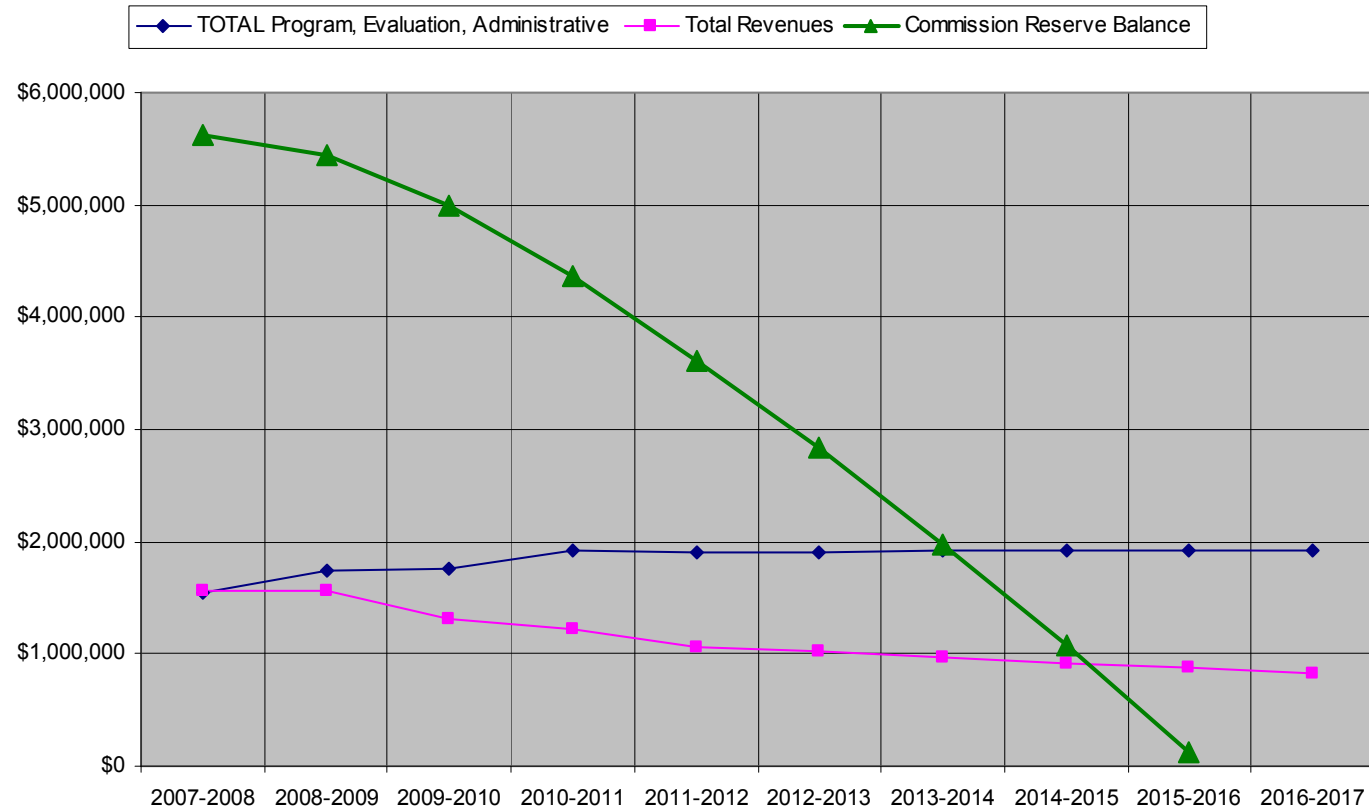


Sutter County Children & Families Commission Long Term Financial Forecast



The SCCFC Reserve based on current projections in the 5 yr LTFP would be reduced to \$131,000 by FY 2015/2016. The Strategic Planning and Long Term Financial planning activities conducted by SCCFC have increased the opportunity to evaluate the implications of both short and long term funding decisions. This work also creates a foundation for future strategic and financial planning efforts. The LTFP demonstrates the careful deliberation of SCCFC in making funding decisions since its inception. The current reserve assures the viability of valuable programs in Sutter County. In the event of a drastic change or reduction to Prop 10 funding the services available to Sutter counties children and families through SCCFC will be secure through the term of this LTFP. SCCFC will continue to explore opportunities to extend its resources and increase its impact through local public and/or private sector partnerships.

Introduction

The Sutter County Children & Families Commission (SCCFC) Long Term Financial Plan (LTFP) is designed to communicate SCCFC’s long term approach for program investment to funded programs and the community at large. Since its formation in 1999 SCCFC has made significant community investments on behalf of Sutter’s children aged 0-5 and their families. SCCFC recognized the unique and powerful opportunity offered by Prop 10 funds and through careful planning and program investment starts this LTFP with a projected reserve fund of \$4.9 million. As SCCFC moves forward it is facing an era in which it must continue to make careful and difficult funding decisions in addition to considering the sustainability of its current program investments. SCCFC and all county commissions are facing the reality that Prop 10 tobacco tax revenues are steadily declining and current economic trends have negatively impacted interest earnings on the reserve fund. Prop 10 tobacco tax revenues have faced and will continue to face state legislative attempts to divert the funding.

