



January 25, 2017

<p><b>SUBJECT</b></p> <p><b>FINANCIAL UPDATE</b></p>	<p><input type="checkbox"/> Action</p> <p><input checked="" type="checkbox"/> Information</p>
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**SUMMARY OF THE ISSUE**

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This item provides an update of the Commission’s financial plan and other topics of financial interest.

**RECOMMENDATION**

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This is an information-only item. First 5 California (F5CA) staff is not requesting action at this time.

**BACKGROUND OF KEY ISSUES**

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Staff provides a financial update of First 5 Commission funds at each quarterly meeting of the State Commission.

**Revenue Update**

The following table represents the actual tax revenues transferred from the California Children and Families Trust Fund (Fund) to F5CA state accounts beginning with Fiscal Year (FY) 2010–11 through FY 2015–16, and projected revenue for FY 2016–17 through FY 2020–21, with the percentage decline from each fiscal year to the next.

**Table 1**  
**Actual and Projected First 5 California Cigarette and Tobacco Tax Revenue**  
**through FY 2020–21**

	Fiscal Year	Tax Revenue Amount	% Decline
Actuals	2010/11	\$94,050,327	1.86%
	2011/12	\$93,381,688	0.71%
	2012/13	\$90,100,191	3.51%
	2013/14	\$86,103,907	4.44%
	2014/15	\$86,027,892	0.09%
	2015/16	\$85,473,337	0.64%
	2016/17	\$79,907,357	6.51%
Projections	2017/18	\$67,564,600	15.45%
	2018/19	\$76,340,400	-12.99%
	2019/20	\$74,358,400	2.60%
	2020/21	\$72,395,200	2.64%

*Note: The large decline in FY 2017–18 is the result of the first full year impact of Proposition 56, as well as the one-year lag in backfill calculations. In FY 2018–19, the revenues stabilize, and the backfill for revenue loss in FY 2017–18 is transferred to F5CA funds, causing the marked increase to revenues.*

Current revenue projections reflect the Department of Finance’s (DOF) Governor’s Budget projections. The projections account for both revenues and the Proposition 56 backfill amount. The Proposition 56 backfill replaces revenue lost attributable to decline in consumption due to the recent tax increases. The projections estimate a small decline in annual revenue and a substantial decrease in Proposition 56 backfill. The actual revenue projection decreased less than one percent per annum, while the backfill projection decreased at an average rate of twenty percent annually.

DOF explains the difference in the rate of decline between revenue and backfill is due to its previous revenue projections assumed revenue related to other tobacco products (OTP) would increase substantially because of the inclusion of e-cigarettes and that cigarette tax revenues would experience a larger decrease due to the passage of Proposition 56. DOF used this information to formulate backfill calculations assuming more revenue would be lost due to Proposition 56. Using the actual revenues post Proposition 56 implementation, DOF determined this has not been the case. It revised the revenue projections to reflect a larger amount of cigarette tax revenue and a lower amount of OTP revenue.

During F5CA’s discussions with DOF, all parties agree that the projections are still subject to change as more actual data is collected. The passage of Proposition 56 and increase in the smoking age introduced several variables all at once. Because of this, DOF has more confidence in the FY 2018–19 projections, but has qualified that the out year projections are best estimates and subject to change. F5CA understands both the State and County Commissions utilize projections to determine future levels of

commitment and long-term planning. F5CA will continue to collaborate with DOF to monitor the actual data and revise projections if necessary.

### **Financial Plan**

F5CA tracks actual and projected revenues and expenditures by fiscal year for the following six Proposition 10 accounts for use by the State Commission: Mass Media Communications, Education, Child Care, Research and Development, Administration, and Unallocated. This information is captured in Attachment A, which includes actual and projected revenue and expenditures by account for the prior year, current fiscal year, and four budget years.

F5CA completed FY 2016–17 year-end financials, and actuals are reflected in Attachment A. FY 2015–16 financials were submitted eight months late due to FI\$Cal implementation. In FY 2016–17, F5CA submitted financials two and one half months late, which was a dramatic improvement over the prior year. During this last year, staff have identified all remaining FI\$Cal conversion issues.

Because of the delay in closing FY 2015–16 and outstanding conversion issues, F5CA and DOF auditors determined a two-year audit covering FY 2015–16 and FY 2016–17 Financials would be the most efficient approach to completing the audit process. Full audit activity is set to commence in February, bringing that process back in alignment with when it had occurred prior to FI\$Cal.

