 2024 after any remaining contributions for the fiscal year were deducted from the prepaid account. Because the next actuarial valuation to determine the Commission's net pension liability will occur on December 31, 2024, the prepaid contributions are recognized as a deferred outflow of resources on the government wide statements to account for the portion that will be applied to the calculation of net pension liability.

Compensated absences

Compensated absence obligations are considered long-term in nature and are reported in the fund financial statements as expenditures in the period paid or when due and payable at year-end under the modified accrual basis of accounting. Compensated absences have been accrued in the government-wide financial statements and are included in long-term liabilities. Compensated absences are liquidated by the general fund.

CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 – ORGANIZATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

Differences Between Fund Financial Statements and Government-Wide Financial Statements
(Continued)

Leases

The Commission is a lessee for noncancelable lease of office space and equipment. The Commission recognizes a lease liability and a right-to-use lease asset (lease asset) in the government-wide financial statements.

At the commencement of a lease, the Commission initially measured the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgements related to leases include how the Commission determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The Commission uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the Commission generally uses the County of Orange incremental borrowing rate as the discount for leases.
- The lease term includes the noncancelable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments.

The Commission monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term liabilities on the statement of net position.

Pensions

In government-wide financial statements, retirement plans (pensions) are required to be recognized and disclosed using the accrual basis of accounting regardless of the amount recognized as pension expenditures on the governmental fund statements, which use the modified accrual basis of accounting.

In general, the Commission recognizes a net pension liability/asset, which represents the Commission's proportionate share of the excess of the total pension liability/asset over the fiduciary net position reflected in the actuarial report provided by the Orange County Employees Retirement System (OCERS). The net pension liability/asset is measured as of OCERS' prior fiscal year end December 31, 2023 and is reported on the same basis as they are reported by OCERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value. Changes in the net pension are recorded, in the period incurred, as pension expense or as deferred inflows of resources or deferred outflows of resources depending on the nature of the change. The changes in net pension that are recorded as deferred inflows of resources or deferred outflows of resources (that arise from changes in actuarial assumptions or other inputs and differences between expected or actual experience) are amortized in the respective pension plan and are recorded as a component of pension expense beginning with the period in which they are incurred.

CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 – ORGANIZATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

Other Postemployment Benefits (“OPEB”)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about fiduciary net position of the County of Orange Retiree Benefit Plan (“OPEB Plan”) and additions to/deductions from OPEB Plan’s fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the OPEB Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments, which are reported at amortized cost.

The following timeframes are used for OPEB reporting:

Valuation Date	June 30, 2022
Measurement Date	December 31, 2023
Measurement Period	January 1, 2023 to December 31, 2023

Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time. The first amortized amounts are recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources to OPEB and are to be recognized in future OPEB expense. The amortization period differs depending on the source of gain or loss. The difference between projected and actual earnings is amortized on a straight-line basis over five years. All other amounts are amortized on a straight-line basis over the average expected remaining service lives of all members that are provided with benefits (active, inactive, and retired) at the beginning of the measurement period.

Due to other governments

Due to other governments represents amounts owed to grantees and governmental agencies for services provided to the Commission in accordance with the Commission’s strategic plan.

Retentions payable

The Commission retains a percentage of amounts billed by grantees and vendors in accordance with executed contracts. Upon fulfilling the requirements of the grantee agreement or contract, the amounts are released.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates. Also, the preparation of the financial statements inherently requires the rounding of amounts and estimates.

CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 – ORGANIZATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

Budget and Budget Reporting

The Commission is required by Orange County ordinance to prepare a budget each year based on estimates of revenues and expected expenditures. The Commission's Board of Commissioners adopted an annual budget of expenditures for the year ended June 30, 2024, which is prepared on the modified accrual basis of accounting. The accompanying statement of revenues, expenditures and changes in fund balance – budget and actual includes the budgeted expenditures for the year, along with management's estimate of revenues for the year. The legal level of budgetary control is at the total fund level.

Fund Balance

Fund balance classifications comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The Commission established the following classifications and definitions of fund balance for the year ended June 30, 2024:

Nonspendable – Resources that cannot be spent because they are not in an expendable form (e.g. prepaid asset, advances to others) or must be maintained intact (e.g. endowment principal).

Restricted - Resources that are constrained to specific purposes by an external provider (e.g. grantors, contributors, governmental laws and regulations) or by constitutional provisions or enabling legislation.

Committed - Resources with self-imposed limitations and require both the approval of the highest level of decision-making authority (Board of Commissioners) and the same formal action to remove or modify the limitations. The formal action required by the Board of Commissioners for funds to be committed is action by the way of resolution allocating funding for a specific purpose, program or initiative.

Assigned - Resources with self-imposed limitations but do not require approval by the highest level of decision-making authority (may be a body, committee or individual designated by Board of Commissioners) or the same level of formal action to remove or modify limitations. Includes appropriation of a portion of existing fund balance sufficient to eliminate subsequent year's budget deficit, resources assigned to specific program for which there is an approved budget, and resources approved by the Commission for a long-range financial plan.

Unassigned - Resources that cannot be reported in any other classification.

Fund balance of governmental funds is reported in various categories based on the nature of the limitations requiring the use of resources for specific purposes. The Commission itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 – ORGANIZATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

The committed fund balance classification includes amounts that can be used only for the specific purpose determined by a formal action of the Commission. The Commission is the highest level of decision-making authority for the government that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (adoption of another resolution) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the Commission for specific purposes but do not meet the criteria to be classified as committed. The Commission adopts an annual budget and gives authority to the Executive Director and staff to assign fund balance for approved contracts in force. Unlike commitments, an additional action does not normally have to be taken for the removal of an assignment.

The Commission's spending priority is to spend restricted fund balance first, followed by committed, assigned and unassigned fund balance.

Refer to Note 6 for additional details regarding the GASB 54 classification of fund balance.

Encumbrances

The Commission utilizes an encumbrance system as a management control technique to assist in controlling expenditures. Encumbrances of \$16.3 million represent Board-approved future year contracts for Catalytic Programs (\$5 million) and annual programs and operations (\$11.3 million). The Catalytic Program encumbrance is for Developmental Screenings (\$5 million). The three largest program encumbrance balances are for the Bridges: Maternal Child Health Network (\$2.3 million), First 5 IMPACT (\$1.5 million), and Engaged Neighborhoods (\$1.1 million). Encumbrances for Catalytic Programs are reported in Committed fund balance and encumbrances for other programs are reported in Assigned fund balance.

**CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

**NOTE 1 – ORGANIZATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)**

Effect of New Governmental Accounting Standards Board (GASB) Pronouncements

Effective This Fiscal Year

Statement No. 100, "Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62." The requirements of this Statement will take effect for Commission financial statements starting with the fiscal year that ends June 30, 2024. The Commission has determined that there was no material impact on the Commission's financial statements.

GASB has issued the following pronouncements prior to June 30, 2024, that have effective dates which may impact future financial statement presentation. The effect of these statements is currently under review by the Commission:

Statement No. 101, "Compensated Absences." The requirements of this Statement will take effect for Commission financial statements starting with the fiscal year that ends June 30, 2025.

Statement No. 102, "Certain Risk Disclosures." The requirements of this Statement will take effect for financial statements starting with the fiscal year that ends June 30, 2025.

Statement No. 103, "Financial Reporting Model Improvements." The requirements of this Statement are effective for fiscal years beginning after June 15, 2025.

**CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

NOTE 2 – CASH AND INVESTMENTS

Cash and investments are classified in the financial statements as follows:

Cash and investments in County Treasury	\$ <u>71,907,994</u>
Total Cash and Investments	\$ <u>71,907,994</u>

Cash and investments consisted of the following at June 30, 2024:

Orange County Investment Pool:	
Equity in pooled Money Market fund	\$ <u>71,907,994</u>
Total Cash and Investments	\$ <u>71,907,994</u>

Investments Authorized by the California Government Code and the Commission Investment Policy Statement

Authorized investment instruments include:

- Certificates of Deposit (insured or collateralized)
- Orange County Investment Pool
- “AAAm” rated Money Market Mutual Funds
- U.S. Treasury securities
- U.S. Government Agency securities: Debt securities issued by U.S. Government sponsored enterprises and federally related institutions. These government agencies include: Federal Home Loan Banks (FHLB), Federal Home Loan Mortgage Corporation (FHLMC or Freddie Mac), Federal National Mortgage Association (FNMA or Fannie Mae), Federal Farm Credit Banks (FFCB)

All Money Market Mutual Funds must be AAAM rated by two NRSROs, invest only in direct obligations in US Treasury bills, notes, bonds, U.S. Government Agencies, Municipal debt and repurchase agreements with a weighted average maturity of 60 days or less, and have a minimum of \$500 million in assets under management. Money Market Mutual Funds that do not maintain a constant NAV (Net Asset Value) will be prohibited.

The Commission is a participant in the County Treasurer’s Orange County Investment Pool (OCIP). The OCIP is an external investment pool, is not rated and is not registered with the Securities Exchange Commission (SEC). The County Treasury Oversight Committee conducts OCIP oversight. Cash on deposit in the OCIP at June 30, 2024, is stated at fair value. The OCIP values participant shares on an amortized cost basis during the year and adjusts to fair value at year-end. For further information regarding the OCIP, refer to the County of Orange Annual Comprehensive Financial Report.

**CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

NOTE 2 – CASH AND INVESTMENTS (Continued)

Fair Value Measurements

The Commission categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. As of June 30, 2024, the Commission held no individual investments. All funds are invested in OCIP.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Commission’s assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

Deposits and withdrawals in the OCIP are made based on \$1 and not fair value. Accordingly, the Commission’s proportionate share of investments in the OCIP at June 30, 2024 of \$71,907,994 is measured based on an uncategorized input not defined as a Level 1, Level 2, or Level 3 input.

NOTE 3 – DUE FROM OTHER GOVERNMENTS

The due from other governments account represents amounts due to the Commission from the California Children and Families Commission (“State Commission”) for Prop 10 and California Electronic Cigarette Excise Tax (CECET) related revenues and other governmental agencies. The amounts due to the Commission at June 30, 2024, were as follows:

Due from State Commission:	
Prop 10 / CECET revenue for:	
May 2024	\$979,012
June 2024	977,565
CECET Q3	70,869
CECET Q4	71,013
Surplus Money Investment Fund Allocations	121,897
First 5 IMPACT Program	852,333
First 5 Home Visiting Coordination	263,888
Total Due from Other Governments	<u>\$3,336,577</u>

NOTE 4 – DUE TO OTHER GOVERNMENTS

The due to other governments account represents amounts due to the Regents of the University of California, Orange County school districts, and other local governmental agencies. The amounts due to the other governments at June 30, 2024, were as follows:

FY 2023-2024 Contract Payment Accruals	<u>\$2,345,645</u>
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CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 5 – LONG-TERM LIABILITIES

Changes in long-term liabilities during the year ended June 30, 2024 are as follows:

	Balance July 1, 2023	Increases	Decreases	Balance June 30, 2024	Due Within One Year
Leases	\$ 523,524	\$ 37,513	\$ 60,824	\$ 500,213	\$ 65,707
Compensated absences	108,159	208,482	200,161	116,480	102,720
Total	<u>\$ 631,683</u>	<u>\$ 245,995</u>	<u>\$ 260,985</u>	<u>\$ 616,693</u>	<u>\$ 168,427</u>

NOTE 6 – FUND BALANCE

Fund balance is classified using a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Fund balance as of June 30, 2024 consists of the following:

Nonspendable:	
Prepays and Advances	\$756,039
Committed for:	
Catalytic Round 1 and 2 programs	10,866,289
Assigned for:	
Approved contracts	44,400,860
Unassigned	<u>13,880,178</u>
Total fund balance	<u>\$69,903,366</u>

Fund Balance Category Descriptions

Nonspendable – consists of prepaid retirement contributions for Fiscal Year 2024-2025 that were paid during the fiscal year. Refer to Note 8 for further details. Included in Nonspendable are Catalytic funding amounts advanced to grantees for project scopes not completed by June 30, 2024.

Committed for contractual obligations – consists of contract amounts approved by Commission action as of June 30, 2024 for Fiscal Years 2024-2025 and future years of one-time Catalytic/Systems Building funding.

Assigned for approved contracts – consists of Fiscal Year 2024-2025 programs that were approved by Commission action and included in the Fiscal Year 2024-2025 Operating Budget.

NOTE 7 – CONTINGENCIES

The Commission is involved in various legal proceedings from time to time in the normal course of business. In management’s opinion, the Commission is not involved in any legal proceeding that will have a material adverse effect on financial position or changes in financial position of the Commission.

CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 8 – DEFINED BENEFIT PENSION PLAN

General Information about the Pension Plan

Plan Description. All full-time employees of the Commission participate in the Orange County Employees Retirement System (OCERS). OCERS was established by the County of Orange in 1945. OCERS is administered by the Board of Retirement and governed by the County Employee's Retirement Law of 1937 California Government Code Section 31450 et. seq.). OCERS is a cost-sharing multiple employer public employee retirement system whose main function is to provide service retirement, disability, death and survivor benefits to the Safety and General members employed by the County of Orange. OCERS also provides retirement benefits to the employee members of the Orange County Courts, the Orange County Retirement System, two cities and thirteen special districts.

The management of OCERS is vested with the Orange County Board of Retirement. The Board consists of nine members and one alternate. The County Treasurer is a member of the Board of Retirement by law. Four members are appointed by the Board of Supervisors, one of whom may be a County Supervisor. Two members are elected by the General membership; one member and one alternate are elected by the Safety membership, and one member is elected by the retired members of the System. All members of the Board of Retirement serve terms of three years except for the County Treasurer whose term runs concurrent with her term as County Treasurer. OCERS issues a stand-alone annual financial report, which can be obtained at www.ocers.org.

Benefits Provided. OCERS provides service retirement, disability, death and survivor benefits to eligible employees. All regular full-time employees of the County of Orange or contracting agencies who work a minimum of 20 hours per week become members of OCERS effective on the first day of employment in an eligible position. There are separate retirement plans for General and Safety member employees. Safety membership is extended to those involved in active law enforcement, fire suppression, and certain probation officers. Any new Safety Member who becomes a member on or after January 1, 2013 is designated PEPRA Safety and is subject to the provisions of California Public Employees' Pension Reform Act of 2013 (PEPRA), California Government Code 7522 et seq. All other employees are classified as General members. New General Members employed after January 1, 2013 are designated as PEPRA General subject to the provisions of California Government Code 7522 et seq.

General members prior to January 1, 2013, including all members of Plan T and Plan W hired on or after January 1, 2013, are eligible to retire once they attain the age of 50 and have acquired ten or more years of retirement service credit. A member with 30 years of service is eligible to retire regardless of age. General members who are first hired on or after January 1, 2013, excluding member of Plan T and Plan W, are eligible to retire once they have attained the age of 52, and have acquired five years of retirement service credit.

All General members can also retire at the age of 70 regardless of service.

The retirement benefit the member will receive is based upon age at retirement, final average compensation, years of retirement service credit and retirement plan and tier.

CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 8 – DEFINED BENEFIT PENSION PLAN (Continued)

General Information about the Pension Plan (Continued)

General member benefits are calculated pursuant to the provisions of Sections 31676.01, 31676.1, 31676.12, 31676.16, 31676.18 or 31676.19. For section 31676.01, the monthly allowance is equal to 1/90th of final compensation times years of accrued retirement service credit times age factor from that Section. For Section 31676.1, the monthly allowance is equal to 1/60th of final compensation times years of accrued retirement service credit times age factor from the Section. For Sections 31676.12, 31676.16, 31676.18 or 31676.19, the monthly allowance is equal to 1/50th of final compensation times years of accrued retirement service credit times age factor from the corresponding Section. General member benefits for those who are first hired on or after January 1, 2013, excluding members of Plan T, are calculated pursuant to the provision California Government Code Section 7522.20(a). The monthly allowance is equal to the final compensation multiplied by years of accrued retirement credit multiplied by the age factor from Section 7522.20(a).

For members with membership dates before January 1, 2013, including all members of Plan T and Plan W hired on or after January 1, 2013, the maximum monthly retirement allowance is 100% of final compensation. There is no maximum with membership dates on or after January 1, 2013, excluding members of Plan T and Plan W.

Final average compensation consists of the highest 12 consecutive months for a General Tier 1 or Safety Tier 1 member and the highest 36 consecutive months for a General Tier 2, General PEPRAs, Safety Tier 2 or Safety PEPRAs member.

The member may elect an unmodified retirement allowance or choose an optional retirement allowance. The unmodified retirement allowance provides the highest monthly benefit and a 60% continuance to an eligible surviving spouse or domestic partner. An eligible surviving spouse or domestic partner is one married to or registered with the member one year prior to the effective retirement date. Certain surviving spouses or domestic partners may also be eligible if marriage or domestic partnership was at least two years prior to the date of death and the surviving spouse or domestic partner has attained age 55. There are four optional retirement allowances the member may choose. Each of the optional retirement allowances requires a reduction in the unmodified retirement allowance in order to allow the member the ability to provide certain benefits to a surviving spouse, domestic partner, or named beneficiary having an insurable interest in the life of the member.

OCERS provides an annual cost-of-living benefit to all retirees. The cost-of-living adjustments, based upon the Consumer Price Index for All Urban Consumers for the Los Angeles-Riverside-Orange County Area, is capped at 3.0%.

Contributions. The Commission contributes to the retirement plan based upon actuarially determined contribution rates adopted by the Board of Retirement. Employer contribution rates are adopted annually based upon recommendations received from OCERS' actuary after the completion of the annual actuarial valuation. The average employer contribution rate for the first six months of calendar year 2023 or the second half of fiscal year 2022-2023 (based on the December 31, 2020 valuation) was 41.16% of compensation. The average employer contribution rate for the last six months of calendar year 2023 or the first half of fiscal year 2023-2024 (based on the December 31, 2021 valuation) was 37.82% of compensation. Contributions recognized by the plan for the fiscal year ended June 30, 2024, were \$212,669.

**CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

NOTE 8 – DEFINED BENEFIT PENSION PLAN (Continued)

General Information about the Pension Plan (Continued)

All members are required to make contributions to OCERS regardless of the retirement plan or tier in which they are included. The average member contribution rate for the first six months of calendar year 2023 or the second half of fiscal year 2022-2023 (based on the December 31, 2020 valuation) was 12.16% of compensation. The average member contribution rate for the last six months of calendar year 2023 or the first half of fiscal year 2023-2024 (based on the December 31, 2021 valuation) was 12.08% of compensation.

Pension Liabilities, Pension Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2024, the Commission reported a net pension liability of \$189,581 for its proportionate share of the net pension liability (NPL)/(asset). The NPL/(asset) was measured as of December 31, 2023. Plan Fiduciary Net Position (plan assets) was valued as of the measurement date while the Total Pension Liability (TPL) was determined based upon rolling forward the TPL from actuarial valuation as of December 31, 2022. At December 31, 2023, the Commission's proportion was 0.004% percent allocated based on the actual employer contributions within the Commission's rate group. This represents an increase from -0.001%, from the proportionate share measured as of December 31, 2022.

For the year ended June 30, 2024, the Commission recognized pension expense of \$58,216. As of June 30, 2024, the Commission reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Net difference between projected and actual earnings on pension plan investments	\$12,528	
Changes in proportion and differences between employer contributions and proportionate share of contributions	1,267,036	\$358,869
Changes of assumptions or other inputs	9,893	
Difference between expected and actual experience	9,481	440
Commission contributions subsequent to the measurement date	143,231	
Total	<u><u>\$1,442,169</u></u>	<u><u>\$359,309</u></u>

**CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

NOTE 8 – DEFINED BENEFIT PENSION PLAN (Continued)

Pension Liabilities, Pension Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Amounts reported as contributions made subsequent to the measurement date of \$143,231 will be recorded as an addition to net pension asset in the next fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2025	127,202
2026	290,123
2027	319,508
2028	176,962
2029	25,834
	\$ 939,629

Actuarial assumptions. For the measurement period ended December 31, 2023 (the measurement date), total pension liability (TPL) was determined by rolling forward the December 31, 2022 (the valuation date) total pension liability. The actuarial assumptions used were based on the results of an experience study for the period from January 1, 2017 through December 31, 2019.

Net investment return: 7.00%

Inflation 2.50%

Salary Increases General: 4.00% to 11.00%, varying by service, including inflation

Cost of Living Adjustments 2.75% of retirement income

Post – Retirement Mortality Rates:

Healthy: For General Members: Pub-2010 General Healthy Retiree Amount-Weighted Above-Median Mortality Table (separate tables for males and females) with rates increased by 5%, projected generationally with the two-dimensional mortality improvement scale MP-2019

Disabled: For General Members: Pub-2010 Non-Safety Disabled Retiree Amount-Weighted Mortality Table (separate tables for males and females) with rates decreased by 5%, projected generationally with the two-dimensional mortality improvement scale MP-2019

Beneficiaries: Pub-2010 Generational Contingent Survivor Amount-Weighted Mortality Table (separate tables for males and females) with rates increased by 5%, projected generationally with the two-dimensional mortality improvement scale MP-2019

CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 8 – DEFINED BENEFIT PENSION PLAN (Continued)

Pension Liabilities, Pension Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of inflation and, beginning with December 31, 2023, any applicable investment management expenses) are developed for each major asset class. These returns are combined to produce the long-term expected arithmetic rate of return for the portfolio by weighting the expected arithmetic real rates of return by the target asset allocation percentage, adding expected inflation and subtracting expected investment expenses (beginning with December 31, 2023, including only investment consulting fees, custodian fees and other miscellaneous investment expenses and fees but excluding investment manager fees) and a risk margin. Beginning with December 31, 2023 this portfolio return is further adjusted to an expected geometric real rate of return for the portfolio.

The target allocation and projected arithmetic real rates of return for each major asset class, after deducting inflation, are shown in the following tables. For December 31, 2022 these rates are before deducting investment management expenses while for December 31, 2023 they are after deducting applicable investment management expenses. This information was used in the derivation of the long-term expected investment rate of return assumption in the actuarial valuations as of December 31, 2023 and December 31, 2022. This information will be subject to change every three years based on the results of an actuarial experience study.

Asset Class	Target Allocation	Long-Term Expected Arithmetic Real Rate of Return
Global Equity	45.00%	7.05%
Investment Grade Bonds	9.00%	1.97%
High Yield Bond	0.50%	4.63%
TIPS	2.00%	1.77%
Emerging Market Debt	0.50%	4.72%
Long-Term Government Bonds	3.30%	2.82%
Real Estate	3.00%	3.86%
Private Equity	15.00%	9.84%
Private Credit	3.50%	6.47%
Value Added Real Estate	3.00%	7.38%
Opportunistic Real Estate	1.00%	9.74%
Energy	2.00%	10.89%
Infrastructure (Core Private)	1.00%	5.98%
Infrastructure (Non-Core Private)	3.00%	8.88%
Global Macro	1.70%	3.17%
CTA (Trend Following)	3.30%	3.15%
Alternative Risk Premia	1.70%	3.24%
Special Situations Lending	<u>1.50%</u>	<u>8.96%</u>
Total	100.00%	6.55%

Discount rate. The discount rate used to measure the TPL was 7.00% as of December 31, 2023 and 2022. The projection of cash flows used to determine the discount rate assumed plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the actuarially determined contribution rates. For this purpose, only employer contributions that are intended to fund benefits for current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs for future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, the Plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments for current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL as of both December 31, 2023 and 2022.

CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 8 – DEFINED BENEFIT PENSION PLAN (Continued)

Sensitivity of the Commission’s proportionate share of the net pension liability to changes in the discount rate. The following presents the Commission’s proportionate share of the NPL/(asset) calculated using the discount rate of 7.00%, as well as what the Commission’s NPL would be if it were calculated using a discount rate that is one-percentage-point lower (6.00%) or one-percentage-point higher (8.00%) than the current rate.

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Net pension liability (asset)	1,254,795	\$189,581	(\$681,203)

Pension plan fiduciary net position. Detailed information about the pension plan’s fiduciary net position is available in the separately issued OCERS financial report.

NOTE 9 – CAPITAL ASSETS

Increases and decreases in the Commission’s capital assets for governmental activities during the fiscal year were as follows:

	<u>July 1, 2023</u>	<u>Increases</u>	<u>Decreases</u>	<u>Adjustments</u>	<u>June 30, 2024</u>
Governmental Activities:					
Right-to-Use Assets					
Leased Office Space	\$ 669,310	\$ --	\$ --	\$ --	\$ 669,310
Leased Storage Space	--	37,513	--	--	37,513
Total Right-to-Use Assets	<u>669,310</u>	<u>37,513</u>	<u>--</u>	<u>--</u>	<u>706,823</u>
Less Accumulated Amortization For:					
Leased Office Space	(147,881)	(71,104)	--	--	(218,985)
Leased Storage Space	--	(3,573)	--	--	(3,573)
Total Accumulated Amortization	<u>(147,881)</u>	<u>(74,677)</u>	<u>--</u>	<u>--</u>	<u>(222,558)</u>
Total Capital Assets, Amortizable (Net)	<u>\$ 521,429</u>	<u>\$(37,164)</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 484,265</u>

NOTE 10 – LEASES

Office Lease

The Commission leases office space under an agreement that terminates October 2030. Under the terms of the lease, the Commission pays a monthly base fee based on a pre-determined schedule. A security deposit of \$7,400 is currently held by the lessor. The lease was valued using a discount rate of 4% (County incremental borrowing rate).

