



## COMMISSIONERS

Anna Domek – District 1	Sally Brown – District 2	Jenn Rexroad – District 3
Heidy Kellison – District 4	Melissa Roberts – District 5	Garth Lewis – YCOE
Karleen Jakowski – County of Yolo	Jim Provenza, Chair – Board of Supervisors	Nichole Arnold – Children with Special Needs
	Lucas Frerichs, Alternate Chair-Board of Supervisors	

## AGENDA

October 25, 2023  
3:00pm-5:00pm  
International House  
10 College Park, Davis, CA 95616

### ADMINISTRATIVE AGENDA

1. Chair Call to Order
2. Chair Roll Call
3. Chair Consider Approval of the Agenda
4. Chair Opportunity for Commissioners to State Conflict and Recusal
5. Public Public Comment

### CONSENT AGENDA

Executive Director recommends approval of Consent Agenda Items 6-8

#### General Administrative Function

6. Chair Approve First 5 Yolo Commission Meeting Minutes from 9/13/2023
7. Staff Approve First 5 Yolo Finance Committee Meeting Minutes from 10/16/2023
8. Chair Authorize from California Collaborative for Pandemic Recovery and Readiness Research (CPR3) Grant Funding, a \$1,000 Increase to VA Consulting Contract for a New Maximum Compensation of \$4,000

### REGULAR AGENDA      Presentation/Discussion/Possible Action

- |                     |   |            |
|---------------------|---|------------|
| 9. Deputy Director  | Accept Revised Fiscal Year 2022-2023 Year-End Revenue and Expenditure Report                              | 5 minutes  |
| 10. Deputy Director | <b>Public Hearing:</b> Fiscal Year 2022-2023 First 5 Yolo Annual Report to the Legislature and First 5 CA | 10 minutes |
| 11. Deputy Director | Accept Fiscal Year 2022-2023 First 5 Yolo Annual Report to the Legislature and First 5 CA                 | 5 minutes  |
| 12. Deputy Director | <b>Public Hearing:</b> Fiscal Year 2022-2023 Independent Financial Audit                                  | 10 minutes |

- |     |                 |   |           |
|-----|-----------------|---|-----------|
| 13. | Deputy Director | Approve and Adopt Fiscal Year 2022-2023 Independent Financial Audit | 5 minutes |
| 14. | Commissioners   | Commissioner Reports  | 5 minutes |
| 15. | Chair           | Adjournment   |           |

Next meeting scheduled:  
 Commission Meeting  
 January 10, 2024  
 International House  
 10 College Park, Davis, CA 95616

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I declare under penalty of perjury that the foregoing agenda was posted **October 19, 2023**, by 5:00 PM at the following places:

- 1) On the bulletin board at the East entrance of the Erwin Meier Administration Center, 625 Court Street, Woodland, California 95695
- 2) At [www.first5yolo.org](http://www.first5yolo.org) the website for First 5 Yolo, 2779 Del Rio. Place, Unit A, Davis, CA 95618

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**First 5 Yolo Children and Families Commission  
Agenda Item Cover Sheet**

*Attachments*

**Agenda Item- Approve First 5 Yolo Commission Meeting Minutes from 9/13/23**

***Background***

Final minutes from the First 5 Yolo Commission Meeting.

***Deputy Director Overview***

First 5 Yolo Children and Families Commission held a regularly scheduled meeting on September 13, 2023 at International House from 3:00-5:00 pm.

***Additional Information and Attachments***

Draft meeting minutes are attached to this item as **Attachment A**.

The next regularly scheduled Commission meeting will be held January 10, 2023 at International House, 10 College Park, Davis 95616 from 3:00-5:00PM.

***Action Requested***

Approve First 5 Yolo Commission meeting minutes from 9/13/23 as submitted or propose edits.



The First 5 Yolo Children and Families Commission met on the 13<sup>th</sup> day of September, 2023 at International House, 10 College Park, Davis, CA 95616.

**Commissioners in Attendance:**

Anna Domek, Sally Brown, Jenn Rexroad, Garth Lewis, Heidi Kellison, Melissa Roberts, Nichole Arnold, Lucas Frerichs

**Absent:**

Jim Provenza, Karleen Jakowski

**Staff in Attendance:**

Gina Daleiden, Victoria Zimmerle, Rachel McFarland, Sarah Hartman, Fawn Montagna

**Public in Attendance:**

None

**ADMINISTRATIVE AGENDA**

Item #1: Call to Order

Vice Chair called the meeting to order at **3:02 pm**.

Item #2: Roll Call

V. Zimmerle took a voice roll call.

Absent: Jim Provenza, Karleen Jakowski

Late: Garth Lewis

Item #3: Consider Approval of the Agenda

Item 17 will be considered before Item 14 by request of the Executive Director.

*Approve Agenda with consideration of Item 17 before Item 14*

**Motion:** H. Kellison      **Second:** S. Brown

Motion carried unanimously.

Item #4: Opportunity for Commissioners to state Conflict and Recusal

None.

Item #5: Public Comment

None.

Item #6: Approve First 5 Yolo Commission Meeting Minutes from 06/14/2023

Item #7: Approve First 5 Yolo Special Meeting Minutes from 08/09/23



Item #8: Approve the addition of Cesar Chavez Day (March 31) and Juneteenth (June 19) as paid First 5 Yolo Holidays

Item #9: Authorize Contract for VA Consulting LLC. up to \$3,000 for Grant Writing Supporting Welcome Baby/The CHILD Project: Road to Resilience Sustainability

Item #10: Approve \$11,182 Increase to Yolo Crisis Nursery's Attachment & Biobehavioral Catch-up Contract for a Total FY24 allocation not to exceed amount of \$143,182

***Approve consent agenda items 6-10.***

Motion: M. Roberts      Second: S. Brown

Motion carried unanimously.

Item #11: Presentation: Welcome Baby Update and Overview of UCD Evaluation

S. Hartman presented a 1-year data report of the Welcome Baby program and provided an overview of University of California, Davis's (UCD) draft evaluation. UCD's final report covering the first year of Welcome Baby will be presented at a future Commission meeting.

Of note:

- Maternal and infant health data is provided by the state yearly and provides a useful comparison with data collected from Welcome Baby. This data will provide a baseline for comparison between Yolo County, the state of California, and the subset of families covered by MediCal. This data includes maternal health indicators such as postpartum depressive symptoms, and infant health indicators such as low birthweight.
- Severe maternal morbidity (life threatening complications from labor and delivery that result in significant short- or long-term health consequences) has worsened during and post-pandemic. This has worsened for the United States as a whole, but this decline has been worse in California, and particularly in Yolo County.
- These outcomes are a direct result of COVID-19 and the stressors placed on healthcare infrastructure. A significant contributor to worsening outcomes in Yolo County is the poverty levels of Yolo's population, as compared to other counties in California.
- G. Daleiden noted that Welcome Baby is the first program in Yolo County that networks healthcare systems and works to catch patients that are overlooked and are not receiving necessary healthcare.
- Welcome Baby served diverse families from all over Yolo County, many of whom needed connection to a medical home. 74.2% of families enrolled in Welcome Baby were covered by MediCal, and 25.8% were uninsured.
- 100% of Welcome Baby families were screened for depression and anxiety, and those with a positive score were connected to Behavioral Health services within 30 days.
- 94% of families received lactation support, and 82% of families reported feeling more confident in breastfeeding after Welcome Baby.
- 97.8% of Welcome Baby families completed at least 1 postpartum visit, as opposed to 63% of the MediCal population across California, and 70.9% of Welcome Baby families completed 2



postpartum visits. S. Hartman noted that 2 postpartum visits are recommended. (Based on clinically verified data provided by CommuniCare Health Centers.)

- 98.6% of Welcome Baby families completed 2 well child visits at 6 months as compared to 63% of MediCal families across California.
- 100% of families would recommend Welcome Baby to a friend.
- Welcome Baby enrollment continues to increase. First 5 Yolo has partnered with 9 different medical systems serving Yolo County to enroll families either while pregnant or postpartum into Welcome Baby.
- S. Hartman and G. Daleiden provided information on how Yolo County families that get healthcare in Sacramento are referred to Welcome Baby. This effort to coordinate referrals to Welcome Baby is ongoing.
- L. Frerichs requested that future staff reports include information on which cities in Yolo County fund Welcome Baby. V. Zimmerle noted that the first year of Welcome Baby was funded by the County, with funds from local cities to be used for the second year of the Welcome Baby program.

Commissioners asked questions and discussed.

G. Lewis arrived at **3:11** pm.

Item #12: Accept the Fiscal Year 2022-23 Year End Revenue and Expenditure Summary Report

V. Zimmerle presented the Fiscal Year 2022-2023 Year End Revenue and Expenditure Summary Report. An updated version of the report was provided at the meeting.

Of note:

- Prop 10 revenues received were lower than budgeted, as a result of lower than predicted tobacco sales over FY23 and the unfolding impact of the CA Flavored Tobacco Products Ban
- There were variances in total revenues and program expenditures, mostly due to unspent funds in multi-year projects. These funds are expected to be expended in future periods for these multi-year projects.
- There have been delays in receiving the agreement for the HHS Alternative Response program and staff are actively working with HHS to finalize the agreement. First 5 Yolo will be reimbursed for costs incurred during FY23.
- Operating and professional services expenses are about 56% lower than budgeted primarily related to County A-87 charges and fewer minor equipment and training/travel expenditures.
- The Commission's planned draw on Fund Balance to support program activities was slightly less than projected at Q3 as a result of the noted variances. V. Zimmerle noted that the Commission maintained four reserves aligned with the Strategic Plan and the LTFP at that time which are displayed on the report. With the adoption of the FY23/24-FY27/28 Strategic Plan and the FY23/24-FY27/28 Long Term Financial Plan, First 5 Yolo updated its established reserves to reflect the new plans for the strategic use of Fund Balance for certain of First 5 Yolo's largest, multiyear initiatives.
- First 5 Yolo is still in the process of completing its annual Financial Audit. In the event that any additional adjustments are required to this report through the audit process and at the close of



the available period, staff will bring an updated report to the October Commission meeting for adoptions.

*Accept Fiscal Year 2022-23 Year End Revenue and Expenditure Summary Report*

**Motion:** G. Lewis      **Second:** H. Kellison

Motion carried unanimously.

Item #13: Approve \$14,000 increase to Yolo County Childrens Alliance's Contract for The CHILD Project: Road to Resilience for a Total FY2023-24 Allocation Not to Exceed \$446,690

G. Daleiden noted that this increase is to cover increased personnel costs for YCCA's contract for The CHILD Project: Road to Resilience (R2R).

*Approve \$14,000 increase to Yolo County Children's Alliance Contract for The CHILD Project: Road to Resilience for a total FY2023-24 Allocation Not to Exceed \$446,690*

**Motion:** H. Kellison      **Second:** G. Lewis

Motion carried unanimously.

Item #17: Update on CalWORKs Home Visiting Program

G. Daleiden noted that the funds approved for CalWORKs HVP were 60% less than the approved budget in First 5 Yolo's proposal. The next 2-year State budget cycle starts after this fiscal year. There may be an increase in funding approved in the coming weeks, and G. Daleiden will update the Commission if this increase occurs. The current approved fund balance has been included in the FY23-24 Budget (discussed in the next item).

Item #14: Review and Adopt Revised FY2023-2024 Budget

V. Zimmerle noted that there was an update to the revised FY23-24 Budget included in the packet, which was provided at the meeting.

V. Zimmerle noted that there are usually numerous changes between the draft budget presented in the June meeting and the revised budget presented in September and as new information becomes available on pending grants and funding awards.

Of note:

- Prop 10 revenue has been updated to reflect revenue projections from the State which were received in August 2023. The full impact of the passage of Proposition 31 (flavored tobacco ban) has yet to be realized. Going forward, the State will only be issuing single-year projections for Prop 10 revenue as opposed to five-year projections provided previously. However, First 5 Association will engage a consultant to provide additional out-year projections.
- Increase in funding to several contracts as approved by the Commission in prior items.
- V. Zimmerle noted that First 5 Yolo continues to be increasingly leveraged and the need for cash on hand to limit instability will increase, particularly as reimbursement is increasingly delayed



from the State and Yolo County. F5Y will increasingly draw on its fund balances to issue payments to partners.

Commissioners asked questions and discussed.

H. Kellison asked whether there may be more cannabis funds available from dispensaries with the passage of bills that allow onsite events that serve food and alcohol. L. Frerichs noted that these bills are likely to be signed by Governor Newsom, but it will take time before such events will be allowed to be held, and any potential increased revenue will not be realized for some time. L. Frerichs noted that it is likely that the next legislative session will address the problem caused by declining Prop 10 revenue.

*Adopt Revised Fiscal Year 2023-24 Budget*

**Motion:** H. Kellison      **Second:** M. Roberts

Motion carried unanimously.

Item #15: Review and adopt FY2023-2024 Evaluation Plan

G. Daleiden provided a brief overview of the FY23-24 Evaluation Plan and noted that the funding sources of each program come with particular reporting requirements.

S. Brown complimented the use of standardized indicators across First 5 Yolo programs.

*Adopt Fiscal Year 2023-24 Evaluation Plan*

**Motion:** S. Brown      **Second:** M. Roberts

Motion carried unanimously.

Item #16: FHY2 2023 Early Learning Performance Measures

F. Montagna presented Early Learning performance measures from QCC/IMPACT. IMPACT focused on improving quality early learning for children 0-5 across the county, with emphasis on Family Friend and Neighbor (FFN) providers who have been historically underserved.

Of note:

- 100% of childcare providers reported talking, reading, and signing more often after participating in a coaching cohort
- 100% of providers met at least one goal defined in their Quality Improvement Plan
- 100% of providers participating in a coaching cohort received connection to Help Me Grow to support developmental screening of children in care
- 87 providers received training in incorporating art through a trauma informed lens (coaching provided by Davis Arts Center)

IMPACT 2020 officially ended on June 30, 2023, with IMPACT Legacy beginning in the new fiscal year. Highlights of the full three years of the original IMPACT program include:

- Engaged a total of 377 providers from the full spectrum of provider types, 258% of the required target under the First 5 CA grant





- Engaged 299 new providers to the QCC System including 220 FFN providers who had never participated in QCC/IMPACT, the highest number of FFNs participating in any California county.
- G. Daleiden noted the essential work done by partners to increase outreach to FFNs and other providers in Yolo County

H. Kellison inquired if First 5 Yolo keeps data on turnover in Yolo County providers. F. Montagna noted that while F5Y does collect this data, it is difficult to know exactly why some providers close.

V. Zimmerle noted that all providers funded by the Childcare Recovery Grant are invited to participate in IMPACT coaching cohorts. V. Zimmerle also noted that IMPACT Legacy will be the final iteration of this program, with a focus on sustaining the outcomes of this program by enabling childcare providers to support each other past the life of the program through establishing Communities of Practice.

Commissioners asked questions and discussed.

#### Item #18: Executive Director Report

G. Daleiden noted that First 5 Yolo will be applying for Round 3 of the Child-Youth Behavioral Health Initiative program funding, which would provide additional funding for R2R and WB.

Discussions with OCAP are ongoing regarding funding renewal of R2R and are trending in a very positive way. OCAP has been receptive to understanding that costs have increased over previous years. OCAP is very interested in F5Y taking R2R to Evidence-Based Program trial, based on the strong results for families. G. Daleiden will provide an update on any decisions from OCAP on funding R2R as soon as possible.

First 5 Association has decided to make a State Budget request in the next legislative session of \$100 million to help cover accelerated revenue decline from the Flavored Tobacco Ban. Efforts to support this initiative will be ramping up in the coming months. G. Daleiden sits on the F5A Sustainability Committee and will be working closely on this effort for the next many months.

MHSA reform has caused concern among many child advocates across the state around the negative impact of funding to early childhood mental health programs currently funded by MHSA Prevention and Early Intervention (PEI) funds. First 5 Association is actively supporting a proposed amendment to designate remaining MHSA funding specifically to programs related to child mental health, should reforms move forward.

G. Daleiden noted the salary step increase for F5Y QCC/IMPACT Program Officer following a positive annual review.

J. Rexroad left the meeting at **4:39** pm.

#### Item #19: Commissioner Reports

L. Frerichs commended the Commission's and Board of Supervisor's action in approving the addition of Cesar Chavez Day and Juneteenth as paid Yolo County and First 5 Yolo holidays.

G. Daleiden announced a Welcome Baby outreach event on Saturday, September 16 in partnership with Northern Valley Indian Health.



G. Lewis provided background on the referral system for youth behavioral health and the work to streamline the referral process for connecting students to behavioral health services. The first round of asset and service mapping in the Roadmap to the Future has been completed and will be provided to the public soon. YCOE is in the process of establishing an advisory committee for the needs assessment of the Roadmap to the Future. The advisory committee will be established this fall, with the needs assessment to be completed in January 2024.

H. Kellison announced Yolo Crisis Nursery's new facility groundbreaking on October 12 at 2:00pm.

Item #20: Adjournment

Meeting adjourned at 4:45 pm.

Next Commission Meeting scheduled:

October 25, 2023  
International House  
10 College Park, Davis, CA 95616

DRAFT

**First 5 Yolo Children and Families Commission  
Agenda Item Cover Sheet**

*Attachments*

**Agenda Item- Approve First 5 Yolo Finance Committee Meeting Minutes from 10/16/23**

***Background***

The Finance Committee meets to review the Independent Financial Audit and other fiscal related items (as needed) prior to review and adoption by the full Commission per First 5 Yolo's Policies and Procedures.