### **Fiscal Mapping to the Strategic Plan**

F5CA's Strategic Plan, adopted by the Commission in January 2014 and revised in February 2017, is the driving force behind program and operational expenditures incurred by F5CA. Generally, activities of the Commission, unless statutorily mandated, fall under at least one of the Strategic Priority Areas identified in the Strategic Plan. Attachment B maps expenditures identified in the Financial Plan to specific goals identified in the Strategic Plan.

### **ATTACHMENTS**

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- A. First 5 California Financial Plan FY 2016–17 through FY 2020–21
- B. First 5 California Fiscal Mapping to the Strategic Plan

**First 5 California  
Financial Plan  
FY 2016-17 through FY 2020-21**

	2016-17	2017-18	2018-19	2019-20	2020-21
<b>Mass Media Communications (0631)</b>					
<b>Beginning Balance</b>	<b>\$16,016,172</b>	<b>\$12,647,143</b>	<b>\$17,056,841</b>	<b>\$15,797,684</b>	<b>\$14,127,499</b>
Projected Expenditures and Obligations	28,580,364	16,388,578	24,714,091	24,542,808	24,542,808
Projected Revenue	23,972,207	20,269,380	22,902,120	22,307,520	21,718,560
Projected Interest	114,522	28,896	52,813	65,103	75,310
Federal Reimbursement for Kit	500,000	500,000	500,000	500,000	500,000
<b>Year-end Balance</b>	<b>\$12,022,537</b>	<b>\$17,056,841</b>	<b>\$15,797,683</b>	<b>\$14,127,499</b>	<b>\$11,878,561</b>
<b>Education (0634)</b>					
<b>Beginning Balance</b>	<b>\$55,185,417</b>	<b>\$67,346,217</b>	<b>\$44,470,599</b>	<b>\$40,742,633</b>	<b>\$38,111,441</b>
Projected Expenditures and Obligations	8,371,735	39,894,143	22,934,643	21,334,643	1,584,643
Projected Revenue	20,518,869	16,891,150	19,085,100	18,589,600	18,098,800
Projected Interest	553,695	127,375	121,578	113,851	104,335
<b>Year-end Balance</b>	<b>\$67,886,246</b>	<b>\$44,470,599</b>	<b>\$40,742,634</b>	<b>\$38,111,441</b>	<b>\$54,729,933</b>
<b>Child Care (0636)</b>					
<b>Beginning Balance</b>	<b>\$37,214,941</b>	<b>\$38,943,125</b>	<b>\$26,094,732</b>	<b>\$22,478,279</b>	<b>\$18,555,195</b>
Projected Expenditures and Obligations	10,628,678	23,059,872	15,136,142	15,136,142	136,142
Projected Revenue	11,986,104	10,134,690	11,451,060	11,153,760	10,859,280
Projected Interest	305,988	76,789	68,629	59,298	48,878
<b>Year-end Balance</b>	<b>\$38,878,355</b>	<b>\$26,094,732</b>	<b>\$22,478,279</b>	<b>\$18,555,195</b>	<b>\$29,327,211</b>
<b>Research and Development (0637)</b>					
<b>Beginning Balance</b>	<b>\$41,873,677</b>	<b>\$49,012,452</b>	<b>\$36,535,819</b>	<b>\$34,069,318</b>	<b>\$30,667,068</b>
Projected Expenditures and Obligations	5,208,542	22,708,588	13,998,142	14,618,710	1,696,735
Projected Revenue	11,986,104	10,134,690	11,451,060	11,153,760	10,859,280
Projected Interest	361,214	97,265	80,581	62,700	43,705
<b>Year-end Balance</b>	<b>\$49,012,453</b>	<b>\$36,535,819</b>	<b>\$34,069,318</b>	<b>\$30,667,068</b>	<b>\$39,873,318</b>
<b>Unallocated (0639)</b>					
<b>Beginning Balance</b>	<b>\$14,560,216</b>	<b>\$17,296,787</b>	<b>\$18,122,534</b>	<b>\$21,262,179</b>	<b>\$24,211,414</b>
Projected Expenditures and Obligations	5,436,757	5,980,000	4,552,000	4,552,000	4,552,000
Projected Revenue	7,990,736	6,756,460	7,634,040	7,435,840	7,239,520
Projected Interest	49,187	49,287	57,605	65,395	72,740
<b>Year-end Balance</b>	<b>\$17,163,382</b>	<b>\$18,122,534</b>	<b>\$21,262,179</b>	<b>\$24,211,414</b>	<b>\$26,971,674</b>
<b>Program Accounts 0631, 0634, 0636, 0637, and 0639 Totals:</b>					
Total Cigarette and Tobacco Tax Revenue	<b>\$76,454,020</b>	<b>\$64,186,370</b>	<b>\$72,523,380</b>	<b>\$70,640,480</b>	<b>\$68,775,440</b>
Total Resources Per Year	\$243,189,049	\$250,311,706	\$215,685,111	\$205,856,920	\$195,293,025
Total Expenditures Per Year	\$58,226,076	\$108,031,181	\$81,335,018	\$80,184,303	\$32,512,328
<b>Total Over/Under</b>	<b>\$184,962,973</b>	<b>\$142,280,525</b>	<b>\$134,350,093</b>	<b>\$125,672,617</b>	<b>\$162,780,697</b>

