



California Children and Families Commission Budget Planning Retreat

May 31, 2022

DRAFT MEETING MINUTES

Agenda Item 1 – Opening Remarks

Chair Pérez called the meeting to order at 10:03 a.m.

Commissioners Present: Giannina Pérez
 Mayra Alvarez
 Shana Hazan
 Elsa Jimenez
 Jackie Majors
 Molly Munger

Ex Officio Member Present: Marko Mijic

Commissioners Absent: Lori Risso¹

Announcements

Chair Pérez opened the meeting by making remarks about gun violence and the tragic events in Uvalde, Texas. She noted that the work of First 5 California is important for children and families.

Jackie Thu-Huong Wong, First 5 California Executive Director

Ms. Wong acknowledged that the meeting is taking place on land that previously belonged to Indigenous Tribes. She also asked for a moment of silence for the recent passing of the First 5 Stanislaus Executive Director, David Jones.

¹ *Commissioner Risso was considered absent due to location posting requirements of the Bagley-Keene Open Meetings Act, but was permitted by the Chair to participate in the discussion from an off-site location.

Kitty Lopez, First 5 Association President

Ms. Lopez made remarks on behalf of the First 5 Association. She noted that she is looking forward to the partnership opportunities with new leadership, both Ms. Wong and Chair Pérez. She also gave a quick update on the search for the new Executive Director of the Association.

DISCUSSION: None.

PUBLIC COMMENT: None.

Agenda Item 2 – Public Comment

No public comment.

Information Item 3 – Advisory Committees

Ms. Wong presented an overview of the Advisory Committees.

DISCUSSION: Commissioners asked for clarification on what the advisory committees might look like if there were more than two members per committee. Ms. Wong explained all committees with three or more members will be subject to the Bagley-Keene Open Meetings Act, and thus will need to be open to the public. Commissioners discussed the pros and cons to having all committee meetings open to the public. Some of the pros included transparency and public input, while the cons included increased F5CA staff workload, inability for Commissioners to work closely with staff on programs, and decreased amounts of Commissioner input on F5CA activities due to intellectual property concerns.

PUBLIC COMMENT: None.

Information Item 4 – First 5 California Budget Planning Discussion

Ms. Wong began the discussion by giving an overview of the meeting objectives, which included:

- Providing F5CA fund account balances and their purpose and limitations
- Strengthening Commissioner understanding of the revenue outlook, and key factors impacting future revenues
- Proposing future priority investments

DISCUSSION: Commissioners began by participating in a “Blue Sky” activity, which was meant to get each Commissioner to think about the following questions:

- What questions do you hope to have answered by the end of the session?

- What would you like the Commission to keep in mind throughout today's presentation of current fund balances and proposed future investments?

The emergent theme of this portion of the discussion was that Commissioners want to know how First 5 California can leverage current investments and opportunities with a focus on equity.

Ms. Wong began the presentation portion of the discussion by providing the results-based accountability framework as it relates to the North Star.

Emily Putnam-Hornstein, Faculty Co-Director of the Children's Data Network, and Regan Foust, Executive Director of the Children's Data network, provided background on the Children's Data Network, and presented data to help the Commission better understand the conditions in which children are born.

Brad Williams, Senior Partner and Chief Economist at Capitol Matrix Consulting, presented information about F5CA's revenue outlook. He spoke specifically about the decline in California cigarette sales from 1990–2022, and the effect of the flavor ban on F5CA's revenue.

Marcia Thomas, First 5 California Fiscal Services Director, presented an overview of each F5CA fund account, explaining the revenue and any planned or proposed expenditures in each account from the current fiscal year until FY 2026–27.

Commissioners and staff discussed the reasons and the history behind the 15% reserve funds in each account. Commissioners also asked about the purpose of the Unallocated account, and staff explained that the account allows for more flexibility in the types of programs that can be funded. Commissioners discussed how staff decides which accounts will be used for each program. Staff explained that certain pieces of programs may fall into different funding accounts and gave examples for F5CA programs that utilize multiple funding accounts.

Staff presented the issues that are specific to the administration fund account, showing that the revenue for the account is in decline, but the expenditures exceed the funds in the upcoming years. Ms. Thomas explained that the statute does not provide any recourse for rising costs due to inflation or increases in staff salaries and benefits, so as the costs continue to rise, the carryover funds decrease until there are none remaining.

Jaime Hastings, Deputy Director of Administration, provided the Commission with background on historical investments made by F5CA. Commissioners began to discuss what some of the impacts of those investments have been, and if they should be continued or modified going forward.

Commissioners decided that in order to make time for a more robust discussion about the financial status of F5CA, the proposals for priority future investments piece of the discussion should be moved to the July 28, 2022, Commission meeting.

PUBLIC COMMENT: None.

Action Item 5 – Adjournment

DISCUSSION: None.

PUBLIC COMMENT: None.

MOTION/ACTION: Chair Pérez moved to adjourn. The motion was seconded by Commissioner Munger.

VOTE: The motion was unanimously approved by the Commission.

Chair Pérez adjourned the meeting at 2:57 p.m.

The next scheduled Commission meeting is July 28, 2022.