<u>Lease Year</u>	<u>Monthly Base Rate</u>	<u>Lease Year</u>	<u>Monthly Base Rate</u>
11/01/22 – 10/31/23	\$6,480.00	11/01/26 – 10/31/27	\$6,860.70
11/01/23 – 10/31/24	\$6,480.00	11/01/27 – 10/31/28	\$7,072.45
11/01/24 – 10/31/25	\$6,606.60	10/01/28 – 10/31/29	\$7,284.20
11/01/25 – 10/31/26	\$6,733.65	10/01/29 – 10/31/30	\$7,411.25

At June 30, 2024, the Commission has recognized a right-to-use asset of \$450,325 and a lease liability of \$465,651 related to this agreement. During the fiscal year, the Commission recorded \$71,104 in amortization expense. The payments for the lease included \$57,872 in principal payments and \$19,888 in interest for the right to use the office space.

**CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

NOTE 10 – LEASES (Continued)

Remaining obligations associated with this lease are as follows:

Fiscal Year Ended June 30	<u>Principal</u>	<u>Interest</u>
2025	61,255	17,518
2026	65,302	14,994
2027	69,515	12,305
2028	74,585	9,437
2029	80,212	6,351
2030 - 2031	114,782	3,289
Total	<u>\$465,651</u>	<u>\$63,894</u>

Storage Space Lease

The Commission approved an agreement to lease storage space for a seven years lease term. The lease terminates October 2030. Under the terms of the lease, the Commission pays a monthly base fee based on a pre-determined schedule. A security deposit of \$1,000 is currently held by the lessor. The lease was valued using a discount rate of 5% (County incremental borrowing rate at the time of lease execution).

<u>Lease Year</u>	<u>Monthly Base Rate</u>	<u>Lease Year</u>	<u>Monthly Base Rate</u>
11/01/23 – 10/31/24	\$500.00	11/01/27 – 10/30/28	\$540.00
11/01/24 – 10/31/25	\$510.00	11/01/28 – 10/31/29	\$550.00
11/01/25 – 10/31/26	\$520.00	11/01/29 – 10/31/30	\$560.00
11/01/26 – 10/31/27	\$530.00		

At June 30, 2024, the Commission has recognized a right-to-use asset of \$33,940 and a lease liability of \$34,562 related to this agreement. During the fiscal year, the Commission recorded \$3,573 in amortization expense. The payments for the lease included \$2,951 in principal payments and \$1,049 in interest for the right to use the storage space.

Remaining obligations associated with this lease are as follows:

Fiscal Year Ended June 30	<u>Principal</u>	<u>Interest</u>
2025	\$4,452	\$1,628
2026	4,803	1,397
2027	5,171	1,149
2028	5,559	881
2029	5,966	594
2030 - 2031	8,611	309
Total	<u>\$34,562</u>	<u>\$5,958</u>

CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 11 – RELATED PARTY TRANSACTIONS

The Commission contracts with the County to provide accounting, banking and investment, purchasing, human resources, risk management and other administrative services. The Commission participates in the County's risk management programs (commercial and self-insurance programs) for general and automobile liability insurance, public official liability, rental interruption, personal property, worker's compensation, group health indemnified plans, group salary continuance plan, group dental plan and unemployment benefit plan. The Commission records its portion of related insurance premiums charged by the County as an expense. Insurance expense for the year ended June 30, 2024 was \$28,483. The Commission incurred expenses totaling \$243,523 for all other County services provided during the year ended June 30, 2024. The amount owed to the County for program services funded through the Health Care Agency at June 30, 2024 was \$361,992. Amounts owed to the Commission from the County of Orange are \$469,448.

The Commission paid \$511,362 of service provider grants to organizations represented by a member of the Board of Commissioners, although all members abstain from all votes regarding funding to the organization represented. The Commission incurred a total of \$1,393,848 in expenses paid to the County for program services delivered by the Health Care Agency and Social Services Agency.

NOTE 12 – PROGRAM EVALUATION

In accordance with the Standards and Procedures for Audits of California Counties Participating in the California Children and Families Program, issued by the California State Controller, the Commission is required to disclose the amounts expended during the fiscal year on program evaluation. Program evaluation costs pertain to those activities undertaken to support the collection, production, analysis and presentation of evaluation information for Commission management, Commissioners and other interested parties. For the year ended June 30, 2024, the Commission expended \$570,211 for program evaluation.

NOTE 13 – OTHER POST EMPLOYMENT BENEFITS (OPEB) - RETIREE MEDICAL PLAN

Plan Description. In accordance with the Commission's participation agreement entered into in July 2007, the Commission is a participant in the County of Orange Retiree Medical Plan (the Plan). The Plan is a cost-sharing multiple employer defined benefit retiree medical plan. The Plan provides a grant for medical benefits to eligible retirees and their dependents and lump-sum payments for employees separating from employment prior to being eligible for the grant. The County Board of Supervisors maintains the authority to establish and amend the Plan's benefit provisions. The financial statements and required supplementary information of the Plan are included in the County of Orange's fiscal year 2023-2024 Annual Comprehensive Financial Report. The Commission is reported in the County's Annual Comprehensive Financial Report as a discretely presented component unit. That report may be obtained by contacting the County of Orange, Auditor Controller, 1770 N Broadway, Santa Ana, California 92706.

On December 20, 2022, the Board approved restructuring of the Retiree Medical Plan for labor groups including First 5 Orange County. The restructuring effective June 16, 2023, eliminates the grant for new employees, freezes the grant for existing employees, and transitions new and existing employees to the County Health Reimbursement Arrangement (HRA) Plan with the option for existing employees as of June 15, 2023, to place the value of their grant in the County HRA Plan in lieu of receiving the grant at retirement.

Eligibility. An employee who is credited with at least ten years of service at the time the employee becomes a retiree and elected to remain in the grant program is eligible to receive a grant in accordance with the County of Orange Retiree Medical Plan. This election was approved by the County Board of Supervisor's on December 20, 2022. An employee who becomes a retiree eligible for the grant and does not immediately begin to receive a retirement allowance from OCERS is not eligible to participate in the plan until the employee's retirement

CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 13 – OTHER POST EMPLOYMENT BENEFITS (OPEB) - RETIREE MEDICAL PLAN
(continued)

allowance commences. In order to be eligible to receive the grant, a participant must be covered under a Qualified Health Plan and/or Medicare. Coverage in a Qualified Health Plan must be elected within 30 days of the commencement of retirement allowance from OCERS. A covered retiree or surviving dependent who is age 65 or older must be enrolled in Medicare Part A (if eligible for coverage without a premium) and Part B in order to be eligible for the grant. A Qualified Health Plan is defined as a health insurance plan made available to employees and/or retirees, including a County Health Plan or a plan administered by an Employee Organization that the County of Orange has agreed shall be a Qualified Health Plan. A lump sum payment is available under limited circumstances as defined in the plan for an employee whose employment terminates prior to becoming eligible for a grant.

Benefits Provided. The monthly benefit paid to an eligible retiree is equal to \$10 multiplied by the number of full years of credited service (with a maximum of 25 years). The monthly benefit shall not exceed the actual cost to the retiree for coverage under a qualified health plan and Medicare premiums. The benefit is reduced by 7.5% per year for each year the retiree is less than 60, based on the date the employee takes active retirement from OCERS. Conversely, the benefit is increased by 7.5% per year for each year the retiree is in excess of 60, and no adjustment is made for years of age after age 70. A 50% reduction adjustment applies to retirees and surviving dependents eligible for both Medicare Part A (without premium) and Part B. A surviving dependent of a retiree previously receiving a benefit is eligible to receive a monthly survivor benefit equal to 50% of the amount the retiree was eligible to receive. The monthly benefit is adjusted annually (not to exceed 3% per year) based on the average increase or decrease across all County retiree health plans.

Contribution. The actuarially determined contributions include the Blended Rates benefit. Starting fiscal year 2020-2021 each plan participant contributes towards the grant and lump sum benefits only. The percentage contributions are established by a Participation Agreement with the County of Orange. All contributions are employer contributions and are made through the County of Orange payroll system. For the fiscal year ended June 30, 2024, the Commission's cash contributions withheld by the County of Orange were \$8,028. The allocation of employer contributions based on proportionate shares as reported in the actuarial valuation were \$19,000.

At June 30, 2024, the Commission reported a liability of \$249,000 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2023. The Commission's proportion of the net OPEB liability was based on a projection of the Commission's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating member agencies, actuarially determined. At December 31, 2023, the Commission's proportion was 0.108 percent, a change of .018 percent from the prior measurement date.

**CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

**NOTE 13 – OTHER POST EMPLOYMENT BENEFITS (OPEB) - RETIREE MEDICAL PLAN
(continued)**

For the fiscal year ended June 30, 2024, the Commission recognized OPEB expense of \$29,000. For the fiscal year ended June 30, 2024, the Commission reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience		\$69,000
Change of assumptions	\$16,000	7,000
Net difference between projected and actual earnings on plan investments	8,000	
Changes in proportion and differences between employer contributions and proportionate share of contributions	97,000	
Total	\$121,000	\$76,000

Amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized as expense as follows:

Year ended June 30:	
2025	\$ 4,000
2026	7,000
2027	20,000
2028	3,000
2029	6,000
2030+	5,000
	\$ 45,000

Actuarial Assumptions: The total OPEB liability in the June 30, 2023 valuation date was determined using the following significant actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Valuation Date	June 30, 2023
Contribution Policy	County contributes the ADC for the Grant and lump sum benefits and pays the blended rates benefit on a pay-as-you-go basis
Discount Rate and Long-Term Expected Rate of Return on Assets	7.00% at December 31, 2023 7.00% at December 31, 2022 Expected contributions projected to keep sufficient plan assets to pay all benefits from trust
Crossover Test Assumptions	Assumes County contributes the ADC to the trust for cash benefits only (Grant and Lump Sum) and pays the blended rate benefit outside the trust Administrative expenses equal 0.01% of assets No crossover
General Inflation	2.50% annually
Mortality, Retirement, Disability, Termination	OCERS 2017-2019 Experience Study
Mortality Improvement	Mortality projected fully generational with Society of Actuaries Scale MP-2019
Salary Increases	Aggregate – 3.00% annually Merit – OCERS 2017-2019 Experience Study
Mortality Improvement	Mortality projected fully generational with Society of Actuaries Scale MP-2019

**CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

**NOTE 13 – OTHER POST EMPLOYMENT BENEFITS (OPEB) - RETIREE MEDICAL PLAN
(continued)**

Medical Trend	Non-Medicare - 8.50% for 2025, decreasing to an ultimate rate of 3.45% in 2076 Medicare (Non-Kaiser) - 7.50% for 2025, decreasing to an ultimate rate of 3.45% in 2076 Medicare (Kaiser) - 6.25% for 2025, decreasing to an ultimate rate of 3.45% in 2076
Grant Increases	AFSCME - lesser of 5% and Medical Trend Non-AFSCME - 0% or lesser of 3% and Medical Trend, depending on employee group
Spouse Participation at Retirement	New retirees in County medical plans – 35% New retirees in AOCDS medical plans – 65%
Grant Participation for Future Retirees	50% to 100% Based on employee group, Grant service at retirement, and actual round 1 and 2 elections for applicable General groups
Changes of assumptions	Updated medical trend Updated Medicare Part B trend
Changes of benefit terms	None

Discount Rate. The discount rate used to measure the total OPEB liability was 7.00 percent. The projection of cash flows used to determine the discount rate assumed that contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan’s fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

The target asset allocation and long-term rates of return for each asset class are summarized in the following table.

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	45.00%	7.05%
Investment Grade Bonds	9.00%	1.97%
High Yield Bonds	0.50%	4.63%
TIPS	2.00%	1.77%
Emerging Market Debt	0.50%	4.72%
Long-Term Government Bonds	3.30%	2.82%
Real Estate	3.00%	3.86%
Private Equity	15.00%	9.84%
Private Credit	3.50%	6.47%
Value Added Real Estate	3.00%	7.38%
Opportunistic Real Estate	1.00%	9.74%
Energy	2.00%	10.89%
Infrastructure (Core Private)	1.00%	5.98%
Infrastructure (Non-Core Private)	3.00%	8.88%
Global Macro	1.70%	3.17%
CTA (Trend Following)	3.30%	3.15%
Alternative Risk Premia	1.70%	3.24%
Special Situations Lending	<u>1.50%</u>	8.96%
Total Portfolio	100.00%	

-Assumed Long-Term Rate of Inflation – 2.50%

-Expected Long-Term Net Rate of Return – 7.00%

**CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

**NOTE 13 – OTHER POST EMPLOYMENT BENEFITS (OPEB) - RETIREE MEDICAL PLAN
(continued)**

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate.

The following presents the Commission’s proportionate share of the net OPEB liability, as well as what the Commission’s proportionate share of net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Net OPEB Liability	\$314,000	\$249,000	\$193,000

Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trend Rates.

The following presents the Commission’s net OPEB liability, as well as what the Commission’s proportionate share of the net OPEB liability would be if it were calculated using health care cost trend rate that are one percentage point lower or one percentage point higher than the current rate:

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
Net OPEB Liability	\$232,000	\$249,000	\$270,000

NOTE 14 – FIRST 5 CALIFORNIA IMPACT PROGRAM AND REGIONAL HUB

First 5 California funded a statewide program to implement the California Quality Rating and Improvement System (QRIS). The QRIS is a systemic approach to assess, improve, and communicate the level of quality in early education programs. The Commission received First 5 IMPACT Legacy funds through a regional coordinator, First 5 Riverside. Funding for Orange County IMPACT Legacy is \$1,958,054 for a two-year period that began July 1, 2023. Funds claimed for the period ending June 30, 2024 totaled \$856,166, and all IMPACT funds require partner match of First 5 CA funding which are contractually \$1,175,837 for the two-year contract.

First 5 California also provided funding for the Home Visiting Coordination program that Orange County serves as the regional coordinator. While First 5 Orange County has been the primary funder of home visiting in the county, this funding continues the work towards a comprehensive countywide plan for sustained home visiting services. The funding helps to build understanding about what home visiting services are available and who receives them, cultivate leadership around the importance of home visiting in the Prenatal-to-Three system, and develop a shared vision among key stakeholders in Orange County. Funding for Home Visiting Coordination is \$1,748,005 for a two-year period that began July 1, 2023. Funds claimed for the period ending June 30, 2024 totaled \$636,093.

NOTE 15 – ADVANCES TO OTHERS

Advances to others as of June 30, 2024 were \$500,000. Advances to others include Catalytic Round 1 and 2 funds advanced to service providers. The Commission invested in Catalytic programs expanding the service capacity of service providers in Child Development, Early Learning, and Homeless Prevention. In February 2012, the Commission approved funding of \$5,500,000 to Pretend City Children’s Museum for a permanent and expanded Healthy Child Development platform. Of the total \$5,500,000 approved, \$500,000 has been advanced to Pretend City. The advanced funds are expensed as services are provided.

**CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

NOTE 16 - EXPLANATION OF BUDGET VARIANCE

The budget line for Catalytic Round 1 and 2 Program Funding exceeded the original budget allocation by \$483,999 (67%) for the fiscal year. All Catalytic projects are approved as a one-time allocation by the Commission typically spreading over multiple years, and at budget adoption, the timing of each fiscal year distributions and expenses are not known. Each Catalytic program has a unique scope and budget. The overspending compared to the budget is due specifically to the closing-out of the Children's Dental program. Unallocated funds in the agency budget for "Zero to Five" Programs were used to comply with the Commission policy of budgeted expenditures not exceeding revenues and available fund balance.

REQUIRED SUPPLEMENTARY INFORMATION

**CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY/(ASSET)
LAST 10 YEARS**

	6/30/2015	6/30/2016	6/30/2017	6/30/2018	6/30/2019	6/30/2020	6/30/2021	6/30/2022	6/30/2023	6/30/2024
Proportion of the net pension liability/(asset)	0.078%	0.071%	0.061%	0.019%	0.010%	(0.013%)	(0.015%)	(0.040%)	(0.000%)	0.004%
Proportionate share of the net pension liability/(asset)	\$3,957,426	\$4,066,522	\$3,158,290	\$962,203	\$630,611	(\$646,472)	(\$612,417)	(\$811,951)	(\$21,846)	\$189,581
Covered payroll	\$1,043,030	\$1,042,786	\$925,031	\$849,266	\$966,061	\$1,061,044	\$1,167,468	\$1,304,766	\$1,209,958	\$1,659,517
Proportionate share of the net pension liability/(asset) as a percentage of covered payroll	379.42%	389.97%	341.43%	113.30%	65.28%	(60.93%)	(52.46%)	(62.23%)	(1.18%)	11.42%
Plan fiduciary net position as a percentage of the total plan pension liability	67.15%	64.73%	71.16%	74.93%	70.03%	76.67%	81.69%	91.45%	78.51%	81.81%
Measurement date	12/31/2014	12/31/2015	12/31/2016	12/31/2017	12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/31/2022	12/31/2023

**CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
SCHEDULE OF COMMISSION CONTRIBUTIONS - PENSION
LAST 10 YEARS**

	6/30/2015	6/30/2016	6/30/2017	6/30/2018	6/30/2019	6/30/2020	6/30/2021	6/30/2022	6/30/2023	6/30/2024
Contractually required contribution (actuarially determined)	\$319,651	\$333,800	\$245,077	\$266,614	\$90,445	\$117,300	\$152,265	\$167,768	\$200,172	\$212,669
Contributions in relation to the actuarially determined contributions	(319,651)	(333,800)	(245,077)	(266,614)	(90,445)	(117,300)	(152,265)	(167,768)	(200,172)	(212,669)
Contribution deficiency (excess)	-	-	-	-	-	-	-	-	-	-
Covered payroll	\$1,005,475	\$1,001,202	\$821,497	\$864,802	\$1,050,566	\$1,208,381	\$1,221,222	\$1,203,464	\$1,638,314	\$1,710,230
Contributions as a percentage of covered payroll	31.79%	33.34%	29.83%	30.83%	8.61%	9.71%	12.47%	13.94%	12.22%	12.44%

**CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
SCHEDULE OF CHANGES IN COMMISSION NET OPEB LIABILITIES
LAST 10 YEARS***

	2018	2019	2020	2021	2022	2023	2024
Commission's proportion of the net OPEB liability	\$276,000	\$290,000	\$245,000	\$271,000	\$231,000	\$269,000	\$249,000
Commission's proportionate share of the net OPEB liability	0.0689%	0.0698%	0.0688%	0.081%	0.090%	0.090%	0.108%
Commission's covered payroll	\$819,000	\$930,000	\$975,000	\$1,088,000	\$1,292,000	\$1,195,000	\$1,630,000
Commission's proportionate share of the net OPEB liability as a percentage of its covered payroll	33.70%	31.18%	25.13%	24.91%	17.88%	22.51%	15.28%
Plan fiduciary net position as a percentage of the total OPEB liability	42.30%	42.56%	51.02%	55.38%	65.43%	56.74%	65.74%
Measurement Date	12/31/2017	12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/31/2022	12/31/2023

* Fiscal Year 2017-2018 was the first year of implementation, therefore, less than ten years are shown from the information available.

**CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
SCHEDULE OF COMMISSION CONTRIBUTIONS - OPEB
LAST 10 YEARS***

Fiscal Year Ended June 30	2018*	2019	2020	2021	2022	2023	2024
Actuarially Determined Contribution (ADC)	\$34,000	\$39,000	\$41,000	\$38,000	\$42,000	\$49,000	\$44,000**
Contribution in relation to the ADC	(34,000)	(39,000)	(41,000)	(38,000)	(42,000)	(49,000)	(19,000)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,000
 Covered payroll	 \$877,000	 \$975,000	 \$1,091,000	 \$1,154,000	 \$1,189,000	 \$1,490,000	 \$1,692,000
 Contributions as a percentage of covered payroll	 3.90%	 4.00%	 3.76%	 3.29%	 3.53%	 3.29%	 1.12%

* Fiscal Year 2017-2018 was the first year of implementation, therefore, less than ten years are shown from the information available.

** Total 2023-2024 ADC from the June 30, 2023 OPEB valuation, including Grant, Lump Sum, and Blended Rates benefits. Allocated based on proportionate shares for this illustration.

SUPPLEMENTARY INFORMATION

**CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF FIRST 5 CALIFORNIA FUNDING
 YEAR ENDED JUNE 30, 2024**

First 5 California Funding

<u>Program Title</u>	<u>Funding Source</u>	Beginning	Revenue*	<u>Expenditures</u>	Ending Program
		Program Balance	F5CA Funds		Balance
		<u>(As of July 1)</u>			<u>(As of June 30)</u>
IMPACT Legacy**	F5CA Program Funds	\$1,958,054	\$856,166	\$856,166	\$1,101,888
	County, Local Funds			\$979,165	
Home Visiting Coordination***	F5CA Program Funds	\$1,748,005	\$636,093	\$636,093	\$1,111,912

First 5 California is adjusting its funding agreements to reduce its administrative burden, which has resulted in a regional model. Regional Hubs were established led by First 5 California and others. Orange County is in Region Nine with Riverside, San Bernardino, and Imperial counties.

* For the purpose of this schedule, the revenue and expenditures reported, in amount of \$856,166 for IMPACT and \$636,093 for Home Visiting Coordination represents the amount claimed by the Commission. For governmental fund or modified accrual financial reporting purposes, a total of \$791,316 was identified as unavailable revenue as it was not received within the Commission’s period of availability to recognize revenue as described in Note 1.

** IMPACT Legacy is run through Riverside County as the regional hub. All program revenues and expenditures are processed through First 5 Riverside.

*** Orange County serves as the regional hub for Home Visiting Coordination. All regional revenue and expenditures are processed through the Commission.

**CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
STATISTICAL SECTION
(UNAUDITED)**

The information in this section is not covered by the Independent Auditor’s Report, but it is presented as supplemental data for the benefit of the readers of the Annual Comprehensive Financial Report. The objectives of statistical section information are to provide financial statement users with additional detailed information as a context for understanding what the financial statements, notes to financial statements, and required supplementary information say about the Commission's economic condition.

	<i>Page(s)</i>
Financial Trends	55
These schedules contain trend information to help the reader understand how the Commission’s financial performance and well-being have changed over time. (Schedules 1 -4)	
Revenue Capacity	63
These schedules contain trend information to help the reader assess the Commission’s most significant revenue base. (Schedules 5 -7)	
Debt Capacity	67
This schedule contains trend information to help the reader assess the affordability of the Commission’s current levels of outstanding debt and the Commission’s ability to issue additional debt in the future. (Schedule 8)	
Demographic Information	68
These schedules offer economic and demographic indicators to help the reader understand how the information in the Commission’s financial report relates to the services the Commission provides and the activities it performs. (Schedules 9 -11)	
Operating Information	72
This schedule contains infrastructure data to help the reader understand how the information in the Commission’s financial report relates to the services the Commission performs. (Schedules 12 -14)	

Sources: Unless otherwise noted, the information in these schedules is derived from the ACFR for the relevant years.

(1) Since certain data (i.e. total personal income, per capita personal income and unemployment) are not considered relevant to Commission operations, substitute information specific to the Commission is presented.