**First 5 California  
Financial Plan  
FY 2016-17 through FY 2020-21**

	2016-17	2017-18	2018-19	2019-20	2020-21
<b>Administration (0638)</b>					
<b>Beginning Balance</b>	<b>\$16,107,214</b>	<b>\$13,745,141</b>	<b>\$10,291,083</b>	<b>\$7,471,540</b>	<b>\$4,323,512</b>
Projected Expenditures and Obligations	6,610,617	6,879,296	6,675,263	6,895,366	7,124,274
Projected Revenue	4,125,690	3,378,230	3,817,020	3,717,920	3,619,760
Projected Interest	122,855	47,008	38,700	29,418	19,170
<b>Year-end Balance</b>	<b>\$13,745,141</b>	<b>\$10,291,083</b>	<b>\$7,471,540</b>	<b>\$4,323,512</b>	<b>\$838,168</b>
<b>ALL FIRST 5 CALIFORNIA FUNDS</b>					
<b>Total Revenue</b>	<b>\$80,579,710</b>	<b>\$67,564,600</b>	<b>\$76,340,400</b>	<b>\$74,358,400</b>	<b>\$72,395,200</b>
Total Expenditures Per Year	\$64,836,693	\$114,910,477	\$88,010,281	\$87,079,669	\$39,636,602
<b>Total Over/Under</b>	<b>\$198,708,114</b>	<b>\$152,571,608</b>	<b>\$141,821,633</b>	<b>\$129,996,129</b>	<b>\$163,618,865</b>
Total 15% Reserve	\$12,086,956	\$10,134,690	\$11,451,060	\$11,153,760	\$10,859,280
<b>Net After Reserve</b>	<b>\$186,621,158</b>	<b>\$142,436,918</b>	<b>\$130,370,573</b>	<b>\$118,842,369</b>	<b>\$152,759,585</b>

**First 5 California  
Financial Plan  
FY 2016-17 through FY 2020-21**

Line Items by Fund	Strategic Plan	2016-17	2017-18	2018-19	2019-20	2020-21
<b>1 Mass Media Communications (0631)</b>						
<b>Beginning Balance</b>		<b>\$16,016,172</b>	<b>\$12,647,143</b>	<b>\$17,056,841</b>	<b>\$15,797,684</b>	<b>\$14,127,499</b>
<b>Prior Year Beginning Balance Adjustment</b>		<b>\$584,908</b>				
Parent Signature Program - Education and Outreach	3.1	<b>23,910,243</b>	<b>13,446,508</b>	<b>20,078,588</b>	<b>20,078,588</b>	<b>20,078,588</b>
Parent Signature Program - 1-800 Number	3.1	<b>58,320</b>	100,000	100,000	100,000	100,000
Parent Signature Program - <i>Kit for New Parents</i>	3.1	<b>3,419,733</b>	2,666,256	4,362,220	4,362,220	4,362,220
Child Signature Program	1.1, 1.2, 2.1, 2.2	<b>0</b>	0	0	0	0
Miscellaneous	3.1	<b>2,707</b>	2,531	0	0	0
State Assessments		<b>2,000</b>	2,000	2,000	2,000	2,000
<b>Total Expenditures</b>		<b>27,393,004</b>	<b>16,217,295</b>	<b>24,542,808</b>	<b>24,542,808</b>	<b>24,542,808</b>
Allocation from Admin		<b>171,283</b>	<b>171,283</b>	<b>171,283</b>	<b>171,283</b>	<b>171,283</b>
Prior Year Adjustments & Accruals		1,016,078	0	0	0	0
<b>Adjusted Expenditures</b>		<b>28,580,364</b>	<b>16,388,578</b>	<b>24,714,091</b>	<b>24,542,808</b>	<b>24,542,808</b>
Projected Revenue		<b>23,972,207</b>	<b>20,269,380</b>	<b>22,902,120</b>	<b>22,307,520</b>	<b>21,718,560</b>
Projected Interest		<b>114,522</b>	28,896	52,813	65,103	75,310
Federal Reimbursement for Kit		500,000	500,000	500,000	500,000	500,000
Other Revenue		39,698				
<b>Total Revenues</b>		<b>24,626,427</b>	<b>20,798,276</b>	<b>23,454,933</b>	<b>22,872,623</b>	<b>22,293,870</b>
<b>Year-end Balance</b>		<b>\$12,647,143</b>	<b>\$17,056,841</b>	<b>\$15,797,684</b>	<b>\$14,127,499</b>	<b>\$11,878,561</b>
15% Reserve		3,595,831	3,040,407	3,435,318	3,346,128	3,257,784
<b>Net Year-end Balance</b>		<b>\$9,051,312</b>	<b>\$14,016,434</b>	<b>\$12,362,366</b>	<b>\$10,781,371</b>	<b>\$8,620,777</b>