***Deputy Director Overview***

The F5Y Finance Committee held a meeting on October 16, 2023 at 2:00 pm at the First 5 Office at 2779 Del Rio Place, Unit A, Davis, CA, 95618.

***Additional Information and Attachments***

Meeting minutes from the Finance Committee meeting are included as Attachment A to this item.

***Action Requested***

Approve First 5 Yolo Finance Committee Meeting Minutes from 10/16/2023.

## Finance Committee Meeting Minutes October 16, 2023

The First 5 Yolo Finance Committee met on the 16<sup>th</sup> day of October 2023 at 2:00 PM at the First 5 Yolo Office, 2779 Del Rio Pl, Unit A; Davis, CA 95618.

**Commissioners in Attendance:** Sally Brown, Jenn Rexroad

**Staff in Attendance:** Victoria Zimmerle, Gina Daleiden

**I. Call to Order**

S. Brown called the meeting to order at 2:01 pm

**II. Public Comment**

None.

**III. Review and approve Updated Fiscal Year 2022-2023 Revenue and Expenditure Summary Report for approval by full Commission**

V. Zimmerle presented the updated Fiscal Year 2022-2023 Year-End Revenue and Expenditure Summary Report noting that at September 30, 2023, the Commission had one outstanding receivable: the Quarter 4 reimbursement from First 5 CA for IMPACT 2020 services. The Commission recognizes a 90 day period of availability in which receivables received can be reported on the governmental fund for the prior year. Because the Q4 IMPACT payment was not received by September 30, the funds must be recognized in FY2023-24.

There is a net zero impact to Fund Balance at the close of FY2023-24.

Commissioners asked questions and discussed.

*Review and approve Updated Fiscal Year 2022-2023 Revenue and Expenditure Summary Report for approval by full Commission*

**MOTION:** J. Rexroad      **SECOND:** S. Brown      **Motion carries unanimously**

**IV. Review and approve draft Independent Financial Audit for Fiscal Year ended June 30, 2023 for approval by full Commission**

V. Zimmerle reviewed the draft Financial, Compliance and Single Audits noting that the Commission's independent auditor has rendered unmodified opinion for all 3 audits.

Of note are the following items:

- No findings nor material deficiencies across the financial, compliance, or single audit.
- The Commission's Net Position decreased approximately \$27,000 from FY22 to FY23.
- The Commission's ending Fund Balance is \$2,178,521

V. Zimmerle also noted that with the conclusion of the Audit for Fiscal Year 2022-2023, F5Y will close its 7-year engagement with its current auditor, aligned with best practice. In early calendar year 2024, staff

will release a Request for Qualifications to solicit bids for a new independent financial auditor beginning with the audit of the financial statements for the fiscal year ended June 30, 2024.

Commissioners discussed and asked questions.

*Approve Draft Independent Financial Audit Fiscal Year Ended June 30, 2023 for approval by full Commission*

**MOTION:** J. Rexroad

**SECOND:** S. Brown

**Motion carries unanimously**

**V. Adjourn**

The Meeting was adjourned at 2:46pm.

DRAFT

**First 5 Yolo Children and Families Commission  
Agenda Item Cover Sheet**

*Attachments*

**Agenda Item- Authorize from California Collaborative for Pandemic Recovery and Readiness Research (CPR3) Grant Funding, a \$1,000 Increase to VA Consulting Contract for a New Maximum Compensation of \$4,000**

***Background***

UC Davis and First 5 Yolo co-wrote a successful grant application, recently receiving the California Collaborative for Pandemic Recovery and Readiness Research (CPR3) grant award from California Department of Public Health. The First 5 Yolo Commission formally accepted this grant at the First 5 Yolo Commission Meeting in August 2023.

Through this grant, First 5 Yolo and UCD will study Welcome Baby intervention outcomes and conduct a focused community and partner process to learn more about facilitating factors and barriers to Welcome Baby implementation process, outcomes, and sustainability. The intent is to develop strategies for First 5 Yolo and Welcome Baby that will allow for the scalability and maintenance of the program within Yolo County to promote equitable pandemic recovery in high-risk groups.

The CPR3 grant allows First 5 Yolo up to \$55,000 for consulting to assist with sustainability efforts for Welcome Baby and The CHILD Project: Road to Resilience (R2R). Aligned with this purpose, the First 5 Yolo Commission previously approved a contract with Chapman Consulting to prepare First 5 Yolo to be able to bill MediCal for covered services and a contract with VA Consulting to further support the sustainability of Welcome Baby/R2R by providing experienced grant writing services for Round 3 of Child Youth Behavioral Health Initiative grants from Department of Health Care Services.

***Executive Director Overview***

First 5 Yolo's grant application was submitted on October 6, 2023. Given the length and complexity of the grant application, as well as the complexity of both R2R and Welcome Baby, additional hours totaling \$1,000 from VA consulting were required to complete the proposal.

First 5 Yolo's policies and procedures allow the Executive Director to authorize these funds as needed from General Fund. Commission approval is required to allocate specific program and/or grant funding. As additional funds are available within the CPR3 grant to cover the \$1,000 increase to the Contract, the Executive Director recommends approval of grant funding to cover this cost when First 5 Yolo receives the invoice.

***Additional Information and Attachments***

The proposed contract with VA Consulting does **not** meet the threshold requirements for competitive solicitation under First 5 Yolo Procurement Policies.

***Action Requested***

Authorize from California Collaborative for Pandemic Recovery and Readiness Research (CPR3) Grant Funding, a \$1,000 Increase to VA Consulting Contract for a New Maximum Compensation of \$4,000.

**First 5 Yolo Children and Families Commission  
Agenda Item Cover Sheet**

*Attachments*

**Agenda Item- Accept Revised Fiscal Year 2022-2023 Year-End Revenue and Expenditure Report**

***Background***

Quarterly, the Treasurer and First 5 Yolo financial staff provide a year-to-date Revenue and Expenditure Report Summary to the Commission. The Year End Revenue and Expenditure report is presented after the close of every fiscal year and reflects the prior fiscal year's actual revenues and expenditures, budgeted revenues and expenditures, and summary of the administrative, program, and evaluation cost incurred by the Commission.

***Deputy Director Overview***

Since the Commission accepted the Fiscal Year 2022-2023 Year End Revenue and Expenditure Summary Report in September, First 5 Yolo has completed its annual financial audit and closed its period of availability. First 5 Yolo observes a 90-day period of availability in which year-end receivables can be reported in the governmental fund. At September 30, 2023, First 5 Yolo had one outstanding receivable related to the Quarter 4 IMPACT 2020 reimbursement from First 5 California. The unexpectedly late Q4 IMPACT reimbursement was received by the Commission mid-October and has been deposited into the County Treasury accounting. Because the reimbursement was received after September 30, 2023 the funds must be recognized as revenues for Fiscal Year 2023-2024 and as a deferred inflow of resources in Fiscal Year 2022-2023.

The Revenue and Expenditure Summary report has been updated to defer the revenue to Fiscal Year 2023-2024. There is a net zero impact on the Commission's projected closing fund balance at June 30, 2024. No other year-end adjustments were required.

***Additional Information and Attachments***

The revised Year End Revenue and Expenditure Summary Report is included as **Attachment A** to this agenda item.

The Finance Committee reviewed the Year End Revenue and Expenditure Summary Report during its 10/16/23 Committee Meeting and approved it for approval by the full Commission.

***Action Requested***

Accept Revised Fiscal Year 2022-2023 Year-End Revenue and Expenditure Report.





**Year End Revenue and Expenditure Summary Report  
FISCAL YEAR 2022-2023**

**Report Period: July 1, 2022- June 30, 2023**

Descriptions	Original Budget	Final Budget	Actual Through 6/30/2023	Favorable (unfav.) Variance	% Budget Variance
<b>SOURCES OF FUNDS</b>					
<b>A. Revenue</b>					
First 5 California Tobacco Tax Allocation	1,392,709	1,392,709	1,261,093	(131,616)	-9.45% <sup>1</sup>
MHSA-PEI Grant Funding	425,000	510,014	503,956	(6,058)	-1.19%
Yolo County ARP- Welcome Baby	1,067,958	1,152,134	936,956	(215,178)	-18.68%
Yolo County ARP- Childcare	1,300,000	1,300,000	978,859	(321,141)	-24.70%
Office of Child Abuse Prevention/CDSS	600,000	600,000	600,000	0	0.00%
HHSA-Child, Youth, Families Branch (CWS)	105,000	105,000	84,570	(20,430)	-19.46%
HHSA-Child, Youth, Families Branch (CWS)- AR	-	22,837		(22,837)	-100.00% <sup>2</sup>
F5CA IMPACT 2020	338,995	345,571	228,470	(117,102)	-33.89%
F5 CA Home Visiting Coordination	12,662	12,662	14,520	1,858	14.67%
F5 Placer Refugee Family Support	-	205,346	56,301	(149,045)	-72.58%
CCHC ACES Aware Network of Care	-	141,007	99,261	(41,746)	-29.61%
YCOE PDG-R	10,822	10,822	17,406	6,584	60.84%
Restricted Public and Private Contributions	110,000	235,000	184,819	(50,181)	-21.35%
Interest	10,000	10,000	50,304	40,304	403.04% <sup>3</sup>
Other Income and Adjustment	-	-	1,839	1,839	N/A
<b>TOTAL SOURCES OF FUNDS</b>	<b>5,373,146</b>	<b>6,043,102</b>	<b>5,018,353</b>	<b>(1,024,749)</b>	<b>-16.96%</b> <sup>4</sup>
<b>EXPENDITURES</b>					
<b>B. Personnel</b>					
<b>Regular and Grant Funded FTE</b>	<b>4.25 Regular/ 1.25 Grant Funded</b>				
Salaries and Benefits (+CalPERS Trust)	842,429	927,864	912,831	15,033	1.62%
Extra Help	40,478	35,848	18,864	16,984	47.38%
OPEB	39,588	43,021	42,951	70	0.16%
Workers Comp, Unemployment, & Liability Ins.	13,304	13,304	18,523	(5,219)	-39.23% <sup>5</sup>
<b>Total Personnel</b>	<b>935,799</b>	<b>1,020,037</b>	<b>993,169</b>	<b>26,868</b>	<b>-2.63%</b>
<b>C. Program Funding</b>					
<b>Funded Programs</b>					
Help Me Grow	688,075	787,772	780,723	7,049	0.89%
IMPACT 2020	355,043	361,571	345,814	15,757	4.36%
The CHILD Project: Road to Resilience	1,018,915	1,169,752	1,080,387	89,365	7.64%
Welcome Baby	1,026,833	1,013,339	784,937	228,402	22.54%
Childcare Recovery Package	1,273,605	1,265,000	943,942	321,058	25.38%
Refugee Family Support	-	195,580	54,925	140,655	71.92%
ACES Aware Network of Care	-	113,301	70,499	42,802	37.78%
PDG-R	10,822	10,822	11,421	(599)	-5.53%
Packard FFN Technology Support	17,681	17,681		17,681	100.00%
Yolo Crisis Nursery Intervention Services	70,780	70,780	55,354	15,426	21.79%
ABC Home Visiting Joint Project	132,000	137,000	102,352	34,648	25.29%
Home Visiting Coordination	1,652	1,652	1,894	(242)	-14.64%
Yolo County Family Poverty Reduction Pilot	100,000	100,000	100,000	-	0.00%
YCN Capital Campaign	100,000	100,000	100,000	-	0.00%
<b>Subtotal</b>	<b>4,795,406</b>	<b>5,344,251</b>	<b>4,432,247</b>	<b>912,004</b>	<b>17.07%</b> <sup>6</sup>

*(continued on next page)*

Descriptions	Budget	Revised Budget	Actual Through 6/30/23	Favorable (unfav.) Variance	% Budget Variance
<b>Capacity Building and Evaluation Support</b>					
Clear Impact	12,000	12,000	10,200	1,800	15.00%
<b>Subtotal</b>	<b>12,000</b>	<b>12,000</b>	<b>10,200</b>	<b>1,800</b>	<b>15.00%</b>
<b>Other Program Funding</b>					
Sponsorship Fund	5,000	5,000	1,500	3,500	70.00%
<b>Subtotal</b>	<b>5,000</b>	<b>5,000</b>	<b>1,500</b>	<b>3,500</b>	<b>70.00%</b>
<b>Total Program Funding</b>	<b>4,812,406</b>	<b>5,361,251</b>	<b>4,443,947</b>	<b>917,304</b>	<b>17.11%</b>
<b>D. Operating Expenses</b>					
Telephones, Internet, and Web Hosting	7,470	7,950	4,812	3,138	39.47%
A-87	30,000	30,000	-	30,000	100.00%
Food	500	500	703	(203)	-40.63%
Office Expenses	3,180	3,180	5,950	(2,770)	-87.11%
Postage	75	75	-	75	100.00%
Printing	500	500	-	500	100.00%
Maintenance - Equipment	250	250	-	250	100.00%
First 5 Association Membership Dues	4,625	4,625	4,625	-	0.00%
Program Expense	500	500	-	500	100.00%
Household Expense	125	1,250	-	1,250	100.00%
Health and Wellness	2,000	2,000	1,117	883	44.13%
Rent - Buildings	23,328	15,423	16,353	(930)	-6.03%
Smalls tools and Minor equipment	10,000	10,000	1,453	8,547	85.47%
Training, Conferences, Transportation & Travel	14,300	14,300	5,152	9,148	63.97%
<b>Total Operating Expenses</b>	<b>96,853</b>	<b>90,553</b>	<b>40,166</b>	<b>50,387</b>	<b>55.64%</b>
<b>E. Professional Services</b>					
<b>Consulting/Contracting</b>					
Evaluation	15,000	15,000	15,000	-	0.00%
Program	2,000	2,000	5,088	(3,088)	-154.38%
Strategic Planning	35,000	35,000	24,973	10,028	28.65%
<b>Legal and Accounting</b>					
Yolo County Counsel (Legal Services)	5,000	5,000	-	5,000	100.00%
Yolo County Auditor's Office (Fiscal Services)	2,000	2,000	3,582	(1,582)	-79.10%
Independent Financial and Expanded Audit	12,400	12,400	11,900	500	4.03%
<b>Technology and Data Processing</b>					
Yolo County ERP	23,626	23,626	11,533	12,093	51.19%
IT Services	7,152	7,152	7,155	(3)	-0.04%
<b>Total Professional Services</b>	<b>102,178</b>	<b>102,178</b>	<b>79,230</b>	<b>22,948</b>	<b>22.46%</b>
<b>F. Contingency Funds (2% projected P10 Rev)</b>					
	<b>27,854</b>	<b>27,854</b>	<b>-</b>	<b>27,854</b>	<b>100.00%</b>
<i>Less Indirect Received on Contracts</i>	<i>(237,018)</i>	<i>(237,018)</i>	<i>(153,206)</i>	<i>(83,812)</i>	<i>-35.36%</i>
<b>TOTAL EXPENSES</b>	<b>5,738,072</b>	<b>6,364,855</b>	<b>5,403,306</b>	<b>961,549</b>	<b>15.11%</b>
<b>Excess of sources over exps (Exps over sources)</b>	<b>(364,926)</b>	<b>(321,753)</b>	<b>(384,953)</b>	<b>(63,200)</b>	<b>-19.64%</b>
<b>Beginning Fund Balance, July 1, 2022</b>	<b>2,563,474</b>				
<b>Projected Ending Fund Balance, June 30, 2023</b>	<b>2,178,521</b>				
Unassigned Balance (target \$500K)	848,834				
Welcome Baby Leveraging (Restricted)	65,890				
Operations Reserve (target: \$100K)	194,906				
Continuing Leveraged Programs	318,892				
Catastrophic Reserve (target: \$750K)	750,000				



### FY2022-2023 Cost Allocation Summary

All First 5 Commissions are required to monitor Administrative costs as a proportion of total expenditures and adopt an administrative cost cap. First 5 Yolo's administrative cost cap, as determined by the Commission is 15%. Annually, during budget adoption staff review the Cost Allocation Plan and expected percentage of Administrative costs as a proportion of total agency expenditure. With the Year End Revenue and Expenditure Report, staff report to the Commission actual proportionate share of agency expenditures across Administrative, Program, and Evaluation activities. The Cost Allocation Summary for FY2022-2023 is as follows:

<b>Budget Category</b>	<b>Admin (200000)</b>	<b>Program (mult. CCs)</b>	<b>Eval (200002)</b>	<b>Totals (all CCs)</b>
Personnel	368,922	526,967	90,481	986,371
Program Funding	-	4,295,828	-	4,295,828
Operating Expenses	38,685	12,528	7,284	58,497
Consulting/Contracting	43,161	2,914	16,534	62,610
Total Expenditures by Cost Center	450,769	4,838,237	114,301	5,403,307
<b>% of Expenditures by Cost Center</b>	<b>8.3%</b>	<b>89.5%</b>	<b>2.1%</b>	<b>100.0%</b>



## Fiscal Year 2022-2023 Year End Revenue and Expenditure Summary Report Notes:

1. First 5 Yolo budgets its Proposition 10 revenues based on projections received from First 5 California. Additionally, in November 2022, Prop 31 was approved by voters, banning the sale of flavored tobacco products in California. While a positive step for public health supported by First 5, Prop 31 has significantly and negatively impacted Prop 10 revenues on an ongoing basis; the impact of which continues to unfold. For Fiscal Year 2022-2023, Prop 10 revenues were down \$130,933 from the previous revenues projections received from the State in April 2023.
  2. In March 2023, First 5 Yolo received notice that its proposal for Yolo County Child Welfare Services Alternative Response program was awarded. In an effort to retain quality staffing at First 5 Yolo's direct service provide Yolo County Children's Alliance, First 5 Yolo worked with Yolo County staff to begin on May 1, 2023 and First 5 Yolo issued a Contract to YCCA for Alternative Response services. Given unanticipated timing-delays in receiving First 5 Yolo's MOU from the County, First 5 Yolo will not be reimbursed for costs incurred during FY2022-2023 within the period of availability however, all costs will be reimbursed and recognized during Fiscal Year 2023-24.
  3. In compliance with GASB Standard 31, annually the Commission must make an adjustment to account for the fair marker valuation of its invested assets. For Fiscal Year 2022-23 adjustment resulted in an increase in reported interested earning of \$15,847. In the event the Commission were to fully liquidate all its investments in the Yolo County Treasury pool, the Commission would realize these funds. First 5 Yolo does not intend to liquidate its assets and as such, the true cash value of interested on investments received in FY2022-23 is \$34,457.
  4. During Quarter 4, for programmatic and strategic leveraging reasons, the Commission worked with funding partners to extend contract terms for Welcome Baby, Childcare Recovery Package, and CHILD Project: Road to Resilience supports funded with Fiscal Year 2022-2023 Cannabis Tax. As a result, some actual revenues received are lower than budgeted, however, unspent funds will be rolled into future periods and are expected to be fully expended by each agreement's close.
  5. First 5 Yolo is covered under the County's insurance policies through YCPARMIA and annually, the County allocates to the Commission its proportionate share of costs. For FY2022-23, Commission costs for liability insurance were higher than expected primarily related to increased wage costs (a component of the basis for allocation) and higher total liability insurance costs which have been increasing as a result of the pandemic.
  6. The largest variances within individual program's expenditures correspond with variances in program revenues defined in Note 4 above.
- 7&9. Variance within actual Operations and Professional Services expenditures against budgeted expenditures is typical and expected within the normal course of business. The most significant variance is related to County A-87 charges which were not billed in FY2022-23.
8. In April 2023, First 5 Yolo issued a small contract to Chapman Consulting to provide consulting services related to the CalAIM Initiative, Medi-Cal provider enrollment, and other connected programs and resources. These efforts are actively supporting First 5 Yolo in emerging and fast-

changing work with Managed Care Plans, including seeking reimbursement and access to other funding opportunities.