STATISTICAL

**CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
FINANCIAL TRENDS
NET POSITION BY COMPONENT
SCHEDULE 1**

NET POSITION BY COMPONENT

LAST TEN FISCAL YEARS

	Fiscal Year			
	2024	2023	2022*	2021
Net investment in capital assets	\$ (15,948)	\$ (2,095)	\$ (2,108)	\$ -
Unrestricted	72,194,049	66,766,547	63,931,743	57,224,411
Total net position	<u>\$ 72,178,101</u>	<u>\$ 66,764,452</u>	<u>\$ 63,929,635</u>	<u>\$ 57,224,411</u>

* First year of implementation for GASB No. 87
 ** First year of implementation for GASB No. 75
 *** First year of implementation for GASB No. 68

**CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
 FINANCIAL TRENDS
 NET POSITION BY COMPONENT
 SCHEDULE 1 (CONTINUED)**



Fiscal Year

2020	2019	2018**	2017	2016	2015***
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
47,128,853	40,695,150	37,446,530	44,034,865	51,621,511	54,471,707
<u>\$ 47,128,853</u>	<u>\$ 40,695,150</u>	<u>\$ 37,446,530</u>	<u>\$ 44,034,865</u>	<u>\$ 51,621,511</u>	<u>\$ 54,471,707</u>

CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
FINANCIAL TRENDS
CHANGES NET POSITION
SCHEDULE 2

CHANGES IN NET POSITION

LAST TEN FISCAL YEARS

	Fiscal Year			
	2024	2023	2022	2021
Expenses:				
Governmental activities:				
Salaries and benefits	\$ 2,282,938	\$ 1,867,850	\$ 1,074,187	\$ 1,105,824
Child development	19,933,041	21,921,125	19,218,830	24,581,349
Total expenses	<u>\$ 22,215,979</u>	<u>\$ 23,788,975</u>	<u>\$ 20,293,017</u>	<u>\$ 25,687,173</u>
Revenues:				
Governmental activities:				
Operating grants and contributions				
Prop 10 Tobacco taxes	\$ 17,723,441	\$ 21,069,393	\$ 24,080,410	\$ 25,496,594
First 5 CARES Plus				
First 5 Child Signature Program				
First 5 IMPACT and Hubs, DDL, HV	1,493,220	1,457,485	1,347,166	1,407,032
CalWORKS Home Visiting	1,339,880	1,474,084	1,643,966	2,277,595
Other State operating grants and				
Federal operating grants	1,223,538	350,126	531,566	379,171
Investment income earned on tobacco	121,897	77,855	11,467	15,412
taxes at the State Level (SMIF)				
General revenues				
Investment income, net of fair value	3,925,635	2,014,113	(787,916)	131,764
Miscellaneous revenue	1,802,017	180,736	171,583	6,075,163
Total revenues	<u>\$ 27,629,628</u>	<u>\$ 26,623,792</u>	<u>\$ 26,998,241</u>	<u>\$ 35,782,731</u>
Change in Net Position	<u>\$ 5,413,649</u>	<u>\$ 2,834,817</u>	<u>\$ 6,705,224</u>	<u>\$ 10,095,558</u>

CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
FINANCIAL TRENDS
CHANGES NET POSITION
SCHEDULE 2 (CONTINUED)



Fiscal Year					
2020	2019	2018	2017	2016	2015
\$ 854,804	\$ 961,012	\$ 1,149,377	\$ 1,215,649	\$ 1,727,197	\$ 1,689,772
29,826,480	26,092,909	32,076,788	33,178,190	30,870,890	34,608,366
<u>\$ 30,681,284</u>	<u>\$ 27,053,921</u>	<u>\$ 33,226,165</u>	<u>\$ 34,393,839</u>	<u>\$ 32,598,087</u>	<u>\$ 36,298,138</u>
\$ 24,991,179	\$ 23,573,280	\$ 21,867,232	\$ 24,790,836	\$ 25,879,036	\$ 25,943,624
				246,281	575,300
				2,042,528	3,350,818
4,124,541	2,120,578	2,745,724	976,964		
6,599,710	3,009,855	1,628,595	445,121	696,686	260,297
86,655	64,514	31,875	20,192	12,315	8,082
1,021,339	1,188,495	431,764	343,403	441,810	206,029
302,616	345,819	191,640	230,677	429,235	151,086
<u>\$ 37,126,040</u>	<u>\$ 30,302,541</u>	<u>\$ 26,896,830</u>	<u>\$ 26,807,193</u>	<u>\$ 29,747,891</u>	<u>\$ 30,495,236</u>
<u>\$ 6,444,756</u>	<u>\$ 3,248,620</u>	<u>\$ (6,329,335)</u>	<u>\$ (7,586,646)</u>	<u>\$ (2,850,196)</u>	<u>\$ (5,802,902)</u>

**CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
 FINANCIAL TRENDS
 FUND BALANCES – GENERAL FUND
 SCHEDULE 3**

FUND BALANCES - GENERAL FUND

LAST TEN FISCAL YEARS

	Fiscal Year			
	2024	2023	2022	2021
FUND BALANCES				
Nonspendable fund balance	\$ 756,039	\$ 776,423	\$ 2,329,229	\$ 2,385,722
Committed fund balance	10,866,289	12,023,100	18,239,879	15,241,303
Assigned fund balance	44,400,860	25,454,748	23,016,569	37,229,072
Unassigned fund balance	13,880,178	27,371,154	19,776,592	2,182,135
Total fund balances	<u>\$ 69,903,366</u>	<u>\$ 65,625,425</u>	<u>\$ 63,362,269</u>	<u>\$ 57,038,232</u>

**CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
 FINANCIAL TRENDS
 FUND BALANCES – GENERAL FUND
 SCHEDULE 3 (CONTINUED)**



Fiscal Year					
2020	2019	2018	2017	2016	2015
\$ 3,958,321	\$ 3,889,032	\$ 4,542,478	\$ 5,566,849	\$ 7,277,958	\$ 9,340,291
13,237,942	14,472,082	18,596,717	21,769,602	26,486,583	30,112,816
26,129,406	18,932,072	14,001,862	19,957,923	20,866,371	15,589,112
<u>\$ 43,325,669</u>	<u>\$ 37,293,186</u>	<u>\$ 37,141,057</u>	<u>\$ 47,294,374</u>	<u>\$ 54,630,912</u>	<u>\$ 55,042,219</u>

**CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
FINANCIAL TRENDS
CHANGES IN FUND BALANCES – GENERAL FUND
SCHEDULE 4**

CHANGES IN FUND BALANCES - GENERAL FUND

LAST TEN FISCAL YEARS

	Fiscal Year			
	2024	2023	2022*	2021
Revenues:				
Prop 10 Tobacco taxes	\$ 16,768,863	\$ 20,975,393	\$ 24,080,410	\$ 25,496,594
First 5 CARES Plus				
First 5 Child Signature Program				
Other State operating grants and contributions	2,203,660	1,366,384	1,615,672	4,713,034
CalWORKS Home Visiting	1,339,880	1,474,084	1,643,966	2,277,595
Investment income earned on tobacco taxes at the State Level (SMIF)	199,753		11,467	15,412
Medi-Cal Administrative Activities	362,912	350,126	531,566	379,171
Investment income	3,925,635	2,014,113	324,488	131,764
Net decrease in fair value of investments			(1,112,404)	
Other revenue	1,822,826	177,342	171,597	7,007,478
Total revenues	<u>26,623,529</u>	<u>26,357,442</u>	<u>27,266,762</u>	<u>40,021,048</u>
Expenditures:				
Current				
Salaries and benefits	2,428,495	2,173,148	1,726,003	1,724,112
Expenditures related to "Zero to Five" Program	18,626,334	18,359,405	18,146,011	22,943,993
Catalytic Round 1 and 2 Program Funding	1,208,999	3,482,136	992,258	1,640,380
Debt Service				
Principal Retirement	60,823	75,972	74,572	
Interest	20,937	3,625	3,881	
Capital Outlay	37,513	496,181		
Total expenditures	<u>22,383,101</u>	<u>24,590,467</u>	<u>20,942,725</u>	<u>26,308,485</u>
Excess (deficiency) or revenues over (under) expenditures	<u>4,240,428</u>	<u>1,766,975</u>	<u>6,324,037</u>	<u>13,712,563</u>
Other Financing Sources:				
Leases	<u>37,513</u>	<u>496,181</u>		
Total changes in fund balance	<u>\$ 4,277,941</u>	<u>\$ 2,263,156</u>	<u>\$ 6,324,037</u>	<u>\$ 13,712,563</u>
Debt Service as a Percentage of Noncapital Expenditures:	0.37%	0.33%	0.37%	

* First year of implementation for GASB No. 87

CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
FINANCIAL TRENDS
CHANGES IN FUND BALANCES – GENERAL FUND
SCHEDULE 4 (CONTINUED)

Fiscal Year					
2020	2019	2018	2017	2016	2015
\$ 28,541,094	\$ 20,023,365	\$ 21,867,232	\$ 24,790,836	\$ 25,879,036	\$ 25,943,624
				320,200	272,815
				4,451,854	2,666,529
1,238,020	2,755,797	977,176	1,419,176		
151,169		31,875	20,192	12,315	8,082
193,505	674,988	519,989	445,121	696,686	420,247
1,021,339	1,188,495	431,764	343,403	441,810	206,029
6,259,051	3,031,938	1,300,246	230,677	429,236	151,086
<u>37,404,178</u>	<u>27,674,583</u>	<u>25,128,282</u>	<u>27,249,405</u>	<u>32,231,137</u>	<u>29,668,412</u>
1,545,217	1,429,545	3,204,810	1,407,753	1,771,554	1,736,171
26,470,166	21,571,504	26,410,285	26,146,461	24,621,958	28,193,233
3,356,314	4,521,405	5,666,504	7,031,729	6,248,932	6,415,133
<u>31,371,697</u>	<u>27,522,454</u>	<u>35,281,599</u>	<u>34,585,943</u>	<u>32,642,444</u>	<u>36,344,537</u>
6,032,481	152,129	(10,153,317)	(7,336,538)	(411,307)	(6,676,125)
<u>\$ 6,032,481</u>	<u>\$ 152,129</u>	<u>\$ (10,153,317)</u>	<u>\$ (7,336,538)</u>	<u>\$ (411,307)</u>	<u>\$ (6,676,125)</u>

**CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
REVENUE CAPACITY
TAX REVENUE CAPACITY
SCHEDULE 5**

FIRST 5 CALIFORNIA COUNTY TAX REVENUE CAPACITY

	Orange County	State Total
Actual Tobacco Tax Revenues Received (1)		
2009/2010	\$29,706,126	\$381,995,574
2010/2011	\$28,809,921	\$374,284,018
2011/2012	\$28,988,350	\$377,690,133
2012/2013	\$27,024,505	\$360,434,399
2013/2014	\$26,395,725	\$347,802,124
2014/2015	\$25,943,624	\$342,274,305
2015/2016	\$25,879,036	\$341,825,349
2016/2017	\$24,790,836	\$322,951,561
2017/2018	\$21,867,232	\$285,852,695
2018/2019	\$23,573,280	\$302,205,278
2019/2020	\$24,991,179	\$315,315,235
2020/2021	\$25,496,594	\$324,935,472
2021/2022	\$24,080,410	\$308,031,131
2022/2023	\$20,975,393	\$269,574,902
2023/2024	\$17,879,672	\$245,387,804

Projected Tobacco Tax Revenues*

2024/2025	\$17,997,039	\$239,862,083
2025/2026	\$16,732,276	\$232,873,283
2026/2027	\$16,232,869	\$226,090,083
2027/2028	\$15,768,921	\$219,752,483
2028/2029	\$15,343,167	\$213,842,083

(1) Historical data and projected revenues are presented to communicate tax revenue capacity as a declining revenue source

* Source: First 5 California County Tax Revenue Projections for 2024/25
(Updated 9/23/2024 utilizing DOF May Revise 2024 Tobacco Tax Projections
and DOF Birth Projections for California State and Counties 2000-2050)

**CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
REVENUE CAPACITY
SURTAX REVENUE
SCHEDULE 6**

STATE OF CALIFORNIA - CIGARETTE TAXES AND OTHER TOBACCO PRODUCTS SURTAX REVENUE

FY 1959-60 TO 2022-23

Fiscal year	Cigarette tax				Other tobacco products surtax		
	Revenue a/	Distributors' discounts b/	Gross value of tax indicia c/	Refunds	Revenue	Rate (%)	CECET
2022-23	1,332,671,515	3,958,661	1,336,630,176	1,796,055	267,493,586	61.74%	49,219,000
2021-22	1,552,563,789	4,611,767	1,557,175,556	847,881	288,996,313	63.49%	
2020-21	1,700,943,000	5,053,000	1,705,996,000	335,000	266,694,000	56.93%	
2019-20	1,708,597,000	5,075,000	1,713,672,000	1,191,000	258,560,000	59.27%	
2018-19	1,786,074,000	5,305,000	1,791,379,000	3,659,000	271,772,000	62.78%	
2017-18	1,882,025,000	5,590,000	1,887,615,000	1,033,000	211,440,000	65.08%	
2016-17	950,676,000	6,091,000	956,768,000	1,185,000	95,330,000	27.30%	
2015-16	741,937,000	6,360,000	748,297,000	1,262,000	101,427,000	28.13%	
2014-15	748,022,000	6,413,000	754,434,000	837,000	86,949,000	28.95%	
2013-14	751,513,000	6,443,000	757,956,000	600,000	86,424,000	29.82%	
2012-13	782,115,000	6,705,000	788,820,000	498,000	82,548,000	30.68%	
2011-12	820,322,000	7,032,000	827,355,000	1,017,000	80,424,000	31.73%	
2010-11	828,831,000	7,105,000	835,937,000	1,308,000	77,016,000	33.02%	
2009-10	838,709,000	7,187,000	845,896,000	1,583,000	84,617,000	41.11%	
2008-09	912,724,000	7,819,000	920,543,000	626,000	85,506,000	45.13%	
2007-08	955,030,000	8,185,000	963,215,000	727,000	85,929,000	45.13%	
2006-07	998,723,000	8,558,000	1,007,281,000	1,330,000	79,946,000	46.76%	
2005-06	1,026,497,000	8,795,000	1,035,293,000	1,707,000	67,348,000	46.76%	
2004-05	1,024,272,000	8,778,000	1,033,051,000	1,653,000	58,441,000	46.76%	
2003-04	1,021,366,000	8,755,000	1,030,121,000	4,721,000	44,166,000	46.76%	
2002-03	1,031,772,000	8,845,000	1,040,617,000	13,248,000	40,996,000	48.89%	
2001-02	1,067,004,000	9,146,000	1,076,150,000	10,774,000	50,037,000	52.65%	
2000-01	1,110,692,000	9,503,000	1,120,195,000	8,741,000	52,834,000	54.89%	
1999-00	1,166,880,000	9,980,000	1,176,859,000	9,413,000	66,884,000	66.50%	
1998-99	841,911,000	7,206,000	849,117,000	6,808,000	42,137,000	61.53%	
1997-98	612,066,000	5,244,000	617,309,000	5,448,000	39,617,000	29.37%	
1996-97	629,579,000	5,394,000	634,973,000	5,060,000	41,590,000	30.38%	
1995-96	639,030,000	5,469,000	644,499,000	6,193,000	32,788,000	31.20%	
1994-95	656,923,000	5,628,000	662,551,000	11,159,000	28,460,000	31.20%	
1993-94	647,993,000	5,553,000	653,546,000	8,353,000	19,773,000	23.03%	
1992-93	667,479,000	5,715,000	673,195,000	9,138,000	21,480,000	26.82%	
1991-92	711,275,000	6,086,000	717,362,000	7,791,000	22,016,000	29.35%	
1990-91	729,612,000	6,242,000	735,854,000	7,904,000	24,064,000	34.17%	
1989-90	770,042,000	6,581,000	776,623,000	11,615,000	24,956,000	37.47%	
1988-89	499,712,000	4,273,000	503,984,000	4,968,000	9,994,000	41.67%	
1987-88	254,869,000	2,180,000	257,049,000	2,970,000			
1986-87	257,337,000	2,202,000	259,539,000	2,661,000			
1985-86	260,960,000	2,231,000	263,190,000	2,834,000			
1984-85	265,070,000	2,267,000	267,337,000	2,390,000			
1983-84	265,265,000	2,267,000	267,532,000	2,756,000			
1982-83	273,748,000	2,336,000	276,084,000	2,060,000			

**CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
REVENUE CAPACITY
SURTAX REVENUE
SCHEDULE 6 (CONTINUED)**

1981-82	278,667,000	2,383,000	281,050,000	1,843,000			
1980-81	280,087,000	2,395,000	282,482,000	1,567,000			
1979-80	272,119,000	2,327,000	274,446,000	1,645,000			
1978-79	270,658,000	2,315,000	272,973,000	1,408,000			
1977-78	275,042,000	2,352,000	277,394,000	1,239,000			
1976-77	270,502,000	2,315,000	272,817,000	832,000			
1975-76	269,852,000	2,309,000	272,161,000	927,000			
1974-75	264,182,000	2,262,000	266,444,000	745,000			
1973-74	259,738,000	2,222,000	261,960,000	632,000			
1972-73	253,089,000	2,167,000	255,256,000	626,000			
1971-72	248,398,000	2,127,000	250,525,000	677,000			
1970-71	240,372,000	2,058,000	242,430,000	552,000			
1969-70	237,220,000	2,032,000	239,253,000	455,000			
1968-69	238,836,000	2,046,000	240,882,000	492,000			
1967-68	208,125,000	1,862,000	209,987,000	328,000			
1966-67	75,659,000	1,543,000	77,202,000	129,000			
1965-66	74,880,000	1,528,000	76,407,000	88,000			
1964-65	74,487,000	1,520,000	76,007,000	61,000			
1963-64	71,530,000	1,459,000	72,989,000	71,000			
1962-63	70,829,000	1,445,000	72,274,000	79,000			
1961-62	68,203,000	1,390,000	69,593,000	47,000			
1960-61	66,051,000	1,675,000	67,726,000	76,000			
1959-60	61,791,000	767,000	62,558,000	67,000			

Source: CDFA Open Data Portal: Cigarette Taxes and Other Tobacco Products Surtax Revenue, 1959-60 to 2022-23

Note: Detail may not compute to total due to rounding.

- a. Net of refunds for tax indicia on cigarettes that become unfit for use (See Refunds).
- b. A discount of .85 percent of gross value of tax indicia is granted to distributors for affixing the stamps. From July 1, 1960, until August 1, 1967, the discount rate was 2 percent.
- c. Includes sales of indicia purchased on credit. Effective July 16, 1961, distributors have been able to purchase tax indicia on credit.
- d. Effective April 1, 2017, the overall tax rate on cigarettes was increased from 87 cents to \$2.87 per pack.
- e. From July 1, 2001, through September 9, 2001, the surtax rate on smokeless tobacco ranged from 131 percent for moist snuff to 490 percent for chewing tobacco. Effective September 10, 2001, the surtax rate on smokeless tobacco was lowered to 52.65 percent.
- f. Effective January 1, 1999, the overall tax rate on cigarettes was increased from 37 cents to 87 cents per pack under voter-approved Proposition 10. The additional 50-cent-per-pack tax was imposed to raise funds for early childhood development programs. Excludes \$87,978,766 in 1998-99 from the floor stocks taxes for both cigarettes and other tobacco products levied on January 1, 1999.
- g. From July 1, 1998, through December 31, 1998, the surtax rate was 26.17 percent for other tobacco products. Effective January 1, 1999, the new surtax imposed under Proposition 10 raised the combined surtax rate to 61.53 percent for other tobacco products. The new surtax is equivalent (in terms of the wholesale costs of other tobacco products) to a 50-cent-per-pack tax on cigarettes.
- h. Effective January 1, 1994, the overall tax rate on cigarettes was increased from 35 cents to 37 cents per pack. The additional 2-cent-per-pack tax was imposed to raise funds for breast cancer research and education.
- i. Effective January 1, 1989, an additional 25-cent-per-pack surtax was imposed on cigarettes and a new 41.67 percent surtax was imposed on other tobacco products. Excludes \$57,927,856 in 1988-89 and \$595,000 in 1989-90 from the floor stocks tax levied on January 1, 1989.
- j. Effective August 1, 1967, the tax rate was increased from 3 cents to 7 cents per pack. On October 1, 1967, the rate was further increased to 10 cents per pack, with the stipulation that 30 percent of the tax be allocated to cities and counties. Includes \$6,515,209 from the 4-cent-per-pack floor stocks tax levied on August 1, 1967; and \$4,889,485 from the 3-cent-per-pack floor stocks tax imposed October 1, 1967.
- k. Refunds made for distributors' discounts in the 1960-61 fiscal year on purchases made in the 1959-60 fiscal year have been deducted. Refunds amounted to \$324,000.
- l. Effective July 1, 1960, a discount was allowed at the time tax indicia were purchased.

**CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
REVENUE CAPACITY
DISTRIBUTIONS AND PER CAPITA CONSUMPTION
SCHEDULE 7**

STATE OF CALIFORNIA - CIGARETTE DISTRIBUTIONS AND PER CAPITA CONSUMPTION, 1959-60 TO 2022-23

Fiscal year	Reported distributions (Millions of packages)			Apparent per capita consumption (a) (In packages)
	Total	Tax paid	Tax exempt	
1	2	3	4	5
2022-23	472	466	6	12.1
2021-22	549	549	7	14.0
2020-21	601	594	7	15.2
2019-20	628	597	31	15.8
2018-19	635	624	11	15.9
2017-18	665	651	14	16.7
2016-17	818	805	14	20.7
2015-16	875	860	15	22.3
2014-15	881	867	14	22.8
2013-14	889	871	18	23.2
2012-13	930	907	23	24.5
2011-12	972	951	21	25.8
2010-11	989	961	28	26.4
2009-10	1,002	972	30	26.9
2008-09	1,090	1,058	32	28.5
2007-08	1,131	1,107	24	29.9
2006-07	1,177	1,158	20	31.3
2005-06	1,209	1,190	19	32.5
2004-05	1,224	1,187	37	33.3
2003-04	1,234	1,184	50	34.0
2002-03	1,227	1,196	31	34.5
2001-02	1,271	1,237	34	36.3
2000-01	1,324	1,288	37	38.5
1999-00	1,390	1,353	38	41.2
1998-99	1,568	1,523	45	47.3
1997-98	1,717	1,668	48	52.6
1996-97	1,777	1,716	61	55.2
1995-96	1,811	1,742	69	56.9
1994-95	1,871	1,791	80	59.2
1993-94	1,903	1,824	79	60.6
1992-93	2,010	1,923	86	64.5
1991-92	2,144	2,050	94	69.8
1990-91	2,196	2,102	93	72.8
1989-90	2,311	2,219	92	78.2
1988-89	2,431	2,353	78	84.7
1987-88	2,657	2,570	87	94.9
1986-87	2,690	2,595	95	98.4
1985-86	2,730	2,632	98	102.3
1984-85	2,781	2,673	108	106.7
1983-84	2,792	2,675	117	109.9
1982-83	2,889	2,761	128	115.8
1981-82	2,947	2,811	136	120.4
1980-81	2,966	2,825	141	123.6
1979-80	2,892	2,744	148	122.9
1978-79	2,887	2,730	157	125.1
1977-78	2,940	2,774	166	130.0
1976-77	2,900	2,728	172	130.9
1975-76	2,909	2,722	187	133.7
1974-75	2,857	2,664	193	133.7
1973-74	2,827	2,620	207	134.4
1972-73	2,762	2,553	209	133.2
1971-72	2,720	2,505	215	132.9
1970-71	2,635	2,424	211	130.5
1969-70	2,594	2,393	201	130.2
1968-69	2,616	2,409	207	133.0
1967-68	2,596	2,383	213	134.0
1966-67	2,737	2,573	164	143.8
1965-66	2,706	2,547	159	144.9
1964-65	2,679	2,534	145	146.7
1963-64	2,564	2,433	131	144.3
1962-63	2,545	2,409	136	147.9
1961-62	2,450	2,320	130	147.3
1960-61	2,382	2,258	124	147.8
1959-60	2,190	2,085	105	139.7

Source: CDTFA Open Data Portal: Table 30B - Cigarette Distributions and Per Capita Consumption, 1959-60 to 2021-22

a. Based on reported distributions and latest estimate of January 1 population for each fiscal year.

Note: Detail may not compute to total due to rounding.

**CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
DEBT CAPACITY
SCHEDULE 8**

RATIOS OF OUTSTANDING DEBT BY TYPE

LAST TEN FISCAL YEARS

Fiscal Year	Governmental Lease Liability ¹	Total Outstanding	Percentage of Personal Income ²	Population ³	Debt per Capita ⁴
2022	\$103,314	\$103,314	**	**	**
2023	\$523,524	\$523,524	**	**	**
2024	\$500,213	\$500,213	**	**	**

* Fiscal Year 2022 was the first year of Right of use Lease debt (The only debt for the Commission); therefore, not all ten years of debt is shown.