<b>2 Education (0634)</b>						
<b>Beginning Balance</b>		<b>\$55,185,417</b>	<b>\$67,346,217</b>	<b>\$44,470,599</b>	<b>\$40,742,633</b>	<b>\$38,111,441</b>
<b>Prior Year Beginning Balance Adjustment</b>		<b>(\$540,028)</b>				
Statewide Summit	2.1, 2.2, 3.1	<b>250,000</b>	0	250,000	0	250,000
Co-Sponsorship Funding		<b>150,000</b>	200,583	150,000	150,000	150,000
Educare	1.2, 2.1	<b>1,254,869</b>	1,350,000	1,350,000	0	0
Teacher Signature Program - CARES Plus	1.2, 2.1, 2.2	<b>0</b>	0	0	0	0
Child Signature Program	1.1, 1.2, 2.1, 2.2	<b>0</b>	0	0	0	0
Child Signature Program 1 and 3 Extension	1.1, 1.2, 2.1, 2.2	<b>0</b>	0	0	0	0
First 5 IMPACT	1.1, 1.2, 1.3	<b>9,352,342</b>	<b>37,158,873</b>	20,000,000	20,000,000	0
Dual Language Learner	2.1, 2.2	<b>0</b>	1,000,000	1,000,000	1,000,000	1,000,000
QRIS Training and Technical Assistance	1.2, 1.3	<b>0</b>	0	0	0	0
Miscellaneous	2.1, 2.2	<b>3,000</b>	45	0	0	0
State Assessments		<b>2,000</b>	2,000	2,000	2,000	2,000
<b>Total Expenditures</b>		<b>11,012,211</b>	<b>39,711,500</b>	<b>22,752,000</b>	<b>21,152,000</b>	<b>1,402,000</b>
Allocation from Admin		<b>182,643</b>	<b>182,643</b>	<b>182,643</b>	<b>182,643</b>	<b>182,643</b>
Prior Year Adjustments & Accruals		<b>(2,823,118)</b>	0	0	0	0
<b>Adjusted Expenditures</b>		<b>8,371,735</b>	<b>39,894,143</b>	<b>22,934,643</b>	<b>21,334,643</b>	<b>1,584,643</b>
Projected Revenue		<b>19,976,839</b>	<b>16,891,150</b>	<b>19,085,100</b>	<b>18,589,600</b>	<b>18,098,800</b>
Miscellaneous revenue-Child Summit		<b>542,030</b>				
Projected Interest		<b>553,695</b>	127,375	121,578	113,851	104,335
<b>Total Revenue</b>		<b>21,072,564</b>	<b>17,018,525</b>	<b>19,206,678</b>	<b>18,703,451</b>	<b>18,203,135</b>
<b>Year-end Balance</b>		<b>\$67,346,217</b>	<b>\$44,470,599</b>	<b>\$40,742,633</b>	<b>\$38,111,441</b>	<b>\$54,729,933</b>
15% Reserve		2,996,526	2,533,673	2,862,765	2,788,440	2,714,820
<b>Net Year-end Balance</b>		<b>\$64,349,691</b>	<b>\$41,936,926</b>	<b>\$37,879,868</b>	<b>\$35,323,001</b>	<b>\$52,015,113</b>