- 10-15. In FY2022-23, First 5 Yolo realized an expected draw on Fund Balance of \$384,953 in alignment with the Strategic Plan and Long-Term Financial Plan. First 5 Yolo's ending fund balance at June 30, 2023 is \$2,178,521. The Ending Fund Balance is inclusive of all established reserves. As of June 30, 2023, First 5 Yolo maintained a target for total combined reserves of approximately \$1.83 million, comprised of the Catastrophic Reserve, Continuing Leveraged Programs Reserve, Operations Reserve, and Unassigned Balance (target balance) as well as restricted funds for First 5 Yolo's leveraging activities in one of its American Rescue Plan Act projects, Welcome Baby. With the adoption of the FY23/24-FY27/28 Strategic Plan and the FY23/24-FY27/28 Long Term Financial Plan, First 5 Yolo **updated its established reserves** to reflect the new plans for the strategic use of Fund Balance for certain of First 5 Yolo's largest initiatives.

**First 5 Yolo Children and Families Commission  
Agenda Item Cover Sheet**

Attachments

**Agenda Item- Public Hearing: Fiscal Year 2022-2023 First 5 Yolo Annual Report to the Legislature and First 5 CA**

***Background***

As required by the Proposition 10 Children & Families Act, the First 5 Yolo Commission must hold a public hearing to provide input into the Annual Report to First 5 CA for activities provided by First 5 Yolo for Fiscal Year 2022-2023.

***Deputy Director Overview***

In addition to the attached Financial Report (AR1), the Annual Report contains primarily statistical data on the number of children, parents and providers served through all funded programs in Fiscal Year 2022-2023. It also provides demographic data on race/ethnicity, and primary language. *Per Proposition 10 Statute, the final Annual Report must be submitted to First 5 CA by October 31, 2023.*

Components of the Commission's Annual Report to the legislature are included in the Agenda Packet for approval including:

- AR-1: Financial Report (Attachment A)
- AR-2: Demographics Report (Attachment B)
- AR-3: Evaluation Summary and Highlights (Attachment C)

The AR-3 section has two parts. The first is a brief overview of evaluation activities from Fiscal Year 2022-2023. The second requires a very brief narrative description of funded activities of First 5 Yolo in Fiscal Year 2022-2023. The narrative focuses on work continuing direction from the year prior to strengthen and sustain prevention and early intervention for children and families.

As per process, a more detailed presentation and description of program outcomes will be provided to Commissioners in the Annual Local Evaluation Report at the Commission meeting in January 2024.

Please note that *the Annual Report has strict word limits and thus text is significantly condensed, and punctuation/grammar may be altered.*

*(continued on next page)*

***Additional Information and Attachments***

The Draft Annual Reports components are included as attachments A-C to this item.

Demographic information in the Annual Report undergoes a quality review by LPC Consulting, Inc., First 5 Yolo's evaluation services contractor.

**Notes on State Demographics:**

The State allows County Commissions at their discretion to include or exclude the siblings of children served directly in home visiting. The State also aggregates children 6-18 and adult caregivers in the primary caregiver category. First 5 Yolo decided to count the siblings 0-5 in The CHILD Project: Road to Resilience (R2R) and Welcome Baby (WB) to capture the breadth of the work of home visiting programs, following a whole child whole family approach. However, to reduce administrative burden on partners, F5Y only asks for a count of siblings of target children birth. Partners also report counts of siblings/other family members 6-18. This means that siblings 0-5 and 6-18 are reflected in "unknown" race/ethnicity and language categories for children or primary caregivers respectively. In local evaluation reporting, F5Y splits the adult primary caregivers from the children 6-18 into *Primary Caregivers* and *Other Family Members* for more accurate public reporting. In Fiscal Year 2022-2023 there were:

- 99 siblings of target children birth-5 served through R2R/WB home visiting.
- 216 other family members 6-18 served across all F5Y programs.

***Action Requested***

Hold Public Hearing.



**Annual Report AR-1**  
**Yolo Revenue and Expenditure Summary**  
**July 1, 2022 - June 30, 2023**

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## Revenue Detail

Category	Amount
Tobacco Tax Funds	\$1,261,093
First 5 IMPACT 2020 Funds	\$228,470
Small Population County Augmentation Funds	\$0
Home Visiting Coordination Funds	\$14,520
Refugee Family Support Funds	\$56,301
Other First 5 California Funds	\$0
<b>Other First 5 California Funds Description</b>	
Other Public Funds	\$3,306,566
<b>Other Public Funds Description</b> Other local and state grants including funds from the following: Mental Health Services Act, American Rescue Plan Act, CDSS Office of Child Abuse Prevention, Local Child Welfare, and PDG-R	
Donations	\$1,839
Revenue From Interest Earned	\$50,304
Grants	\$99,260
<b>Grants Description</b> ACES Aware PRACTICE Grant	
Other Funds	\$0
<b>Other Funds</b>	
<b>Total Revenue</b>	<b>\$5,018,353</b>

## Improved Family Functioning

Service	Grantee	Program(s)	Children	Caregivers	Providers	Amount
Intensive Family Support	CBO/Non-Profit	<ul style="list-style-type: none"> <li>Not Applicable (Crisis Nursery Services)</li> </ul>	150	153	0	\$55,354
Intensive Family Support	County Health & Human Services	<ul style="list-style-type: none"> <li>Not Applicable (Yolo Basic Income Pilot)</li> </ul>	0	0	0	\$100,000
<p><b>Reason for no population served:</b> First 5 Yolo made a one-time contribution to Yolo County's Basic Income Pilot. Demographics are not collected for this program however, 76 unique families have been served (approximately 203 individuals) through the County's Pilot.</p>						
<b>Total</b>						<b>\$155,354</b>

## Improved Child Development

Service	Grantee	Program(s)	Children	Caregivers	Providers	Amount
Quality Early Learning Supports	Other Public	<ul style="list-style-type: none"> <li>Quality Counts California</li> </ul>	0	0	69	\$11,421
Quality Early Learning Supports	CBO/Non-Profit	<ul style="list-style-type: none"> <li>Quality Counts California</li> </ul>	136	47	210	\$345,814
Early Learning Program Direct Costs	Resource and Referral Agency (COE or Non-Profit)	<ul style="list-style-type: none"> <li>Facility Grants</li> </ul>	0	0	156	\$943,942
<b>Total</b>						<b>\$1,301,177</b>

## Improved Child Health

Service	Grantee	Program(s)	Children	Caregivers	Providers	Unique Families	Amount
Perinatal and Early Childhood Home Visiting	CBO/Non-Profit	<ul style="list-style-type: none"> <li>Local Model</li> </ul>	31	45	17	32	\$42,112
Perinatal and Early Childhood Home Visiting	CBO/Non-Profit	<ul style="list-style-type: none"> <li>Other MIECHV-Approved</li> </ul>	15	14	0	0	\$102,352
Perinatal and Early Childhood Home Visiting	CBO/Non-Profit	<ul style="list-style-type: none"> <li>Welcome Baby</li> </ul>	298	403	0	0	\$784,937
						<b>Total</b>	<b>\$929,401</b>

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## Improved Systems Of Care

Service	Grantee	Program(s)	Amount
Policy and Public Advocacy	First 5 County Commission	<ul style="list-style-type: none"> <li>Not Applicable (First 5 Yolo Allocated Administrative Costs including Personnel)</li> </ul>	\$394,289
Systems Building	CBO/Non-Profit	<ul style="list-style-type: none"> <li>Early Identification and Intervention</li> </ul>	\$738,611
Systems Building	CBO/Non-Profit	<ul style="list-style-type: none"> <li>Family Resiliency</li> </ul>	\$1,135,311
Systems Building	CBO/Non-Profit	<ul style="list-style-type: none"> <li>Trauma-Informed Care/ACES</li> </ul>	\$170,499
Systems Building	First 5 County Commission	<ul style="list-style-type: none"> <li>Family Resiliency</li> </ul>	\$1,894
Systems Building	Other Private/For Profit	<ul style="list-style-type: none"> <li>Not Applicable (Evaluation and CQI Software)</li> </ul>	\$10,200
Systems Building	CBO/Non-Profit	<ul style="list-style-type: none"> <li>Not Applicable (local event and training sponsorships)</li> </ul>	\$1,500
<b>Total</b>			<b>\$2,452,304</b>

## Expenditure Details

Category	Amount
Program Expenditures	\$4,838,236
Administrative Expenditures	\$450,769
Evaluation Expenditures	\$114,301
Total Expenditures	\$5,403,306
Excess (Deficiency) Of Revenues Over (Under) Expenses	(\$384,953)

## Other Financing Details

Category	Amount
Sale(s) of Capital Assets	\$0
Other	\$0
<b>Total Other Financing Sources</b>	<b>\$0</b>

## Net Change in Fund Balance

Category	Amount
Fund Balance - Beginning	\$2,563,474
Fund Balance - Ending	\$2,178,521
Net Change In Fund Balance	(\$384,953)

## Fiscal Year Fund Balance

Category	Amount
Nonspendable	\$890
Restricted	\$46,696
Committed	\$810,999
Assigned	\$1,319,936
Unassigned	\$0
Total Fund Balance	\$2,178,521

## Expenditure Note

First 5 Yolo's Strategic Plan and Long-Term Financial Plan call for the strategic utilization of fund balance to maintain program funding in the final years of each plan to provide stable level programming through the life of each plan. In FY22-23 (the final year of the 5-year plan), the Commission realized a planned draw on Fund Balance.

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**Annual Report AR-2**  
**Yolo Demographic Worksheet**  
**July 1, 2022 - June 30, 2023**

**Population Served**

<b>Category</b>	<b>Number</b>
Children Less than 3 Years Old	1,220
Children from 3rd to 6th Birthday	764
Children – Ages Unknown (birth to 6th Birthday)	219
Primary Caregivers	2,516
Providers	521
<b>Total Population Served</b>	<b>5,240</b>



## Primary Languages Spoken in the Home

<b>Category</b>	<b>Number of Children</b>	<b>Number of Primary Caregivers</b>
Other - Specify with text box not-specified	42	64
Unknown	306	552
English	1,032	1,024
Spanish	712	730
Mandarin	5	9
<b>Totals</b>	<b>2,203</b>	<b>2,516</b>

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<b>Category</b>	<b>Number of Children</b>	<b>Number of Primary Caregivers</b>
Vietnamese	7	7
Korean	8	3
Other - Specify with text box Ukrainian/Russian	13	19
Other - Specify with text box East Asian Farsi, Hindi, Urdu, Punjabi	78	107
Other - Specify with text box Hmong	0	1
<b>Totals</b>	<b>2,203</b>	<b>2,516</b>

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## Race/Ethnicity of Population Served

Category	Number of Children	Number of Primary Caregivers
Alaska Native/American Indian	6	7
Asian	100	154
Black/African-American	48	68
Hispanic/Latino	834	1,018
Native Hawaiian or Other Pacific Islander	4	6
Other – Specify with text box Russian/Ukrianian	7	7
Two or more races	171	124
White	250	297
Other – Specify with text box not specified	2	1
Unknown	781	834
<b>Totals</b>	<b>2,203</b>	<b>2,516</b>

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## Duplication Assessment

Category	Data
Degree of Duplication	30%
Confidence in Data	Somewhat confident
Additional Details (Optional)	In the absence of a coordinated, integrated data system for children birth-5 that has unique identifiers to measure across programs and services, there is likely duplication across programs and services. It is estimated for example, that CalWORKs and CWS populations have an overlap of 25%.

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# Annual Report AR-3

## Yolo County Evaluation Summary and Highlights

### July 1, 2022 - June 30, 2023

## County Evaluation Summary

### Evaluation Activities Completed, Findings, and Policy Impact

First 5 Yolo continues to achieve significant cross-sector collaboration and team-based care to improve the system of care. This includes improved dissemination of data so the public can better understand data and the benefits of investing in early childhood services. For a snapshot of inspiring outcomes achieved in F5Y's largest initiative, The CHILD Project: Road to Resilience (R2R) visit: <https://www.first5yolo.org/wp-content/uploads/CHILD-Project-R2R-PM-Infographic-Final-1.pdf>. F5Y is committed to centering family voice and advancing Race, Equity and Diversity work by engaging partners and families in a design thinking/ human centered design to understand how F5Y might build a more coordinated and accessible system of services for all young children and their families. This has included a rural family voice focus with Start Early to identify barriers and preferences, illuminating the value of home visiting efforts. [https://first5yolo.org/wp-content/uploads/8.7.23-Summary-Report\\_Yolo-Rural-23-User-Research-Report.pdf](https://first5yolo.org/wp-content/uploads/8.7.23-Summary-Report_Yolo-Rural-23-User-Research-Report.pdf) The previous First 5 Yolo Local Evaluation Report FY2021-2022 PowerPoint Presentation (<https://first5yolo.org/community-impact>) highlights impact on the community in a plain language/inclusive format to promote civic engagement and data literacy, and this formed the foundation for the latest Report in FY22-23 currently in draft. The First 5 Yolo Commission will receive the Local Evaluation Report at its public meeting in January. Notably, F5Y was able to build on the successful fusion of health and social services in home visiting with The CHILD Project: Road to Resilience (R2R), fully launching Welcome Baby in FY22/23 to serve all Yolo County Medi-Cal and uninsured babies born. Already, Welcome Baby is showing inspiring results, having a life-saving impact on some families. Results from the one-year analysis (<https://first5yolo.org/wp-content/uploads/Welcome-Baby-One-Year-Results.pdf>) demonstrate the significant growth Welcome Baby has had in this first year, reaching significantly more families early in the postpartum period. Additionally, Welcome Baby is strengthening families' connection to a medical home thereby improving maternal/child health as evidenced by higher rates of postpartum and well-child visit attendance. UC Davis researchers are finalizing an annual review with analysis of an array of key markers for this new effort to capture the extent to which Welcome Baby, along with a more coordinated network of care, is able to turn the curve and drive positive change in indicators over the next two years. A summary of some of these initial evaluation measures is included in this First 5 Yolo Commission presentation: <https://first5yolo.org/wp-content/uploads/Welcome-Baby-One-Year-Presentation.pdf>

# County Highlights

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## County Highlight

In FY22/23, First 5 Yolo amplified its focus on prevention by coordinating multiple state and local funding streams, efficiently using public resources to advance systems transformation. Achievements included the full launch of Welcome Baby and notable improvements in maternal/child health, building resiliency and early health equity, helping families avoid the need to enter Child Welfare Services, screening and support for early childhood mental health, stabilizing and promoting underserved childcare providers. Together with direct service providers and funding partnerships, F5Y expanded its largest systems initiative, The CHILD Project: Road to Resilience (R2R) focused on high-risk perinatal families and inclusive of behavioral health and parenting supports. R2R fuses medical and social services with in-clinic/in-home navigation, and, at a time when local and statewide data indicated significant backslides in maternal and child health, supported critical health markers (child immunizations, pre/postnatal and well child visits) at rates significantly higher than those not served by the program. Building on the infrastructure of R2R, F5Y received American Rescue Plan funding to add Welcome Baby, opening access to postpartum nurse and CHW visits to all MediCal families and expanding intensive R2R home visiting. Welcome Baby reached full launch in 2022, networking 9 medical system partners and quickly exceeding an 80% enrollment rate, with families themselves identifying services as needed and wanted. F5Y is actively seeking sustainability for WB/R2R by finalizing enrollment with Partnership Health as a MediCal provider, and by leveraging CalWORKS HVP, among other sources. Welcome Baby and R2R connect all families to F5Y's Help Me Grow program, a key component of ACEs Aware work. In FY22/23, First 5 Yolo also delivered a Childcare Recovery Package with ARP funding, leveraged with F5Y's IMPACT to provide infrastructure and support grants to childcare provider

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**First 5 Yolo Children and Families Commission  
Agenda Item Cover Sheet**

*Attachments*

**Agenda Item- Accept Fiscal Year 2022-2023 First 5 Yolo Annual Report to the Legislature and First 5 CA**

***Background***

As required by the Proposition 10 Children & Families Act, the Commission votes to accept the Annual Report to First 5 CA for activities provided by First 5 Yolo after holding a public hearing.