The SCCFC LTFP outlines the planned program investments for Sutter County children and their families over a 5 year time frame; therefore it estimates revenues and expenses. The LTFP does not dictate future funding commitments, obligations or appropriations, nor does it obligate future commissions to specific funding paths. The LTFP does identify certain “Core” programs with committed funding through multi year agreements approved by the Commission. The LTFP serves as a framework to guide the management of resources and program investments as allocated by the Commission in accordance with the Strategic Plan. Factors affecting finances at SCCFC are constantly changing and it will be necessary to update the LTFP annually. The updates will reflect actual data and will adjust assumptions as required. For this plan, the actual revenue and expense figures from FY 07/08 through 09/10 are included. Consistent with the new state audit requirements the costs have been segregated into Program, Evaluation and Administration. Costs have been segregated according to guidelines provided by First 5 California.

SCCFC approved the Sutter County Strategic Plan for 2011-2014 in November 2010. In July 2007 through the process of updating the Strategic Plan and conducting extensive financial planning discussion SCCFC identified “Core” Programs. The SCCFC Core programs fill service gaps in the community and provide direct and needed services to children 0-5 and their families. The Core programs were identified based on demonstrated consistent successful performance and fiscal reporting and have a positive evaluation history.

Key Points –

- **Program Investment –** Core Programs have signed agreements through 2011. Funding has been stabilized at levels stated in the LTFP. Core programs submit a scope of work and budget for each fiscal year for Commission approval. SCCFC is in the process of updating multi year agreements for Core programs.
- **Program Investment –** School Readiness program funding has been committed through 2011 at stated levels as approved by the Commission (6/07) and First 5 California (4/07). Readers will note that the First 5 CA School Readiness funding will not continue after 2011.
- **Evaluation Expenses –** evaluation costs reflect evaluation of current funded programs. Cost could be affected if SCCFC approves or initiates new or additional programs.
- **Administrative Expenses –**
 - Salaries and Employee benefits reflect an increase projected at 3% per year. Actual may vary based on future contract negotiations. SCCFC conforms to all Sutter County Personnel Policies. Staff count is projected to remain unchanged. Recent negotiations have resulted in County employees deferring negotiated contract increases.
 - Services and Supplies reflect a projected inflation rate of 1% per year.
 - Commission staff continue to explore cost saving measures.
 - The Administrative Expense percentage throughout the term of the LTFP is well within the 18% approved by the Commission.
- **Revenue –**
 - State Prop 10 funds – funding from Prop 10 is steadily declining. The LTFP estimated revenue amounts were based on the First 5 CA revenue projection memo and included an additional 5% reduction based on recent trends.
 - School Readiness funding is currently approved by First 5 CA through 2011. School Readiness state match funding will not continue past 2011 and the LTFP reflects this change.
 - Admin/Travel Augmentation – the LTFP does not include these augmentations, they have been discontinued.
 - Interest earned – assumes interest estimated at 2%.
- **Funds from Reserve –** the amount of funds projected to be used from reserves is estimated and is based on the assumption that 95% of budgeted figures will be expended.