**First 5 California  
Financial Plan  
FY 2016-17 through FY 2020-21**

Line Items by Fund	Strategic Plan	2016-17	2017-18	2018-19	2019-20	2020-21
<b>3 Child Care (0636)</b>						
<b>Beginning Balance</b>		<b>\$37,214,941</b>	<b>\$38,943,125</b>	<b>\$26,094,732</b>	<b>\$22,478,279</b>	<b>\$18,555,195</b>
<b>Prior Year Beginning Balance Adjustment</b>		<b>(\$296,987)</b>				
Child Signature Program	1.1, 1.2, 2.1, 2.2	0	0	0	0	0
Child Signature Program 1 and 3 Extension	1.1, 1.2, 2.1, 2.2	0	0	0	0	0
Teacher Signature Program - CARES Plus	1.2, 2.1, 2.2	0	0	0	0	0
First 5 IMPACT	1.1, 1.2, 1.3 2.1, 2.2	<b>6,505,976</b>	<b>22,923,730</b>	15,000,000	15,000,000	0
Miscellaneous		<b>3,000</b>	0	0	0	0
State Assessments		<b>2,000</b>	2,000	2,000	2,000	2,000
<b>Total Expenditures</b>		<b>6,510,976</b>	<b>22,925,730</b>	<b>15,002,000</b>	<b>15,002,000</b>	<b>2,000</b>
Allocation from Admin		<b>134,142</b>	<b>134,142</b>	<b>134,142</b>	<b>134,142</b>	<b>134,142</b>
Prior Year Adjustments		3,983,559	0	0	0	0
<b>Adjusted Expenditures</b>		<b>10,628,678</b>	<b>23,059,872</b>	<b>15,136,142</b>	<b>15,136,142</b>	<b>136,142</b>
Projected Revenue		<b>11,986,104</b>	<b>10,134,690</b>	<b>11,451,060</b>	<b>11,153,760</b>	<b>10,859,280</b>
Projected Interest		<b>305,988</b>	76,789	68,629	59,298	48,878
Other Revenue		<b>361,758</b>				
<b>Total Revenue</b>		<b>12,653,849</b>	<b>10,211,479</b>	<b>11,519,689</b>	<b>11,213,058</b>	<b>10,908,158</b>
<b>Year-end Balance</b>		<b>\$38,943,125</b>	<b>\$26,094,732</b>	<b>\$22,478,279</b>	<b>\$18,555,195</b>	<b>\$29,327,211</b>
15% Reserve		1,797,916	1,520,204	1,717,659	1,673,064	1,628,892
<b>Net Year-end Balance</b>		<b>\$37,145,209</b>	<b>\$24,574,528</b>	<b>\$20,760,620</b>	<b>\$16,882,131</b>	<b>\$27,698,319</b>

<b>4 Research and Development (0637)</b>						
<b>Beginning Balance</b>		<b>\$41,873,677</b>	<b>\$49,012,452</b>	<b>\$36,535,819</b>	<b>\$34,069,318</b>	<b>\$30,667,068</b>
<b>Prior Year Beginning Balance Adjustment</b>		<b>\$0</b>				
Annual Report		<b>12,000</b>	12,000	12,000	12,000	12,000
General Research Software		<b>8,459</b>	0	0	0	0
CARES Plus Program Data Collection and Storage	1.2, 2.1, 2.2	<b>2,002</b>	0	0	0	0
California Health Interview Survey	1.1, 1.2	<b>850,000</b>	850,000	850,000	850,000	850,000
Child Signature Program	1.1, 1.2, 2.1, 2.2	0	0	0	0	0
Child Signature Program 1 and 3 Extension	1.1, 1.2, 2.1, 2.2	0	0	0	0	0
Quality Improvement Study-CSU Northridge	2.2	0	14,187	0	0	0
Dual Language Learner	1.2, 1.3	<b>2,970,839</b>	<b>4,000,000</b>	<b>4,000,000</b>	<b>4,620,568</b>	698,593
First 5 IMPACT	1.1, 1.2, 1.3 2.1, 2.2	<b>4,591,714</b>	<b>17,696,259</b>	9,000,000	9,000,000	0
Miscellaneous Expenditures		<b>20,275</b>	0	0	0	0
State Assessments		<b>2,000</b>	2,000	2,000	2,000	2,000
<b>Total Expenditures</b>		<b>8,457,288</b>	<b>22,574,446</b>	<b>13,864,000</b>	<b>14,484,568</b>	<b>1,562,593</b>
Allocation from Admin		<b>134,142</b>	<b>134,142</b>	<b>134,142</b>	<b>134,142</b>	<b>134,142</b>
Prior Year Adjustments		<b>(3,382,888)</b>	0	0	0	0
<b>Adjusted Expenditures</b>		<b>5,208,542</b>	<b>22,708,588</b>	<b>13,998,142</b>	<b>14,618,710</b>	<b>1,696,735</b>
Projected Revenue		<b>11,986,104</b>	<b>10,134,690</b>	<b>11,451,060</b>	<b>11,153,760</b>	<b>10,859,280</b>
Projected Interest		<b>361,214</b>	97,265	80,581	62,700	43,705
<b>Total Revenue</b>		<b>12,347,317</b>	<b>10,231,955</b>	<b>11,531,641</b>	<b>11,216,460</b>	<b>10,902,985</b>
<b>Year-end Balance</b>		<b>\$49,012,452</b>	<b>\$36,535,819</b>	<b>\$34,069,318</b>	<b>\$30,667,068</b>	<b>\$39,873,317</b>
15% Reserve		1,797,916	1,520,204	1,717,659	1,673,064	1,628,892
<b>Net Year-end Balance</b>		<b>\$47,214,536</b>	<b>\$35,015,615</b>	<b>\$32,351,659</b>	<b>\$28,994,004</b>	<b>\$38,244,425</b>