***Deputy Director Overview***

Prior to this item, the Commission will hold a public hearing on the First 5 Yolo Fiscal Year 2022-2023 Annual Report in Item #10. The Annual Report can be found in the attachments to Item #10 as Attachments A-C. Please refer to the previous item for Annual Report details.

***Additional Information and Attachments***

A copy of the First 5 Yolo Fiscal Year 2022-2023 Annual Report was included in Attachments A-C of Item #10.

***Action Requested***

Accept Fiscal Year 2022-2023 First 5 Yolo Annual Report to the Legislature and First 5 CA.

**First 5 Yolo Children and Families Commission  
Agenda Item Cover Sheet**

*Attachments* ☒

**Agenda Item- Public Hearing: Fiscal Year 2022-2023 Independent Financial Audit**

***Background***

An independent financial audit is conducted annually for First 5 Yolo Children & Families Commission, as mandated by the Proposition 10 Children & Families Act.

In May 2017, the Commission released an RFP for Independent Audit Services for Fiscal Years ending June 30, 2017, 2018, and 2019, and selected Jensen Smith Certified Public Accountants to conduct the Commission’s annual audit. In January 2020, the Commission elected to extend its engagement with Jensen Smith to include audits for Fiscal Years ending June 2020 and 2021. In June 2021, the Commission elected to extend its engagement with Jensen Smith to include audits for Fiscal Years ending June 2022 and 2023 and switched audit partners within the firm. The extensions to the engagement as well as the transition to a new audit partner remains within best practice standards for audit engagements with the same auditor.

***Deputy Director Overview***

The Commission is pleased to share its Independent Audited Financial Statements for the year ended June 30, 2023. Included in the Audit Draft are the Independent Auditor’s opinion on the Commissions Financial, Federal Single, and Compliance Audits which include the following and indicate no findings nor material deficiencies:

- “In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Commission, as of June 30, 2023 and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.”
- “In our opinion, First 5 Yolo Children and Families 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 that ended June 30, 2023.”
- “In our opinion, the schedule of the status of prior audit findings and schedule of expenditures of federal awards is fairly stated, in all material aspects, in relation to the basis financial statements as a whole.”
- “In our opinion, the Commission complied, in all materials respects, with the compliance requirements referred to above that could have a direct and materials effect on its major federal program for the year ended June 30, 2023.”



For the 2022-2023 Fiscal Year, the Commission reported the following:

<b>Item</b>	<b>FY22/23</b>	<b>FY21/22</b>	<b>Change</b>
Net Position- Government Wide Financial Statements	\$1,596,623	\$1,623,466	\$26,843
Fund Balance- Fund Financial Statements	\$2,178,521	\$2,563,474	\$(384,953)
OBEB Liability	\$216,258	\$221,970	\$5,712
Pension Liability	\$1,331,786	\$706,046	\$625,740

\* Net position serves as a good indicator of the Commission's overall health as it takes into account liabilities not shown on the Governmental Fund Financial Statements

***Additional Information and Attachments***

The Finance Committee reviewed the draft Independent Financial on October 16, 2023 and approved its consideration by the full Commission.

Attached is the Current Draft of the Audited Financial Statements for Fiscal Year ended June 30, 2023 as Attachment A.

***Action Requested***

Hold Public Hearing.

**FIRST 5 YOLO COUNTY  
CHILDREN AND FAMILIES COMMISSION**  
(a component unit of the County of Yolo, California)  
**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
JUNE 30, 2023**



**FIRST 5**  
YOLO

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**FIRST 5 YOLO  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023**

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**FIRST 5 YOLO CHILDREN AND FAMILIES COMMISSION  
COMMISSION MEMBERSHIP  
FOR THE YEAR ENDED JUNE 30, 2023**

First 5 Yolo Commissioners are appointed by members of the Yolo County Board of Supervisors. Members of First 5 Yolo include five community representatives, one from each of the five districts of Yolo County, two representatives from county agencies, one representative of a special population, and one member of the Yolo County Board of Supervisors.

Jim Provenza, Yolo County Supervisor – Chair  
***Board of Supervisors Representative***

Nichole Arnold, Member at Large – Vice Chair  
***Children with Special Needs Representative***

Sally Brown, District 2 - Treasurer  
***Community Representative***

Anna Domek, District 1  
***Community Representative***

Jennifer Rexroad, District 3  
***Community Representative***

Heidy Kellison, District 4  
***Community Representative***

Melissa Roberts, District 5  
***Community Representative***

Garth Lewis, Yolo County Officer of Education  
***Education Representative***

Karleen Jakowski, Director of Child, Youth & Families Branch  
***Yolo County Agency Representative***

Lucas Frerichs, Yolo County Supervisor—Alternate Chair  
***Board of Supervisors Representative***

P.O. Box 160  
661 5<sup>th</sup> Street, Suite 101  
Lincoln, CA 95648  
Office (916) 434-1662  
Fax (916) 434-1090

## INDEPENDENT AUDITOR'S REPORT

Board of Commissioners  
First 5 Yolo  
Children and Families Commission  
Davis, California

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the accompanying financial statements of the governmental activities and each major fund of First 5 Yolo Children and Families Commission (the Commission), as of and for the year ended June 30, 2023, 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 financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Commission, as of June 30, 2023, and the respective changes in financial position 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 generally accepted auditing standards 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 generally accepted auditing standards 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, Budgetary Comparison Information, and Schedules related to the pension liability and other post-employment benefits on pages 4 through 9 and 31 through 39 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 supplementary information listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The Schedule of the Status of Prior Audit Findings and Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, are presented for the purposes of additional analysis and are 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 the status of prior audit findings and schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated October 18, 2023, 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 Commission's internal control over financial reporting and compliance.

Jensen Smith  
Certified Public Accountants, Inc.  
Lincoln, California  
October 18, 2023

**MANAGEMENT'S DISCUSSION & ANALYSIS**

DRAFT



**FIRST 5 YOLO CHILDREN AND FAMILIES COMMISSION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2023**

On November 3, 1998, California voters approved Proposition 10 – the Children and Families Act of 1998. The Act imposed additional excise tax on cigarettes and tobacco related products to fund programs that promote, support, and improve the early development of children from prenatal through age five. The intent is for all California children to be healthy, to live in a healthy and supportive family environment, and to enter school ready to learn.

The Yolo County (County) Board of Supervisors created the Yolo County Children and Families Commission in 1999 under the provisions of the Act. The Commission consists of nine commissioners appointed by the County Board of Supervisors. The Commission is an agency of Yolo County with independent authorities, and is considered a discreetly presented component unit of the County.

As management of the Commission, we offer readers of our financial statements this narrative overview and analysis of the financial activities for the year ended June 30, 2023.

### **FISCAL YEAR 2022-2023 FINANCIAL HIGHLIGHTS**

- The Commission earned \$1,560,384 from the State of California from revenues collected under the California Children and Families Act (Proposition 10 and Proposition 56) and grants from other governmental funds. This revenue includes an apportionment of \$1,244,211 of tobacco tax revenue (Propositions 10, 56 and SMIF), \$16,883 from collections of electronic cigarette excise tax (CECET), and \$299,290 in state grants. Additional income of \$3,457,969 was received from other sources, including grants from other governmental funds of \$3,405,827 and interest earned of \$34,456. Total revenues were \$5,108,353.
- During the current fiscal year, the Commission's total expenditures were \$5,403,306. Under the category of Child Development expenditures, expenditures were allocated as program expenses of \$4,836,908, administrative expenses of \$447,902 and evaluation expenses of \$113,601. Debt Service expenditures included principal and interest payments on a lease of \$4,644 and \$251, respectively.
- The Commission's ending General Fund balance of \$2,178,521 was classified as follows: Nonspendable \$890, Restricted \$46,696, Committed \$810,999, Assigned \$1,319,936, and reflects a decrease of \$384,953.
- On the Commission's Government-wide financial statements, total revenues were \$4,105,546 and total expenses were \$5,080,761. The total assets and deferred outflows of resources of the Commission exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$1,596,623 (*net position*), a decrease of \$26,843, in comparison with the prior year.

### **Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to First 5 Yolo's basic financial statements. The Commission's basic financial statements are comprised of two components:

- 1) government-wide financial statements and
- 2) fund financial statements

**FIRST 5 YOLO CHILDREN AND FAMILIES COMMISSION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2023**

This report also contains other supplementary information in addition to the basic financial statements themselves.

In this report, the government-wide financial statements for the Commission are presented on pages 10 and 11. The fund financial statements can be found on pages 12 and 13.

**Government-wide Financial Statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of First 5 Yolo's finances, in a manner similar to a private sector business.

The *statement of net position* presents summary information on all of the Commission's assets, deferred outflows, liabilities, and deferred inflows with the difference reported as *net position*.

The *statement of activities* presents information showing how the Commission's net position changed during the most recent 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. earned but unused vacation leave).

**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. The Commission, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Fund financial statements report essentially the same functions as those reported in the government-wide financial statements. However, unlike the government-wide financial statements, fund 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 fiscal year. The Commission adopts an annual appropriated budget for its fund. A budgetary comparison schedule has been provided for the fund to demonstrate compliance with the budget on page 31 under required supplemental information.

**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 fund financial statements. The notes to the financial statements can be found on pages 14-30 of this report.

**Other Information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the First 5 Yolo finances on pages 31-39. The other supplementary information can be found on pages 40-42.

### **Commission-Wide Financial Statement Analysis**

The following summarizes the Commission's Statement of Net Position comparing assets, deferred outflows, liabilities, deferred inflows and net position for fiscal years 2023 and 2022:

**FIRST 5 YOLO CHILDREN AND FAMILIES COMMISSION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2023**

**Statement of Net Position Comparison**

	<b>6/30/23</b>	<b>6/30/22</b>	<b>Change</b>	<b>% Change</b>
<b>ASSETS</b>				
Current and other assets	\$3,313,388	\$3,456,992	\$ (143,604)	-4.15%
Total assets	3,313,388	3,456,992	(143,604)	-4.15%
Deferred outflows of resources:				
Deferred outflows related to pension and OPEB plans	1,002,354	328,621	673,733	205.00%
<b>LIABILITIES</b>				
Current and other liabilities	1,046,306	928,716	117,590	12.66%
Long-term liabilities	1,600,269	963,213	637,056	66.14%
<b>TOTAL LIABILITIES</b>	<b>2,646,575</b>	<b>1,891,929</b>	<b>754,646</b>	<b>39.89%</b>
Deferred inflows of resources:				
Deferred inflows related to pension and OPEB plans	72,544	270,218	(197,674)	-73.15%
<b>NET POSITION</b>				
Restricted	1,596,623	1,623,466	(26,843)	-1.65%
<b>TOTAL NET POSITION</b>	<b>\$1,596,623</b>	<b>\$1,623,466</b>	<b>(26,843)</b>	<b>-1.65%</b>

**Net Position.** Net position may serve over time as a useful indicator of the Commission's financial position. In the case for First 5 Yolo, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$1,596,623 (net position) at the close of the most recent fiscal year. The total net position decreased by \$26,843.

The most significant portion of the Commission's current assets is its cash balance of \$1,949,227. All of the Commission's cash is maintained in the County's cash and investment pool where interest earned on the Commission's balance is apportioned to the Commission. Another source of current assets is the Commission's receivables of \$1,286,132 mostly consisting of the funds due from First 5 California and other governmental contracts. Current assets decreased by \$156,934 from fiscal year 2021-2022 to fiscal year 2022-2023.

Current liabilities of \$1,046,306 included grants and contracts payable of \$962,189 representing the final payments due to contractors which are accrued and will be paid during the subsequent fiscal year. Current liabilities increased by \$117,590 from fiscal year 2021-22 to fiscal year 2022-23 due to the increased amount of contracts payable at the end of the fiscal year. Long-term liabilities increased by \$637,056 due to the net changes in the proportionate share of the County's net pension liability and net OPEB liability.

Deferred outflows of resources increased by \$673,733 and deferred inflows of resources decreased by \$197,674 as a result of the change in proportionate share from year to year of the County's net pension liability and net OPEB liability.

**FIRST 5 YOLO CHILDREN AND FAMILIES COMMISSION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2023**

*Change in Net Position*

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, 2023 and 2022.

**Statement of Activities Comparison**

	<u>6/30/23</u>	<u>6/30/22</u>	<u>Change</u>	<u>% Change</u>
<b>REVENUE</b>				
Program Revenues:				
Proposition 10 & 56	\$ 1,244,211	\$ 1,435,477	\$(191,266)	(13.3%)
Elec Cigarette Excise Tax	16,883	-	16,883	100.0%
State and Other Grants	3,817,828	2,661,579	1,156,249	43.4%
Other Revenue	1,839	8,490	(6,651)	(78.3%)
Total Program Revenues	<u>5,080,761</u>	<u>4,105,546</u>	<u>975,215</u>	<u>23.8%</u>
General Revenues:				
Investment Income	<u>50,303</u>	<u>(70,676)</u>	<u>120,979</u>	<u>171.2%</u>
Total Revenues	<u>5,131,064</u>	<u>4,034,870</u>	<u>699,989</u>	<u>(147.4%)</u>
<b>EXPENSES</b>				
Administrative Expenses	427,560	313,951	113,609	36.2%
Evaluation Expenses	113,114	131,282	(18,167)	(13.8%)
Program Expenses	<u>4,617,233</u>	<u>3,626,847</u>	<u>990,385</u>	<u>27.3%</u>
Total Expenses	<u>5,157,907</u>	<u>4,072,080</u>	<u>1,085,827</u>	<u>49.7%</u>
<b>Change in net position</b>	<u>(26,843)</u>	<u>(37,210)</u>	<u>10,367</u>	<u>(27.9%)</u>
<b>NET POSITION, beginning of year</b>	<u>1,623,466</u>	<u>1,660,676</u>	<u>(37,210)</u>	<u>(2.2%)</u>
<b>NET POSITION, end of year</b>	<u>\$ 1,596,623</u>	<u>\$ 1,623,466</u>	<u>\$ (26,843)</u>	<u>(1.7%)</u>

The financial statements for fiscal year 2023 show a decrease in net position of \$26,843. This reflects a significant increase in pension and OPEB expenses.

**Revenues.** The Commission receives a portion of its revenue from the State allocation of Proposition 10 & 56 funds and from interest earned from its Surplus Money Investment Fund (SMIF). In the fiscal year ending June 30, 2023, \$1,261,094 was received from First 5 California in tobacco and electronic cigarette tax revenue, a decrease of \$191,266, compared to the prior fiscal year. The Commission also invests its funds in the Yolo County Treasury and earned \$34,256 in interest and \$15,847 for unrealized gains for fiscal year 2023, an increase of \$120,979 (171.2%), due to a recovery from a downturn in financial markets.

Total revenue consisting of Proposition 10 & 56 funds, interest income, grants from other governmental entities, and other revenue increased by \$975,215 (23.8%) or from 43,105,546 to \$5,080,761 for the year ended June 30, 2023. This increase was due to increases in new grants income.

**Expenses.** During fiscal year 2023, the Commission expended a total of \$5,157,907 of which \$4,617,233 was expended to various service providers within Yolo County, Commission run

**FIRST 5 YOLO CHILDREN AND FAMILIES COMMISSION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2023**

programs and program support. This represents an increase of \$990,385 or 27.3% in program costs in accordance with the Strategic Plan implemented July 1, 2018 that included decreased program funding in the first year of the Plan to allow sufficient time to develop a multi-year funding plan as revenue and leveraging opportunities became more apparent. Additional state grants and local grants provided additional funds to be expended on programs in Yolo County. Total expenses of \$5,157,907 was an increase over the prior fiscal year by \$1,085,827 (49.7%). Administrative costs were less than 10% of total costs.

### **Financial Analysis of the Commissions Governmental Fund**

As noted earlier, the Commission uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. The difference between the governmental fund analysis and the General Fund analysis is the recognition of current and long-term liabilities for compensated absences, net pension liability, deferred outflows, inflows and other post-employment benefits (OPEB) payable. In addition, the receipt of funds related to current period revenues must occur within the Commission's period of availability after the end of the year.

For the year ended June 30, 2023, the Commission's general fund reported an ending fund balance of \$2,178,521, a decrease of \$384,953. The increase was due to a new strategic plan implemented July 1, 2018 that focuses on maintaining steady levels of funding for multi-year programs across the life of the Strategic Plan by establishing and maintaining reserve amounts and leveraging additional grants provided. Under this Strategic Plan, unrestricted net position can be used to ensure continuity of program funding. Total revenue consisting of Proposition 10 funds, interest income, grants from other governmental entities, and other revenue increased by \$909,172 (22.1%) or from \$4,109,181 to \$5,018,353 for the year ended June 30, 2023. Total expenditures of \$5,403,306 was an increase over the prior fiscal year by \$1,448,803 (37%). Administrative costs were \$447,902 or 8.3% of total costs, evaluation costs were \$113,601 or 2.1% of total costs and program costs were \$4,836,908 or 89.5% of total costs.