** Data is unavailable

Sources:

1. Lease Liability for Commission office space and equipment
2. Personal Incomes are not included in the Commission's report but are taken from the County of Orange Demographic and Economic Statistics table
3. California Department of Finance, Demographic Research Unit, most current information available is 2021
4. Debt per Capital is Total Outstanding Debt divided by Population

CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
DEMOGRAPHIC INFORMATION
DEMOGRAPHIC DATA
SCHEDULE 9

ORANGE COUNTY DEMOGRAPHIC DATA

Calendar Year	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Population	3,142,277	3,154,042	3,164,848	3,188,652	3,195,197	3,195,455	3,188,779	3,169,925	3,154,363	3,132,650
White	1,230,533	1,233,235	1,232,835	1,234,143	1,332,715	1,337,681	1,343,625	1,344,555	1,346,706	1,346,692
Black	52,335	52,117	51,623	51,246	48,709	48,461	48,291	47,967	47,666	47,378
American Indian or Alaska Native	5,767	5,714	5,623	5,544	6,814	6,803	6,757	6,694	6,646	6,616
Asian	733,549	728,471	722,827	721,544	582,038	582,939	578,861	572,878	568,260	562,210
Native Hawaiian or Pacific Islander	8,615	8,502	8,334	8,131	9,214	9,229	9,179	9,118	9,062	8,976
Multiracial	127,552	125,460	123,061	120,860	83,019	81,798	80,332	78,567	76,945	75,229
Hispanic (any race)	983,926	1,000,543	1,020,545	1,047,184	1,132,688	1,128,544	1,121,734	1,110,146	1,099,078	1,085,549
Female	1,608,389	1,614,993	1,619,798	1,630,762	1,603,925	1,604,432	1,601,624	1,592,776	1,586,166	1,576,358
Male	1,533,888	1,539,049	1,545,050	1,557,890	1,591,272	1,591,023	1,587,155	1,577,149	1,568,197	1,556,292
Under 5 years	160,339	167,522	175,010	184,084	186,052	189,077	190,548	190,418	191,761	190,781
5-9 years	187,174	188,507	189,787	191,836	194,249	195,181	197,550	199,511	200,327	201,722
10-14 years	191,640	196,080	201,528	206,067	205,066	207,164	207,123	206,040	206,963	207,959
15-19 years	230,934	228,802	220,782	212,350	223,102	224,592	225,606	229,594	231,068	232,205
20-24 years	193,194	187,528	191,709	202,113	234,883	238,125	242,422	241,899	237,404	232,533
25-34 years	415,741	433,711	445,220	456,111	385,438	388,463	390,626	393,549	399,655	405,611
35-44 years	416,317	415,840	415,849	416,715	408,397	409,018	408,554	409,183	413,829	420,177
45-54 years	412,068	420,186	425,762	433,805	449,860	457,322	462,522	462,357	461,678	458,394
55-59 years	210,564	211,499	213,646	215,597	219,708	218,745	217,212	214,016	209,792	203,586
60-64 years	202,200	199,236	196,162	192,804	192,323	188,312	182,801	176,306	169,450	163,416
65-74 years	297,547	289,643	283,589	275,705	281,321	273,042	264,872	254,836	245,537	234,506
75-84 years	166,899	158,283	148,928	143,652	150,379	144,546	138,024	132,651	129,015	125,221
85+	57,660	57,205	56,876	57,813	64,419	61,868	60,919	59,565	57,884	56,539

Sources: California Department of Finance. Demographic Research Unit. Report P-2A, P-2B, P-2C, P-2D: Population Projections, California Counties, 2020-2070 (Baseline 2023 Population Projections; Vintage 2024 Release). Sacramento: California. September

CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
DEMOGRAPHIC INFORMATION
LIVE BIRTHS
SCHEDULE 10

LIVE BIRTHS, CALIFORNIA COUNTIES, 2014-2023(By Place of Residence)*

COUNTY	FISCAL YEAR									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
CALIFORNIA	398,783	419,218	420,757	420,396	446,548	454,244	471,806	488,925	491,789	502,973
ALAMEDA	16,155	16,603	16,934	17,303	18,197	18,225	18,896	19,576	19,442	19,657
ALPINE	3	9	11	14	17	10	7	7	3	6
AMADOR	307	312	352	272	314	305	303	307	305	291
BUTTE	2,036	1,937	2,057	1,984	2,149	2,419	2,389	2,491	2,442	2,482
CALAVERAS	374	367	392	364	401	375	421	374	380	348
COLUSA	249	284	286	292	249	267	293	316	298	285
CONTRA COSTA	11,169	11,595	11,933	11,814	11,811	11,995	12,186	12,344	12,599	12,560
DEL NORTE	216	276	262	258	281	269	269	310	300	324
EL DORADO	1,421	1,563	1,593	1,477	1,531	1,678	1,572	1,602	1,596	1,618
FRESNO	13,085	13,947	13,972	13,828	14,051	14,413	14,546	15,134	15,363	15,796
GLENN	320	367	353	359	398	365	378	379	376	416
HUMBOLDT	1,069	1,200	1,265	1,258	1,406	1,365	1,372	1,491	1,445	1,474
IMPERIAL	2,232	2,658	2,442	2,427	2,618	2,628	2,924	2,990	3,217	3,270
INYO	132	148	166	171	191	176	212	182	203	226
KERN	12,055	12,505	12,491	12,349	12,772	12,874	13,330	13,733	13,769	14,199
KINGS	2,016	2,045	2,165	2,235	2,101	2,256	2,375	2,248	2,275	2,342
LAKE	599	690	660	700	732	714	750	749	724	748
LASSEN	224	277	297	281	284	307	301	306	294	326
LOS ANGELES	90,466	95,493	95,886	97,772	106,987	110,167	116,850	122,940	124,438	130,150
MADERA	2,176	2,169	2,043	2,106	2,066	2,076	2,121	2,355	2,225	2,313
MARIN	2,176	2,232	2,336	2,082	2,083	2,122	2,238	2,255	2,288	2,403
MARIPOSA	149	143	169	124	132	154	141	148	166	138
MENDOCINO	757	882	909	881	926	896	992	1,024	1,052	1,020
MERCED	3,653	3,896	3,904	3,774	3,851	3,870	4,202	4,117	4,105	4,158
MODOC	26	84	83	77	89	100	88	97	80	90
MONO	98	126	127	124	128	129	147	131	152	149
MONTEREY	5,331	5,698	5,433	5,603	5,882	5,887	5,813	6,222	6,426	6,458
NAPA	1,254	1,148	1,204	1,200	1,294	1,206	1,291	1,407	1,456	1,478
NEVADA	749	782	809	776	812	772	797	783	876	817
ORANGE	29,921	30,857	30,702	30,921	34,909	35,643	37,395	38,121	37,622	38,610
PLACER	3,767	3,758	3,853	3,482	3,660	3,664	3,691	3,733	3,748	3,644
PLUMAS	110	140	166	162	162	168	173	169	163	147
RIVERSIDE	26,341	27,935	27,585	27,149	28,255	28,684	29,880	30,682	30,510	30,271
SACRAMENTO	17,363	18,194	18,360	17,996	18,988	19,052	19,206	19,592	19,430	19,886
SAN BENITO	768	867	835	725	791	772	735	777	720	697
SAN BERNARDINO	24,693	26,345	26,799	26,778	28,688	28,964	29,708	31,114	30,619	31,306
SAN DIEGO	35,504	37,748	37,561	37,268	38,645	40,008	41,251	42,741	43,961	44,596
SAN FRANCISCO	6,759	7,091	7,481	7,984	8,396	8,690	8,950	9,061	8,972	9,102
SAN JOAQUIN	9,544	10,106	9,766	9,740	10,076	9,811	9,929	10,269	9,986	10,095
SAN LUIS OBISPO	2,437	2,415	2,451	2,353	2,464	2,433	2,551	2,582	2,668	2,595
SAN MATEO	7,109	7,527	7,484	7,757	8,253	8,326	8,586	8,961	9,040	9,098
SANTA BARBARA	5,425	5,666	5,489	5,332	5,512	5,256	5,533	5,501	5,673	5,829
SANTA CLARA	18,276	19,017	19,108	19,509	21,100	21,267	22,137	23,044	23,393	23,759
SANTA CRUZ	2,134	2,321	2,245	2,183	2,395	2,447	2,661	2,803	2,841	3,047
SHASTA	1,814	1,775	1,837	1,839	1,876	1,961	2,008	2,048	2,074	2,083
SIERRA	13	20	24	25	24	26	32	32	31	21
SISKIYOU	279	397	405	390	434	438	446	462	466	451
SOLANO	4,624	4,851	4,969	4,946	5,053	5,039	5,133	5,262	5,132	5,251
SONOMA	4,352	4,438	4,549	4,306	4,377	4,525	4,645	4,964	5,016	5,075
STANISLAUS	6,706	7,029	7,251	7,051	7,295	7,339	7,443	7,867	7,700	7,521
SUTTER	1,221	1,216	1,253	1,256	1,255	1,266	1,263	1,368	1,302	1,317
TEHAMA	756	788	751	731	788	731	743	789	828	787
TRINITY	93	105	113	102	94	113	126	109	102	112
TULARE	6,539	6,834	6,796	6,701	6,763	6,900	7,131	7,146	7,412	7,618
TUOLUMNE	437	436	459	395	466	450	470	456	466	454
VENTURA	8,337	8,747	8,785	8,331	8,829	9,025	9,321	9,592	10,062	10,471
YOLO	1,892	1,919	1,965	1,962	2,080	2,127	2,271	2,423	2,402	2,395
YUBA	1,072	1,240	1,181	1,117	1,167	1,099	1,184	1,239	1,155	1,193

California Department of Finance. Demographic Research Unit. Report P-B: Births Report, California and Counties, 2000-2050 (Baseline 2023 Population Projections; Vintage 2024 Release). Sacramento: California. September 2024.

**CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
DEMOGRAPHIC INFORMATION
CHILDREN'S SCORECARD
SCHEDULE 11**

CHILDREN'S SCORECARD ORANGE COUNTY TRENDS, 2013-2022

	2022	2021
<u>GOOD HEALTH</u>		
Total percentage of women who received early prenatal care*	**	88.70%
Newborns with low birth weight (less than 2,500 grams)*	**	2,129
Percent of Infants with low birth weight*	**	6.90%
Infants taken into protective custody due to positive testing for alcohol/drug exposure at birth* (FY)	176	190
Children adequately immunized at Kindergarten entry*	96.4%	96.3%
Infant Mortality Rate (per 1,000 live births)*	**	3.6
Number of Teen Births and Teen Birth Rates per 1,000 females*	**	5.5
Breastfeeding Percentages (any)*	**	94.7%
Breastfeeding Percentages (exclusive)*	**	68.3%
<u>ECONOMIC WELL-BEING</u>		
Children receiving financial assistance through CalWORKS* (FY)	22,710	24,795
Percent of children receiving CalWORKS of total population under 18* (FY)	3.2%	3.5%
Percentage of students eligible for free and reduced lunch* (FY)	52.9%	49.1%
Number of participants served by the WIC program* (FY)	55,615	58,807
Total number of child support cases* (FY)	56,998	59,271
Total child support collections \$ (in millions)* (FY)	179.9	189.1
<u>EDUCATIONAL ACHIEVEMENT</u>		
Total public school enrollment* (FY)	445,149	456,028
Number of English learner students* (FY)	95,919	92,765
Average \$ expenditure per pupil for grades K-12* (FY)	15,918	13,257
Total number of students K-12 receiving special education* (FY)	**	**
<u>SAFE HOMES AND COMMUNITIES</u>		
Average monthly number of children in out-of-home care* (FY)	2,063	2,137
Average monthly number of dependents of the court* (FY)	2,949	3,098
Total juvenile arrests for youth 10 to 17 years of age*	**	1,368
Total number of juveniles referred to probation, 10 to 18 years*	**	1,789

* The 29th Annual Report on the Condition of Children in Orange County presents dates through calendar year 2022. Data through FY 2023-24 not yet available.

** Not yet available

**CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
 DEMOGRAPHIC INFORMATION
 CHILDREN'S SCORECARD
 SCHEDULE 11 (CONTINUED)**

2020	2019	2018	2017	2016	2015	2014	2013
88.20%	87.00%	88.40%	86.90%	84.40%	85.20%	86.10%	88.30%
1,900	2,374	2,227	2,222	2,397	2,360	2,433	2,330
6.3%	6.8%	6.3%	5.8%	6.3%	6.3%	6.3%	6.3%
197	234	180	190	178	121	110	98
94.7%	95.5%	95.7%	95.7%	95.5%	92.5%	90.1%	88.7%
2.8	2.9	2.6	2.9	2.7	2.5	3.0	3.3
6.9	7.5	8.3	9.9	10.9	12.0	14.8	16.7
94.3%	93.9%	94.3%	94.8%	95.0%	95.1%	94.8%	94.0%
67.6%	66.0%	67.0%	65.8%	66.1%	67.1%	64.6%	62.7%
25,098	26,545	30,816	34,485	38,982	42,345	42,877	43,916
3.5%	3.7%	4.3%	4.7%	5.5%	6.0%	6.0%	6.1%
48.6%	48.6%	49.1%	47.7%	49.1%	49.0%	50.0%	47.9%
52,995	27,666	57,874	61,406	71,367	78,856	87,408	92,303
62,851	68,878	66,296	70,403	68,117	67,732	68,635	70,608
199.1	185.3	184.3	184.0	182.3	178.8	177.9	178.6
473,066	478,149	485,099	489,791	492,886	497,116	500,487	501,801
102,141	105,441	113,938	119,315	123,001	129,390	130,570	123,390
12,600	12,200	11,420	10,926	9,105	9,128	8,274	7,950
**	**	57,141	55,908	54,231	53,512	53,005	52,216
2,178	2,003	1,872	1,816	1,774	1,825	1,945	2,012
3,082	2,819	2,677	2,587	2,499	2,561	2,685	2,850
2,053	2,619	2,729	3,770	4,521	4,829	6,580	6,892
2,543	3,417	4,250	5,098	5,617	5,808	7,156	7,821

**CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
OPERATING INFORMATION
CAPITAL ASSETS STATISTICS
SCHEDULE 12**

CAPITAL ASSETS STATISTICS

Capital Assets (equipment) are used by the Commission for general operating and administrative functions. Proposition 10 funds (tobacco taxes) were not used to purchase any capital assets.

**CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
OPERATING INFORMATION
PRINCIPLE EMPLOYERS
SCHEDULE 13**

PRINCIPAL EMPLOYERS
LAST YEAR AND NINE YEARS AGO

2023*

<u>Employer</u>	<u>Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>
Disneyland Resort	34,000	1	2.11%
University of California, Irvine	26,072	2	1.56%
Providence South Division	23,632	3	1.15%
County of Orange	18,000	4	0.82%
Kaiser Permanente	10,293	5	0.64%
Hoag Memorial Hospital Presbyterian	8,081	6	0.50%
Albertsons Southern California Division	7,222	7	0.45%
Allied Universal	6,145	8	0.38%
MemorialCare	5,800	9	0.36%
CHOC Hospital	5,462	10	0.34%

2014**

<u>Employer</u>	<u>Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>
Walt Disney Co.	25,000	1	1.56%
University of California, Irvine	22,253	2	1.39%
County of Orange	18,035	3	1.12%
St. Joseph Health System	12,062	4	0.75%
Boeing Co.	6,890	5	0.43%
Kaiser Permanente	6,040	6	0.38%
Bank of America Corp.	6,000	7	0.37%
Walmart	6,000	8	0.37%
Memorial Care Health System	5,635	9	0.35%
Target Corporation	5,400	10	0.34%

* Source: Orange County Business Journal, Book of Lists 2023

** Source: Orange County Business Journal, Book of Lists 2014

**CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY
OPERATING INFORMATION
EMPLOYEES BY FUNCTION
SCHEDULE 14**

**EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS**

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Number of Employees by Function										
General Administration	2	2	2	2	2	3	3	3	3	3
Finance	2	2	2	2	2	2	2	2	2	2
Contracts Administration	1	1	2	2	2	2	2	3	3	4
Program Management & Evaluation	12	10	7	7	6	5	5	4	4	4
Total Employees	<u>17</u>	<u>15</u>	<u>13</u>	<u>13</u>	<u>12</u>	<u>12</u>	<u>12</u>	<u>12</u>	<u>12</u>	<u>13</u>

* Table presents Regular and Limited-Term Employees



Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the Board Commissioners
Children and Families Commission of Orange County
Santa Ana, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities and the general fund of the Children and Families Commission of Orange County (Commission), a component unit of the County of Orange, California, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Commission’s basic financial statements and have issued our report thereon dated December 2, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Commission’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Commission’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Commission’s internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

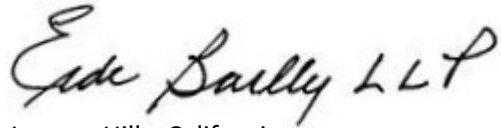
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Commission's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Eide Bailly LLP".

Laguna Hills, California
December 2, 2024



Independent Auditor's Report on State Compliance

To the Board of Commissioners
Children and Families Commission of Orange County
Santa Ana, California

Report on Compliance

Opinion

We have audited the Children and Families Commission of Orange County's (Commission), a component unit of the County of Orange, California, compliance with the requirements specified in the State of California's *Standards and Procedures for Audits of Local Entities Administering the California Children and Families Act*, issued by the State Controller's Office, applicable to the Commission's statutory requirements identified below for the year ended June 30, 2024.

In our opinion, the Commission complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the California Children and Families Program for the year ended June 30, 2024.

Basis for Opinion

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and the State of California's *Standards and Procedures for Audits of Local Entities Administering the California Children and Families Act*, issued by the State Controller's Office. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Commission and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Our audit does not provide a legal determination of the Commission's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above, and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the California Children and Families Program.

Auditor’s Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Commission’s compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the State of California’s *Standards and Procedures for Audits of Local Entities Administering the California Children and Families Act* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Commission’s compliance with the requirements of the California Children and Families Program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the State of California’s *Standards and Procedures for Audits of Local Entities Administering the California Children and Families Act*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit;
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Commission’s compliance with the compliance requirements referred to above and performing such other procedures as we consider necessary in the circumstances;
- Obtain an understanding of the Commission’s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the State of California’s *Standards and Procedures for Audits of Local Entities Administering the California Children and Families Act*, but not for the purpose of expressing an opinion on the effectiveness of the Commission’s internal controls over compliance. Accordingly, we express no such opinion; and
- Select and test transactions and records to determine the Commission’s compliance with the state laws and regulations applicable to the following items:

Description	Audit Guide Procedures	Procedures Performed
Contracting and Procurement	6	Yes
Administrative Costs	3	Yes
Conflict-of-Interest	3	Yes
County Ordinance	4	Yes
Long-range Financial Plans	2	Yes
Financial Condition of the Commission	1	Yes
Program Evaluation	3	Yes
Salaries and Benefit Policies	2	Yes

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identify during the audit.

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that a material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention from those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit, we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on compliance is solely to describe the scope of our testing over compliance and the results of that testing based on the State of California's *Standards and Procedures for Audits of Local Entities Administering the California Children and Families Act*. Accordingly, this report is not suitable for any other purpose.



Laguna Hills, California
December 2, 2024



December 2, 2024

To the Board of Commissioners
Children and Families Commission of Orange County
Santa Ana, California

We have audited the financial statements of the Children and Families Commission of Orange County (Commission), a component unit of the County of Orange, California as of and for the year ended June 30, 2024, and have issued our report thereon dated December 2, 2024. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our letter dated April 26, 2024, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the Commission solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our comments regarding internal controls during our audit in our Independent Auditor’s Report on Internal Controls over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards dated December 2, 2024.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, our firm, and other firms utilized in the engagement, if applicable, have complied with all relevant ethical requirements regarding independence.

Significant Risks Identified

As stated in our auditor’s report, professional standards require us to design our audit to provide reasonable assurance that the financial statements are free of material misstatement whether caused by fraud or error. In designing our audit procedures, professional standards require us to evaluate the financial statements and assess the risk that a material misstatement could occur. Areas that are potentially more susceptible to misstatements, and thereby require special audit considerations, are designated as “significant risks.” We have identified the following as significant risks:

- Management override - Professional standards require auditors to address the possibility of management overriding controls.
- Revenue Recognition – The risk of overstating revenues in the financial statements is an inherent risk, whereby the Commission can record revenue when the recognition criteria have not been met.
- Significant Estimates: Pension and Other Postemployment Benefit (OPEB) liabilities – Professional standards require auditors to contemplate significant estimates as significant risks due to the judgmental nature of the assumptions to determine the potential impact those assumptions may have on the amounts reported for the estimates.

Qualitative Aspects of the Entity’s Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the Commission is included in Note 1 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during the year. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management’s current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management’s current judgments.

The most sensitive accounting estimates affecting the financial statements are:

- Management’s estimate of the Commission’s net pension liability, net OPEB liability, the related deferred inflows and outflows of resources, and their related disclosures are based on actuarial valuations. We evaluated the key factors and assumptions used to develop the estimates in determining that they are reasonable in relation to the basic financial statements taken as a whole.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the Commission's financial statements relate to the Commission's net pension liability and net OPEB liability. The valuation of the net pension liability, net OPEB liability, and the related deferred outflows (inflows) of resources are sensitive to the underlying actuarial assumptions used including, but not limited to, the investment rate of return, discount rate, and the Commission's proportionate share of each of the plans' liability/asset. As disclosed in Note 8 and Note 13, a 1% increase or decrease in the discount rate has a significant effect on the Commission's net pension liability and net OPEB liability respectively. Also, as disclosed in Note 13, a 1% increase or decrease in the healthcare cost trend rate has a significant effect on the Commission's net OPEB liability.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole. Uncorrected misstatements or matters underlying those uncorrected misstatements could potentially cause future-period financial statements to be materially misstated, even though the uncorrected misstatements are immaterial to the financial statements currently under audit. There were no uncorrected or corrected misstatements identified as a result of our audit procedures.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the Commission's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Circumstances that Affect the Form and Content of the Auditor's Report

For purposes of this letter, professional standards require that we communicate any circumstances that affect the form and content of our auditor's report. We did not identify any circumstances that affect the form and content of the auditor's report.

Representations Requested from Management

We have requested certain written representations from management which are included in the management representation letter dated December 2, 2024.

Management’s Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the Commission, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the Commission’s auditors.

Other Information Included in Annual Reports

Pursuant to professional standards, our responsibility as auditors for other information, whether financial or nonfinancial, included in the Commission’s annual reports, does not extend beyond the financial information identified in the audit report, and we are not required to perform any procedures to corroborate such other information. However, in accordance with such standards, we have read the other information to consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated.

Our responsibility also includes communicating to you any information which we believe is a material misstatement of fact. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation, appearing in the financial statements.

This report is intended solely for the information and use of the Board of Commissioners and management of the Commission and is not intended to be, and should not be, used by anyone other than these specified parties.

A handwritten signature in cursive script that reads "Eide Sully LLP".

Laguna Hills, California



**Agenda Item 9
December 6, 2024**

DATE: November 5, 2024
TO: First 5 Orange County
FROM: Kimberly Goll, President/CEO *Kimberly Goll*
ACTION: Adopt Resolutions Authorizing Amendments to Consultant Agreements to Update the Child Care Landscape and the Acceptance of Funds from Partner Agencies to Support Child Care Workforce Development

SUMMARY:

This item requests funding to update the Orange County child care landscape. Additionally, it proposes accepting funds from Orange County Department of Education and Orange County Business Council to support the early childhood workforce.

DISCUSSION:

Updating the Child Care Landscape Analysis

First 5 Orange County's inaugural landscape analysis in 2020 provided an essential foundation for understanding the state of child care in our county. Conducted four years ago, this study highlighted key challenges, trends, and needs within the sector, helping us to focus our efforts in support of children, families, and providers.

Given the evolving landscape, there is a need to update and refresh this data to ensure our strategies remain aligned with current needs. Additionally, per the direction of the board, a special populations study will be included in the updated landscape analysis. This study will focus on access to child care for houseless families and families of children with special needs.

Staff recommends amending the existing agreements to add funding for the two consultants who prepared the original landscape analysis, Dr. Wallace Walrod and Rebecca Alvarez (NP Strategies). We anticipate the update and special populations study will be completed by June 30, 2025, within the term of their current agreements.

Building Orange County's Child Care Workforce

Phase three of the original Child Care Landscape report focused on developing local solutions to address identified child care needs, one of the local solutions is to expand the childcare workforce. Funding to two potential projects is highlighted below for the Board's consideration.

First, we have an opportunity to expand our work to increase apprentice programs in the county through a partnership with Orange County Department of Education (OCDE). Historically, few apprenticeships existed to support the early childhood education workforce in Orange County. Through IMPACT Legacy funding, First 5 OC analyzed the formal and informal apprentice programs in our county and identified OCDE's OC Pathways model for early childhood education.

Launched to support community college students, OC Pathways is focused on aligning education, business, and community partners to create career pathways that bridge the gap between classroom learning and workforce skills. Funding for OCDE's OC Pathways primarily comes from the California Department of Education through Career Pathways Trust grants. OCDE has secured additional funding from grants and contributions from regional partners, including private foundations, local businesses, and community organizations. This financial support enables OC Pathways to offer a range of resources, including internships, mentorships, and real-world training experiences, so that students can access meaningful, career-oriented education.

OCDE approached First 5 Orange County to support employer recruitment efforts for placement of apprentices in early childhood settings. Our work would include hosting apprentice and employer partner recruitment events, supporting ongoing apprentice and partner recruitment, and providing subject matter expertise that leverages our staff's regulatory knowledge of the child care industry. Staff recommends entering into an agreement with OCDE to receive up to \$75,000 for the period from January 1, 2025 to June 30, 2026 to accomplish this work.

Second, we have an opportunity to provide technical assistance and coordination to projects through the California Jobs First Initiative. This initiative is a statewide economic development program supporting counties and/or regions to develop strategies that will build equitable and sustainable economies and foster long-term economic resilience. The state has allocated \$182 million in grants for this initiative, to create and support jobs throughout the state.

In 2022, Orange County established a Jobs First Collaborative to prioritize industry sectors that are most important for Orange County's economic development and create a regional investment plan. First 5 OC staff have been actively involved in Orange County's collaborative, and child care was identified as a top need in our county. As one of the 13 collaboratives statewide, Orange County's Jobs First Collaborative will receive \$14 million to implement economic and workforce development strategies.

All 13 collaboratives are tasked with creating Sector Investment Coordinators. These coordinators will provide the collaboratives with recommendations on which projects and activities should receive funding. First 5 OC applied for and was selected to be a Sector Investment Coordinator. In this role, we will provide technical assistance to prospective Jobs First-funded projects that include a child care component. Staff recommends entering into an agreement with Charitable Ventures Orange County, which is the fiscal agent for the Jobs First Collaborative, to receive funds for this work up to a total of \$250,000 for the period from January 1, 2025 to December 30, 2026.

STRATEGIC PLAN & FISCAL SUMMARY:

The recommended actions have been reviewed in relation to the Strategic Plan and align with the goal to increase access to quality infant and toddler child care. Revenue and expenditures related to this item will be included in the Amended Fiscal Year 2024-2025 and 2025-2026 Budgets.