**First 5 California  
Financial Plan  
FY 2016-17 through FY 2020-21**

Line Items by Fund	Strategic Plan	2016-17	2017-18	2018-19	2019-20	2020-21
<b>5 Unallocated (0639)</b>						
<b>Beginning Balance</b>		<b>\$14,560,216</b>	<b>\$17,296,787</b>	<b>\$18,122,534</b>	<b>\$21,262,179</b>	<b>\$24,211,414</b>
<b>Prior Year Beginning Balance Adjustment</b>		<b>\$24,811</b>				
Small Population County Funding Augmentation	2.2	4,219,936	4,300,000	4,300,000	4,300,000	4,300,000
California Smoker's Helpline	2.2, 3.1	1,286,391	1,400,000	0	0	0
Oral Health Education Training		0	0	0	0	0
Strategic Plan	2	27,364				
Child Signature Program	1.1, 1.2, 2.1, 2.2	0	0	0	0	0
Help Me Grow	1.1, 2.1	0	0	0	0	0
Trusted Messenger	3.1	1,000,000	0	0	0	0
Miscellaneous		63,617	28,000	0	0	0
Stakeholder Meeting Facilitation	1.2	250,000	250,000	250,000	250,000	250,000
State Assessments		2,000	2,000	2,000	2,000	2,000
<b>Total Expenditures</b>		<b>6,849,308</b>	<b>5,980,000</b>	<b>4,552,000</b>	<b>4,552,000</b>	<b>4,552,000</b>
Prior Year Adjustments		(1,412,551)	0	0	0	0
<b>Adjusted Expenditures</b>		<b>5,436,757</b>	<b>5,980,000</b>	<b>4,552,000</b>	<b>4,552,000</b>	<b>4,552,000</b>
Projected Revenue		7,990,736	6,756,460	7,634,040	7,435,840	7,239,520
Misc Revenue		108,594				
Projected Interest		49,187	49,287	57,605	65,395	72,740
<b>Total Revenue</b>		<b>8,148,517</b>	<b>6,805,747</b>	<b>7,691,645</b>	<b>7,501,235</b>	<b>7,312,260</b>
<b>Year-end Balance</b>		<b>\$17,296,787</b>	<b>\$18,122,534</b>	<b>\$21,262,179</b>	<b>\$24,211,414</b>	<b>\$26,971,674</b>
15% Reserve		1,198,610	1,013,469	1,145,106	1,115,376	1,085,928
<b>Net Year-end Balance</b>		<b>\$16,098,176</b>	<b>\$17,109,065</b>	<b>\$20,117,073</b>	<b>\$23,096,038</b>	<b>\$25,885,746</b>