### **General Fund Budgetary Highlight**

Total Revenues were less than budgeted by \$1,024,749 (17.0%) and total expenses were less than budgeted by \$505,255 (10.3%).

### **Debt Administration**

The Commission's long-term debt consists of compensated absences payable of \$74,960 (of which \$37,480 has been classified as a current liability), net pension liability of \$1,331,786, net OPEB liability of \$216,258, and a lease liability of \$14,745.

### **Economic Factors and Next Year's Budget**

The Commission is committed to investing in the health, education, and wellbeing of children prenatal to five by utilizing Proposition 10 funds to promote and sustain comprehensive, integrated programs and services for young children and families. The First 5 Yolo Commission understands that significant brain development occurs in the first five years of a child's life, and the concentration of efforts in prevention and early intervention in the first five years is critical and foundational.

**FIRST 5 YOLO CHILDREN AND FAMILIES COMMISSION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2023**

The Commission developed and approved a new three year Strategic Plan in 2018 for implementation beginning in fiscal year 2018-2019. The Plan was extended for an additional two fiscal years in June 2021. Beginning with fiscal year 2019, the Commission's budget reflects expenditures that do not exceed revenues over the life of the adopted strategic plan.

The 2019-2023 Strategic Plan developed by the Commission focuses on four priority areas:

- Improved Child Health
- Improved Child Safety
- Improved Quality Early Learning
- Improved Systems and Networks

\$14,951,639 is budgeted for programs in these areas in the 2019-2023 Strategic Plan.

With effects of the COVID-19 pandemic continuing to unfold, the Commission is committed to supporting young children and their families through the multitudinous challenges they face. The Commission will work with local partners, the County, and other community based organizations in the year ahead to support young children and their families through pandemic recovery.

The Commission views Proposition 10 as a leveraging mechanism to establish and fund a sustainable system of results-oriented early childhood development and family support services for the 0-5 population. In that regard, the Commission will focus on the new Strategic Plan programs and work in the community to support children and families. The Commission developed an evaluation plan to track the results of funded programs to determine what is working effectively and to support continual quality improvement to impact the health and wellbeing of children and maximize the impact of Proposition 10 funding in Yolo County. The results of these evaluation activities will help inform the Commission as it plans for the future.

**Requests for Information**

This financial report is designed to provide a general overview of the First 5 Yolo Children & Families Commission finances for all those interested. Questions concerning, any of the information provided in this report or requests for additional financial information should be addressed to the First 5 Yolo Children & Families Commission at 2779 Del Rio Place, Unit A Davis, California 95618.

**BASIC FINANCIAL STATEMENTS  
GOVERNMENT-WIDE FINANCIAL STATEMENTS**

DRAFT

**FIRST 5 YOLO CHILDREN AND FAMILIES COMMISSION**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2023**

**ASSETS**

## Current Assets

Cash and Investments	\$ 1,949,227
Due from Other Governments	1,286,132
Accounts Receivable	63,809
Prepaid Expenses	890
Total Current Assets	<u>3,300,058</u>

## Noncurrent Assets

Lease Asset, Net of Accumulated Depreciation	13,330
Total Noncurrent Assets	<u>13,330</u>
Total Assets	<u>3,313,388</u>

**DEFERRED OUTFLOWS OF RESOURCES:**

Deferred Outflows Related to Pensions	862,864
Deferred Outflows Related to OPEBs	139,490
Total Deferred Outflows of Resources	<u>1,002,354</u>

**LIABILITIES**

## Current Liabilities

Accounts Payable	9,488
Grants and Contracts Payable	962,189
Accrued Wages and Benefits	37,149
Accrued Compensated Absences	37,480
Total Current Liabilities	<u>1,046,306</u>

## Long-term Liabilities

Accrued Compensated Absences	37,480
Lease Liability	14,745
Net Pension Liability	1,331,786
Net OPEB Liability	216,258
Total Long-term Liabilities	<u>1,600,269</u>
Total Liabilities	<u>2,646,575</u>

**DEFERRED INFLOWS OF RESOURCES:**

Deferred Inflows Related to Pensions	12,651
Deferred Inflows Related to OPEBs	59,893
Total Deferred Inflows of Resources	<u>72,544</u>

**NET POSITION**

Restricted	<u>1,596,623</u>
Total Net Position	<u>\$ 1,596,623</u>

See Accompanying Notes to Financial Statements.



**FIRST 5 YOLO CHILDREN AND FAMILIES COMMISSION**  
**STATEMENT OF ACTIVITIES**  
**JUNE 30, 2023**

**FIRST 5 PROGRAM EXPENSES**

Child Development	\$ 5,157,907
Total Program Expenses	<u>5,157,907</u>

**PROGRAM REVENUES**

Charges for services	1,839
Operating Grants and Contributions:	
Prop 10 Apportionment	923,904
Prop 56 Backfill	315,668
Surplus Money Investment Funds	4,639
CA Electronic Cigarette Excise Tax	16,883
Prop 10 Grants	412,001
Other Government Grants	3,405,827
Other Revenue	-
Total Program Revenues	<u>5,080,761</u>
Net Program Revenues (Expense)	(77,146)

**GENERAL REVENUES**

Interest Income	34,456
Unrealized Gain (Loss) on Investments	15,847
Total General Revenues	<u>50,303</u>

**Change in Net Position** (26,843)

Net Position - Beginning of Year	1,623,466
Net Position - End of Year	<u>\$ 1,596,623</u>

See Accompanying Notes to Financial Statements.

**BASIC FINANCIAL STATEMENTS  
FUND FINANCIAL STATEMENTS**

DRAFT

**FIRST 5 YOLO CHILDREN AND FAMILIES COMMISSION  
BALANCE SHEET  
JUNE 30, 2023**

**ASSETS**

Cash and Investments	\$ 1,949,227
Due from Other Governments	1,173,421
Accounts Receivable	63,809
Prepaid Expenses	890
Total Assets	\$ 3,187,347

**LIABILITIES**

Accounts Payable	\$ 9,488
Grants and Contracts Payable	962,189
Accrued Wages and Benefits	37,149
Total Liabilities	1,008,826

**FUND BALANCES**

Nonspendable	890
Restricted	46,696
Committed	810,999
Assigned	1,319,936
Total Fund Balances	2,178,521
Total Liabilities and Fund Balances	\$ 3,187,347

**Reconciliation of the Governmental Fund Balance Sheet  
to the Government - Wide Statement of Net Position - Governmental Activities**

Fund Balance - Total Governmental Fund (from above)	\$ 2,178,521
Amounts reported for governmental activities in the statement of net position are different because:	
Revenue Receivables received after ninety days after the fiscal year end are not considered currently available and therefore are not reported in the governmental fund activities.	112,711
Capital lease assets used in the governmental activities are not financial resources and therefore are not reported in the funds	13,330
Deferred outflows of resources represents a consumption of net position that applies to future period(s) and, therefore, will not be recognized as an outflow of resources (expense) in the fund financial	
Deferred outflows of resources related to pension	862,864
Deferred outflows of resources related to OPEB	139,490
Long-term liabilities, including notes payable, are not due and payable in the current period, and therefore are not reported in the governmental fund.	
Net Pension Liability	(1,331,786)
Net OPEB Liability	(216,258)
Lease Liability	(14,745)
Compensated Absences	(74,960)
Deferred inflows of resources represents an acquisition of net position that applies to future period(s) and, therefore, will not be recognized as an inflow of resources (revenue) in the fund financial statements.	
Deferred inflows of resources related to pension	(12,651)
Deferred inflows of resources related to OPEB	(59,893)
Net Position of Governmental Activities	\$ 1,596,623

See Accompanying Notes to Financial Statements.

**FIRST 5 YOLO CHILDREN AND FAMILIES COMMISSION  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE  
FOR THE YEAR ENDED JUNE 30, 2023**

**REVENUES**

## Operating Grants and Contributions:

Prop 10 Tobacco Tax Apportionment	\$ 923,904
Prop 56 Backfill	315,668
Surplus Money Investment Funds	4,639
CA Electronic Cigarette Excise Tax	16,883
Prop 10 Grants	299,290
Other Grants	3,405,827
Interest Income	34,456
Unrealized Gain (Loss) on Investments	15,847
Other Revenue	1,839
Total Revenues	<u>5,018,353</u>

**EXPENDITURES**

## Child Development:

Administrative	447,902
Evaluation	113,601
Program	4,836,908

## Debt Service:

Principal Payments on Lease	4,644
Interest Payments on Lease	251

Total Expenditures	<u>5,403,306</u>
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Net Change in Fund Balance	(384,953)
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Fund Balance - Beginning of Year	2,563,474
Fund Balance - End of Year	<u>\$ 2,178,521</u>

**Reconciliation of the Statement of Revenues, Expenditures and  
Changes in Fund Balance of Governmental Fund to the  
Government-Wide Statement of Activities - Governmental Activities  
For the Year Ended June 30, 2023**

Net Change to Fund Balance - Total Governmental Fund	\$ (384,953)
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Amounts reported for activities in the Statement of Activities differ from the amounts reported in the Statement of Revenue, Expenditures and changes in fund balance because:

Revenue Receivables received after ninety days after the fiscal year end are not considered currently available and therefore are not reported in the governmental fund activities.

Prop 10 grants	112,711
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Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental fund

Net Change in pension related amounts	248,310
Net Change in OPEB related amounts	3,069
Net Change in lease related amounts	(1,415)
Change in Compensated Absences	(4,565)

Change in Net Position of Governmental Activities	<u>\$ (26,843)</u>
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See Accompanying Notes to Financial Statements.

**FIRST 5 YOLO COUNTY CHILDREN AND FAMILIES COMMISSION  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

***Note 1. Nature of the Entity and Summary of Significant Accounting Policies***

**A. Reporting Entity**

The First 5 Yolo Children and Families Commission (Commission), formerly known as Yolo County Children and Families Commission, was established on January 8, 1999 pursuant to Health and safety Code §130140. The Commission was also established in accordance with the provisions of the California Children and Families Act of 1998 and by Yolo County Ordinances 1231, 1233, 1238, and 1247. The Commission is a public entity legally separate and apart from the County of Yolo (County). The purpose of the Commission is to develop, adopt, promote and implement early childhood development and school readiness systems improvements and programs in the County of Yolo consistent with the goals and objective of the Act. The Commission's programs are funded by taxes levied by the State of California on tobacco products and grant revenues from other state and local jurisdictions.

A governing board of nine members, which are appointed by the County Board of Supervisors, oversees the commission. One member of the Commission shall be a member of the Board of Supervisors. Two members are considered Mandatory Members, and are the County Health Officer or persons responsible for management of the following County functions: children's services, education, public health services, behavioral health services, social services, tobacco and other substance abuse prevention and treatment services. One member is selected from the following categories: recipients of project services included in the County strategic plan, representatives of a local child care resource or referral agency, or a local child care coordinating group; representatives of a local organization for prevention of early intervention for families at risk; representatives of community-based organization that have the goal of promoting and nurturing early childhood development; representatives of the business community and representatives of local medical, pediatric or obstetric associations or societies. Five other members are considered At-Large Rotating Members and are nominated by each individual Supervisor from the above categories; The County Board of Supervisors may remove any Commission Member at any time. The Commission is considered a component unit of the County of Yolo.

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.

**B. Basis of Presentation and Accounting**

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 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. 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 in accordance with the requirements of the GASB statements.

**FIRST 5 YOLO COUNTY CHILDREN AND FAMILIES COMMISSION**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

*Note 1. Nature of the Entity and Summary of Significant Accounting Policies (continued)*

*Fund Financial Statements*

The fund financial statements consist of the balance sheet and the statement of revenues, expenditures and changes in fund balance of the Commission's general fund. These statements are presented on a current financial resources measurement focus. Generally, only current assets, deferred outflows of resources, current liabilities and deferred inflows of resources are included on the balance sheet. The statement of revenues, expenditures and changes in fund balance for the governmental fund generally presents inflows (revenues) and outflows (expenditures) in net current position. 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 90 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.

Adjustments Between Fund Financial Statements and Government-Wide Financial Statements

**Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Commission reports deferred outflows related to pensions and Other Post Employment Benefits (OPEBs). Refer to additional details in Note 10 and 11.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. In the fund financial statements the Commission has one item which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental fund reports unavailable revenues from intergovernmental revenues. This amount is deferred and recognized as an inflow of resources in the period that the amounts become available. The Commission also reports deferred inflows related to pensions and to OPEBs. Refer to additional details in Note 10 and 11.

Under the modified accrual basis of accounting, revenue is recognized in the fund financial statements if it has been collected after year-end within the Commission's established availability period of 90 days. All other accrued revenues due the Commission are deferred at year-end in the fund financial statements. At June 30, 2022, there were no receivables that were not received in the 90 day period after the fiscal year end June 30, 2022 and therefore there were no amounts deferred to the fiscal year 2022-2023 fund financial statements. At June 30, 2023, there was a receivable for \$112,711 that was not received within 90 days after year end. Therefore, it has been deferred to the fiscal year 2023-2024 fund financial statements.

**FIRST 5 YOLO COUNTY CHILDREN AND FAMILIES COMMISSION**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

*Note 1. Nature of the Entity and Summary of Significant Accounting Policies (continued)*

**Long-Term Liabilities**

As of June 30, 2023 the Commission estimated its liability for vested compensated absences to be \$74,960. 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. Half of the accrued compensated absences (\$37,480) have been classified as current liabilities as these will likely be used in the next year. The remaining compensated absences have been accrued in the government wide financial statements and are included in long-term liabilities. The compensated absences increased by \$4,565 during this year. The compensated absences are liquidated by the general fund.

**C. Due from other Governments**

Due from other governments represents receivables from other local governments. Management has determined the Commission's receivables are fully collectable. Accordingly, no allowance for doubtful accounts has been made.

**D. Net Position**

Net position is displayed in three components:

- Net investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation, and net of related debt.
- Restricted net position – Consists of resources in the net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- Unrestricted net position – All other resources making up net position that do not meet the definition of “restricted” or “net investment in capital assets.”

The Commission applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available

**E. 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.

**Budget and Budgetary Reporting**

The Commission is required by 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, 2023, which is prepared on the modified accrual basis of accounting.

**FIRST 5 YOLO COUNTY CHILDREN AND FAMILIES COMMISSION**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

*Note 1. Nature of the Entity and Summary of Significant Accounting Policies (continued)*

**Fund Balance Classification**

Fund balance can be displayed under the following components:

- **Nonspendable –**  
 This category includes elements of the fund balance that cannot be spent because of their form, or because they must be maintained intact. For example:
  - Assets that will never convert to cash, such as prepaid items and inventories of supplies;
  - Assets that will not convert to cash soon enough to affect the current period, such as non-financial assets held for resale; or
  - Resources that must be held intact pursuant to legal or contractual requirements, such as revolving loan fund capital or the principal of an endowment.
  
- **Restricted –**  
 This category includes resources that are subject to constraints that are externally enforceable legal restrictions. Examples include:
  - Funding from the State Commission or foundations that are legally restricted to specific uses. For example, funds advanced by First 5 CA under specific agreements for services, or matching funds for specific initiatives.
  - Funds legally restricted by County, state, or federal legislature, or a government's charter or constitution.
  - Amounts collected from non-spendable items, such as the long term portion of loan outstanding, if those amounts are also subject to legal constraints.
  - Funding that has been designated for legally enforceable contracts but not yet spent. This includes multi-year contracts.
  
- **Committed –**  
 Two criteria determine the Commission's fund balance:
  1. Use of funds is constrained by limits imposed by the government's highest level of decision making. The highest level of decision making for the Commission would be the Commissioners.
  2. **Removal or modification of use of funds can be accomplished only by formal action of the Commission. Both commitments and modifications or removal must occur prior to the end of reporting period; that is, the fiscal year being reported upon.** For First 5 organizations, resources in this category would include:
    - Resources committed for a future initiative as long as commission action is also required to remove this commitment.
    - Resources that have been committed by a commission for specific agreements that have not yet been executed, where commission action is also required to remove this commitment.
    - Resources committed as the local match for a State Commission initiative.



**FIRST 5 YOLO COUNTY CHILDREN AND FAMILIES COMMISSION**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

*Note 1. Nature of the Entity and Summary of Significant Accounting Policies (continued)*

**Fund Balance Classification (continued)**

- **Assigned –**

The assigned portion of the fund balance reflects a commission’s intended use of resources, which is established either by the county First 5 Commission, a body created by the commission, such as a commission finance committee, or an official designated by the commission (e.g., an Executive Director). The “assigned” component is similar to the “committed” component, with two essential differences, shown in the following table:

Key Differences Between Committed and Assigned Fund Balance		
	Committed	Assigned
A decision to use funds for a specific purpose requires action of First 5 Commission	Yes	No
Formal action of Commission is necessary to impose, remove or modify this constraint and formal action has taken place before end of reporting period)	Yes	No

Another key difference is that the purpose of the assignment must be narrower than the fund itself. Consequently, tobacco tax revenues would not automatically be placed in the “committed” component. Resources that fit into this category include:

- Appropriation of a portion of existing fund balance sufficient to eliminate a projected deficit in the subsequent year’s budget, where the Executive Director may decide whether to use the entire amount.
- Resources assigned to a specific program or project or organization for which the commission has approved a plan or budget
- Resources approved by a commission for a long range financial plan where formal approval is not required to modify the amount.