PRIOR COMMISSION ACTIONS:

- June 2024 – Resolution to Enter into Agreements with Designated Individuals and Organizations to Provide Consulting Service, including Wallace Walrod and NP Strategies
- June 2023 – Resolutions Authorizing Receipt of Funding from First 5 Riverside and Agreements with Designated Consultants and Organizations to Implement First 5 California's Improve and Maximize Programs so All Children Thrive (IMPACT) Legacy

RECOMMENDED ACTIONS:

1. Adopt resolution (Attachment 1) authorizing President/CEO, or designee, and Commission Counsel to prepare and negotiate and amendment to Agreement No. C-503, at the President/CEO's sole discretion, with Wallace Walrod adding \$29,250 for a total maximum obligation of \$104,250 to update the Child Care Landscape Analysis.
2. Adopt resolution (Attachment 2) authorizing President/CEO, or designee, and Commission Counsel to prepare and negotiate an amendment to Agreement No. PS-309, at the President/CEO's sole discretion, with NP Strategies adding \$12,250 for a total maximum obligation of \$94,250 to update the Child Care Landscape Analysis.
3. Adopt resolution (Attachment 2) authorizing the President/CEO, or designee, and Commission Counsel to prepare and negotiate an agreement with the Orange County Department of Education to accept up to \$75,000 to facilitate workforce development initiatives in alignment with OC Pathways for the term January 1, 2025 to June 30, 2026.
4. Adopt resolution (Attachment 3) authorizing the President/CEO, or designee, and Commission Counsel to prepare and negotiate an agreement with Charitable Ventures to accept up to \$250,000 to act as Sector Investment Coordinator support to the Jobs First grant applicants for the term January 1, 2025 - September 30, 2026.

ATTACHMENTS:

1. Resolution for Wallace Walrod
2. Resolution for NP Strategies
3. Resolution for OCDE OC Pathways grant
4. Resolution for Charitable Ventures for Sector Investment Coordinator

CONTACT: Cristina Blevins

CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY

RESOLUTION NO. ___-24-C&FC

December 6, 2024

A RESOLUTION OF THE CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY AUTHORIZING THE PRESIDENT/CEO AND COMMISSION COUNSEL TO PREPARE AND NEGOTIATE AN AMENDMENT TO AGREEMENT NO. C-503, AT THE PRESIDENT/CEO'S SOLE DISCRETION, WITH WALLACE WALROD FOR AN UPDATED CHILD CARE LANDSCAPE ANALYSIS; AND, AUTHORIZING APPROVAL AND EXECUTION OF SUCH AMENDMENT ON BEHALF OF THE COMMISSION

WHEREAS, in order to facilitate the creation and implementation of an integrated, comprehensive, and collaborative system of information and services to enhance optimal early childhood development, the legislature adopted legislation set forth in the California Children and Families Act of 1998, Health and Safety Code Section 130100, *et seq.* (as amended, the "Act") implementing the Children and Families First Initiative passed by the California electorate in November, 1998 and establishing the California Children and Families Commission and County Children and Families Commissions, including this Children and Families Commission of Orange County ("Commission"); and

WHEREAS, Commission adopted its Strategic Plan to define how funds authorized under the Act and allocated to the Commission should best be used to meet the critical needs of Orange County's children prenatal to five years of age as codified in the Act; and

WHEREAS, the Commission previously entered into Agreement No. C-503 (hereinafter referred to as the "Agreement") with Wallace Walrod (hereinafter referred to as the "Contractor"), for child care development services; and

WHEREAS, the Commission desires to amend the Agreement, at the President/CEO's sole discretion, for the terms, in the amounts, and on the conditions as described in in the staff report, and applicable attachments, for this December 6, 2024 Agenda Item (hereinafter referred to as the "Agenda Item"); and

WHEREAS, the Contractor desires to amend the Agreement, if authorized by the President/CEO, in furtherance of the purposes of the Act and the Strategic Plan on the terms and conditions set forth in the amendment (hereinafter referred to as the "Amendment"); and

WHEREAS, Commission has reviewed the Agenda Item relating to the scopes of services to be provided and hereby finds and determines that the proposed Amendment is in furtherance of and consistent with the Commission's Strategic Plan; and

WHEREAS, Commission desires to authorize the Commission Chair and Commission Clerk to execute the Amendment with the Contractor for the terms, in the amounts, and on the conditions as specified in the Agenda Item.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSIONERS OF THE CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY AS FOLLOWS:

Section 1 Commission finds and determines the foregoing Recitals are true and correct and are a substantive part of this Resolution.

Section 2 Commission authorizes the President/CEO, or designee, and Commission Counsel to prepare and negotiate the Amendment with the Contractor for the terms, in the amounts, and on the conditions consistent with the Agenda Item; and

Section 3 The form of the Amendment shall be substantially similar to the standard form agreements, subject to minor, non-substantive revisions, or as otherwise required to comply with external funding sources, and will be reviewed and approved by the President/CEO, or designee, and Commission Counsel. The approval by the President/CEO, or designee, of the Amendment shall be conclusively evidenced by the execution of such Amendment by the Commission Chair and delivery thereof to the Commission Clerk.

Section 4 Commission hereby approves the Amendment, which will be authorized at the President/CEO's sole discretion, with the Contractor for the terms, in the amounts, and on the conditions as specified in the Agenda Item.

Section 5 The Commission Chair and the Clerk of the Commission are hereby authorized to execute and attest, respectively, the Amendment on behalf of the Commission.

Section 6 A copy of the final Amendment, when executed by the Commission Chair and attested by the Clerk of the Commission, shall be appended hereto as a part of Exhibit A to this Resolution. Exhibit A is hereby fully incorporated as a part of this Resolution by this reference and made a part hereof. The final executed Amendment shall be placed on file in the office of the Clerk of the Commission.

Section 7 In addition to the authorization of Section 2 above, the President/CEO, or designee, is hereby authorized, on behalf of the Commission, (i) to sign all documents necessary and appropriate to carry out and implement the Agreement(s), including any Amendment(s); (ii) to cause the issuance of warrants; (iii) to administer the Commission's obligations, responsibilities, and duties to be performed under such agreement(s); and (iv) during the term thereof to provide waivers, administrative interpretations, and minor modifications of the provisions of such agreement(s) in the furtherance thereof.

Section 8 The Clerk of the Commission shall certify to the adoption of this Resolution.

The foregoing resolution was passed and adopted by the following vote of the Children and Families Commission of Orange County on December 6, 2024 to wit:

AYES Commissioners: _____

NOES: Commissioner(s): _____

EXCUSED: Commissioner(s): _____

ABSTAINED: Commissioner(s) _____

CHAIR

STATE OF CALIFORNIA)
)
COUNTY OF ORANGE)

I, ROBIN STIELER, Clerk of the Commission of Orange County, California, hereby certify that a copy of this document has been delivered to the Chair of the Commission and that the above and foregoing Resolution was duly and regularly adopted by the Children and Families Commission of Orange County.

IN WITNESS WHEREOF, I have hereto set my hand and seal.

ROBIN STIELER
Clerk of the Commission, Children and Families Commission of
Orange County, County of Orange, State of California

Resolution No: __-24-C&FC

Agenda Date: December 6, 2024

Item No. __



I certify that the foregoing is a true and correct copy of the Resolution adopted by the

Robin Stieler, Clerk of the Commission

By: _____
Deputy

EXHIBIT A TO RESOLUTION OF COMMISSION

(Attach copy(ies) of final executed Agreements)

CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY

RESOLUTION NO. ___-24-C&FC

December 6, 2024

A RESOLUTION OF THE CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY AUTHORIZING THE PRESIDENT/CEO AND COMMISSION COUNSEL TO PREPARE AND NEGOTIATE AN AMENDMENT TO AGREEMENT NO. PS-309, AT THE PRESIDENT/CEO'S SOLE DISCRETION, WITH NP STRATEGIES FOR AN UPDATED CHILD CARE LANDSCAPE ANALYSIS; AND, AUTHORIZING APPROVAL AND EXECUTION OF SUCH AMENDMENT ON BEHALF OF THE COMMISSION

WHEREAS, in order to facilitate the creation and implementation of an integrated, comprehensive, and collaborative system of information and services to enhance optimal early childhood development, the legislature adopted legislation set forth in the California Children and Families Act of 1998, Health and Safety Code Section 130100, *et seq.* (as amended, the "Act") implementing the Children and Families First Initiative passed by the California electorate in November, 1998 and establishing the California Children and Families Commission and County Children and Families Commissions, including this Children and Families Commission of Orange County ("Commission"); and

WHEREAS, Commission adopted its Strategic Plan to define how funds authorized under the Act and allocated to the Commission should best be used to meet the critical needs of Orange County's children prenatal to five years of age as codified in the Act; and

WHEREAS, the Commission previously entered into Agreement No. PS-309 (hereinafter referred to as the "Agreement") with NP Strategies (hereinafter referred to as the "Contractor"), for child care development services; and

WHEREAS, the Commission desires to amend the Agreement, at the President/CEO's sole discretion, for the terms, in the amounts, and on the conditions as described in in the staff report, and applicable attachments, for this December 6, 2024 Agenda Item (hereinafter referred to as the "Agenda Item"); and

WHEREAS, the Contractor desires to amend the Agreement, if authorized by the President/CEO, in furtherance of the purposes of the Act and the Strategic Plan on the terms and conditions set forth in the amendment (hereinafter referred to as the "Amendment"); and

WHEREAS, Commission has reviewed the Agenda Item relating to the scopes of services to be provided and hereby finds and determines that the proposed Amendment is in furtherance of and consistent with the Commission's Strategic Plan; and

WHEREAS, Commission desires to authorize the Commission Chair and Commission Clerk to execute the Amendment with the Contractor for the terms, in the amounts, and on the conditions as specified in the Agenda Item.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSIONERS OF THE CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY AS FOLLOWS:

Section 1 Commission finds and determines the foregoing Recitals are true and correct and are a substantive part of this Resolution.

Section 2 Commission authorizes the President/CEO, or designee, and Commission Counsel to prepare and negotiate the Amendment with the Contractor for the terms, in the amounts, and on the conditions consistent with the Agenda Item; and

Section 3 The form of the Amendment shall be substantially similar to the standard form agreements, subject to minor, non-substantive revisions, or as otherwise required to comply with external funding sources, and will be reviewed and approved by the President/CEO, or designee, and Commission Counsel. The approval by the President/CEO, or designee, of the Amendment shall be conclusively evidenced by the execution of such Amendment by the Commission Chair and delivery thereof to the Commission Clerk.

Section 4 Commission hereby approves the Amendment, which will be authorized at the President/CEO's sole discretion, with the Contractor for the terms, in the amounts, and on the conditions as specified in the Agenda Item.

Section 5 The Commission Chair and the Clerk of the Commission are hereby authorized to execute and attest, respectively, the Amendment on behalf of the Commission.

Section 6 A copy of the final Amendment, when executed by the Commission Chair and attested by the Clerk of the Commission, shall be appended hereto as a part of Exhibit A to this Resolution. Exhibit A is hereby fully incorporated as a part of this Resolution by this reference and made a part hereof. The final executed Amendment shall be placed on file in the office of the Clerk of the Commission.

Section 7 In addition to the authorization of Section 2 above, the President/CEO, or designee, is hereby authorized, on behalf of the Commission, (i) to sign all documents necessary and appropriate to carry out and implement the Agreement(s), including any Amendment(s); (ii) to cause the issuance of warrants; (iii) to administer the Commission's obligations, responsibilities, and duties to be performed under such agreement(s); and (iv) during the term thereof to provide waivers, administrative interpretations, and minor modifications of the provisions of such agreement(s) in the furtherance thereof.

Section 8 The Clerk of the Commission shall certify to the adoption of this Resolution.

The foregoing resolution was passed and adopted by the following vote of the Children and Families Commission of Orange County on December 6, 2024 to wit:

AYES Commissioners: _____

NOES: Commissioner(s): _____

EXCUSED: Commissioner(s): _____

ABSTAINED: Commissioner(s) _____

CHAIR

STATE OF CALIFORNIA)
)
COUNTY OF ORANGE)

I, ROBIN STIELER, Clerk of the Commission of Orange County, California, hereby certify that a copy of this document has been delivered to the Chair of the Commission and that the above and foregoing Resolution was duly and regularly adopted by the Children and Families Commission of Orange County.

IN WITNESS WHEREOF, I have hereto set my hand and seal.

ROBIN STIELER
Clerk of the Commission, Children and Families Commission of
Orange County, County of Orange, State of California

Resolution No: __-24-C&FC

Agenda Date: December 6, 2024

Item No. __



I certify that the foregoing is a true and correct copy of the Resolution adopted by the

Robin Stieler, Clerk of the Commission

By: _____
Deputy

EXHIBIT A TO RESOLUTION OF COMMISSION

(Attach copy(ies) of final executed Agreements)

CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY

RESOLUTION NO. ___-24-C&FC

December 6, 2024

A RESOLUTION OF THE CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY AUTHORIZING THE PRESIDENT/CEO TO EXECUTE A GRANT AGREEMENT WITH THE ORANGE COUNTY DEPARTMENT OF EDUCATION TO FACILITATE WORKFORCE DEVELOPMENT INITIATIVES; AND AUTHORIZING APPROVAL AND EXECUTION OF SUCH AGREEMENT ON BEHALF OF THE COMMISSION

WHEREAS, in order to facilitate the creation and implementation of an integrated, comprehensive, and collaborative system of information and services to enhance optimal early childhood development, the legislature adopted legislation set forth in the California Children and Families Act of 1998, Health and Safety Code Section 130100, *et seq.* (as amended, the “Act”) implementing the Children and Families First Initiative passed by the California electorate in November, 1998 and establishing the California Children and Families Commission and County Children and Families Commissions, including this Children and Families Commission of Orange County (“Commission”); and

WHEREAS, Commission adopted its Strategic Plan to define how funds authorized under the Act and allocated to the Commission should best be used to meet the critical needs of Orange County’s children prenatal to five years of age as codified in the Act; and

WHEREAS, Commission desires to receive funding and enter into a grant agreement (hereinafter referred to as the “Grant Agreement”) with the Orange County Department of Education (hereinafter referred to as “Grantor”) to facilitate workforce development initiatives in alignment with OC Pathways;

WHEREAS, the Commission desires to enter into the Grant Agreement with Grantor for the terms and in the amounts as specified in the December 6, 2024 staff report, including attachments, for this Agenda Item (hereinafter referred to as the “Agenda Item”); and

WHEREAS, Commission desires to enter into the Grant Agreement with Grantor in furtherance of the purposes of the Act and the Strategic Plan on the terms and conditions set forth in the Agreement; and

WHEREAS, Commission has reviewed the Agenda Item relating to the grant and hereby finds and determines that the proposed Grant Agreement is in furtherance of and consistent with the Commission’s Strategic Plan; and

WHEREAS, Commission desires to authorize the President/CEO, Commission Chair, and/or Commission Clerk, as required by the grant, to execute the Grant Agreement with the Grantor in the amount and for the terms as specified in the Agenda Item;

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSIONERS OF THE CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY AS FOLLOWS:

Section 1 Commission finds and determines the foregoing Recitals are true and correct and are a substantive part of this Resolution.

Section 2 Commission authorizes the President/CEO, or designee, execute the Grant Agreement with the Grantor to in the amounts and for the terms consistent with the Agenda Item.

Section 3 The Grant Agreement will be on the form provided by the Grantor and shall be reviewed and approved by the President/CEO, or designee, and Commission Counsel. The approval by the President/CEO, or designee, of the Agreement shall be conclusively evidenced by the execution of such Agreement by the President/CEO or by the Commission Chair and delivery thereof to the Commission Clerk, as required by the Grant Agreement.

Section 4 Commission hereby approves the Grant Agreement with the Grantor in the amounts and for the terms as specified in the Agenda Item.

Section 5 The President/CEO and/or Commission Chair and the Clerk of the Commission are hereby authorized to execute and attest, respectively, the Grant Agreement on behalf of the Commission.

Section 6 A copy of the Grant Agreement when executed by the President/CEO and/or Commission Chair and attested by the Clerk of the Commission shall be appended hereto as a part of Exhibit A to this Resolution. Exhibit A is hereby fully incorporated as a part of this Resolution by this reference and made a part hereof. The final executed Grant Agreement shall be placed on file in the office of the Clerk of the Commission.

Section 7 In addition to the authorization of Section 2 above, the President/CEO, or designee, is hereby authorized, on behalf of the Commission, (i) to sign all documents necessary and appropriate to carry out and implement the Grant Agreement, including any Amendment(s); (ii) to cause the issuance of warrants; (iii) to administer the Commission's obligations, responsibilities, and duties to be performed under such Grant Agreement and any Amendment(s); and (iv) during the term thereof to provide waivers, administrative interpretations, and minor modifications of the provisions of such Amendment(s) in the furtherance thereof.

Section 8 The Clerk of the Commission shall certify to the adoption of this Resolution.

The foregoing resolution was passed and adopted by the following vote of the Children and Families Commission of Orange County on December 6, 2024 to wit:

AYES Commissioners: _____

NOES Commissioner(s): _____

EXCUSED Commissioner(s): _____

ABSTAINED Commissioner(s): _____

CHAIR

STATE OF CALIFORNIA)
)
COUNTY OF ORANGE)

I, ROBIN STIELER, Clerk of the Commission of Orange County, California, hereby certify that a copy of this document has been delivered to the Chair of the Commission and that the above and foregoing Resolution was duly and regularly adopted by the Children and Families Commission of Orange County.

IN WITNESS WHEREOF, I have hereto set my hand and seal.

ROBIN STIELER
Clerk of the Commission, Children and Families
Commission of Orange County, County of Orange,
State of California

Resolution No: __-24-C&FC

Agenda Date: December 6, 2024

Item No. __



I certify that the foregoing is a true and correct copy of the Resolution adopted by the

ROBIN STIELER, Clerk of the Commission

By: _____
Deputy

EXHIBIT A TO RESOLUTION OF COMMISSION

(Attach copy(ies) of final executed Agreement)

CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY

RESOLUTION NO. ___-24-C&FC

December 6, 2024

A RESOLUTION OF THE CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY AUTHORIZING THE PRESIDENT/CEO TO EXECUTE A GRANT AGREEMENT WITH CHARITABLE VENTURES OF ORANGE COUNTY FOR SECTOR INVESTMENT COORDINATOR SUPPORT FOR THE JOBS FIRST GRANT APPLICANTS; AND AUTHORIZING APPROVAL AND EXECUTION OF SUCH AGREEMENT ON BEHALF OF THE COMMISSION

WHEREAS, in order to facilitate the creation and implementation of an integrated, comprehensive, and collaborative system of information and services to enhance optimal early childhood development, the legislature adopted legislation set forth in the California Children and Families Act of 1998, Health and Safety Code Section 130100, *et seq.* (as amended, the “Act”) implementing the Children and Families First Initiative passed by the California electorate in November, 1998 and establishing the California Children and Families Commission and County Children and Families Commissions, including this Children and Families Commission of Orange County (“Commission”); and

WHEREAS, Commission adopted its Strategic Plan to define how funds authorized under the Act and allocated to the Commission should best be used to meet the critical needs of Orange County’s children prenatal to five years of age as codified in the Act; and

WHEREAS, Commission desires to receive funding and enter into a grant agreement (hereinafter referred to as the “Grant Agreement”) with Charitable Ventures of Orange County (hereinafter referred to as “Grantor”) to act as Sector Investment Coordinator support to the Jobs First grant applicants;

WHEREAS, the Commission desires to enter into the Grant Agreement with Grantor for the terms and in the amounts as specified in the December 6, 2024 staff report, including attachments, for this Agenda Item (hereinafter referred to as the “Agenda Item”); and

WHEREAS, Commission desires to enter into the Grant Agreement with Grantor in furtherance of the purposes of the Act and the Strategic Plan on the terms and conditions set forth in the Agreement; and

WHEREAS, Commission has reviewed the Agenda Item relating to the grant and hereby finds and determines that the proposed Grant Agreement is in furtherance of and consistent with the Commission’s Strategic Plan; and

WHEREAS, Commission desires to authorize the President/CEO, Commission Chair, and/or Commission Clerk, as required by the grant, to execute the Grant Agreement with the Grantor in the amount and for the terms as specified in the Agenda Item;

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSIONERS OF THE CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY AS FOLLOWS:

Section 1 Commission finds and determines the foregoing Recitals are true and correct and are a substantive part of this Resolution.

Section 2 Commission authorizes the President/CEO, or designee, execute the Grant Agreement with the Grantor to in the amounts and for the terms consistent with the Agenda Item.

Section 3 The Grant Agreement will be on the form provided by the Grantor and shall be reviewed and approved by the President/CEO, or designee, and Commission Counsel. The approval by the President/CEO, or designee, of the Agreement shall be conclusively evidenced by the execution of such Agreement by the President/CEO or by the Commission Chair and delivery thereof to the Commission Clerk, as required by the Grant Agreement.

Section 4 Commission hereby approves the Grant Agreement with the Grantor in the amounts and for the terms as specified in the Agenda Item.

Section 5 The President/CEO and/or Commission Chair and the Clerk of the Commission are hereby authorized to execute and attest, respectively, the Grant Agreement on behalf of the Commission.

Section 6 A copy of the Grant Agreement when executed by the President/CEO and/or Commission Chair and attested by the Clerk of the Commission shall be appended hereto as a part of Exhibit A to this Resolution. Exhibit A is hereby fully incorporated as a part of this Resolution by this reference and made a part hereof. The final executed Grant Agreement shall be placed on file in the office of the Clerk of the Commission.

Section 7 In addition to the authorization of Section 2 above, the President/CEO, or designee, is hereby authorized, on behalf of the Commission, (i) to sign all documents necessary and appropriate to carry out and implement the Grant Agreement, including any Amendment(s); (ii) to cause the issuance of warrants; (iii) to administer the Commission's obligations, responsibilities, and duties to be performed under such Grant Agreement and any Amendment(s); and (iv) during the term thereof to provide waivers, administrative interpretations, and minor modifications of the provisions of such Amendment(s) in the furtherance thereof.

Section 8 The Clerk of the Commission shall certify to the adoption of this Resolution.

The foregoing resolution was passed and adopted by the following vote of the Children and Families Commission of Orange County on December 6, 2024 to wit:

AYES Commissioners: _____

NOES Commissioner(s): _____

EXCUSED Commissioner(s): _____

ABSTAINED Commissioner(s): _____

CHAIR

STATE OF CALIFORNIA)
)
COUNTY OF ORANGE)

I, ROBIN STIELER, Clerk of the Commission of Orange County, California, hereby certify that a copy of this document has been delivered to the Chair of the Commission and that the above and foregoing Resolution was duly and regularly adopted by the Children and Families Commission of Orange County.

IN WITNESS WHEREOF, I have hereto set my hand and seal.

ROBIN STIELER
Clerk of the Commission, Children and Families
Commission of Orange County, County of Orange,
State of California

Resolution No: __-24-C&FC

Agenda Date: December 6, 2024

Item No. __



I certify that the foregoing is a true and correct copy of the Resolution adopted by the

ROBIN STIELER, Clerk of the Commission

By: _____
Deputy

EXHIBIT A TO RESOLUTION OF COMMISSION

(Attach copy(ies) of final executed Agreement)



**Agenda Item 10
December 6, 2024**

DATE: October 15, 2024
TO: First 5 Orange County
FROM: Kimberly Goll, President/CEO *Kimberly Goll*
ACTION: Adopt Resolution Authorizing Annual Membership Payment to the First 5 Association of California and Receive List of Professional Association Memberships and Sponsorships

SUMMARY:

First 5 Orange County is a member of statewide and local organizations that support our vision that all children reach their full potential. This item requests approval to continue memberships and sponsorship with professional associations.

DISCUSSION:

First 5 Orange County is a member of professional organizations that require annual membership dues. Memberships in both state and local organizations offer opportunities for partnership development, professional learning, and networking. Following are brief descriptions of the membership organizations that enhance and support First 5 Orange County's work.

First 5 Association of California

The First 5 Association is a membership organization of the 58 First 5/Children and Families Commissions in California that provides an important, collective voice on young children's issues. The value of membership includes information sharing and communication among the county commissions, resources and assistance that promote the effective implementation of child development programs, and a statewide hub for initiatives and collaboration. Membership dues are based on the Department of Finance birth rate numbers. Staff recommends payment of membership dues, not to exceed \$75,000, to support the coordinated structure to align shared goals, advocate in the policy space, and implement an impactful communications approach.

Additionally, the 58 First 5 Children and Families Commissions are divided into six regions throughout the state. Orange County is part of the southern California region, which is home to the majority of young children in the state. Members of the southern California region meet regularly throughout the year to collaborate on common issues and programs, and to collectively communicate the regional and statewide impact of First 5 investments. Staff recommends approval to participate in the southern California regional meetings and to host one of the meetings.

Professional and Community Associations

First 5 Orange County's Strategic Plan emphasizes the importance of building leaders in the community who believe that a focus on early childhood is imperative – not only for each child, but also for the region's economic vitality and quality of life. Cultivating strategic community

partnerships is an important strategy for developing a network of professional contacts and building committed leadership in the county.

A policy approved in May 2013 authorized the President/CEO to approve memberships and sponsorships within the funding authority of \$50,000, an amount previously established by the First 5 OC Board. Memberships or sponsorships listed in the following table that are below \$50,000 will be paid using the President/CEO's authority but are included for informational purposes.

