



LASSEN COUNTY
CHILDREN & FAMILIES COMMISSION

Meeting Minutes, February 7, 2008
1345 B Paul Bunyan Road, Susanville, CA.

PRESENT: Commissioners Doug McCoy, Mae Sherman, Bob Pyle, Barbara Malone, Brenda Poteete, Elizabeth Elam, Alternate Commissioner Kathy Colvin, Alternate Commissioner Linda Tangenberg, staff member Laura Roberts and visitor Rebecca Roberts.

ABSENT: Commissioners Melody Brawley, Jan Foster, Amiee Osborn, and Brian Dahle

CALL TO ORDER: Chairman Doug McCoy called the meeting to order at 1:12 p.m. Everyone was welcomed.

PUBLIC COMMENT: Commissioner Colvin handed out flyers on a car seat check event. There was no other public comment.

APPROVAL OF AGENDA: Chairman McCoy presented the agenda. Commissioner Pyle made a motion that the agenda be approved as submitted. Commissioner Poteete seconded the motion. There was no discussion. The motion passed with no abstentions.

INFORMATION/CONSENT CALENDAR: The information and consent calendar was presented. A Correction to the minutes was made to reflect that Brenda Poteete was present at the January meeting and an additional correction to the minutes was made on page 2 indicating an expected MAA reimbursement of \$158,000. Commissioner Malone moved to approve the consent calendar as corrected. Alternate Commissioner Colvin seconded the motion. There was no further discussion. The motion passed with Commissioner Pyle abstaining. The items approved on the consent calendar are as follows:

Minutes of January 3, 2007

Approval of Fiscal Report

Approval of Transfer of Funds from Trust Account and Payment of Obligations in an amount of \$17,057.18 for the following obligations: Social Entrepreneurs \$2,605.29, Smiles for Life, \$629.00, Lassen Diversified Management \$8,190.00, Bailey Data Management \$928.00, Tyler Design \$200.00, Smiles for Life \$3,300.00, Northeastern Rural Health \$251.39, Smiles for Life \$953.50.

Public Hearing, State Children & Families Commission Annual Report for 06/07: Chairman McCoy opened the public hearing at 1:17 p.m. The document was considered and attention was drawn to page 4-14 where the Lassen Oral Health program was cited as a successful program. There was no further comment. The public hearing was closed at 1:20 p.m. Commissioner Pyle moved to accept the report. Commissioner Sherman seconded the motion. There was no further discussion. The motion passed.

Oral Health Contract Modification: Smiles for Life submitted a request to modify their program budget, indicating the need to reallocate \$10,000 that had been previously set aside for hospital dentistry services of a dentist. It has been determined that the funds will not be needed for that purpose during the remainder of the program year, thus the request to modify the budget. The request for permission to expend funds on additional units of service by an RDH, for supplies associated with those units of service, for expenses of outreach and education to include media placement. Commissioner Pyle made a motion to approve the modification, Commissioner Malone seconded the motion. There was no further discussion. The motion passed unanimously.

Strategic Planning: Review and Discuss revised goals, objectives, indicators and strategies developed during the January strategic planning session.

Laura Roberts presented the revised goals, objectives, indicators and strategies that were developed in the January meeting by the Commission. After extensive discussion additional modifications were made. The indicators for Objective 1B were modified as follows:

<p>Objective 1B: 50% of parents / providers who participate in trainings will implement skill or strategy learned.</p>	<ul style="list-style-type: none"> • Proportion of child care providers/parents participating in training and education events • Proportion of children in child development settings who adapt / transition easily to school setting, separate from their parents, and are eager to learn • Proportion of children in home visiting program showing gains in developmental domains
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Objective 2C was modified as follows: 150 high-risk families will be provided home visits annually.

A note was added to an indicator under Objective 3a as follows: Proportion of children with improved health (mental, physical, and emotional) **** The Commission recognizes the interrelationships between physical, emotional and mental health of individuals. There are various definitions for each of these aspects of health; for purposes of planning we use the terms as follows:**

Mental health is defined as the "successful performance of mental function, resulting in productive activities, fulfilling relationships with other people, and the ability to adapt and to change and to cope with adversity; mental health is indispensable to personal well-being, family and interpersonal relationships, and contribution to the community or society" (USDHHS, 1999). Infant mental health is defined as the developing capacity of the child from birth to three to: experience, regulate, and express emotions; form close interpersonal relationships; and explore the environment and learn—all in the context of family, community, and cultural expectations for young children.