First 5 Yolo can assign amounts under this category, and may also authorize the Executive Director to assign amounts under this category when that decision is consistent with the approved long term financial plan.

- **Unassigned –**

This category includes the fund balance that cannot be classified into any of the other categories.

The Commission’s policy states that when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, it is presumed that restricted funds are spent first; and when an expenditure is incurred for purposes for which amounts in any unrestricted fund balances could be used, it is presumed that the committed amounts are spent first, then the assigned amounts, then the unassigned amounts.

**FIRST 5 YOLO COUNTY CHILDREN AND FAMILIES COMMISSION**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

*Note 1. Nature of the Entity and Summary of Significant Accounting Policies (continued)*

**Pensions**

**Fair Value Measurement**

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Yolo County Pension Plan and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by California Public Employees Retirement System (CalPERS). For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

As of July 1, 2015, the Commission retrospectively applied Governmental Accounting Standards Board ("GASB") Statement No. 72, *Fair Value Measurement and Application*. GASB Statement No. 72 provides guidance for determining a fair value measurement for reporting purposes and applying fair value to certain investments and disclosures related to all fair value measurements. 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. The Commission does not have any investments that are measured using Level 3 inputs.

*Note 2. Cash and Investments*

The Commission maintains its cash and investments with the Yolo County Treasurer in a cash and investment pool. On a quarterly basis, the Treasurer allocates interest to participants based upon their average daily balances. The Yolo County Treasury Oversight Committee oversees the Treasurer's investments and policies. The balance of the Commission's investment in the Yolo County Treasury pool at June 30, 2023 is \$1,949,227. The County investment pool is not registered with the Securities and Exchange Commission as an investment company.

The Commission had no deposit or investment policy that addressed a specific type of risk. Investments held in the County's investment pool are available on demand and are stated at cost plus accrued interest, which approximates fair value. Required disclosure information regarding the classification of investments and other deposit and investment risk disclosures can be found in the County's Comprehensive Annual Financial Report (CAFR). The County of Yolo's financial statements may be obtained by contacting the County of Yolo's Auditor-Controller's Office at 625 Court Street, Room 103, Woodland, California 95695 or on the County's website. Investments are stated at fair value. Market value is used as fair value for those securities for which market quotations are readily available.

Cash at June 30, 2023 consisted of the following:

	Carrying Amount	Fair Value	Difference
Pooled Investments: Yolo County	\$ 2,006,723	\$ 1,949,227	\$ (57,496)

The difference between the carrying value and the fair value of cash and investments was considered material to the Commission's financial statements; therefore, an adjustment to fair value was made for GASB No. 31 compliance. The change in fair market value from the prior year is recorded as an unrealized gain.

**FIRST 5 YOLO COUNTY CHILDREN AND FAMILIES COMMISSION**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

*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, 2023, the Commission held no individual investments. All funds are invested in the County Treasurer's Investment Pool.

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 Pools are made on the basis of \$1 and not fair value. Accordingly, the Commission's share of investments in the County Treasurer's Investment Pool at June 30, 2023 of \$1,949,227 is an uncategorized input not defined as a Level 1, Level 2, or Level 3 input.

*Note 3. Due From Other Governments and Accounts Receivables*

The due from other governments account represents amounts due to the Commission from the California Children and Families Commission ("State Commission") for Prop 10 related revenues and other governmental agencies. The amounts due to the Commission at June 30, 2023, were as follows:

Due from Other Governments:		
Prop 10 Revenues:		
May and June 2023 Allocations	\$	147,757
CA Electronic Cigarette Excise Tax		16,883
Surplus Money Investment Fund Allocations		4,639
County of Yolo – Welcome Baby program		251,285
County of Yolo – Childcare Recovery		523,087
County of Yolo – The CHILD Project: Road to Resilience		64,505
First 5 Placer – Refugee Family Support		32,731
Office of Child Abuse Prevention- Road to Resilience		132,533
First 5 California- Multiple Grants		112,711
Total Due from Other Governments		1,286,132
CommuniCare Health Centers- ACEs PRACTICE		63,809
Total Due from Other Governments & Accounts Receivable	\$	1,349,941

**FIRST 5 YOLO COUNTY CHILDREN AND FAMILIES COMMISSION**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**Note 4. Capital Assets**

A summary of changes in capital assets for the year ended June 30, 2023 is as follows:

	<u>Balance</u> <u>July 1, 2022</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2023</u>
Capital Assets: Equipment	\$ 8,669	\$ --	\$ --	\$ 8,669
Less Accumulated Depreciation	(8,669)	--	--	(8,669)
Capital Assets, Net	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>

**Note 5. Commitments – Leases - Implementation of GASB 87**

In the fiscal year ended June 30, 2022, the Commission implemented Governmental Accounting Standards (GASB) Statement No. 87, *Leases*. GASB Statement No. 87 enhances the relevance and consistency of information of the government's leasing activities. It establishes requirements for lease accounting based on the principle that leases are financings of the right to use an underlying asset. A lessee is required to recognize a lease liability and an intangible right to use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

Currently, the Commission has a two-year lease for office space that commenced on November 15, 2022. Monthly payments are \$890 for the first twelve months and \$917 for the following twelve months. In accordance with GASB Statement No. 87, the lease asset and lease liability were valued at \$19,389. The annual interest rate applicable to the lease was determined to be 2.40%.

Following is a summary of lease activity for the year ended June 30, 2023:

Lease Asset, 11/15/22	\$ 19,389
Accumulated Depreciation	<u>(6,059)</u>
Lease Asset, net of accumulated depreciation, 6/30/23	<u>\$ 13,330</u>

Depreciation expense for the fiscal year ended June 30, 2023 was \$6,059.

Lease Liability, 11/15/22	\$ 19,389
Principal Payments	<u>(4,644)</u>
Lease Liability, 6/30/23	<u>\$ 14,745</u>

Interest expense for the fiscal year ended June 30, 2023 was \$251.

**FIRST 5 YOLO COUNTY CHILDREN AND FAMILIES COMMISSION**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**Note 6. Grants and Contracts Payable**

The Commission's primary expenditures consist of funding to various governmental and non-profit agencies that provide services directly to children ages 0-5 and their families. The Commission generally funds grant recipients on a reimbursement of actual expenses incurred basis. The grantees are required to file quarterly cost reports detailing how much of the funding was used. At year end, grantees submit their final quarterly report and a payable is recorded. At June 30, 2023, the following was owed to grantees and was included in grants and contracts payable:

Grants and Contracts Payable

Children's Home Society of California	Childcare Recovery Package	\$ 42,824
CommuniCare Health Centers	Help Me Grow	19,780
CommuniCare Health Centers	The CHILD Project: Road to Resilience	130,377
CommuniCare Health Centers	Welcome Baby	138,679
Davis Arts Center	IMPACT2020	7,058
Northern California Children's Therapy Center	Yolo Baby	8,400
Northern California Children's Therapy Center	ACEs PRACTICE	20,841
Northern California Children's Therapy Center	Help Me Grow	186,693
RISE, Inc	Help Me Grow	1,868
RISE, Inc	IMPACT2020	24,228
Yolo County Children's Alliance	Childcare Recovery Package	10,000
Yolo County Children's Alliance	The CHILD Project: Road to Resilience	18,918
Yolo County Children's Alliance	Alternative Response	19,579
Yolo County Children's Alliance	Help Me Grow	20,731
Yolo County Children's Alliance	Welcome Baby	21,830
Yolo County Children's Alliance	IMPACT2020	22,956
Yolo County Children's Alliance	Newcomer Family Support	28,456
Yolo County Office of Education	IMPACT2020	39,583
Yolo Crisis Nursery	Help Me Grow	4,206
Yolo Crisis Nursery	Crisis Nursery Intervention Services	14,980
Yolo Crisis Nursery	Attachment & Biobehavioral Catch-Up	25,343
Yolo Crisis Nursery	Capital Campaign Contribution	100,000
Other Contracts Payable	Multiple	54,859
	Total Grants and Contracts Payable	<u>\$ 962,189</u>

**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.

**FIRST 5 YOLO COUNTY CHILDREN AND FAMILIES COMMISSION**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

***Note 8. Related Party Transactions***

The required composition of the Board of Commissioners includes members from the County and other local governments, community based organizations which serve children. Many of the programs funded by the Commission are operated by organizations represented by the Commissioners. Commissioners must abstain from voting on issues directly related to their respective organizations.

In fiscal year 2022-23 the County of Yolo and Yolo County Office of Education provided the following grants to the Commission:

<u>Program</u>	<u>Funding</u>
Attachment and Biobehavioral Catch-Up	\$ 84,750
Help Me Grow Program	\$ 503,956
Welcome Baby	\$ 936,956
Childcare Recovery Package	\$ 978,859
Preschool Development	\$ 17,406

The Commission also 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 incurred expenses totaling \$33,638 for all other County services provided during the year ended June 30, 2023.

***Note 9. 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, 2023, the Commission expended \$113,601 for program evaluation.

***Note 10. Defined Benefit Pension Plan***

***Plan Description*** - The Commission employees participate in the County of Yolo's Miscellaneous defined benefit pension plan administered by the State of California Public Employees' Retirement System (CalPERS), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for California cities and governmental jurisdictions, which participate in this retirement plan.

***Benefits Provided*** - CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

**FIRST 5 YOLO COUNTY CHILDREN AND FAMILIES COMMISSION**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**Note 10. Defined Benefit Pension Plan (continued)**

*Contributions* - Rates for the County's contributions are set by CalPERS based upon annual experience of County members and on periodic actuarial valuations. The contribution rate for the Commission is established by the County of Yolo. The employer contribution rate for the fiscal year ended June 30, 2023, was 32.78%. For the fiscal year ended June 30, 2023, the Commission was required to contribute \$189,565 to the County of Yolo for the plan. The Commission made all required contributions.

*Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions* - At June 30, 2023, the Commission reported a liability of \$1,331,786 for its proportionate share of the County's net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021. For the year ended June 30, 2023, the Commission recognized a pension expense of \$348,566. At June 30, 2023, the Commission reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ 139,642	\$(12,651)
Change in proportion	441,473	-
Difference between expected and actual experience	5,170	-
Changes of assumptions	87,014	-
Employer contributions paid by the Commission		
Subsequent to the measurement date	189,565	-
Total	<u>\$ 862,864</u>	<u>\$(12,651)</u>

The \$189,565 reported as deferred outflows of resources related to pensions resulting from the Commission's contributions to the County's plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024.

The net difference between projected and actual earnings on pension plan investments is amortized over a 5-year period on a straight line basis. One-fifth was recognized in pension expense during the measurement period, and the remaining net difference between projected and actual earnings on pension plan investments at June 30, 2022 is to be amortized over the remaining 3 year period.

Year Ended June 30,	
2023	\$ 132,130
2024	176,173
2025	176,173
2026	176,172
2027	-
Total	<u><u>\$ 660,648</u></u>

*Actuarial methods and assumptions Used to Determine Total Pension Liability* - The Commission's proportion of the County's net pension liability was based on the Commission's FY 2021 actual contributions to the County's pension plan relative to the total contributions of the County as a whole. At June 30, 2021, the Commission's proportionate share (based on Contributions) was 0.3951% and at June 30, 2022 the Commission's proportionate share was 0.4558%, an increase of 0.0607%.

**FIRST 5 YOLO COUNTY CHILDREN AND FAMILIES COMMISSION**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**Note 10. Defined Benefit Pension Plan (continued)**

The components of the Commission's proportionate share of the Plan net pension liability as of June 30, 2022 and June 30, 2023 are as follows:

Commission's Proportionate Share	2022	2023
Total Pension liability	\$ 3,313,289	\$ 4,079,564
Less: Plan fiduciary net position	2,607,243	2,767,778
Net Pension Liability	\$ 706,046	\$ 1,331,786

For the measurement period ended June 30, 2022 (measurement date), the total pension liability was determined by rolling forward the June 30, 2021 total pension liability using **standard roll-forward procedures**. The Commission's proportion of the County's total pension liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial valuation date	June 30, 2021
Measurement date	June 30, 2022
Measurement period	July 1, 2021-June 30, 2022
Actuarial cost method	Entry age normal cost method
<b>Actuarial Assumptions:</b>	
Discount Rate	6.90%
Investment rate of return	7.00%
Inflation	2.50%
Projected Salary increases	Varies by Entry Age and Service

The mortality table used was developed based on CalPERS's specific data. The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from December 2017 that can be found on the CalPERS website.

All other actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study for the period from 1997 to 2015, including updates to salary increase, mortality and retirement rates. The Experience Study report can be obtained at CalPERS' website under Forms and Publication at [www.calpers.ca.gov](http://www.calpers.ca.gov).

**Changes of Assumptions** – There were no changes of assumptions for the measurement period ended June 30, 2022.



**FIRST 5 YOLO COUNTY CHILDREN AND FAMILIES COMMISSION**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**Note 10. Defined Benefit Pension Plan (continued)**

**Discount rate** - The discount rate used to measure the total pension liability was 6.90 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and contributions from employers will be made at statutory required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Long-Term Expected Real Rate of Return** - 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 plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all of the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses. The expected real rates of return by asset class are as followed:

Asset Class(A)	Target Allocation	Real Return, Years 1 -10 (B)	Real Return Years 11+ (C)
Global Equity	50.00%	4.80%	5.98%
Fixed Income	28.00%	1.00%	2.62%
Inflation Assets	0.00%	77.00%	1.81%
Private Equity	8.00%	6.30%	7.23%
Real Assets	13.00%	3.75%	4.93%
Liquidity	1.00%	0.00%	-0.92%
	<u>100.00%</u>		

(A) In the County's System's ACFR, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.

(B) An expected inflation of 2.00% used for this period

(C) An expected inflation of 2.92% used for this period

**Sensitivity of the Commission's proportionate share of the County's net pension liability to changes in the discount rate** - The following table presents the Commission's proportionate share of the County's net pension liability calculated using the discount rate of 6.90 percent, as well as what the Commission's proportionate share of the County's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.90%) or 1-percentage-point higher (7.90%) than the current rate:

	1.00% Decrease (5.90%)	Current Discount Rate (6.90%)	1.00% Increase (7.90%)
Commission's proportionate share of the County's net pension liability	\$ 1,860,980	\$ 1,311,786	\$ 859,597

**FIRST 5 YOLO COUNTY CHILDREN AND FAMILIES COMMISSION**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**Note 10. Defined Benefit Pension Plan (continued)**

*Pension plan changes in the net pension plan liability and pension plan fiduciary net position* - Detailed information about the County's collective net pension liability and plan fiduciary net position is available in the County's separately issued Comprehensive Annual Financial Report (CAFR). The County of Yolo's financial statements may be obtained by contacting the County of Yolo, Department of Financial Services, 625 Court Street, Room 103, Woodland, California 95695 or visiting the County's website at [www.yolocounty.org](http://www.yolocounty.org). Detailed information about the CalPERS fiduciary net position is available in a separately issued CalPERS comprehensive annual financial report. Copies of the CalPERS annual report may be obtained from CalPERS Headquarters, Lincoln Plaza North, 400 Q Street, Sacramento, California 95811, or visiting [www.calpers.ca.gov](http://www.calpers.ca.gov).

**Note 11. Retiree Medical Plan – Other Postemployment Benefits**

*Plan Description.* The Commission is a participant in the County of Yolo's Retiree Medical Plan (the Plan). The County of Yolo Retiree Healthcare Plan (the Plan) provides postemployment medical and dental insurance to retired employees through a multiple-employer defined benefit OPEB plan. Medical insurance benefits are administered by the California Public Employee's Retirement System, (CalPERS), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for participating public entities within the State of California, in accordance to the Public Employees Medical and Hospital Care Act (PEMHCA). To be eligible, an employee must retire under the CalPERS program within 120 days of separation from employment from Yolo County. Dental insurance is provided through Yolo County's Dental Self Insurance program. Medical and dental insurance benefits for retirees are continued based on current labor agreements. In order to fund retiree health benefits, the County established an irrevocable trust with Public Agency Retirement Services (PARS), an agent multiple-employer OPEB plan. The employer contribution rate for the fiscal year ended June 30, 2023, was 7.7%. PARS issues a separate annual financial report and copies of the report may be obtained by writing to PARS at 4350 Von Karman Ave., Suite 100, Newport Beach, CA 92660 or by calling 800-540-6369.

Employers participating in the Plan are required to report OPEB information in their financial statements in accordance with Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

GASB 75 requires that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

Valuation Date	June 30, 2022
Measurement Date	June 30, 2022
Measurement Period	July 1, 2021 to June 30, 2022

The accompanying schedules were prepared in accordance with U.S. generally accepted accounting principles as applicable to governmental organizations.

