

**COMMITTEE ROUTING**

Administrative/Finance	<input checked="" type="checkbox"/>
Operations	<input checked="" type="checkbox"/>
Executive	<input checked="" type="checkbox"/>

**ACTION AGENDA SUMMARY**AGENDA DATE: May 27, 2025

COMMISSION AGENDA #: 8.B.

**SUBJECT:**

Public Hearing to Consider Adoption of the Fiscal Year 2025-2026 Budget, Long Range Financial Plan, and Related Actions

**BACKGROUND:**

State law requires the Children and Families Commission (Commission) hold a public hearing before adopting a budget and a long-range financial plan for fiscal year operations (July 1<sup>st</sup> to June 30<sup>th</sup>). All activities, the strategic plan, the local trust fund, approval and amendment of budget are governed by the nine member Commission.

The Fiscal Year 2025-2026 budget is an estimated operating plan for the Commission's expected revenue and planned expenditures. The Commission's staffing allocation is the only budget component referenced in the County budget book as the County is the employer of record for the Commission staff. Revenue for the Commission primarily comes from state taxes on tobacco and other tobacco products. This revenue is held in an independent fund with the Treasury Division of the County's Treasurer/Tax Collector.

**Fiscal Year 2025-2026 Proposed Commission Proposed Budget**

The Fiscal Year 2025-2026 budget reflects the priorities and strategies of the Commission's Strategic Plan for 2024-2029. Upon adoption of the proposed budget, Commission staff will move forward with implementing the second phase of the Commission's 2024-2029 Strategic Plan. Funding in the Fiscal Year 2025-2026 budget will continue to support the Commission's strategies to:

- Focus on high-impact strategies
- Prioritize projects that scale up and can reach larger groups of people
- Invest in strengthening integrated systems of care for lasting change
- Focus on prevention and long-term outcomes
- Make data informed decisions
- Address disparities within our community
- Be responsive to community needs
- Promote non-duplicative efforts with the broadest potential collective impact
- Pursue opportunities and leverage funding to strengthen the Commission as a fiscal asset

Some important elements and assumptions of the Fiscal Year 2025-2026 budget include:

- Total budgeted revenues of \$4,417,605, is an estimated decrease of 0.7% (\$33,350) from the previous year's budget.
- Total budgeted expenditures are projected at \$4,775,202 which is an estimated increase of 5.2% (\$235,615) from the previous year's budget.
- Staffing levels have increased to 5 FTEs for 2025-2026, an increase of 0.5 FTE from the prior year's allocation of 4.5 FTEs.
  - The increase of staffing is due to the Commission's approval on October 22, 2024, to add a Staff Services Analyst Position. The Board of Supervisors approved the County position allocation to the Commission on December 10, 2024, with Resolution# 2024-0694, to be effective July 1, 2025.

- The Commission's previous staffing allocation of 4.5 FTE included a 0.5 FTE for an Account Clerk III Position. As part of this item, staff will be recommending the removal of this position as it has not been filled since 2009. An extra-help, part-time employee temporarily last worked in this capacity in September of 2022.
- Total Fiscal Year 2025-2026 one-year contracts are budgeted at \$2,010,176, which is a decrease of 2.5% (\$52,694) from the previous year's budget.
- The Commission and the Community Services Agency (CSA) jointly conducted a Request for Proposal (RFP) to seek family resource center services in seven specific geographical areas within Stanislaus County. The awarded contractor for each area is granted separate contracts, one from the Commission and one from CSA. Work performed by the contractors will be in accordance with a specific scope of work for each County agency. The Commission's funding and scope of work has been coordinated for maximum community impact and aligns to its Strategic Plan, Goal #4 "Sustainable and coordinated systems are accessible and promote the well-being of children prenatal through age five."
- Exhibit A represents the seven contracts by geographical area for the Commission. The Commission's contract funding agreement for one-year totals \$1,630,176. Commission approval is needed for a one-year contract, not to exceed two renewals. Also listed for reference are the seven contracts to CSA for the same geographical areas for information purposes. Six of the seven areas of the RFP have been awarded contracts with the Commission and CSA. The contract for Area D has not yet been awarded due to additional steps in the RFP process. The amount for this area will still be included in the budget. We will ask the Commission to allow the:
  - Executive Director to negotiate and execute a month-by-month extension to the existing contract for Area D until the RFP process is completed. This would ensure there are no interruptions in services to the community.
  - At the conclusion of the RFP process, allow the Commission Chair and Executive Director to negotiate and execute an agreement in accordance with the Policy and Procedure section 409.3.