<b>Program Accounts 0631, 0634, 0636, 0637, 0639 Totals:</b>						
<b>Total Cigarette and Tobacco Tax Revenue</b>		<b>\$75,911,989</b>	<b>\$64,186,370</b>	<b>\$72,523,380</b>	<b>\$70,640,480</b>	<b>\$68,775,440</b>
<b>Total Resources Per Year</b>		<b>\$243,699,096</b>	<b>\$250,311,706</b>	<b>\$215,685,111</b>	<b>\$205,856,920</b>	<b>\$195,293,024</b>
<b>Total Expenditures Per Year</b>		<b>\$58,226,076</b>	<b>\$108,031,181</b>	<b>\$81,335,018</b>	<b>\$80,184,303</b>	<b>\$32,512,328</b>
<b>Total Over/Under</b>		<b>\$185,245,724</b>	<b>\$142,280,525</b>	<b>\$134,350,093</b>	<b>\$125,672,616</b>	<b>\$162,780,696</b>
<b>Total 15% Reserve</b>		<b>\$11,386,798</b>	<b>\$9,627,956</b>	<b>\$10,878,507</b>	<b>\$10,596,072</b>	<b>\$10,316,316</b>
<b>Net After Reserve</b>		<b>\$173,858,925</b>	<b>\$132,652,569</b>	<b>\$123,471,586</b>	<b>\$115,076,544</b>	<b>\$152,464,380</b>

<b>6 Administration (0638)</b>						
<b>Beginning Balance</b>		<b>\$16,107,214</b>	<b>\$13,745,141</b>	<b>\$10,291,083</b>	<b>\$7,471,540</b>	<b>\$4,323,512</b>
<b>Prior Year Beginning Balance Adjustment</b>						
Administrative Expense	4.1, 4.2	6,773,519	6,245,570	6,422,933	6,643,036	6,871,943
SCO Admin Charges		3,000	3,000	3,000	3,000	3,000
FI\$Cal Charges		8,000	8,000	8,000	8,000	8,000
State Assessments		554,000	1,293,000	911,604	911,604	911,604
<b>Total Budgeted Expenditures</b>		<b>\$7,338,519</b>	<b>\$7,549,570</b>	<b>\$7,345,537</b>	<b>\$7,565,640</b>	<b>\$7,794,547</b>
Allocation to Other Funds (0631, 0634, 0636 and 0637)		(\$670,274)	(\$670,274)	(\$670,274)	(\$670,274)	(\$670,274)
Prior Year Adjustments		(57,628)	0	0	0	0
<b>Adjusted Fund Balance Expenditures</b>		<b>6,610,617</b>	<b>6,879,296</b>	<b>6,675,263</b>	<b>6,895,366</b>	<b>7,124,274</b>
Projected Revenue		3,995,368	3,378,230	3,817,020	3,717,920	3,619,760
CDE Travel Reimbursement		130,322	0	0	0	0
Projected Interest		122,855	47,008	38,700	29,418	19,170
Other Revenue						
<b>Total Revenue</b>		<b>\$4,248,544</b>	<b>\$3,425,238</b>	<b>\$3,855,720</b>	<b>\$3,747,338</b>	<b>\$3,638,930</b>
<b>Year-end Balance</b>		<b>\$13,745,141</b>	<b>\$10,291,083</b>	<b>\$7,471,540</b>	<b>\$4,323,512</b>	<b>\$838,168</b>
15% Reserve		\$599,305	\$506,735	\$572,553	\$557,688	\$542,964



**First 5 California  
Financial Plan**  
FY 2016-17 through FY 2020-21

Line Items by Fund	Strategic Plan	2016-17	2017-18	2018-19	2019-20	2020-21
<b>Net Year-end Balance</b>		<b>\$13,145,836</b>	<b>\$9,784,348</b>	<b>\$6,898,987</b>	<b>\$3,765,824</b>	<b>\$295,204</b>

<b>ALL FIRST 5 CALIFORNIA FUNDS</b>						
Total Cigarette and Tobacco Tax Revenue		\$79,907,357	\$67,564,600	\$76,340,400	\$74,358,400	\$72,395,200
Total Resources Per Year		\$247,947,640	\$253,736,944	\$219,540,831	\$209,604,258	\$198,931,954
Total Expenditures Per Year		\$64,836,693	\$114,910,477	\$88,010,281	\$87,079,669	\$39,636,602
Total Over/Under		<b>\$183,110,947</b>	<b>\$138,826,467</b>	<b>\$131,530,550</b>	<b>\$122,524,589</b>	<b>\$159,295,352</b>
Total 15% Reserve		\$11,986,104	\$10,134,690	\$11,451,060	\$11,153,760	\$10,859,280
Net After Reserve		\$171,124,843	\$128,691,777	\$120,079,490	\$111,370,829	\$148,436,072