Long Term Financial Plan FY 2010-2016

Fiscal Year	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	Notes
Program Investments	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>							
Sutter County Smiles	\$146,413	\$148,679	\$137,503	\$147,657	\$147,657	\$147,657	\$147,657	\$147,657	\$147,657	Signed agreement 2007/2011
Sutter Co. Smiles PTC	\$37,166	\$25,616	\$34,384	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	Signed agreement 2007/2011
Sutter Co. Smiles Dental Van	\$15,443	\$20,704	\$24,971	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	
Smart Start	\$222,992	\$224,199	\$221,869	\$253,230	\$253,230	\$253,230	\$253,230	\$253,230	\$253,230	Signed agreement 2007/2011
School Readiness	\$293,158	\$342,879	\$303,285	\$322,855	\$322,855	\$322,855	\$322,855	\$322,855	\$322,855	Signed agreement 2007/2011
Luther School Readiness	\$72,438	\$80,000	\$104,426	\$108,000	\$108,000	\$108,000	\$108,000	\$108,000	\$108,000	Signed agreement 2007/2011
Family SOUP	\$124,993	\$125,000	\$124,919	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000	Signed agreement 2007/2011
FREE Immunizations	\$24,695	\$37,299	\$26,492	\$37,275	\$37,275	\$37,275	\$37,275	\$37,275	\$37,275	Signed agreement 2007/2011
Child Behavioral Specialist	\$67,416	\$120,892	\$97,558	\$105,000	\$105,000	\$105,000	\$105,000	\$105,000	\$105,000	Signed agreement 2007/2011
Provider Education			\$46,920	\$38,000	\$38,000	\$38,000	\$38,000	\$38,000	\$38,000	
Bright Futures	\$48,350	\$75,019	\$94,315	\$88,266	\$89,000	\$89,000	\$89,000	\$89,000	\$89,000	
Beau's Buddies Literacy Project		\$20,846	\$16,847	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	
Backpacks	\$59,771	\$59,953	\$59,953	\$60,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	
Community Education/Outreach	\$51,333	\$52,766	\$46,648	\$52,000	\$52,000	\$52,000	\$52,000	\$52,000	\$52,000	Funding for Commission programs committed (2/08) 2007/2011
Service, outreach, planning & support			\$38,537	\$75,978	\$75,978	\$75,978	\$75,978	\$75,978	\$75,978	
Mini Grants	\$57,263	\$23,836	\$36,058	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	
Early Steps to School Success			\$2,873	\$74,492	\$74,492	\$74,492	\$74,492	\$74,492	\$74,492	Funding committed through FY 12/13, 11/09
Total Program Expenses	\$1,221,431	\$1,357,689	\$1,417,558	\$1,607,753	\$1,578,487	\$1,578,487	\$1,578,487	\$1,578,487	\$1,578,487	
Evaluation Expenses										
Duerr Evaluation Contract	\$63,667	\$89,099	\$78,766	\$78,766	\$78,766	\$78,766	\$78,766	\$78,766	\$78,766	Grantees contribute 5% of grant award toward evaluation per contracts. Amt is SCCFC share of eval expense
Total Evaluation Expenses	\$63,667	\$89,099	\$78,766	\$78,766	\$78,766	\$78,766	\$78,766	\$78,766	\$78,766	
Administrative Expenses										
Salaries & Employee Benefits	\$183,679	\$196,977	\$151,665	\$127,642	\$128,918	\$130,208	\$131,510	\$132,825	\$134,153	estimates 3% increase per year
Services & Supplies	\$83,668	\$105,416	\$119,270	\$115,724	\$119,195	\$122,771	\$126,454	\$130,248	\$134,155	estimates 1% increase per year
Total Administrative Expenses	\$267,347	\$302,393	\$270,935	\$243,366	\$248,114	\$252,979	\$257,964	\$263,073	\$268,308	
<i>Administrative Expense Limit 18%</i>	<i>17.2%</i>	<i>17.3%</i>	<i>15.3%</i>	<i>12.6%</i>	<i>13.0%</i>	<i>13.2%</i>	<i>13.5%</i>	<i>13.7%</i>	<i>13.9%</i>	
TOTAL Program, Evaluation, Administrative	\$1,552,445	\$1,749,181	\$1,767,259	\$1,929,885	\$1,905,367	\$1,910,232	\$1,915,217	\$1,920,326	\$1,925,561	
<i>Amount expended per year if at 95% expended</i>				\$1,833,390	\$1,810,098	\$1,814,720	\$1,819,456	\$1,824,309	\$1,829,283	
Revenue										
State Prop 10 funds	\$1,196,492	\$1,190,693	\$1,010,086	\$989,257	\$973,304	\$958,320	\$910,404	\$883,092	\$856,599	estimates 5% decrease from 1st 5 CA projection memo
School Readiness	\$125,000	\$148,866	\$125,000	\$125,000						FY 10/11 last year for State School Readiness funding
Admin/Travel Augmentation		\$62,469	\$58,535							Admin Augmentation discontinued
SMIF (Surplus Money Investment Fund)	\$6,410	\$2,941	\$696	\$500	\$500	\$500	\$500	\$500	\$500	
Interest earned (estimate)	\$228,410	\$156,318	\$119,900	\$99,722	\$87,343	\$72,364	\$56,694	\$39,657	\$21,635	estimates 2% interest
Total Revenues	\$1,556,312	\$1,561,287	\$1,314,217	\$1,214,479	\$1,061,147	\$1,031,184	\$967,598	\$923,248	\$878,734	
Funds from Reserve if budget expended at 95%	-\$3,867	\$187,894	\$453,042	\$618,912	\$748,951	\$783,536	\$851,858	\$901,061	\$950,549	
Commission Reserve Balance	\$5,627,020	\$5,439,126	\$4,986,084	\$4,367,172	\$3,618,221	\$2,834,686	\$1,982,827	\$1,081,766	\$131,218	



This LTFP is intended as a tool to inform decision making processes related to the decline of the Tobacco Tax Revenue Stream. This is not a budget, however this LTFP identifies certain "Core" programs, administrative support and other services that the Commission has committed to by signed agreement or Commission designation, which can only be changed by Commission action.