#### Exhibit A - FRC Joint Program Contracts

Name of Organization	Program- Area	First 5 FY 25-26	CSA FY 25-26	CSA FFPSA Pilot Program	Total Contract FY 25-26
Aspiranet	Family Resource Center - Area A, Turlock	\$215,744	\$156,294		\$372,038
Center for Human Services	Family Resource Center - Area B, Westside/Patterson	\$215,744	\$114,060		\$329,804
Center for Human Services	Family Resource Center - Area C, Ceres	\$222,838	\$138,708		\$361,546
Agency - TBD	Family Resource Center - Area D, Central Modesto	\$321,524	\$285,627		\$607,151
Sierra Vista Children and Family Services	Family Resource Center - Area E, North Modesto	\$215,744	\$289,523		\$505,267
Sierra Vista Children and Family Services	Family Resource Center - Area F, Hughson Area	\$222,838	\$98,042		\$320,880
Center for Human Services	Family Resource Center - Area G, Eastside/Oakdale	\$215,744	\$118,746		\$334,490
Center for Human Services	FFPSA - Area C, Ceres			\$120,000	\$120,000
Agency - TBD	FFPSA - Area D, Central Modesto			\$120,000	\$120,000
<b>TOTALS:</b>		<b>\$1,630,176</b>	<b>\$1,201,000</b>	<b>\$240,000</b>	<b>\$3,071,176</b>

- Commission approval is needed for one-year contracts listed in Exhibit B, totaling \$315,000, which align to Strategic Plan Goal #3, “Children are eager and ready learners.”

### Exhibit B.

Exhibit B - One Year Contracts		
Name of Organization	Program	Proposed Amount
Modesto City Schools	Franklin Healthy Start	\$55,000
Modesto City Schools	Orville Healthy Start	\$55,000
Modesto City Schools	Robertson Rd. Healthy Start	\$55,000
Hughson Unified School District	Hughson Healthy Start	\$50,000
Ceres Unified School District	Ceres Healthy Start	\$50,000
Waterford School District	Waterford Healthy Start	\$50,000
TOTALS:		\$315,000

- Exhibit C represents funding included in the budget for two contracts totaling \$65,000. These contracts were approved by the Commission previously and do not need further action.

### Exhibit C.

Exhibit C - Previously Approved Contracts for Budget Inclusion			
Name of Organization	Program	Contract Amount	Approval Date
United Way of Stanislaus	211	\$40,000	2/25/2025
Brown Armstrong Accountancy	Financial Audit Services	\$25,000	1/23/2024
TOTALS:		\$65,000	

#### Long-Range Financial Plan

The Commission is required to complete and submit a Long-Range Financial Plan. The Long-Range Financial Plan includes the actual financial data for the previous fiscal year, the current year adopted budget, the proposed budget for Fiscal Year 2025-2026, and five future years of projections, Fiscal Years 2026 -2031. The plan is subject to change upon approval of the Commission as needed. The Fiscal Year 2025-2026 Budget and the Fiscal Years 2026-2031 Long-Range Financial Plan are attached.

The Administrative and Financial Committee, Operations, and Executive Committee heard this item at their respective meetings on May 12<sup>th</sup>, May 15<sup>th</sup>, and May 21<sup>st</sup>.

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#### STAFF RECOMMENDATIONS:

1. Conduct a public hearing to consider the FY 2025-2026 Budget and Long-Range Financial Plan for FY years 2026-2031.

2. Adopt the FY 2025-2026 Budget of \$4,775,202 from the Executive Director.
3. Authorize the Executive Director or Designee to make necessary technical adjustments to modify the CFC staffing allocation from 4.5 FTEs to 5 FTEs, by removing a .5 FTE Account Clerk Position.
4. Adopt the financial projections for FYs 2026-2031 as the Commission's Long-Range Financial Plan.
5. Direct, approve, and adopt any changes the Commissioners choose to make to the FY 2025-2026 Budget.
6. Authorize the Executive Director or designee to make necessary technical adjustments to implement the approved FY 2025-2026 Budget.
7. Authorize staff to submit the proposed budget for appropriate inclusion in County budget documents and financial system.
8. Authorize the Executive Director or designee to negotiate and execute one-year agreements with contractors not to exceed amounts as detailed in Exhibit A (except for Area D) and Exhibit B.
9. Allow the Executive Director to negotiate and execute a month-by-month extension to the existing contract for Area D until the RFP process is completed.
10. Authorize the Commission Chair and the Executive Director to negotiate and execute a one-year agreement, pursuant to the Stanislaus County Children and Families Commission Policies and Procedure Manual section 409.3, with the awarded contractor after additional process steps of RFP#24-55-PL have concluded.

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**FISCAL IMPACT:**

The Fiscal Year 2025-2026 Budget contains projected revenues of \$4,417,605, projected expenses of \$4,775,202, and a projected Use of Fund Balance of \$357,597, with a staffing allocation of 5.0 FTEs.

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**COMMISSION ACTION:**

On motion of Commissioner \_\_\_\_\_, seconded by \_\_\_\_\_ and approved by the following vote:

Ayes: Commissioner(s): \_\_\_\_\_

Noes: Commissioner(s): \_\_\_\_\_

Excused or Absent Commissioner(s): \_\_\_\_\_

Abstaining: Commissioner(s): \_\_\_\_\_

1) \_\_\_\_\_ Approved as recommended.

2) \_\_\_\_\_ Denied.

3) \_\_\_\_\_ Approved as amended.

Motion: Passed

Attest: \_\_\_\_\_

Dr. Shameram Karim, Executive Director