Organization	Membership Fee
First 5 Association of California	\$75,000
Orange County Grantmakers Early Childhood Issue Table	\$25,000
Orange County Community Indicators Report Sponsorship	\$5,000
Orange County Business Council	\$5,000
Orange County Grantmakers	\$5,000
Orange County Association for the Education of Young Children	\$5,000
Health Insurance Portability and Accountability Act Watchdog	\$3,500
Orange County Black Chamber of Commerce	\$1,500
Orange County Hispanic Chamber of Commerce	\$1,500
Vietnamese American Chamber of Commerce	\$1,000
Orange County Forum	\$1,000
Parents as Teachers Model Certified Subscription Renewal	\$840
EveryChild California	\$625
California Work & Family Coalition	\$400
Zero to Three	\$360
National Association for the Education of Young Children	\$260
Orange County Public Affairs Association	\$200
Government Financial Officers Association	\$180
California Society of Municipal Finance Officers	\$160

STRATEGIC PLAN & FISCAL SUMMARY:

The recommended actions have been reviewed in relation to the Strategic Plan and are consistent with all goal areas. Funding for all memberships and sponsorships will be included in the Proposed Budget for Fiscal Year 2025-2026.

PRIOR COMMISSION ACTIONS:

- December 2023 – Adopted resolution authorizing payment for annual membership dues, professional association memberships, and regional meeting expenses.
- February 2023 – Adopted resolution authorizing payment for annual membership dues, professional association memberships, and regional meeting expenses.
- February 2022 – Adopted resolution authorizing payment for annual membership dues, professional association memberships, and regional meeting expenses.
- April 2021 – Adopted resolution authorizing payment for annual membership dues, professional association memberships, and regional meeting expenses.

RECOMMENDED ACTIONS:

1. Adopt resolution authorizing payment to the First 5 Association of California for annual membership dues in an amount not to exceed \$75,000.
2. Receive list of professional association memberships and sponsorships that fall under the previously established President/CEO funding authority limit.

ATTACHMENT:

1. Resolution

CONTACT: Michael Garcell and Tiffany Alva

CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY

RESOLUTION NO. ___-24-C&FC

December 4, 2024

A RESOLUTION OF THE CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY AUTHORIZING PAYMENT TO FIRST 5 ASSOCIATION OF CALIFORNIA FOR ANNUAL MEMBERSHIP DUES

WHEREAS, in order to facilitate the creation and implementation of an integrated, comprehensive, and collaborative system of information and services to enhance optimal early childhood development, the legislature adopted legislation set forth in the California Children and Families Act of 1998, Health and Safety Code Section 130100, *et seq.* (as amended, the “Act”) implementing the Children and Families First Initiative passed by the California electorate in November, 1998 and establishing the California Children and Families Commission and County Children and Families Commissions, including this Children and Families Commission of Orange County (“Commission”); and

WHEREAS, Commission adopted its Strategic Plan to define how funds authorized under the Act and allocated to the Commission should best be used to meet the critical needs of Orange County’s children prenatal to five years of age as codified in the Act; and

WHEREAS, Commission desires to participate and benefit from membership in First 5 Association of California (“First 5 Association”); and

WHEREAS, Membership dues for First 5 Association exceed the President/Chief Executive Officer’s funding authority to approve memberships; and

WHEREAS, Commission desires to benefit from the membership in the First 5 Association in furtherance of the purposes of the Act and the Strategic Plan; and

WHEREAS, Commission has reviewed the staff report for the December 4, 2024 Commission meeting relating to the benefits of First 5 Association membership and hereby finds and determines that the proposed membership is in furtherance of and consistent with the Commission’s Strategic Plan; and

WHEREAS, Commission desires to authorize the President/Chief Executive Officer, or designee, to fund the First 5 Association membership dues as described in the December 4, 2024 staff report for this Agenda Item (hereinafter referred to as the “Agenda Item”);

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSIONERS OF THE CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY AS FOLLOWS:

Section 1 Commission finds and determines the foregoing Recitals are true and correct and are a substantive part of this Resolution.

Section 2 Commission authorizes the President/Chief Executive Officer, or designee, to fund First 5 Association membership dues as described in the Agenda Item in the amounts and for the terms specified therein.

Section 3 Commission hereby approves First 5 Association membership dues set forth in the Agenda Item.

Section 4 The President/Chief Executive Officer, or designee, is hereby authorized to execute First 5 Association membership payments on behalf of the Commission.

Section 5 In addition to the authorization of Section 2 above, the President/Chief Executive Officer, or designee, is hereby authorized, on behalf of the Commission, (i) to sign all documents necessary and appropriate to attain and maintain the professional association memberships, and (ii) to cause the issuance of warrants, and (iii) to administer the Commission's obligations, responsibilities, and duties to be performed under such memberships.

Section 7 The Clerk of the Commission shall certify to the adoption of this Resolution.

The foregoing resolution was passed and adopted by the following vote of the Children and Families Commission of Orange County on December 4, 2024 to wit:

AYES Commissioners: _____

NOES Commissioner(s): _____

EXCUSED Commissioner(s): _____

ABSTAINED Commissioner(s): _____

CHAIR

STATE OF CALIFORNIA)
)
COUNTY OF ORANGE)

I, ROBIN STIELER, Clerk of the Commission of Orange County, California, hereby certify that a copy of this document has been delivered to the Chair of the Commission and that the above and foregoing Resolution was duly and regularly adopted by the Children and Families Commission of Orange County.

IN WITNESS WHEREOF, I have hereto set my hand and seal.

ROBIN STIELER
Clerk of the Commission, Children and Families Commission of
Orange County, County of Orange, State of California

Resolution No: __-24-C&FC

Agenda Date: December 4, 2024

Item No. __



I certify that the foregoing is a true and correct copy of the Resolution adopted by the

ROBIN STIELER, Clerk of the Commission

By: _____
Deputy



**Agenda Item 11
December 6, 2024**

DATE: October 21, 2024
TO: First 5 Orange County
FROM: Kimberly Goll, President/CEO *Kimberly Goll*
ACTION: Adopt Resolutions Authorizing Agreements and Amendments with Designated Organizations to Provide Home Visiting and Support Services

SUMMARY:

First 5 Orange County staff have been supporting the ongoing coordination efforts among home visiting providers to better understand the needs of families receiving services and the ability of the system to meet them. At the June 2024 meeting, the First 5 OC board approved continued and expanded funding for evidence-based home visiting providers. This agenda item requests approval to provide funding to meet language needs of families accessing home visiting services and develop performance management structures.

DISCUSSION:

Home visiting provides critical resources to build protective factors, strengthen family resiliency, cultivate nurturing environments for children and families. A 2022 landscape analysis identified a gap of 10,000 families who would benefit from additional prenatal-to-three supports. First 5 OC supports a network of home visiting providers that are trained in a variety of models.

Together, these agencies provide 6,211 home visits annually. Nearly 3,500 referrals for home visiting services are generated annually through a variety of channels, including:

- **Birthing Hospitals:** Our network of eight birthing hospitals and onsite coordinators screen nearly 70% of births in the county for family needs.
- **Neighborhood Resource Network (NRN):** The NRN program is a partnership with Orange County Social Services Agency to reduce future child abuse reports and neglect in the target population of families.
- **CalWORKs:** The CalWORKs Home Visiting Program is a partnership with Orange County Social Services Agency that identifies CalWORKs eligible low-income families.
- **Targeted Outreach:** Home visiting providers proactively reach out to specific populations, such as communities that speak varied languages, high-risk families or those residing in underserved areas, to identify potential clients.

Our home visiting referral system is continuing to grow, with hospital referral rates up from 21 percent to 24 percent. Additionally, we are seeing an increase in the number of families interested in home visiting, with a 42 percent increase in new home visiting cases. With these increases, we have a need for providers who can offer services in multiple languages. First quarter data alone indicate that four percent of the 1,550 birthing people at the eight hospitals reported speaking languages other than English, Spanish, and Vietnamese with the most significant increases in Farsi, Arabic, Pashto and Russian.

To meet the diverse language needs of families, staff recommends implementing two strategies. First, enter into an agreement at the recommended amount with OMID for Farsi and Arabic infant/toddler home visiting services. Second, staff recommends purchasing six language translator devices to support languages that are not within the capacity of the existing network.

Additionally, as we continue to address the system needs of home visiting, we are prioritizing our performance management infrastructure. We are enhancing the Bridges Connect data system to include referral tracking and provider capacity reporting. As part of system change efforts, the Home Visiting Collaborative members, along with First 5 OC staff, are co-creating reporting protocols, aligning home visiting communication, and leveraging data collection across the home visiting network. To support this work, we recommend amending the agreement with Dr. Jaime Raygoza to assist in developing a performance management system.

STRATEGIC PLAN & FISCAL SUMMARY:

The recommended actions have been reviewed in relation to the Strategic Plan and align with the Get Involved Early, Elevate Equity, Empower Champions, and Align Systems of Care strategies. Funding for this request will be added to the FY 2024-2025 and FY 2025-2026 budgets.

PRIOR COMMISSION ACTIONS:

- June 2024 – Authorize Resolution Agreements with Designated Organizations to Provide Home Visiting
- April 2024 – Authorize Receipt of Funds and Agreements with OC Social Services Agency and designated subcontractors for participation in the CalWORKs Home Visiting Program Services
- April 2023 – Receive Report on Results of prenatal-to-three Request for Information and Authorize Agreements for Implementation
- February 2023 – Authorize Request for Information Process
- February 2023 – Authorize funding to Health Care Agency for Public Health Nursing

RECOMMENDED ACTIONS:

1. Adopt resolution (Attachment 1) authorizing President/CEO, or designee, and Commission Counsel to prepare and negotiate a new agreement (FCI-BN6-19) with OMID Multicultural Institute for Development in an amount not to exceed \$85,000 for a term of 18 months from January 1, 2025 to June 30, 2026 to provide home visiting services.
2. Adopt resolution (Attachment 2) authorizing President/CEO, or designee, and Commission Counsel to prepare and negotiate an amendment to Agreement No. PS-327 with Raygoza Consulting, LLC to add \$25,000 for a total maximum obligation of \$45,000 and extend term by six months with new terms dates of July 1, 2024 to June 30, 2025 for home visiting support services.

ATTACHMENTS:

1. Resolution for OMID Multicultural Institute for Development
2. Resolution for Raygoza Consulting, LLC

CONTACT: Yvette Nuñez

CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY

RESOLUTION NO. ___-24-C&FC

December 6, 2024

A RESOLUTION OF THE CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY AUTHORIZING THE PRESIDENT/CEO AND COMMISSION COUNSEL TO PREPARE AND NEGOTIATE AGREEMENT NO. FCI-BN6-19 AT THE PRESIDENT/CEO'S SOLE DISCRETION, WITH OMID MULTICULTURAL INSTITUTE FOR DEVELOPMENT FOR HOME VISITING SERVICES; AND, AUTHORIZING APPROVAL AND EXECUTION OF SUCH AGREEMENT ON BEHALF OF THE COMMISSION

WHEREAS, in order to facilitate the creation and implementation of an integrated, comprehensive, and collaborative system of information and services to enhance optimal early childhood development, the legislature adopted legislation set forth in the California Children and Families Act of 1998, Health and Safety Code Section 130100, *et seq.* (as amended, the "Act") implementing the Children and Families First Initiative passed by the California electorate in November, 1998 and establishing the California Children and Families Commission and County Children and Families Commissions, including this Children and Families Commission of Orange County ("Commission"); and

WHEREAS, Commission adopted its Strategic Plan to define how funds authorized under the Act and allocated to the Commission should best be used to meet the critical needs of Orange County's children prenatal to five years of age as codified in the Act; and

WHEREAS, the President/CEO and Commission Counsel have prepared standard form agreements, which were approved by the Commission; and

WHEREAS, the Commission desires to enter into Agreement No. FCI-BN6-19 with OMID Multicultural Institute for Development (hereinafter referred to as the "Contractor"), at the President/CEO's sole discretion, for home visiting services (hereinafter collectively referred to as the "Agreement") for the terms, in the amounts, and on the conditions as described in in the staff report, and applicable attachments, for this December 6, 2024 Agenda Item (hereinafter referred to as the "Agenda Item");

WHEREAS, the Contractor desires to enter into the Agreement, if authorized by the President/CEO, in furtherance of the purposes of the Act and the Strategic Plan on the terms and conditions set forth in the Agreement; and

WHEREAS, Commission has reviewed the Agenda Item relating to the scopes of services to be provided and hereby finds and determines that the proposed Agreement is in furtherance of and consistent with the Commission's Strategic Plan; and

WHEREAS, Commission desires to authorize the Commission Chair and Commission Clerk to execute the Agreement with the Contractor for the terms, in the amounts, and on the conditions as specified in the Agenda Item.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSIONERS OF THE CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY AS FOLLOWS:

Section 1 Commission finds and determines the foregoing Recitals are true and correct and are a substantive part of this Resolution.

Section 2 Commission authorizes the President/CEO, or designee, and Commission Counsel to prepare and negotiate the Agreement with the Contractor for the terms, in the amounts, and on the conditions consistent with the Agenda Item; and

Section 3 The form of the Agreement shall be substantially similar to the standard form agreements, subject to minor, non-substantive revisions, or as otherwise required to comply with external funding sources, and will be reviewed and approved by the President/CEO, or designee, and Commission Counsel. The approval by the President/CEO, or designee, of the Agreement shall be conclusively evidenced by the execution of such Agreement by the Commission Chair and delivery thereof to the Commission Clerk.

Section 4 Commission hereby approves the Agreement, which will be authorized at the President/CEO's sole discretion, with the Contractor for the terms, in the amounts, and on the conditions as specified in the Agenda Item.

Section 5 The Commission Chair and the Clerk of the Commission are hereby authorized to execute and attest, respectively, the Agreement on behalf of the Commission.

Section 6 A copy of the final Agreement, when executed by the Commission Chair and attested by the Clerk of the Commission, shall be appended hereto as a part of Exhibit A to this Resolution. Exhibit A is hereby fully incorporated as a part of this Resolution by this reference and made a part hereof. The final executed Agreement shall be placed on file in the office of the Clerk of the Commission.

Section 7 In addition to the authorization of Section 2 above, the President/CEO, or designee, is hereby authorized, on behalf of the Commission, (i) to sign all documents necessary and appropriate to carry out and implement the Agreement(s), including any Amendment(s); (ii) to cause the issuance of warrants; (iii) to administer the Commission's obligations, responsibilities, and duties to be performed under such agreement(s); and (iv) during the term thereof to provide waivers, administrative interpretations, and minor modifications of the provisions of such agreement(s) in the furtherance thereof.

Section 8 The Clerk of the Commission shall certify to the adoption of this Resolution.

The foregoing resolution was passed and adopted by the following vote of the Children and Families Commission of Orange County on December 6, 2024 to wit:

AYES Commissioners: _____

NOES: Commissioner(s): _____

EXCUSED: Commissioner(s): _____

ABSTAINED: Commissioner(s) _____

CHAIR

STATE OF CALIFORNIA)
)
COUNTY OF ORANGE)

I, ROBIN STIELER, Clerk of the Commission of Orange County, California, hereby certify that a copy of this document has been delivered to the Chair of the Commission and that the above and foregoing Resolution was duly and regularly adopted by the Children and Families Commission of Orange County.

IN WITNESS WHEREOF, I have hereto set my hand and seal.

ROBIN STIELER
Clerk of the Commission, Children and Families Commission of
Orange County, County of Orange, State of California

Resolution No: __-24-C&FC

Agenda Date: December 6, 2024

Item No. __



I certify that the foregoing is a true and correct copy of the Resolution adopted by the

Robin Stieler, Clerk of the Commission

By: _____
Deputy

EXHIBIT A TO RESOLUTION OF COMMISSION

(Attach copy(ies) of final executed Agreements)

CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY

RESOLUTION NO. ___-24-C&FC

December 6, 2024

A RESOLUTION OF THE CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY AUTHORIZING THE PRESIDENT/CEO AND COMMISSION COUNSEL TO PREPARE AND NEGOTIATE AN AMENDMENT TO AGREEMENT NO. PS-327, AT THE PRESIDENT/CEO'S SOLE DISCRETION, WITH RAYGOZA CONSULTING, LLC FOR ADDITIONAL HOME VISITING SUPPORT SERVICES; AND, AUTHORIZING APPROVAL AND EXECUTION OF SUCH AMENDMENT ON BEHALF OF THE COMMISSION

WHEREAS, in order to facilitate the creation and implementation of an integrated, comprehensive, and collaborative system of information and services to enhance optimal early childhood development, the legislature adopted legislation set forth in the California Children and Families Act of 1998, Health and Safety Code Section 130100, *et seq.* (as amended, the "Act") implementing the Children and Families First Initiative passed by the California electorate in November, 1998 and establishing the California Children and Families Commission and County Children and Families Commissions, including this Children and Families Commission of Orange County ("Commission"); and

WHEREAS, Commission adopted its Strategic Plan to define how funds authorized under the Act and allocated to the Commission should best be used to meet the critical needs of Orange County's children prenatal to five years of age as codified in the Act; and

WHEREAS, the Commission previously entered into Agreement No. PS-327 (hereinafter referred to as the "Agreement") with Raygoza Consulting (hereinafter referred to as the "Contractor"), for home visiting support services; and

WHEREAS, the Commission desires to amend the Agreement, at the President/CEO's sole discretion, for the terms, in the amounts, and on the conditions as described in in the staff report, and applicable attachments, for this December 6, 2024 Agenda Item (hereinafter referred to as the "Agenda Item"); and

WHEREAS, the Contractor desires to amend the Agreement, if authorized by the President/CEO, in furtherance of the purposes of the Act and the Strategic Plan on the terms and conditions set forth in the amendment (hereinafter referred to as the "Amendment"); and

WHEREAS, Commission has reviewed the Agenda Item relating to the scopes of services to be provided and hereby finds and determines that the proposed Amendment is in furtherance of and consistent with the Commission's Strategic Plan; and

WHEREAS, Commission desires to authorize the Commission Chair and Commission Clerk to execute the Amendment with the Contractor for the terms, in the amounts, and on the conditions as specified in the Agenda Item.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSIONERS OF THE CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY AS FOLLOWS:

Section 1 Commission finds and determines the foregoing Recitals are true and correct and are a substantive part of this Resolution.

Section 2 Commission authorizes the President/CEO, or designee, and Commission Counsel to prepare and negotiate the Amendment with the Contractor for the terms, in the amounts, and on the conditions consistent with the Agenda Item; and

Section 3 The form of the Amendment shall be substantially similar to the standard form agreements, subject to minor, non-substantive revisions, or as otherwise required to comply with external funding sources, and will be reviewed and approved by the President/CEO, or designee, and Commission Counsel. The approval by the President/CEO, or designee, of the Amendment shall be conclusively evidenced by the execution of such Amendment by the Commission Chair and delivery thereof to the Commission Clerk.

Section 4 Commission hereby approves the Amendment, which will be authorized at the President/CEO's sole discretion, with the Contractor for the terms, in the amounts, and on the conditions as specified in the Agenda Item.

Section 5 The Commission Chair and the Clerk of the Commission are hereby authorized to execute and attest, respectively, the Amendment on behalf of the Commission.

Section 6 A copy of the final Amendment, when executed by the Commission Chair and attested by the Clerk of the Commission, shall be appended hereto as a part of Exhibit A to this Resolution. Exhibit A is hereby fully incorporated as a part of this Resolution by this reference and made a part hereof. The final executed Amendment shall be placed on file in the office of the Clerk of the Commission.

Section 7 In addition to the authorization of Section 2 above, the President/CEO, or designee, is hereby authorized, on behalf of the Commission, (i) to sign all documents necessary and appropriate to carry out and implement the Agreement(s), including any Amendment(s); (ii) to cause the issuance of warrants; (iii) to administer the Commission's obligations, responsibilities, and duties to be performed under such agreement(s); and (iv) during the term thereof to provide waivers, administrative interpretations, and minor modifications of the provisions of such agreement(s) in the furtherance thereof.

Section 8 The Clerk of the Commission shall certify to the adoption of this Resolution.

The foregoing resolution was passed and adopted by the following vote of the Children and Families Commission of Orange County on December 6, 2024 to wit:

AYES Commissioners: _____

NOES: Commissioner(s): _____

EXCUSED: Commissioner(s): _____

ABSTAINED: Commissioner(s) _____

CHAIR

STATE OF CALIFORNIA)
)
COUNTY OF ORANGE)

I, ROBIN STIELER, Clerk of the Commission of Orange County, California, hereby certify that a copy of this document has been delivered to the Chair of the Commission and that the above and foregoing Resolution was duly and regularly adopted by the Children and Families Commission of Orange County.

IN WITNESS WHEREOF, I have hereto set my hand and seal.

ROBIN STIELER
Clerk of the Commission, Children and Families Commission of
Orange County, County of Orange, State of California

Resolution No: __-24-C&FC

Agenda Date: December 6, 2024

Item No. __



I certify that the foregoing is a true and correct copy of the Resolution adopted by the

Robin Stieler, Clerk of the Commission

By: _____
Deputy

EXHIBIT A TO RESOLUTION OF COMMISSION

(Attach copy(ies) of final executed Agreements)



**Agenda Item 12
December 6, 2024**

DATE: November 14, 2024
TO: First 5 Orange County
FROM: Kimberly Goll, President/CEO *Kimberly Goll*
ACTION: Adopt Resolution Authorizing an Amendment to Agreement with NetChemistry for the Development of a Community Health Worker Database

SUMMARY:

In April 2024, the First 5 Orange County Board approved an agreement with CalOptima Health Services authorizing First 5 OC staff to be part of their Community Health Worker (CHW) Learning Academy. Since Board approval, staff has participated in a learning series focused on implementing CHW services and has identified the need to develop a CHW billing and reporting database. This agenda item recommends approval to increase the maximum obligation of the agreement with NetChemistry to \$165,000 to build the database.

DISCUSSION:

CalOptima Health Services selected First 5 Orange County to receive \$100,000 for one year to participate in the CHW Learning Academy. This funding allows First 5 OC to gain an in-depth understanding of the organizational and technology capacity needed to effectively implement CHW services. Community Health Worker services are health services to prevent disease, disability, and other health conditions or their progression; to prolong life; and to promote physical and mental health. We are committed to supporting CHW services as an integral piece of the Prenatal to Three system serving as a triage for families in need of more intensive services. CHWs have a long history of connecting those not well served by the traditional health care system with culturally responsive health and social services.

The main objective of participating in the academy is to develop a pathway to sustain and grow our support services for pregnant and parenting families with very young children. In order for First 5 OC to provide CHW administrative oversight and meet all the reporting requirements to bill Medi-Cal, we need an IT infrastructure for CHW reporting, billing management, and workflows to track health outcomes.

The most efficient way to build this IT solution is to expand our current Bridges Connect system with additional fields, billing reports, and display enhancements related to CHW. Bridges Connect is a data platform that has been used by our partnering birthing hospitals and home visiting providers for more than 15 years. It has the capacity to manage referrals from the hospitals, capture the individual information to verify CHW eligibility, and send referrals to providers. In order to accommodate the CHW reporting we will enhance the system to track and store CHW-related service delivery with service billing codes and integrate with CalOptima Connect via API feed to automate data sharing and reduce manual effort. Staff recommends adding \$30,000 to NetChemistry's budget for a total maximum obligation of \$165,000, to address CHW data needs.

STRATEGIC PLAN & FISCAL SUMMARY:

The proposed action has been reviewed in relation to First 5 Orange County's Strategic Plan and is consistent with its goals. Funding for this item is included in the Fiscal Year 2024-2025 and 2025-2026 budgets.

PRIOR COMMISSION ACTIONS:

- April 2024 – Authorize Agreement with CalOptima Health Service to Participate in the CHW Learning Academy

RECOMMENDED ACTION:

Adopt resolution (Attachment 1) authorizing the President/CEO, or designee, and Commission Counsel to prepare and negotiate an amendment to Agreement No. PS-315 with NetChemistry to add \$30,000, for a new total maximum obligation of \$165,000 for the Development of a Community Health Worker Database.

ATTACHMENTS:

1. Resolution

CONTACT: Andrew Montejo

CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY

RESOLUTION NO. ___-24-C&FC

December 6, 2024

A RESOLUTION OF THE CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY AUTHORIZING THE PRESIDENT/CEO AND COMMISSION COUNSEL TO PREPARE AND NEGOTIATE AN AMENDMENT TO AGREEMENT NO. PS-315, AT THE PRESIDENT/CEO'S SOLE DISCRETION, WITH NETCHEMISTRY, INC. FOR DEVELOPMENT OF A COMMUNITY HEALTH WORKER DATABASE; AND, AUTHORIZING APPROVAL AND EXECUTION OF SUCH AMENDMENT ON BEHALF OF THE COMMISSION

WHEREAS, in order to facilitate the creation and implementation of an integrated, comprehensive, and collaborative system of information and services to enhance optimal early childhood development, the legislature adopted legislation set forth in the California Children and Families Act of 1998, Health and Safety Code Section 130100, *et seq.* (as amended, the "Act") implementing the Children and Families First Initiative passed by the California electorate in November, 1998 and establishing the California Children and Families Commission and County Children and Families Commissions, including this Children and Families Commission of Orange County ("Commission"); and

WHEREAS, Commission adopted its Strategic Plan to define how funds authorized under the Act and allocated to the Commission should best be used to meet the critical needs of Orange County's children prenatal to five years of age as codified in the Act; and

WHEREAS, the Commission previously entered into Agreement No. PS-315 (hereinafter referred to as the "Agreement") with NetChemistry, Inc. (hereinafter referred to as the "Contractor"), for database services for funded partners; and

WHEREAS, the Commission desires to amend the Agreement, at the President/CEO's sole discretion, for the terms, in the amounts, and on the conditions as described in in the staff report, and applicable attachments, for this December 6, 2024 Agenda Item (hereinafter referred to as the "Agenda Item"); and

WHEREAS, the Contractor desires to amend the Agreement, if authorized by the President/CEO, in furtherance of the purposes of the Act and the Strategic Plan on the terms and conditions set forth in the amendment (hereinafter referred to as the "Amendment"); and

WHEREAS, Commission has reviewed the Agenda Item relating to the scopes of services to be provided and hereby finds and determines that the proposed Amendment is in furtherance of and consistent with the Commission's Strategic Plan; and

WHEREAS, Commission desires to authorize the Commission Chair and Commission Clerk to execute the Amendment with the Contractor for the terms, in the amounts, and on the conditions as specified in the Agenda Item.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSIONERS OF THE CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY AS FOLLOWS:

Section 1 Commission finds and determines the foregoing Recitals are true and correct and are a substantive part of this Resolution.