*Actuarial Methods and Assumptions Used to Determine Total OPEB Liability* - The components of the Plan net OPEB liability as of measurement dates June 30, 2016 to 2022 are as follows:

Commission's Proportionate Share	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Total OPEB liability	\$272,668	\$222,445	\$202,523	\$174,408	\$216,804	\$339,275	\$344,188
Less: Plan fiduciary net position	6,201	18,062	28,856	34,011	50,316	117,305	127,930
Net OPEB liability of employers	<u>\$266,467</u>	<u>\$204,383</u>	<u>\$173,667</u>	<u>\$140,397</u>	<u>\$166,488</u>	<u>221,970</u>	<u>216,258</u>

**FIRST 5 YOLO COUNTY CHILDREN AND FAMILIES COMMISSION**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**Note 11. Retiree Medical Plan – Other Postemployment Benefits (continued)**

The Commission's proportionate share of the County's net OPEB liability of the Plan was measured as of June 30, 2022, using an actuarial valuation as of June 30, 2022. At June 30, 2022, the Commission reported a Net OPEB liability of \$216,258 for its proportionate share of the County's Net OPEB liability. The Commission's proportion of the County's net OPEB liability was based on the Commission's FY 2021-2022 actual contributions to the County's the Plan relative to the total contributions of the County as a whole. At June 30, 2021, the Commission's proportionate share was 0.3770% and at June 30, 2022 the Commission's proportionate share was 0.4195%, an increase of 0.0425%.

The June 30, 2022 total OPEB liabilities for the Plan were based on the following actuarial methods and assumptions:

Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Inflation:	2.75% annually
Salary Increases:	Aggregate 2.75% annually;
Discount rate and Long-term expected rate of return:	6.75% at June 30, 2022; Expected County contributions projected to keep sufficient plan assets to pay all benefits from trust.
Mortality, Retirement, Disability, Termination:	CalPERS 2000-2019 Experience Study
Healthcare Cost Trend Rate:	Non-Medicare – 7% for 2022, decreasing to an ultimate rate of 4% in 2076; Medicare (Non-Kaiser) – 6.1% for 2022, decreasing to an ultimate rate of 4% in 2076; Medicare (Kaiser) – 5% for 2022, decreasing to an ultimate rate of 4% in 2076.

Mortality information was derived from data collected during the 2000-2019 CalPERS Experience Study and post-retirement mortality information was derived from the 2000-2019 CalPERS Experience Study which assumed future mortality improvements using Society of Actuaries (SOA) Scale MP-2021. The Experience Study Reports may be accessed on the CalPERS website [www.calpers.ca.gov](http://www.calpers.ca.gov) under Forms and Publications.

*Changes of Assumptions* – In 2022, the discount rate decreased from 6.75% to 6.50% based on newer capital market assumptions, Experience Study was updated to CalPERS 2000-2019, Medical Trend was updated, Mortality improvement scale was updated to Scale MP-2021.

*Target Asset Allocation* – The long-term expected rate of return on the Plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and most recent best estimates of arithmetic real rates of return for each major asset class are summarized in the table below. The County's investment guidelines for OPEB are detailed in the "Investment Guidelines Document - Yolo County Other Post-Employment Benefits Trust - March 2017." The following is the Board's adopted asset allocation policy for OPEB:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Expected Real Rate of Return</u>
Global Equity	75.0%	4.56%
Fixed Income	20.0%	0.78%
Cash	5.0%	(0.50%)
Total	<u>100.0%</u>	

\* Assumed long-term rate of inflation 2.50%; Expected long term net rate of return 6.25%.

**FIRST 5 YOLO COUNTY CHILDREN AND FAMILIES COMMISSION**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**Note 11. Retiree Medical Plan – Other Postemployment Benefits (continued)**

*Discount Rate* – The discount rate used to measure the total OPEB liability was 6.75 percent at June 30, 2022 and 6.50 percent at June 30, 2021. The projection of cash flows used to determine the discount rate assumed that employer 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.

*Sensitivity of the Net OPEB Liability to Changes in Discount Rate* – The following presents the net OPEB liability as of the measurement date, calculated using the discount rate of 6.75 percent, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1 percentage-point lower (5.75 percent) or 1 percentage-point higher (7.75 percent) than the current rate:

	1.00% Decrease (5.75%)	Current Discount Rate (6.75%)	1.00% Increase (7.75%)
Discount Rate			
Commission's proportionate share of the County's net OPEB liability	\$ 252,071	\$ 216,258	\$ 185,633

*Sensitivity of Net OPEB Liability to Changes in Healthcare Cost Trend Rate* – The following presents the Net OPEB liability as of June 30, 2020, calculated using the healthcare cost trend rate of 1 percent higher as well as using trend rate 1 percent lower than the current trend rates:

	1.00% Decrease (Trend -1%)	Current Trend Rate	1.00% Increase (Trend +1%)
Healthcare Cost Trend Rate*			
Commission's proportionate share of the County's net OPEB liability	\$ 202,926	\$ 216,258	\$ 230,775

\* See Healthcare Cost Trend Rate assumptions above

*Covered Participants* – At June 30, 2022, the measurement date, the following numbers of participants were covered by the benefit terms in the County Misc. Plan. Commission employees participate in the County plan as Yolo County employees and, as such are included in these figures:

	<u>COUNTY</u>
Inactives currently receiving benefits	TBD
Inactives entitled to but not yet receiving Benefits	TBD
Active Employees	<u>1,546</u>
Total	<u>2,702</u>

TBD - Covered participant counts were available to the actuary as of the valuation date (June 30, 2021), but updated counts were not provided to the actuary as of measurement date (June 30, 2022). Counts do not impact any other information in the actuary reports.

*Amortization of Deferred Outflows and Deferred Inflows of Resources* – The net difference between projected and actual earnings on OPEB plan investments is amortized over a 5-year period on a straight-line basis. One-fifth was recognized in OPEB expense during the measurement period, and the remaining net difference between projected and actual earnings on OPEB plan investments at June 30, 2022 is to be amortized over the remaining 3-year period.

**FIRST 5 YOLO COUNTY CHILDREN AND FAMILIES COMMISSION**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**Note 11. Retiree Medical Plan – Other Postemployment Benefits (continued)**

For the year ended June 30, 2023, the Commission recognized an OPEB expense of \$25,248. At June 30, 2023, the Commission reported deferred outflows of resources and deferred inflows of resources related to OPEBs from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on OPEB plan investments	\$ -	\$ (11,888)
Net difference between expected and actual experience	5,889	(31,598)
Change of assumptions	6,503	(16,407)
Change in proportion	84,147	--
Employer contributions paid by the Commission subsequent to the measurement date	42,951	--
Total	\$ 139,490	\$ (59,893)

The \$42,951 reported as deferred outflows of resources related to OPEBs resulting from the Commission's contributions to the County's plan subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2024.

The net difference between projected and actual earnings on OPEB plan investments is amortized over a 5-year period on a straight-line basis. One-fifth was recognized in OPEB expense during the measurement period, and the remaining net difference between projected and actual earnings on OPEB plan investments at June 30, 2022 is to be amortized over the remaining 2-year period:

Measurement Period Ending Year Ended June 30,	
2023	5,258
2024	5,095
2025	5,104
2026	4,179
2027	(2,263)
Thereafter	105,175
<b>Total</b>	<b>\$122,548</b>

**Note 12. Subsequent Events**

The Commission has evaluated subsequent events through October 18, 2023, the date which the financial statements were available to be issued. There were no subsequent events requiring disclosure.

**REQUIRED SUPPLEMENTARY INFORMATION**

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**FIRST 5 YOLO CHILDREN AND FAMILIES COMMISSION**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	Original Budget	Final Budget	Actual Amount	Variance With Final Budget
<b><u>Resources (Inflows)</u></b>				
Operating Grants and contributions:				
First 5 California Tobacco Tax Allocations	\$ 1,392,709	\$ 1,392,709	\$ 1,261,094	\$ (131,615)
First 5 California Grants	351,657	563,579	299,290	(264,289)
Other Grants	3,613,780	4,071,814	3,405,827	(665,987)
Other Miscellaneous Income	5,000	5,000	1,839	(3,161)
Unrealized Gain on Investments	-	-	15,847	15,847
Interest Income	10,000	10,000	34,456	24,456
Total Revenues	<u>5,373,146</u>	<u>6,043,102</u>	<u>5,018,353</u>	<u>(1,024,749)</u>
<b><u>Charges to Appropriations (Outflows)</u></b>				
Child Development:				
Personnel Costs	698,781	732,763	839,963	(107,200)
Program Funding	4,812,406	3,979,442	4,443,947	(464,505)
Operating Expenses	96,853	105,974	40,166	65,808
Professional Services	102,178	50,273	79,230	(28,957)
Contingency Funds	27,854	29,599	-	29,599
Total Expenditures	<u>5,738,072</u>	<u>4,898,051</u>	<u>5,403,306</u>	<u>(505,255)</u>
Net Change in Fund Balance	(364,926)	1,145,051	(384,953)	(1,530,004)
Fund Balance - Beginning of Year	<u>2,563,474</u>	<u>2,563,474</u>	<u>2,563,474</u>	
Fund Balance - End of Year	<u>\$ 2,198,548</u>	<u>\$ 3,708,525</u>	<u>\$ 2,178,521</u>	

See Accompanying Notes and Independent Auditor's Report.

**FIRST 5 YOLO COUNTY CHILDREN AND FAMILIES COMMISSION**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**JUNE 30, 2023**

**BUDGET AND BUDGETARY ACCOUNTING**

The Commission prepares and legally adopts a budget on or before June 30th of each fiscal year. The Commission operation, commencing July 1st, is governed by the proposed budget, adopted by the board of Commissioners by June of the prior fiscal year.

After the budget is approved, the Commission's executive director is authorized to adjust a line item appropriation within the total budget and must notify the Commission in writing. Changes in the total budget amount must be approved by the Commission. All such changes must be within the revenues and reserves estimated as available in the original budget or within revised revenue estimates as approved by the Commission.

An operating budget is adopted each fiscal year in the modified accrual basis of accounting. Additionally, encumbrance accounting is utilized to assure effective budgetary control. Encumbrances outstanding at year-end represent the estimated amount of the expenditures ultimately to result if the unpaid contracts in process at yearend are fully performed by year-end or purchase commitments satisfied. Unencumbered appropriations lapse at year-end and encumbrance balances that will not be honored are liquidated.

The legal level of budgetary control (the level on which expenditures may not legally exceed appropriations) is at the fund level.



**FIRST 5 YOLO COUNTY CHILDREN AND FAMILIES COMMISSION  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULES OF THE COMMISSION'S PROPORTIONATE SHARE OF THE  
NET PENSION LIABILITY AND CONTRIBUTIONS**

**NET PENSION LIABILITY – page 1 of 2**

Fiscal Year Ended June 30,	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Commission's proportion of the net pension liability	0.4558%	0.3951%	0.3069%	0.2533%
Commission's proportionate share of the County's net pension liability	\$1,311,786	\$ 706,046	\$ 810,135	\$ 627,316
Commission's proportionate share of covered payroll	\$462,110	\$391,487	\$ 292,450	\$ 245,900
Commission's proportionate share of the County's net pension liability as a percentage of covered employee payroll	283.87%	180.35%	277.02%	278.78%
Plan fiduciary net position as a percentage of the total pension liability	67.84%	78.69%	67.19%	67.79%
Measurement date:	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019

**CONTRIBUTIONS – page 1 of 2**

Fiscal Year Ended June 30,	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Actuarially determined contributions	\$144,787	\$ 112,240	\$ 78,968	\$ 86,378
Contributions in relation to the actuarially determined contribution	(156,809)	(123,077)	(83,184)	(86,378)
Contribution deficiency (excess)	\$ (12,022)	\$ (10,837)	\$ (4,216)	\$ -
Commission's covered-employee payroll	\$ 462,110	\$ 391,487	\$ 292,450	\$ 295,293
Contributions as a percentage of covered-employee payroll	33.93%	31.44%	28.44%	29.25%

See Accompanying Independent Auditor's Report

**FIRST 5 YOLO COUNTY CHILDREN AND FAMILIES COMMISSION  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULES OF THE COMMISSION'S PROPORTIONATE SHARE OF THE  
NET PENSION LIABILITY AND CONTRIBUTIONS**

**NET PENSION LIABILITY – page 2 of 2**

Fiscal Year Ended:	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Commission's proportion of the net pension liability	0.3063%	0.3530%	0.4923%	0.5129%	0.7668%
Commission's proportionate share of the County's net pension liability	\$ 709,780	\$ 826,217*	\$ 1,022,270	\$ 866,207	\$ 1,244,674
Commission's proportionate share of covered payroll	\$ 260,523	\$ 287,051	\$ 542,750	\$ 670,560	\$ 654,775
Commission's proportionate share of the County's net pension liability as a percentage of covered employee payroll	273.01%	280.16%	260.48%	230.89%	228.48%
Plan fiduciary net position as a percentage of the total pension liability	68.24%	66.71%	67.41%	72.06%	72.06%
Measurement date:	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014

**CONTRIBUTIONS – page 2 of 2**

Fiscal Years Ended June 30,	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contributions	\$ 60,299	\$ 61,793	\$ 66,248	\$ 86,150	\$ 79,185
Contributions in relation to the actuarially determined contribution	(60,299)	(61,793)	(66,248)	(86,150)	(79,185)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Commission's covered-employee payroll	\$ 245,900	\$ 260,523	\$ 287,051	\$ 542,750	\$ 670,560
Contributions as a percentage of covered-employee payroll	23.32%	23.72%	23.08%	15.87%	11.81%

\*During the Fiscal Year 2017-18, CalPERS employees participate in various State of California agent pension plans and during Fiscal Year 2017-18, CalPERS recorded a correction to previously reported financial statements to properly reflect its proportionate share of activity related to pensions in accordance with GASB Statement No. 68, Accounting and Financial Reporting for Pensions (GASB 68). Initially reported as \$716,913.

**FIRST 5 YOLO COUNTY CHILDREN AND FAMILIES COMMISSION  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULES OF THE COMMISSION'S PROPORTIONATE SHARE OF THE  
NET PENSION LIABILITY AND CONTRIBUTIONS**

**CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS – page 1 of 2**

	Fiscal Years Ended June 30,			
	2023	2022	2021	2020
<u>Total Pension Liability (Commission's proportionate share of County)</u>				
Service cost	\$81,655	\$63,538	\$47,757	\$37,675
Interest on total pension liability	267,243	224,463	167,301	131,913
Assumption Changes	130,521	-	-	-
Actual vs. expected experience	(18,976)	11,143	18,463	26,160
Benefit payments, including refunds of employee contributions	(203,194)	(164,565)	(123,875)	(96,614)
<b>Net change in total pension liability</b>	<b>257,249</b>	<b>134,580</b>	<b>109,646</b>	<b>(99,135)</b>
Change in proportions	-	-	412,079	(386,724)
<b>Total pension liability - beginning</b>	<b>3,822,316</b>	<b>3,178,708</b>	<b>1,947,385</b>	<b>2,234,974</b>
<b>Total pension liability - ending (a)</b>	<b>\$4,079,565</b>	<b>\$3,313,288</b>	<b>\$2,469,110</b>	<b>\$1,947,385</b>
<b>Plan Fiduciary Net Position</b>				
Contributions – employer (proportionate)	\$156,809	\$123,077	\$83,184	\$56,093
Contributions – employee(proportionate)	37,413	29,502	22,494	17,053
Net investment income	(228,840)	485,617	80,022	83,149
Benefit payments	(203,194)	(164,565)	(123,874)	(96,614)
Net plan to plan resource movement	(333)	-	-	-
Administrative expense	(1,874)	(2,133)	(2,255)	(900)
Other Misc Income/(Expense)	-	-	-	3
<b>Net change in plan fiduciary net position</b>	<b>(240,019)</b>	<b>471,495</b>	<b>59,571</b>	<b>58,784</b>
<b>Change in proportions</b>	<b>-</b>	<b>-</b>	<b>279,335</b>	<b>(263,909)</b>
<b>Plan fiduciary net position - beginning</b>	<b>3,007,798</b>	<b>2,135,748</b>	<b>1,320,069</b>	<b>1,525,194</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>\$2,767,778</b>	<b>\$2,607,243</b>	<b>\$1,658,975</b>	<b>\$1,320,069</b>
<b>Net pension liability - ending (a)-(b)</b>	<b>\$1,311,786</b>	<b>\$706,046</b>	<b>\$810,135</b>	<b>\$627,316</b>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	<b>67.84%</b>	<b>78.69%</b>	<b>67.19%</b>	<b>67.79%</b>
<b>Covered payroll – as a proportion of Yolo County</b>	<b>\$462,110</b>	<b>\$ 391,487</b>	<b>\$ 292,450</b>	<b>\$ 225,020</b>
<b>Plan net pension liability/(asset) as a percentage of covered payroll</b>	<b>283.87%</b>	<b>180.35%</b>	<b>277.02%</b>	<b>278.78%</b>
<b>Measurement Date June 30,:</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>

See Accompanying Independent Auditor's Report

**FIRST 5 YOLO COUNTY CHILDREN AND FAMILIES COMMISSION  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULES OF THE COMMISSION'S PROPORTIONATE SHARE OF THE  
NET PENSION LIABILITY AND CONTRIBUTIONS**

**CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS – page 2 of 2**

	Fiscal Years Ended June 30,				
	2019	2018	2017	2016	2015
<u>Total Pension Liability (Commission's proportionate share of County)</u>					
Service cost	\$43,670	\$49,606	\$59,834	\$58,956	\$91,047
Interest on total pension liability	151,235	167,812	226,314	223,629	323,858
Assumption Changes	(17,140)	138,094	-	(53,662)	-
Actual vs. expected experience	10,072	(7,511)	30,627	(40,205)	-
Benefit payments, including refunds of employee contributions	(198,430)	(115,185)	(155,554)	(152,525)	(213,739)
<b>Net change in total pension liability</b>	<b>81,297</b>	<b>232,816</b>	<b>161,221</b>	<b>36,193</b>	<b>201,166</b>
Change in proportions	(328,360)	(887,582)	(124,512)	(1,516,720)	-
<b>Total pension liability - beginning</b>	<b>2,482,038</b>	<b>3,136,804</b>	<b>3,100,095</b>	<b>4,580,622</b>	<b>4,379,456</b>
<b>Total pension liability - ending (a)</b>	<b>\$2,234,974</b>	<b>\$2,482,038</b>	<b>\$3,136,804</b>	<b>\$3,100,095</b>	<b>\$4,580,622</b>
<b>Plan Fiduciary Net Position</b>					
Contributions – employer (proportionate)	\$58,923	\$66,165	\$85,386	\$78,290	\$102,631
Contributions – employee (proportionate)	20,529	22,268	30,807	29,675	43,842
Net investment income	122,012	168,601	11,037	49,586	500,118
Benefit payments	(106,540)	(115,185)	(155,554)	(152,525)	(213,739)
Administrative expense	(2,243)	(2,239)	(1,307)	(2,500)	-
Other Misc Income/(Expense)	(4,252)	-	-	-	-
<b>Net change in plan fiduciary net position</b>	<b>88,429</b>	<b>139,610</b>	<b>(29,632)</b>	<b>2,526</b>	<b>432,852</b>
<b>Change in proportions</b>	<b>(219,056)</b>	<b>(598,323)</b>	<b>(89,721)</b>	<b>(1,104,587)</b>	<b>-</b>
<b>Plan fiduciary net position - beginning</b>	<b>1,655,821</b>	<b>2,114,534</b>	<b>2,233,888</b>	<b>3,335,948</b>	<b>2,903,096</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>\$1,525,194</b>	<b>\$1,655,821</b>	<b>\$2,114,534</b>	<b>\$2,233,888</b>	<b>\$3,335,948</b>
<b>Net pension liability - ending (a)-(b)</b>	<b>\$709,780</b>	<b>\$826,217</b>	<b>\$1,022,270</b>	<b>\$866,207</b>	<b>\$1,244,674</b>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	<b>68.24%</b>	<b>66.71%</b>	<b>67.41%</b>	<b>72.06%</b>	<b>72.83%</b>
<b>Covered payroll – as a proportion of Yolo County</b>	<b>\$ 259,986</b>	<b>\$294,907</b>	<b>\$392,455</b>	<b>\$375,157</b>	<b>\$ 544,768</b>
<b>Plan net pension liability/(asset) as a percentage of covered payroll</b>	<b>273.01%</b>	<b>280.16%</b>	<b>260.48%</b>	<b>230.89%</b>	<b>228.48%</b>
<b>Measurement Date June 30,:</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>

**FIRST 5 YOLO COUNTY CHILDREN AND FAMILIES COMMISSION  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULES OF CHANGES IN THE NET OPEB LIABILITY AND RELATED  
RATIOS AND CONTRIBUTIONS**

**CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS \***

<u>Total OPEB Liability (Commission's proportionate share of County)</u>	<b>Fiscal Year 2022-2023</b>	<b>Fiscal Year 2021-2022</b>	<b>Fiscal Year 2020-2021</b>
Service cost	\$ 11,770	\$ 9,791	\$ 6,583
Interest on total OPEB liability	24,454	21,670	13,913
Change of benefit terms	1,254	-	-
Difference -actual vs. expected experience	(30,556)	-	6,094
Assumption changes	(14,101)	8,136	(1,547)
Benefit payments, including refunds of employee contributions	(26,157)	(23,129)	(15,563)
Change in proportions	-	-	32,916
<b>Net change in total OPEB liability</b>	<b>(33,336)</b>	<b>16,468</b>	<b>42,397</b>
<b>Total OPEB liability - beginning</b>	<b>377,524</b>	<b>322,807</b>	<b>174,408</b>
<b>Total OPEB liability - ending (a)</b>	<b>\$ 344,188</b>	<b>\$ 339,275</b>	<b>\$ 216,805</b>
<b>Plan Fiduciary Net Position</b>			
Contributions - employer	\$ 46,461	\$ 38,864	\$ 24,822
Net investment income	(22,129)	27,203	958
Benefit payments	(26,157)	(23,129)	(15,563)
Administrative expense	(776)	(611)	(291)
Change in proportions	-	-	(6,420)
<b>Net change in plan fiduciary net position</b>	<b>(2,600)</b>	<b>42,327</b>	<b>16,346</b>
<b>Plan fiduciary net position - beginning</b>	<b>130,531</b>	<b>74,978</b>	<b>34,011</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>\$ 127,930</b>	<b>\$ 117,305</b>	<b>\$ 50,357</b>
Net OPEB liability - ending (a)-(b)	\$ 216,258	\$ 221,970	\$ 166,448
Plan fiduciary net position as a percentage of the total OPEB liability	37.17%	34.58%	23.20%
Covered payroll – as a proportion of Yolo County	\$552,870	\$469,984	\$311,423
Net OPEB liability as percentage of covered payroll	39.12%	47.23%	53.4%
Measurement Date:	6/30/2022	6/30/2021	6/30/2020

**CONTRIBUTIONS - For Fiscal Years ended June 30,**

	<b>2023</b>	<b>2022</b>	<b>2021</b>
Actuarially determined contributions	\$ 40,905	\$ 35,649	\$ 24,550
Contributions in relation to the actuarially determined contribution	(46,213)	(41,754)	(26,044)
Contribution deficiency (excess)	\$ (5,308)	\$ (6,105)	\$ (1,493)
Commission's covered employee payroll (**)	\$ 612,027	\$ 496,854	\$ 315,652
Contributions as a percentage of covered-employee payroll	7.55%	8.40%	8.30%

See Accompanying Independent Auditor's Report

**FIRST 5 YOLO COUNTY CHILDREN AND FAMILIES COMMISSION  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULES OF CHANGES IN THE NET OPEB LIABILITY AND RELATED  
RATIOS AND CONTRIBUTIONS**

**CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS \***

<u>Total OPEB Liability (Commission's proportionate share of County)</u>	<u>Fiscal Year 2019-2020</u>	<u>Fiscal Year 2018-2019</u>	<u>Fiscal year 2017-2018</u>
Service cost	\$ 5,377	\$ 8,705	\$ 9,048
Interest on total OPEB liability	11,425	13,654	14,004
Actual vs. expected experience	-	(9,691)	-
Assumption Changes	-	(5,070)	-
Benefit payments, including refunds of employee contributions	(12,561)	(12,848)	(13,993)
Change in proportions	(32,356)	(14,672)	-
<b>Net change in total OPEB liability</b>	<b>(28,115)</b>	<b>(19,922)</b>	<b>9,059</b>
<b>Total OPEB liability - beginning</b>	<b>202,523</b>	<b>222,445</b>	<b>213,386</b>
<b>Total OPEB liability - ending (a)</b>	<b>\$ 174,408</b>	<b>\$ 202,523</b>	<b>\$ 222,445</b>
<b>Plan Fiduciary Net Position</b>			
Contributions - employer	\$ 20,657	\$ 23,128	\$ 25,870
Net investment income	1,869	1,826	1,362
Benefit payments	(12,561)	(12,848)	(13,993)
Administrative expense	(199)	(120)	(30)
Change in proportions	(4,611)	(1,192)	-
<b>Net change in plan fiduciary net position</b>	<b>5,155</b>	<b>10,794</b>	<b>13,209</b>
<b>Plan fiduciary net position - beginning</b>	<b>28,856</b>	<b>18,062</b>	<b>4,853</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>\$ 34,011</b>	<b>\$ 28,856</b>	<b>\$ 18,062</b>
<b>Net OPEB liability - ending (a)-(b)</b>	<b>\$ 140,397</b>	<b>\$ 173,667</b>	<b>\$ 204,383</b>
Plan fiduciary net position as a percentage of the total OPEB liability	19.50%	14.25%	8.12%
Covered payroll – as a proportion of Yolo County	\$230,867	\$260,486	\$270,977
Net OPEB liability as percentage of covered payroll	60.8%	66.67%	75.42%
Measurement Date:	6/30/2019	6/30/2018	6/30/2017

**CONTRIBUTIONS - For Fiscal Years ended June 30,**

	<b>2020</b>	<b>2019</b>	<b>2018</b>
Actuarially determined contributions	\$ 24,230	\$ 20,842	\$ 21,571
Contributions in relation to the actuarially determined contribution	(24,230)	(20,842)	(21,571)
Contribution deficiency (excess)	\$ -	\$ -	\$ -
Commission's covered employee payroll (**)	\$ 295,293	\$ 260,523	\$ 260,523
Contributions as a percentage of covered-employee payroll	8.21%	8.48%	8.28%

See Accompanying Independent Auditor's Report

**FIRST 5 YOLO COUNTY CHILDREN AND FAMILIES COMMISSION  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULES OF CHANGES IN THE NET OPEB LIABILITY AND RELATED  
RATIOS AND CONTRIBUTIONS**

\* Historical information is required only for measurement periods for which GASB 75 is applicable. Future years' information will be displayed up to 10 years as information becomes available.

\*\* For the 12-months ended June 30, 2023, 2022, 2021, 2020, 2019 and 2018 respectively

In accordance with Actuarial Standards of Practice, the following methods and assumptions were used to for the 2022-23 actuarially determined contribution rates:

- a) Actuarial valuation date: June 30, 2022
- b) Actuarial cost method: Entry Age Normal
- c) Amortization method: Level Percent of Payroll
- d) Amortization period: 13 year fixed period for 2022-23
- e) Asset valuation method: Investment gains and losses spread over 5-year rolling period
- f) Discount rate: 6.75%
- g) General Inflation: 2.75%
- h) Investment rate of return: 6.75% Net of OPEB Plan Investment and Administrative Expense;
- i) Mortality: CalPERS 2000-2019 Experience Study
- j) Mortality Improvement: Mortality Projected fully generational with Scale MP-2021

The full GASB 75 Actuarial Report is available on the County's website, [www.yolocounty.org](http://www.yolocounty.org)

**SUPPLEMENTARY INFORMATION**

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**FIRST 5 YOLO COUNTY CHILDREN AND FAMILIES COMMISSION  
SCHEDULE OF THE STATUS OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2023**

**No Findings noted in prior year audit (Fiscal year ended June 30, 2022).**

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**FIRST 5 YOLO COUNTY  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2023**

<u>Federal Grantor</u>	<u>Assistance Listing Number</u>	<u>Pass-Through Grantor's Number</u>	<u>Federal Expenditures</u>	<u>Expenditures to Subrecipients</u>
<b><u>US Department of the Treasury</u></b>				
<b>Passed through Yolo County, County Administrator's Office</b>				
Coronavirus State and Local Fiscal Recovery Funds	21.027	4312	\$ 978,859	\$ -
Coronavirus State and Local Fiscal Recovery Funds	21.027	4191	936,956	254,739
<b><u>Total US Department of the Treasury</u></b>			<b><u>1,915,815</u></b>	<b><u>254,739</u></b>
<b><u>US Department of Health and Human Services (subteir = Administration for Children and Families)</u></b>				
<b>Passed through CA Office of Child Abuse Prevention (OCAP)</b>				
Child Abuse and Neglect State Grants	93.669	RR-F5Y-22-24	600,000	568,500
<b><u>Total US Department of Health and Human Services</u></b>			<b><u>600,000</u></b>	<b><u>568,500</u></b>
<b>Total Federal Awards Expended</b>			<b><u>\$ 2,515,815</u></b>	<b><u>\$ 823,239</u></b>

The Commission elected to use the 10% de minimis cost rate to charge indirect costs to programs.

**FIRST 5 YOLO COUNTY CHILDREN AND FAMILIES COMMISSION  
NOTES TO SUPPLEMENTARY INFORMATION  
JUNE 30, 2023**

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Commission and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

DRAFT

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**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***

Board of Commissioners  
First 5 Yolo County Children and Families Commission  
Davis, California

We have audited, in accordance with the 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 each major fund of First 5 Yolo County Children and Families Commission (Commission), a component unit of Yolo County, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements and have issued our report thereon dated October 18, 2023.

**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 may exist that have not been identified.

**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 determination of financial statement amounts. 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 Commission’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 Commission’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Jensen Smith  
Certified Public Accountants, Inc.  
Lincoln, California  
October 18, 2023



Making a Lasting Contribution  
To our Clients, To our Community, To our Profession

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR  
FEDERAL PROGRAM, REPORT ON INTERNAL CONTROL OVER  
COMPLIANCE, AND REPORT ON SCHEDULE OF EXPENDITURES OF  
FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

Board of Commissioners  
First 5 Yolo Children and Families Commission  
Davis, California

**Report on Compliance for Major Federal Program**

***Opinion on Major Federal Program***

We have audited First 5 Yolo Children and Families Commission's (the Commission) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Commission's major federal programs for the year ended June 30, 2023. The Commission's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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 its major federal program for the year ended June 30, 2023.

***Basis for Opinion on Major Federal Program***

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 (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance 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 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 on compliance for the major federal program. 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 Commission's federal programs.

### ***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 Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that 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 each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, 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 Example Entity's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of Example Entity'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 Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control over compliance. Accordingly, no such opinion is expressed.

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 identified 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 with a type of compliance requirement of a federal program 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 material noncompliance

with a type of compliance requirement of a federal program 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 with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by 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 internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

#### **Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of the Commission as of and for the year ended June 30, 2023, and have issued our report thereon dated October 18, 2023, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Jensen Smith  
Certified Public Accountants, Inc.  
Lincoln, California  
October 18, 2023



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## INDEPENDENT AUDITOR'S REPORT ON STATE COMPLIANCE

Board of Commissioners  
First 5 Yolo County Children and Families Commission  
Davis, California

### Report on Compliance

#### *Opinion*

We have audited the First 5 Yolo County Children and Families Commission's (the Commission) 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, 2023.

In our opinion, First 5 Yolo Children and Families 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, 2023.

#### *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 the 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 *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:

<u>Description</u>	<u>Audit Guide Procedures</u>	<u>Procedures Performed</u>
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.

### **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 internal control over compliance is solely to describe the scope of our testing of internal control 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.

Jensen Smith  
Certified Public Accountants, Inc.  
Lincoln, California  
October 18, 2023

**FIRST 5 YOLO COUNTY CHILDREN AND FAMILIES COMMISSION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2023**

**Section I - Summary of Audit Results**

<i>Financial Statements</i>		
Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP [ <i>Unmodified, Qualified, Adverse, or Disclaimer</i> ]: <b>Unmodified</b>		
Internal control over financial reporting:		
• Material weakness(es) identified?	_____ yes	___X___ no
• Significant deficiency(ies) identified?	_____ yes	___X___ no
Noncompliance material to financial statements noted?	_____ yes	___X___ no
<i>Federal Awards</i>		
Internal control over financial reporting:		
• Material weakness(es) identified?	_____ yes	___X___ no
• Significant deficiency(ies) identified?	_____ yes	___X___ no
Type of auditor's report issued on compliance for major federal programs [ <i>Unmodified, Qualified, Adverse, or Disclaimer</i> ]: <b>Unmodified</b>		
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	_____ yes	___X___ no
Identification of major federal programs:		
CFDA Number(s)	Name of Federal Program or Cluster	
CFDA No.: 21.027 Coronavirus State and Local Fiscal Recovery Funds – Passed through Yolo County, County Administrator's Office		
Dollar threshold used to distinguish between type A and type B programs:	\$750,000	
Auditee qualified as low-risk auditee?	___X___ yes	_____ no

P.O. Box 160  
Lincoln, CA 95648  
Office (916) 434-1662  
Fax (916) 434-1090

October 18, 2023

Board of Commissioners  
First 5 Yolo  
Davis, California

Dear Commissioners,

Thank you for your confidence in choosing us for your auditing needs.

In planning and performing our audit of the financial statements of First 5 Yolo (the Commission) for the year ended June 30, 2023, we considered the Commission's internal control in order to determine our auditing procedures for the purpose of expressing an opinion 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 separate letter dated October 18, 2023, contains our report on the Commission's internal control. This letter does not affect our report dated October 18, 2023, on the financial statements of the Commission.

As always, please feel free to contact us if you have any questions.

We wish you success in fiscal year 2023-2024.

Sincerely,

Jensen Smith  
Certified Public Accountants, Inc.  
Lincoln, California

**First 5 Yolo Children and Families Commission  
Agenda Item Cover Sheet**

*Attachments*

**Agenda Item- Approve and Adopt Fiscal Year 2022-2023 Independent Financial Audit**

***Background***

An independent financial audit is conducted annually for First 5 Yolo Children & Families Commission, as mandated by the Children & Families Act. Current Agenda Item #12 included a public hearing of the draft Audited Financial Statements for Fiscal Year ending June 30, 2023. Additional background information is included in the coversheet for Item #12.

***Deputy Director Overview***

Previous to this item, the Commission will hear the draft Audited Financial Statements in public hearing in Item #12. An overview of the highlights from this year's financial statements can be found in Item #12.

***Additional Information and Attachments***

The Draft Audited Financial Statements for the year ended June 30, 2023 is included in the Commission Packet as Item #12, Attachment A.

***Action Requested***

Approve and Adopt Fiscal Year 2022-2023 Independent Financial Audit.

**First 5 Yolo Children and Families Commission  
Agenda Item Cover Sheet**

*Attachments*

<b>Agenda Item- Commissioner Reports</b>
<b><i>Background</i></b>
Commissioners have the opportunity to provide updates on activities and events relating to their role as First 5 Yolo Commissioner and/or professional capacity in the County.
<b><i>Deputy Director Overview</i></b>
<b><i>Additional Information and Attachments</i></b>
<b><i>Action Requested</i></b>
Receive Commissioner reports.