**First 5 California  
Financial Plan**  
FY 2016-17 through FY 2020-21

<b>Expenditures by Program*</b>	<b>Amount</b>	<b>Term</b>	<b>Funding Source (F5CA Account)</b>	<b>Expenditures Incurred through 2016-17</b>	<b>Proposed Expenditures</b>	<b>Total Expenditures</b>
<b>EXISTING/APPROVED:</b>						
<b>First 5 IMPACT</b>	\$190,000,000	July 1, 2015 - June 30, 2020	Education	10,841,127	77,158,873	88,000,000
			Child Care	8,076,270	52,923,730	61,000,000
			Research and Development	5,303,741	35,696,259	41,000,000
			<b>Total</b>	<b>\$24,221,139</b>	<b>\$165,778,861</b>	<b>\$190,000,000</b>
<b>Dual Language Learner Pilot</b>	\$20,000,000	July 1, 2016 - June 30, 2020	Education	0	4,000,000	4,000,000
			Research and Development	2,680,839	13,319,161	16,000,000
			<b>Total</b>	<b>\$0</b>	<b>\$17,319,161</b>	<b>\$20,000,000</b>

\* Only programs with multiple funding sources identified.

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

Goal #	Goal Name	Goal Description	Total	2016-17	2017-18	2018-19	2019-20	2020-21
<b>Strategic Plan Area 1</b>								
1.1	Child Health	Children prenatal through age 5 and their families access the full spectrum of health and behavioral health services needed to enhance their well-being.	\$ 208,246,792	\$ 21,300,032	\$ 78,628,861	\$ 44,850,000	\$ 44,850,000	\$ 850,000
1.2	Early Learning	Children birth through age 5 benefit from high quality early education, early intervention, family engagement, and support that prepares all children to reach their optimal potential in school and life.	\$246,847,030	\$ 27,538,612	\$ 84,878,861	\$ 51,100,000	\$ 51,100,000	\$ 850,000
1.3	Family and Community Support and Partnership	Families and communities are engaged, supported, and strengthened through culturally effective resources and opportunities that assist them in nurturing, caring, and providing for their children's success and well-being.	\$201,465,383	\$ 20,450,032	\$ 81,778,861	\$ 48,000,000	\$ 48,000,000	\$ -

Goal #	Goal Name	Goal Description	Total	2016-17	2017-18	2018-19	2019-20	2019-20
<b>Strategic Plan Area 2</b>								
2.1	Leadership as a Convener and Partner	Work with First 5 county commissions, state agencies, and other stakeholders to convene, align, collaborate on, support, and strengthen statewide efforts and initiatives to facilitate the creation of a seamless system of integrated and comprehensive programs and services to improve the status and outcomes for children prenatal through age 5 and their families.	\$219,762,408	\$ 22,250,032	\$ 79,128,861	\$ 45,600,000	\$ 44,000,000	\$ 250,000
2.2	Resource Exchange and Stewardship	Strategically fund and co-fund, align resources, facilitate the exchange of information and best practices, and seek new opportunities to maximize positive impact for children prenatal through age 5 and their families.	\$242,661,567	\$ 26,100,032	\$ 83,178,861	\$ 49,650,000	\$ 49,400,000	\$ 1,650,000

Goal #	Goal Name	Goal Description	Total	2016-17	2017-18	2018-19	2019-20	2019-20
<b>Strategic Plan Area 3</b>								
3.1	Communications	Build public will in investing in early childhood by communicating the potential for positive outcomes for children and families, and the importance of prevention and early intervention.	\$160,024,555	\$ 28,927,187	\$ 17,612,764	\$ 26,190,808	\$ 25,940,808	\$ 26,190,808
3.2	Legislative Engagement and Leadership	Advocate for and influence policy change, both directly and in partnership with First 5 county commissions and other allies, from the local to federal levels that increase investments to improve conditions for children prenatal through age 5 and their families.	\$10,000	\$ -	\$ -	\$ -	\$ -	\$ -

Goal #	Goal Name	Goal Description	Total	2016-17	2017-18	2018-19	2019-20	2019-20
<b>Strategic Plan Area 4</b>								
4.1	Internal Structure and Systems	Create and implement an integrated and transparent approach to internal planning, communication, and decision making.	\$0	\$ -	\$ -	\$ -	\$ -	\$ -
4.2	Team Development and Engagement	Develop management and staff awareness, understanding, knowledge, capacity, and involvement within and across organizational areas.	\$93,000	\$ 15,500	\$ 15,500	\$ 15,500	\$ 15,500	\$ 15,500