Section 2 Commission authorizes the President/CEO, or designee, and Commission Counsel to prepare and negotiate the Amendment with the Contractor for the terms, in the amounts, and on the conditions consistent with the Agenda Item; and

Section 3 The form of the Amendment shall be substantially similar to the standard form agreements, subject to minor, non-substantive revisions, or as otherwise required to comply with external funding sources, and will be reviewed and approved by the President/CEO, or designee, and Commission Counsel. The approval by the President/CEO, or designee, of the Amendment shall be conclusively evidenced by the execution of such Amendment by the Commission Chair and delivery thereof to the Commission Clerk.

Section 4 Commission hereby approves the Amendment, which will be authorized at the President/CEO's sole discretion, with the Contractor for the terms, in the amounts, and on the conditions as specified in the Agenda Item.

Section 5 The Commission Chair and the Clerk of the Commission are hereby authorized to execute and attest, respectively, the Amendment on behalf of the Commission.

Section 6 A copy of the final Amendment, when executed by the Commission Chair and attested by the Clerk of the Commission, shall be appended hereto as a part of Exhibit A to this Resolution. Exhibit A is hereby fully incorporated as a part of this Resolution by this reference and made a part hereof. The final executed Amendment shall be placed on file in the office of the Clerk of the Commission.

Section 7 In addition to the authorization of Section 2 above, the President/CEO, or designee, is hereby authorized, on behalf of the Commission, (i) to sign all documents necessary and appropriate to carry out and implement the Agreement(s), including any Amendment(s); (ii) to cause the issuance of warrants; (iii) to administer the Commission's obligations, responsibilities, and duties to be performed under such agreement(s); and (iv) during the term thereof to provide waivers, administrative interpretations, and minor modifications of the provisions of such agreement(s) in the furtherance thereof.

Section 8 The Clerk of the Commission shall certify to the adoption of this Resolution.

The foregoing resolution was passed and adopted by the following vote of the Children and Families Commission of Orange County on December 6, 2024 to wit:

AYES Commissioners: _____

NOES: Commissioner(s): _____

EXCUSED: Commissioner(s): _____

ABSTAINED: Commissioner(s) _____

CHAIR

STATE OF CALIFORNIA)
)
COUNTY OF ORANGE)

I, ROBIN STIELER, Clerk of the Commission of Orange County, California, hereby certify that a copy of this document has been delivered to the Chair of the Commission and that the above and foregoing Resolution was duly and regularly adopted by the Children and Families Commission of Orange County.

IN WITNESS WHEREOF, I have hereto set my hand and seal.

ROBIN STIELER
Clerk of the Commission, Children and Families Commission of
Orange County, County of Orange, State of California

Resolution No: __-24-C&FC

Agenda Date: December 6, 2024

Item No. __



I certify that the foregoing is a true and correct copy of the Resolution adopted by the

Robin Stieler, Clerk of the Commission

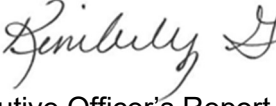
By: _____
Deputy

EXHIBIT A TO RESOLUTION OF COMMISSION

(Attach copy(ies) of final executed Agreements)



**Agenda Item 13
December 6, 2024**

DATE: November 25, 2024
TO: First 5 Orange County
FROM: Kimberly Goll, President/CEO 
ACTION: Receive the President/Chief Executive Officer's Report

Black Infant Health

We have successfully executed a contract with BreastfeedLA for the Black Infant Health program in Orange County, and we are now in the implementation phase. BreastfeedLA signed a lease for a strategically-located Black Infant Health center in Anaheim, which is the city with the highest concentration of Black families in Orange County. This central location will provide access for families interested in the program. Additionally, BreastfeedLA is in the process of hiring six positions to implement the program. The partnership between BreastfeedLA, the OC Health Care Agency, and First 5 Orange County has been instrumental in supporting the implementation of the program and regular meetings are taking place to ensure a successful rollout and to connect resources effectively. We are also engaging in critical conversations with key stakeholders to ensure that Black Infant Health is integrated into other programs and services and does not operate in isolation.

2025 Commissioner Recruitment

There are six at-large positions which are appointed by the Board of Supervisors on a rotating basis. Three are in the Education and Early Intervention category, and three are in the Healthy Children and Early intervention category. Every other year, the Board of Supervisors will fill two of the early education category positions and one of the health category positions; the following year, they will fill two of the health category positions and one early education position. Appointments are for two years.

Recruitment for the upcoming First 5 Orange County board positions will begin in February 2025. This year, they include two positions in the early education category and one in the health category. First 5 OC's role in the appointment process is to develop the application materials and distribute them widely to recruit a broad pool of candidates for the Board of Supervisor's consideration. The recruitment package will include a cover letter from the chairman of the Board of Supervisors, along with the application, and the position description. The application will be distributed through each Board office, as well as through email blasts from First 5 Orange County, social media, and several partners' listservs. Applications will be due in March 2025, after which the Board of Supervisor's Chair and two Supervisors will recommend candidates and the full Board will make the final appointments. Tiffany Alva is the contact for recruitment-related questions. You can reach her at Tiffany.alva@cfcoc.ocgov.com.

Quarterly Investment Report

Pursuant to First 5 Orange County's Fiscal Year 2023-2024 Investment Policy Statement, the Orange County Treasurer submits Quarterly Investment Reports to the Commission. The

Investment Report (Attachment 1) summarizes investment activities for the three-month period of July 1 through September 30, 2024. The primary objective of the Treasurer is to invest First 5 Orange County's funds to provide safety of principal and liquidity, while providing a reasonable return on investments. Currently, the Treasurer has invested 100 percent of First 5 OC's funds in the Orange County Investment Pool (OCIP).

Action Plan Update

A summary matrix with an overview of our Action Plans, staff leads, and current progress status is provided as Attachment 2.

A more detailed summary of accomplishments and challenges for each Action Plan is provided as Attachment 3. Below are a few highlights from our work over the past two months.

- We participated in four Kid Builder events and connected with the Orange County Public Libraries Program to collaborate and train throughout the county library system.
- One of our prenatal partners launched a new prenatal group series in South County.
- Staff completed the 6-month CalOptima CHW Academy, we began a pilot for CHW referrals with Orange County Global, and we finalized the CHW referral workflow for the Help Me Grow Centralized Access Point.
- We helped host and participated in the 2nd Annual Summit on Family Wellness Plans, with nearly 150 service providers attending. We also held the first Family Wellness Plan training for home visiting providers (more than 50 attended).
- We have drafted a resolution template and master plan outline for cities to be early childhood champions.
- Health Plus Studios held a series of visioning sessions for Family, Infant and Early Childhood Mental Health in Orange County.

Attachments:

1. Quarterly Investment Report
2. Action Plan Status Matrix
3. Action Plan Summary of Progress

**First Five Orange County
Quarterly Investment Report
July 1, 2024 through September 30, 2024**

OVERVIEW

Pursuant to the First Five Orange County (Commission) fiscal year 2024/2025 Investment Policy Statement (IPS), the Treasurer submits this Quarterly Investment Report to the Commission. This Investment Report summarizes investment activities for the Commission for the three-month period from July 1 through September 30, 2024.

COMMISSION INVESTMENTS

The primary objective of the Treasurer is to invest the Commission's funds to provide safety of principal and liquidity, while providing a reasonable return on investments. Currently, the Treasurer has invested 100% of the Commission's funds in the Orange County Treasurer's Pool (OCTP). As of September 30, 2024, these totaled \$70,879,264.98. All funds are managed by the Office of the Orange County Treasurer. We have attached a summary of key OCTP investment information (Attachment A).

ORANGE COUNTY TREASURER'S POOL

The primary goal of the OCTP is to invest public funds in a manner which will provide the maximum security of principal invested with secondary emphasis on providing adequate liquidity to Pool Participants and lastly to achieve a market rate of return.

PORTFOLIO PERFORMANCE SUMMARY – QUARTERLY

The following table presents an overview of the Commission's investments for the months of July, August, and September 2024. The net year-to-date yield for fiscal year 2024/2025 is 4.35%, higher than the original forecast for the rest of the fiscal year. The forecasts for the OCTP gross and net yield for fiscal year 2024-2025 are 3.50% and 3.45% respectively, with the estimated investment administrative fee at 5.0 basis points. The OCTP has a Net Asset Value of 1.00 and there is sufficient liquidity to meet the forecasted expenditures for the next six months.

Month Ended	Commission's Month End Balance	Commission's Monthly Gross Yield	OCTP Accrued Interest ⁽¹⁾	OCTP Market Value	OCTP Book Value	Weighted Average Maturity (Days)	Net Asset Value	Duration
July	\$ 73,340,309	4.364%	\$ 141,333,680	\$ 14,455,356,229	\$ 14,476,107,368	397	1.00	1.07
August	\$ 70,602,666	4.382%	\$ 124,142,634	\$ 13,957,594,950	\$ 13,936,626,010	384	1.00	1.04
September	\$ 70,879,265	4.460%	\$ 112,992,709	\$ 13,848,769,435	\$ 13,786,357,297	363	1.00	0.98

(1) Accrued interest has been broken out separately from OCTP Market Value.

The OCTP market value is sensitive to changes of interest rates as it invests 100% in fixed income investments. With a month end balance of \$70.9 million and duration of 0.98, every 1% increase or decrease in short term interest rates would have an additional estimated \$694,616.80 decrease or increase in the value below book value.

ECONOMIC UPDATE

The U.S. economy experienced employment gains and lower inflation during the third quarter of 2024. Employment gains averaged 185,000 per month, higher than the previous quarter's 147,000 (revised) per month average. Headline inflation decreased to 2.4% year over year, from 3.0% in the previous quarter. At the September 18 Federal Open Market Committee meeting, the Federal Reserve (Fed) lowered interest rates by 50 basis points and on November 11 lowered rates by an additional 25 basis points to a range of 4.50% - 4.75%.

- The unemployment rate was at 4.1% (survey: 4.2%) at the end of the third quarter, unchanged from the previous quarter.
- The Empire State Manufacturing Index improved to 11.5 (survey: -4.0) from -6.0 in the second quarter while the Philadelphia Fed Index improved to 1.7 (survey: 0.0) from 1.3 at the end of the second quarter. The Federal Reserve uses these indexes as regional economic gauges with a positive reading signaling economic expansion.

The Treasury yield curve remained inverted during the third quarter. The 90-day Treasury Bill yield decreased to 4.73% from 5.48%. The 2-year Treasury Note yield declined to 3.66% from 4.71% while the 10-year Treasury Bond yield decreased to 3.81% from 4.36%.

COMPLIANCE MONITORING

As of September 30, 2024, 100% of the holdings of the Commission were in compliance with the Commission's IPS. The investment in OCIF has no compliance exceptions in the quarter ended September 30, 2024.

We have attached the Investment Policy (IPS) and Treasury Oversight Committee Compliance Summary as reported in the Treasurer's Monthly Report for the months of July, August, and September 2024 (Attachment C). This summary tracks compliance in a variety of areas.

STATEMENT OF ACTIVITY

We have attached the Statement of Activity for the months of July, August, and September 2024. (Attachment B). These Statements report the beginning and ending balances of the Commission's funds invested in the OCTP.

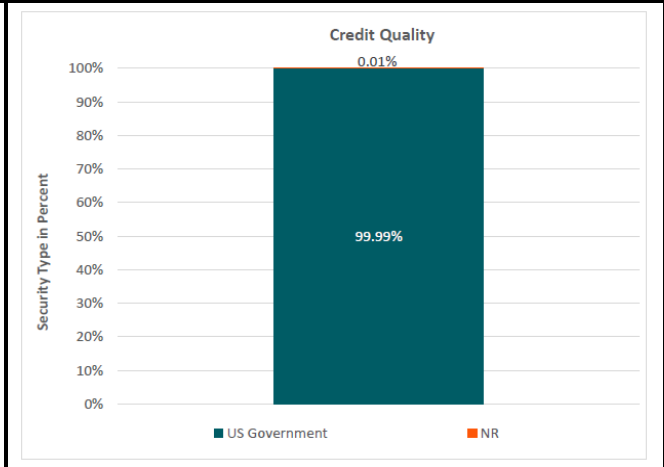
Attachments:

- A. OCTP Summary.
- B. Statement of Activity for the months of July, August, and September 2024.
- C. Investment Policy and Treasury Oversight Committee Compliance Summaries July, August, and September 2024.

**ORANGE COUNTY TREASURER-TAX COLLECTOR
ORANGE COUNTY TREASURER'S POOL
INVESTMENT POOL SUMMARY
AT SEPTEMBER, 2024**

Attachment A

Security Type	OCTP PORTFOLIO COMPOSITION			
	Market Value ¹	% of Market Value	Book Value ¹	Unrealized Gain (Loss)
U.S. GOVERNMENT AGENCIES	\$ 8,977,662,893	64.83%	\$ 8,910,756,142	66,906,751
U.S. TREASURIES	3,019,660,460	21.80%	3,024,155,073	(4,494,613)
MONEY MARKET MUTUAL FUNDS	1,850,054,140	13.36%	1,850,054,140	-
LOCAL AGENCY INVESTMENT FUND	1,391,942	0.01%	1,391,942	-
TOTAL	\$ 13,848,769,435	100.00%	\$ 13,786,357,297	\$ 62,412,138



**SUMMARY OF INVESTMENT DATA
INVESTMENT TRENDS
OCTP**

	SEPTEMBER 2024	AUGUST 2024	INCREASE (DECREASE)	NET CHANGE %	SEPTEMBER 2023	INCREASE (DECREASE)	NET CHANGE %
Orange County Treasurer's Pool (OCTP)							
End Of Month Market Value ¹	\$ 13,848,769,435	\$ 13,957,594,950	\$ (108,825,515)	-0.78%	\$ 13,421,097,401	\$ 427,672,034	3.19%
End Of Month Book Value	\$ 13,786,357,297	\$ 13,936,626,010	\$ (150,268,713)	-1.08%	\$ 13,575,609,344	\$ 210,747,953	1.55%
Monthly Average Balance	\$ 13,722,806,072	\$ 14,002,723,645	\$ (279,917,573)	-2.00%	\$ 13,453,914,041	\$ 268,892,031	2.00%
Year-To-Date Average Balance	\$ 14,126,584,499	\$ 14,328,473,713	\$ (201,889,214)	-1.41%	\$ 13,832,165,802	\$ 294,418,697	2.13%
Monthly Accrued Earnings ²	\$ 50,850,472	\$ 52,588,544	\$ (1,738,072)	-3.31%	\$ 45,492,058	\$ 5,358,414	11.78%
Monthly Net Yield ²	4.410%	4.332%	0.078%	1.80%	4.024%	0.386%	9.59%
Year-To-Date Net Yield ²	4.350%	4.323%	0.027%	0.62%	3.870%	0.480%	12.40%
Annual Estimated Gross Yield ³	3.500%	3.500%	0.000%	0.00%	4.280%	-0.780%	-18.22%
Weighted Average Maturity (WAM) ⁴	363	384	(21)	-5.47%	269	94	34.94%

¹ Market values provided by Northern Trust, excludes accrued interest.

² The Monthly Accrued Earnings, Monthly Net Yield and Year-To-Date Net Yield are higher than prior year due to the FOMC target rate range of 4.75%-5.00%, and reinvestment yields that are higher than the current portfolio yield and the maturing securities, respectively.

³ The forecast for the OCTP gross yield for fiscal year 2024-2025 of 3.50% is lower than the prior year actual primarily due to the financial markets pricing in several FOMC rate cuts. The Annual Estimated Gross Yield for September 2023 is reported at the actual annual gross yields for FY 23-24

⁴ The WAM is higher than the prior year due to longer term purchases. The FOMC lowered interest rates by 50 bp at the September 18, 2024 meeting and further cuts are expected this year.



COUNTY OF ORANGE
OFFICE OF THE TREASURER-TAX COLLECTOR
 Shari L. Freidenrich, CPA, CCMT, CPFA, ACPFIM
 P. O. BOX 4515
 SANTA ANA, CA 92702-4515



octreasurer.com/publicfunds

July 31, 2024

FIRST 5 ORANGE COUNTY

Fund Number : 225

JULY 2024 STATEMENT

Transactions

<u>Transaction Date</u>	<u>Transaction Description</u>	<u>Amount</u>
07/01/2024	June 2024 Investment Admin Fee	\$ -
07/19/2024	April 2024 Interest Paid	\$ 273,041.17

Summary

Total Deposit:	\$ 2,096,000.03	Beginning Balance:	\$ 72,291,656.14
Total Withdrawal:	\$ (1,047,346.78)	Ending Balance:	\$ 73,340,309.39



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octreasurer.com/publicfunds

August 31, 2024

FIRST 5 ORANGE COUNTY

Fund Number : 225

AUGUST 2024 STATEMENT

Transactions

<u>Transaction Date</u>	<u>Transaction Description</u>	<u>Amount</u>
08/01/2024	July 2024 Investment Admin Fee	\$ (3,126.67)
08/22/2024	May 2024 Interest Paid	\$ 270,877.48

Summary

Total Deposit:	\$ 447,910.54	Beginning Balance:	\$ 73,340,309.39
Total Withdrawal:	\$ (3,185,553.87)	Ending Balance:	\$ 70,602,666.06



COUNTY OF ORANGE
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octreasurer.com/publicfunds

September 30, 2024

FIRST 5 ORANGE COUNTY

Fund Number : 225

SEPTEMBER 2024 STATEMENT

Transactions

<u>Transaction Date</u>	<u>Transaction Description</u>	<u>Amount</u>
09/02/2024	August 2024 Investment Admin Fee	\$ (3,142.23)
09/23/2024	June 2024 Interest Paid	\$ 269,976.57

Summary

Total Deposit:	\$ 1,675,989.95	Beginning Balance:	\$ 70,602,666.06
Total Withdrawal:	\$ (1,399,391.03)	Ending Balance:	\$ 70,879,264.98

ORANGE COUNTY TREASURER-TAX COLLECTOR
OCTP INVESTMENT POLICY (IPS) COMPLIANCE SUMMARY⁽¹⁾
July 31, 2024

Investment Type	IPS Diversification Limit	Market Value of Investments ⁽²⁾	Percent of Portfolio
U.S. Government Agency Securities	100%	\$ 10,274,226,233	71.07%
U.S. Treasury Securities	100%	3,131,198,472	21.66%
Municipal Debt	20%	-	-
Medium-Term Notes	20%	-	-
Banker Acceptances	40%	-	-
Commercial Paper	40%	-	-
Certificates of Deposits	20%	-	-
Local Agency Investment Fund (LAIF)	\$75MM	1,391,942	0.01%
Repurchase Agreements	20%	-	-
Money Market Mutual Funds (MMMFs)	20%	1,048,539,582	7.26%
JPA Investment Pools (JPA)	20%	-	-
Supranationals	30%	-	-
		\$ 14,455,356,229	100.00%

Compliance Category	IPS Limitations	Compliance (Yes/No)
Percentage Limits		
Issuer Limit	5%	Yes
MMMFs, JPA, Repurchase Agreements ⁽⁴⁾	20%	Yes
Government Agencies Issuer	100%	Yes
Diversification Limit	See Above	Yes
Maturity/Duration Limits		
Duration ⁽⁵⁾	1.5 Years	Yes/ 1.07
Final Maturity	5 Years/1826 days	Yes/ 1568
Rating Limits		
Short Term/Long Term	A-1/≥ AA ⁽³⁾	Yes
Authorized Issuer	Approved Issuer List	Yes
Authorized Broker/Dealer	Broker/Dealer List	Yes
Net Asset Value	>0.9975	0.9986

(1) The 2024 IPS compliance effective January 1, 2024.

(2) All investments are marked to market in compliance with the IPS and market values are provided by Northern Trust and exclude accrued interest.

(3) Excludes US Government Debt per the 2024 IPS policy approved by the Board of Supervisors on December 19, 2023 effective on January 1, 2024.

(4) IPS requirements further limit investments in each MMMF account, JPA pool and repurchase agreement issuer to 10%.

(5) Modified duration which does not take into consideration all embedded options such as callable bonds.

Note: Compliance exceptions, if any, are noted by red shading for the specific IPS guideline.

**ORANGE COUNTY TREASURER-TAX COLLECTOR
INVESTMENT POLICY (IPS) AND TREASURY OVERSIGHT COMMITTEE (TOC) COMPLIANCE SUMMARY
July 31, 2024**

COMPLIANCE CATEGORY	RESPONSIBLE PARTY	REGULATORY/POLICY GUIDELINES	CURRENT STATUS
Annual Compliance Audit of County Treasurer's Compliance with CGC Article 6	TOC	Performance Evaluation-Cal Govt. Code 27134	Annual Compliance Audit as of June 30, 2023 in progress.
Quarterly Compliance Monitoring of County Treasury	TOC	TOC Directive	March 31, 2024 in progress
Annual Schedule of Assets Audit of County Treasury	AC	Performance Evaluation-Cal Govt. Code 26920(b)	June 30, 2023 in progress.
Quarterly Schedule of Assets Review of County Treasury	AC	Performance Evaluation-Cal Govt. Code 26920(a)	December 31, 2023 and March 31, 2024 in progress.
Investment Administrative Fee Recalculation of Estimate to Actual	TTC	Compensation Agreement-Cal Govt. Code 27013 and IPS Section XVI.	FY 22/23 refunds totaling approximately \$1.1 million complete.
Annual Broker/Dealer/Financial Institutions Review	TTC	Authorized Financial Dealers and Qualified Institutions	Calendar year 2023 complete.
Annual Broker/Dealer IPS Acknowledgement of Receipt	TTC	Authorized Financial Dealers and Qualified Institutions, IPS XI	2024 IPS scknowledgements received from all approved brokers.
IPS Compliance Findings	TTC	Investment/Diversification/Maturity Restrictions	FY 24/25 identified zero compliance incidents as of July 31, 2024.
TOC Bylaw Changes	BOS	TOC Review and BOS Annual Approval	The TOC reviewed Bylaws and made no changes at the October 25, 2023 meeting. No BOS approval required.
Annual IPS Approval	BOS	TOC Review and BOS Annual Approval	The TOC reviewed proposed IPS changes at the October 25, 2023 meeting and provided input on the proposed IPS changes. BOS approved on December 19, 2023.
TOC Annual Report	BOS	TOC Bylaws Rule 34 - Oral and Written Report	The 2023 Annual Report was approved by TOC on January 31, 2024 and received by the BOS on March 26, 2024.
Broker/Financial Institution List	TTC	OC Gift Ban Ordinance.	The TOC members were provided a list of active TTC Broker/Dealers and Financial Institutions at the TOC meeting on October 25, 2023.
TOC Certificates of Compliance	TTC	TOC Bylaws Rule 40 - Annual	The TOC members are in compliance for calendar year 2024.
TOC Ethics Training	TTC	TOC Bylaws Rule 40 - Every Two Years	In process for 2024.
TOC Conflict of Interest Form 700 Filing	TTC	TOC Bylaws Rule 40 / IPS - Every Year	All current TOC members and designated employees are in compliance for calendar year 2023.

LEGEND	
Auditor-Controller	AC
Board of Supervisors	BOS
Treasury Oversight Committee	TOC
Office of Treasurer-Tax Collector	TTC

**ORANGE COUNTY TREASURER-TAX COLLECTOR
OCTP INVESTMENT POLICY (IPS) COMPLIANCE SUMMARY⁽¹⁾
August 31, 2024**

Investment Type	IPS Diversification Limit	Market Value of Investments ⁽²⁾	Percent of Portfolio
U.S. Government Agency Securities	100%	\$ 9,519,919,532	68.21%
U.S. Treasury Securities	100%	3,151,771,095	22.58%
Municipal Debt	20%	-	-
Medium-Term Notes	20%	-	-
Banker Acceptances	40%	-	-
Commercial Paper	40%	-	-
Certificates of Deposits	20%	-	-
Local Agency Investment Fund (LAIF)	\$75MM	1,391,942	0.01%
Repurchase Agreements	20%	-	-
Money Market Mutual Funds (MMMFs)	20%	1,284,512,381	9.20%
JPA Investment Pools (JPA)	20%	-	-
Supranationals	30%	-	-
		\$ 13,957,594,950	100.00%

Compliance Category	IPS Limitations	Compliance (Yes/No)
Percentage Limits		
Issuer Limit	5%	Yes
MMMFs, JPA, Repurchase Agreements ⁽⁴⁾	20%	Yes
Government Agencies Issuer	100%	Yes
Diversification Limit	See Above	Yes
Maturity/Duration Limits		
Duration ⁽⁵⁾	1.5 Years	Yes/ 1.04
Final Maturity	5 Years/1826 days	Yes/ 1537
Rating Limits		
Short Term/Long Term	A-1/≥ AA ⁽³⁾	Yes
Authorized Issuer	Approved Issuer List	Yes
Authorized Broker/Dealer	Broker/Dealer List	Yes
Net Asset Value	>0.9975	1.0015

(1) The 2024 IPS compliance effective January 1, 2024.
 (2) All investments are marked to market in compliance with the IPS and market values are provided by Northern Trust and exclude accrued interest.
 (3) Excludes US Government Debt per the 2024 IPS policy approved by the Board of Supervisors on December 19, 2023 effective on January 1, 2024.
 (4) IPS requirements further limit investments in each MMMF account, JPA pool and repurchase agreement issuer to 10%.
 (5) Modified duration which does not take into consideration all embedded options such as callable bonds.

Note: Compliance exceptions, if any, are noted by red shading for the specific IPS guideline.

**ORANGE COUNTY TREASURER-TAX COLLECTOR
INVESTMENT POLICY (IPS) AND TREASURY OVERSIGHT COMMITTEE (TOC) COMPLIANCE SUMMARY
August 31, 2024**

COMPLIANCE CATEGORY	RESPONSIBLE PARTY	REGULATORY/POLICY GUIDELINES	CURRENT STATUS
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Annual Schedule of Assets Audit of County Treasury	AC	Performance Evaluation-Cal Govt. Code 26920(b)	June 30, 2023 in progress.
Quarterly Schedule of Assets Review of County Treasury	AC	Performance Evaluation-Cal Govt. Code 26920(a)	December 31, 2023 and March 31, 2024 in progress.
Investment Administrative Fee Recalculation of Estimate to Actual	TTC	Compensation Agreement-Cal Govt. Code 27013 and IPS Section XVI.	FY 23/24 in progress.
Annual Broker/Dealer/Financial Institutions Review	TTC	Authorized Financial Dealers and Qualified Institutions	Calendar year 2023 complete.
Annual Broker/Dealer IPS Acknowledgement of Receipt	TTC	Authorized Financial Dealers and Qualified Institutions, IPS XI	2024 IPS scknowledgements received from all approved brokers.
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LEGEND	
Auditor-Controller	AC
Board of Supervisors	BOS
Treasury Oversight Committee	TOC
Office of Treasurer-Tax Collector	TTC

ORANGE COUNTY TREASURER-TAX COLLECTOR
OCTP INVESTMENT POLICY (IPS) COMPLIANCE SUMMARY⁽¹⁾
September 30, 2024

Attachment C

Investment Type	IPS Diversification Limit	Market Value of Investments ⁽²⁾	Percent of Portfolio
U.S. Government Agency Securities	100%	\$ 8,977,662,893	64.83%
U.S. Treasury Securities	100%	3,019,660,460	21.80%
Municipal Debt	20%	-	-
Medium-Term Notes	20%	-	-
Banker Acceptances	40%	-	-
Commercial Paper	40%	-	-
Certificates of Deposits	20%	-	-
Local Agency Investment Fund (LAIF)	\$75MM	1,391,942	0.01
Repurchase Agreements	20%	-	-
Money Market Mutual Funds (MMMFs)	20%	1,850,054,140	13.36
JPA Investment Pools (JPA)	20%	-	-
Supranationals	30%	-	-
		\$ 13,848,769,435	100.00

Compliance Category	IPS Limitations	Compliance (Yes/No)
Percentage Limits		
Issuer Limit	5%	Yes
MMMFs, JPA, Repurchase Agreements ⁽⁴⁾	20%	Yes
Government Agencies Issuer	100%	Yes
Diversification Limit	See Above	Yes
Maturity/Duration Limits		
Duration ⁽⁵⁾	1.5 Years	Yes/ 0.98
Final Maturity	5 Years/1826 days	Yes/ 1507
Rating Limits		
Short Term/Long Term	A-1/≥ AA ⁽³⁾	Yes
Authorized Issuer	Approved Issuer List	Yes
Authorized Broker/Dealer	Broker/Dealer List	Yes
Net Asset Value	>0.9975	1.0045

(1) The 2024 IPS compliance effective January 1, 2024.

(2) All investments are marked to market in compliance with the IPS and market values are provided by Northern Trust and exclude accrued interest.

(3) Excludes US Government Debt per the 2024 IPS policy approved by the Board of Supervisors on December 19, 2023 effective on January 1, 2024.

(4) IPS requirements further limit investments in each MMMF account, JPA pool and repurchase agreement issuer to 10%.

(5) Modified duration which does not take into consideration all embedded options such as callable bonds.

Note: Compliance exceptions, if any, are noted by red shading for the specific IPS guideline.

**ORANGE COUNTY TREASURER-TAX COLLECTOR
INVESTMENT POLICY (IPS) AND TREASURY OVERSIGHT COMMITTEE (TOC) COMPLIANCE SUMMARY
September 30, 2024**

COMPLIANCE CATEGORY	RESPONSIBLE PARTY	REGULATORY/POLICY GUIDELINES	CURRENT STATUS
Annual Compliance Audit of County Treasurer's Compliance with CGC Article 6	TOC	Performance Evaluation-Cal Govt. Code 27134	Annual Compliance Audit as of June 30, 2023 in progress.
Quarterly Compliance Monitoring of County Treasury	TOC	TOC Directive	March 31, 2024 and June 30, 2024 in progress
Annual Schedule of Assets Audit of County Treasury	AC	Performance Evaluation-Cal Govt. Code 26920(b)	June 30, 2023 in progress.
Quarterly Schedule of Assets Review of County Treasury	AC	Performance Evaluation-Cal Govt. Code 26920(a)	December 31, 2023, March 31, 2024 and September 30, 2024 in progress.
Investment Administrative Fee Recalculation of Estimate to Actual	TTC	Compensation Agreement-Cal Govt. Code 27013 and IPS Section XVI.	FY 23/24 in progress.
Annual Broker/Dealer/Financial Institutions Review	TTC	Authorized Financial Dealers and Qualified Institutions	Calendar year 2023 completed.
Annual Broker/Dealer IPS Acknowledgement of Receipt	TTC	Authorized Financial Dealers and Qualified Institutions, IPS XI	2024 IPS scknowledgements received from all approved brokers.
IPS Compliance Findings	TTC	Investment/Diversification/Maturity Restrictions	FY 24/25 identified zero compliance incidents as of September 30, 2024.
TOC Bylaw Changes	BOS	TOC Review and BOS Annual Approval	The TOC reviewed Bylaws and made no changes at the October 25, 2023 meeting. No BOS approval required.
Annual IPS Approval	BOS	TOC Review and BOS Annual Approval	The TOC reviewed proposed IPS changes at the October 25, 2023 meeting and provided input on the proposed IPS changes. BOS approved on December 19, 2023.
TOC Annual Report	BOS	TOC Bylaws Rule 34 - Oral and Written Report	The 2023 Annual Report was approved by TOC on January 31, 2024 and received by the BOS on March 26, 2024.
Broker/Financial Institution List	TTC	OC Gift Ban Ordinance.	The TOC members were provided a list of active TTC Broker/Dealers and Financial Institutions at the TOC meeting on October 25, 2023.
TOC Certificates of Compliance	TTC	TOC Bylaws Rule 40 - Annual	The TOC members are in compliance for calendar year 2024.
TOC Ethics Training	TTC	TOC Bylaws Rule 40 - Every Two Years	In process for 2024.
TOC Conflict of Interest Form 700 Filing	TTC	TOC Bylaws Rule 40 / IPS - Every Year	All current TOC members and designated employees are in compliance for calendar year 2023.

LEGEND	
Auditor-Controller	AC
Board of Supervisors	BOS
Treasury Oversight Committee	TOC
Office of Treasurer-Tax Collector	TTC

Summary of First 5 Orange County Action Plans for 2024-2025

Action Plan	Staff Lead	Status
Increase awareness and use of Kid Builders in OC	Erwin	On Track
Invest in Orange County's home visiting system by expanding training opportunities for the workforce, developing a coordinated entry system, co-designing a performance management plan, and leveraging regional learnings	Jessica	On Track
Develop a performance management reporting structure for Prenatal to Three reporting agencies	Andrew	Making Progress as Part of CHW Action Plan
Facilitate use of Community Health Worker benefit to sustain Prenatal to Three services	Sara, Andrew	On Track
Expand First 5 OC-funded services to prenatal families	Yvette	On Track
Increase use and integration of Family Wellness Plans	Yvette	On Track
Increase stakeholder commitment to advance policy for early childhood	Tiffany	On Track
Increase number of child care providers and quality of current programs	Cristina	On Track
Develop countywide vision and action plan for continuum of care for early relational health	Anaiah	On Track
Increase well-child visits, developmental screens, and linkage to service	Lisa, Sara	On Track
Increase Medi-Cal families' access to support from doulas in Orange County	Anaiah	On Track
Increase number of communities and families that are empowered changemakers and have access to resources	Erwin	On Track
Increase Relevance of Early Development Index (EDI)	Cristina	On Track
Create a First 5 OC postnatal strategy for families	Sara, Yvette	Making Progress
Elevate importance of father engagement across First 5 OC and partner programming	Andrew	On Track
Strengthen School District data-informed engagement and relationship-building with local families and child care	Cristina	On Track
Provide technical assistance and capacity building for an Orange County Black Infant Health program	Anaiah	On Track
Develop clear messaging for First 5 OC to cultivate and leverage partnerships and improve outcomes for young children and families	Tiffany	On Track
Implement accountability plan for First 5's Equity Commitment	Cristina	Just Getting Started

Attachment 3
Summary of Progress on Strategic Plan Action Plans
December 2024

❖ Increase awareness and use of Kid Builders in OC

Accomplishments:

Over the past two months, we attended four events showcasing Kid Builders, including one in partnership with Supervisor Chaffee’s office and the La Habra Little Learners Engaged Neighborhood where about 200 families and young children participated. We also tabled at an event in Fullerton where more than 300 families with young children learned about First 5 OC and our Kid Builder resources. In addition, we trained two public libraries to incorporate Kid Builders into their programs, and we connected with the Orange County Public Libraries Programs Manager to collaborate and train other libraries throughout the county.

❖ Invest in Orange County’s home visiting system by expanding training opportunities for the workforce, developing a coordinated entry system, co-designing a performance management plan, and leveraging regional learnings

Accomplishments:

The Home Visiting Collaborative began discussions to establish a shared governance structure in preparation for First 5 OC stepping into the backbone role after June of 2025. Additionally, we partnered with the OC Health Care Agency to offer Home Visiting Provider training on Family Wellness Plans. We also attended a cross-county session to share and gain insight from regional First 5 counties on strategies for braiding funding for home visiting. Finally, we began conversations with Home Visiting Collaborative partners to collect data on home visiting countywide.

❖ Develop a performance management reporting structure for Prenatal to Three reporting agencies

Note:

Staff is starting with performance management for home visiting, which is incorporated into the Action Plan above.

❖ Facilitate use of Community Health Worker benefit to sustain prenatal-to-three services

Accomplishments:

We have partnered with SAELI to introduce the Community Health Worker (CHW) model. Two parents, sponsored by First 5 OC, will participate in CHW credentialing through Orange Coast College. Additionally, we have brought on a consultant to streamline the

Attachment 3

Summary of Progress on Strategic Plan Action Plans

December 2024

CHW implementation process and assist in the development of a comprehensive policy and procedure manual.

Challenges:

The process for CHW billing has not been finalized.

❖ Expand First 5 OC-funded services to prenatal families

Accomplishments:

Since our last report to the First 5 OC Board, one of our prenatal partners launched a new prenatal group series in South County. Additionally, we distributed a survey to gather feedback from previous prenatal group series participants. Three of First 5 OC's Health Systems and Family Resilience team members completed the 6-month CalOptima CHW Academy, we began a pilot for CHW referrals with Orange County Global, and we finalized the CHW referral workflow for the Help Me Grow Centralized Access Point.

Challenges:

As this is a new effort, we are experiencing challenges in implementation such as obtaining CHW recommendation letters from authorized providers, gaining access to CalOptima Connect for CHW verification, and navigating the use of multiple systems to document, verify and bill for CHW services. Of interest, CalOptima will be taking an item to their Board in December for a standing order for CHW services. This will remove the barrier of obtaining a recommendation letter for CHW services.

❖ Increase use and integration of Family Wellness Plans

Accomplishments:

A 2nd Annual Summit was held on Oct 17th, with nearly 150 services providers in attendance to learn and collaborate on Family Wellness Plans. On November 20th, we held the first Family Wellness Plan training for home visiting providers, and more than 50 direct service home visitors attended. CalOptima began attending the Family Support Taskforce and shared their list of Enhanced Care Management providers who can support with recovery treatment. Of note, Providence St. Joseph will be leveraging their Bridges Hospital Coordination staff to support the Family Wellness Plan pilot. The FWP Stigma Workgroup will be focusing on engaging people with lived experience, and the new Training and Support Workgroup will be working on provider education and support go forward, incorporating stigma reduction and creating a welcoming environment.

Challenges:

We have had a challenge identifying OB providers to participate in focus groups to identify their needs around Family Wellness Plans.

Attachment 3
Summary of Progress on Strategic Plan Action Plans
December 2024

❖ **Increase stakeholder commitment to advance policy for early childhood**

Accomplishments:

The policy team has been meeting with delegation staffers to build and maintain collaborative relationships, facilitate open communication, and increase our visibility with these offices. This is an excellent opportunity to remind them who we are and what we fund. During these meetings, we are also gaining insights from staffers about the elected officials' priorities for this legislative year, helping us identify potential champions in the prenatal-to-five sector. With the election we are looking to schedule more meetings with the staffers December and are planning a breakfast for staff in the month of January.

For our city engagement work, we have drafted a resolution template and master plan outline. Various early childhood stakeholders have provided feedback, including partners from Detect & Connect OC, county and city officials, and Family Ambassadors. We have identified five cities to target for the creation of an early childhood-friendly city master plan, and our currently scheduling meetings with them.

❖ **Increase number of child care providers and quality of current programs**

Accomplishments:

Related to adding infant and toddler quality child care slots in OC, there has been great progress with the partnership between First 5 OC, Small Business Development Council, CIELO and the Orange County Association for the Education of Young Children. We are in the middle of the third cohort since July 1 , 2024, and already planning for the next one early in 2025.

With regards to our Workforce Apprentice Program, to date, we've created nine apprenticeship jobs with the Savanna School District. We're hoping to onboard Buena Park School District as our next employer partner. We also have an approved Scope of Work to partner with OCDE's OC Pathways to help with employer partner recruitment (see separate item in the December First 5 OC Board agenda packet). One challenge has been that Savanna School District recently went through a change in Early Childhood Education leadership which has paused current efforts. OC Pathways is committed to support Savanna through this transition to keep the program moving.

The ECE Systems Collaborative met to review the results of their learning sessions. Together, we ranked the action items that came up through the process. The Steering Committee then met and reviewed the results and are deciding on next steps. They also

Attachment 3

Summary of Progress on Strategic Plan Action Plans

December 2024

reviewed a systems map that was created, and members have already expressed the desire to add more information to expand the map.

The Cross Sector Task Force has been working on a toolkit that cities can use to support child care in their jurisdiction. Draft content has been developed and is being reviewed internally and with stakeholders. The draft content will be shared at the Q1 2025 Child Care Cross Sector Task Force Meeting.

Finally, in preparation for IMPACT sunseting, our consultant is working with each partner to create a sustainability plan.

Challenges:

Regarding the city toolkit that the Cross Sector Task Force is working on, staff/consultants have researched a range of existing toolkits, and there are a lot of options for content. Narrowing down what is appropriate for the First 5 OC website is a challenge. Additionally, the uncertainty of IMPACT funding is a challenge for partners who are eager to know if they will be able to continue the work they've started with the same fidelity.

❖ Develop countywide vision and action plan for continuum of care for Early Relational Health

Accomplishments:

Health Plus Studios, the consulting firm funded by First 5 OC and selected through a collaborative community process, has facilitated several visioning sessions, countywide convenings, and virtual meetings to ensure stakeholders remain engaged and well-informed throughout the process of developing the countywide vision.

❖ Increase Well-Child Visits, developmental screens and linkage to service

Accomplishments:

Detect & Connect OC

Detect & Connect OC has updated the four-part awareness campaign that was developed related to well visits and developmental screenings to include Kaiser as well as an additional language (Korean). The group agreed it will re-run the campaign starting in January and the campaign will run for 3 months. We are now starting to identify the next parent/caregiver communication effort.

Attachment 3 Summary of Progress on Strategic Plan Action Plans

December 2024

The System of Care workgroup is beginning to identify issues and solutions related to autism services for young children. In the past two months, our consultant interviewed six experts in the autism field. We also are in progress of conducting phone surveys of local ABA centers to learn about if they have waits lists and accept Medi-Cal.

The Data Work Group met in October and developed next steps for both CalOptima and Kaiser to determine what data can be pulled on well visits and developmental screenings to develop a dashboard. The group will meet again in November. We agreed to stay focused on well visit and screening data, and to add connection to services at a later time. The group also discussed connecting with other data efforts happening in the county.

Challenges:

The Detect & Connect OC data group is still trying to determine how and where the data will be provided so that we can best identify where the county is doing a good job with screening, and where we need some focused effort. It is also a challenge to determine if/how to account for screenings that happen in the community (as opposed to pediatric offices).

Speech and Language Services

The current focus of our work is exploring opportunities to reduce speech/language waitlists. Our consultant has been outreaching to colleges and therapy centers. She identified Santa Ana College's interest in partnering in a project that could increase the number of Medi-Cal children seen by speech therapists, through the use of speech language pathologist assistants.

Also, we have gathered data on local speech therapy centers that serve children and take Medi-Cal. We also analyzed the current Santa Ana College placements to set targets for improving access. We have had difficulty connecting with speech therapy centers, and so continue to work on securing a speech therapy partner.

Regarding the work of creating create speech/language virtual tools, we have now completed 11 video clips with corresponding social media posts that provide actionable tips for caregivers to support their young children's speech and language development. We are working on securing another speech therapy partner to do additional filming and build out more clips.

OC Children's Screening Registry

We continue to work with school district partners to increase participation in the OC Children's screening registry and have been having fruitful conversations with Garden Grove Unified most recently.

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Summary of Progress on Strategic Plan Action Plans
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HealthySteps

This year's work is the onboarding of the 10 new HealthySteps Clinics. Staff and consultants are continuing with the contracting process. All 10 selected clinics have received contracts, seven have signed them. We have finalized dates for all Academy Sessions and published materials on our webpage for clinics to access Academy materials and recordings. Academy Session 1 was held on Oct. 31, 2024 and attended by all 10 clinics.

❖ **Increase Medi-Cal families' access to support from doulas in Orange County**

Accomplishments:

We continue to collaborate on several initiatives aimed at increasing doula participation in Orange County, particularly through expanding awareness and utilization of the Medi-Cal doula benefit. We applied for a Kaiser grant to pilot a doula program that would train community members to become doulas and serve Orange County's Medi-Cal population. We are working with the Black P.E.A.R.L. to train doulas and integrate them into UCI's maternal health system. We continue to provide technical assistance to doulas enrolled in our doula stipend program. Three individuals are enrolled, and two of those are waiting to hear from DHCS about approval for them to use the PAVE as an approved Medi-Cal doula.

❖ **Increase number of communities and families that are empowered changemakers and have access to resources**

Accomplishments:

Engaged Neighborhoods

All four Engaged Neighborhoods are actively engaged in their scopes of work with community events and assessing leadership opportunities in the new year. They continue with recruitment and engagement of parent leaders, identifying program champions, and building strong relationships to grow and sustain the work. We are in process of developing a Request for Proposals for an evaluation firm to support with the design and implementation of an evaluation of our Engaged Neighborhood work. This work will be done in partnership with the Engaged Neighborhood communities and leadership. We anticipate releasing the RFP in early 2025 and will bring the recommended evaluator to the Board for review and approval.

Family Ambassadors

We have an in-person meeting scheduled for November 23rd to gather the opinions and thoughts of current Family Ambassadors about their experience in the program as we

Attachment 3 Summary of Progress on Strategic Plan Action Plans

December 2024

look to future iterations of the Family Ambassador program and what aspects we want to maintain and/or modify. We are now working on reflective questions to guide the conversation at this meeting.

The Civic Engagement and Family Centered Resource Fairs continue to meet regularly. The Civic Engagement workgroup has developed a presentation and First 5's communications team is finalizing design. The Family Centered Resource fair workgroup is making progress on planning a fair, which is scheduled for February 4, 2025 to be held in partnership with Centralia Unified. The goal is to group the resource provides by kid Builder domains.

❖ Increase the Relevance of Early Development Index (EDI)

Accomplishments:

We are in the process of collecting EDI data with school districts. All districts have submitted data requests to their respective departments. We have also updated the EDI page on our website, in anticipation of receiving new data this year. Additionally, tools are being prepared to support consultants and staff in sharing the new data when it rolls out early fall 2025.

Challenges:

An increased number of districts have requested Data Use Agreements (DUAs). Four districts requested them when data was collected in 2021; 20 have requested them in 2024. We are considering adding the DUA to the agreement between First 5 Orange County and districts at the next agreement cycle instead of having the districts work with UCLA directly when data is being collected to help simplify the process.

❖ Create a First 5 OC postnatal strategy for families

Accomplishments

Staff has met with two Engaged Neighborhoods (SAELI and Growing Up Garden Grove) to identify interest in developmental play group collaboration. We have also engaged with Sacred Path to begin co-design of developmental play groups for Orange County's Native population. From each of these organizations, we are working to recruit a cohort member that will support and facilitate the developmental play groups. Our goal is to begin offering developmental play groups by early 2025, and we anticipate bringing a formal funding ask to the Board in February.

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Summary of Progress on Strategic Plan Action Plans
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❖ **Elevate importance of father engagement across First 5 OC and partner programming**

Accomplishments:

The OC Father Coalition’s steering committee has approved using the Collective Impact model for its operation. As we continue to develop the Collective Impact approach, we aim to distribute the workload more equitably among various agencies and individuals, reducing the burden on First 5 OC. Additionally, we've made significant strides in planning Father Fest, securing sponsorships from Commissioner Chaffey and Pretend City. Father Fest will be held in January 2025 at the Fullerton Arboretum and will be impactful for the 150 dads we anticipate attending. This workshop will equip dads with practical tools to unwind and rediscover the joy of childlike play.

❖ **Strengthen School District data-informed engagement and relationship-building with local families and child care**

Accomplishments:

School districts are currently focused on planning and preparing for the Early Development Index (EDI) data collection between January and March 2025. Several districts are also preparing for various community events this winter or spring where EDI will be a focus for activities and engagement with families and community. Districts are also engaging directly with F5 OC for Kid Builder sharing at such events and activities.

In the area of increasing family and community engagement, Technical Assistance (TA) and resources were shared with early learning specialists on September 25 by First 5 OC consultants Ana Page and Jackie Tran. They shared about an equity approach to family and parent engagement. The October 23 meeting with school districts provided TA and resources for building and/or strengthening community and child care provider connections with content developed by Cristina Blevins. Additionally, multiple planning meetings have taken place since spring 2024 to pace activities across the 3-year term of the school district agreements to assist districts toward more quality in their work with parents and community (agencies and local child care providers).

Cristina Blevins and Jennifer Shepard are participating in check-in meetings where discussion about integration of early learning into the school district system are taking place. Many districts are reporting positive integration and increased connectedness.

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❖ Provide technical assistance and capacity building for an Orange County Black Infant Health program

Accomplishments:

The Black Infant Health Program contract has been finalized, and we have moved into the implementation phase. A program site has been secured in Anaheim, and BreastfeedLA is actively recruiting for key positions to support the program's success.

❖ Develop clear messaging for First 5 OC to cultivate and leverage partnerships and improve outcomes for young children and families

Accomplishments:

The team identified 20 key community stakeholders who were interviewed about their understanding and perceptions of First 5 OC. We developed specific questions to learn if we are clearly communicating about our work, and how we can better connect with partners in the community in four unique areas. These are: 1) being data experts in Early Childhood (prenatal to 5); 2) being experts in the identification and implementation of innovative and best practices in home visiting, childcare, early childhood screening, and pediatric practice models; 3) our ability to convene experts, partners and decision makers and families for dialog, planning, and action; and 4) our organizational characteristics and work style (integrity, responsive, and results oriented). Our consultant has completed the interviews, successfully gathering and analyzing feedback, which was presented to leadership. We are now brainstorming ideas to address insights from the interviews and develop related activities to incorporate into our Action Plans for the upcoming year.

❖ Implement accountability plan for First 5 OC's Equity Commitment

Accomplishments:

The equity work group – comprised of staff, consultants, and a family ambassador – met in October to discuss next steps for our equity work. We broke into subgroups to cover the four desired outcomes in our Action Plan, which relate to internal and external structures; using data to promote equity; embedding language access; and collecting and incorporating community voice into our work. We will reconvene in January to finalize the activities and begin the work.