Emotional health is described as the ability to express all emotions appropriately and the ability of the emotional system to help individuals regulate and negotiate their environment in an adaptive way. Emotional health affects cognitive and physiological health in both direct and indirect ways.

Physical health addresses the health of the body and all its parts. In the medical field, the technical term for (physical) health is homeostasis - an organism's ability to efficiently respond to challenges (stressors) and effectively restore and sustain a "state of balance".

Objective 3B had been previously eliminated.

Objective 4A was modified as follows:

<p>Objective 4A: Shared visions among public and private partners are in place that remove access barriers and result in increased participation.</p>	<ul style="list-style-type: none"> • Encourage development of a plan for Coordinated county services and shared resources • A common set of goals, outcomes and indicators within First 5 funded programs and initiatives (Home Visiting, Behavioral Health, CARES and Oral Health) • Encourage Increased, diversified funding for Family Resource Centers
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Strategies were extensively reviewed and additional modifications were made. It was also noted that funded strategies should be listed on the top of the list, with others following. Additional modifications were made as follows:

Strategy B was previously deleted, but after extensive discussion was reaffirmed as follows:

Collaborate with partners to develop, promote and participate in trainings to improve child development outcomes.

Strategy J was modified as follows: Partner with identified agencies to design a local CARES initiative to build providers' capacity and increase quality, educational level, and retention of child care providers / early development programs, which will expand options for ongoing training for child care providers.

Strategy L was modified as follows: Partner with identified public and private agencies to fund and develop a consolidated assessment of service needs and gaps at intervals not greater than 5 years.

Strategy M was modified as follows: Establish Medi-Cal Administrative Activities (MAA) claiming plan for appropriate new or expanded First 5 programs, and build on success of claiming plan for home visiting and First 5 program development and monitoring activities.

Strategy N was added: Partner with identified public and private agencies to develop and fund opportunities for the integration of nutrition and exercise resources for children aged birth through 5 years.

Long-range financial planning -- Overview of long range planning purpose, approach and assumptions, Presentation of two sample scenarios, and Commission discussion and decision about expense assumptions and forecast scenarios: Sarah Boxx of Social Entrepreneurs presented information regarding revenue and expense assumptions that form the foundation of the draft long range financial plan. At the time the document was prepared the CARES extension offered by CCFC was not known. Revenue and expense assumptions were documented as follows:

REVENUE ASSUMPTIONS

Statutory allocation of tobacco tax revenues to Lassen County. State law specifies that 80% of statewide tobacco taxes raised through the 50 cent-per-pack tax imposed by Proposition 10 are allocated to the 58 counties according to each county's birth rate. The county's ten-year birth rate has averaged 290 births per year, indicating that state allocations could remain fairly consistent. However, statewide tobacco tax collections continue to decline steadily. Lassen County received \$245,600 in tax allocation revenues in fiscal year 2006-07, down almost 6% from fiscal year 2005-06 when Lassen County received \$260,600. Therefore, Lassen County revenues are reduced by approximately 3% each year.

State administrative and travel expense augmentations. Lassen County has been receiving approximately \$113,000 a year from First 5 California for administrative and travel costs through the Small County Augmentation Project (SCAP). The continuation of these funds has not yet been approved but it is expected that an agreement will be reached to maintain this funding. The financial plan therefore assumes that these augmentation funds will be continued for the next five years at current levels.

School readiness matching and implementation funds. The financial plan assumes that Lassen County will draw down the maximum available state funding for School Readiness programs, which is \$100,000 per year of program funding and \$25,000 per year for county coordination for through fiscal year 2009-10. It is assumed that state School Readiness funds will not be available beyond this time.

Effects of future tobacco tax increases. The potential exists that additional taxes will be imposed on tobacco products in order to raise money to help cover large state budget deficits or achieve health objectives. These taxes could lead to further reductions in smoking, thereby also cutting Prop 10 revenues. An example of such an initiative is the Secure and Affordable Health Care Act (SAHCA). If passed, the loss of tax revenue funding for the counties is estimated at approximately 4% beginning in fiscal year 2008-09, which is reflected in this plan.

MAA reimbursements. First 5 Lassen County receives federal reimbursements for conducting eligible health related administrative activities for the Medi-Cal Administrative Activities (MAA) Program. In January 2008, \$158,000 in reimbursements for activities through fiscal year 2005-06 was transferred to the Commission. This plan assumes a declining level of funds will be available through MAA reimbursements; starting with \$30,000 in fiscal year 2008-09 and ending with \$10,000 in fiscal year 2012-13.

CARES program. First 5 Lassen has been participating in the State CARES program, providing a 2:1 match to the state funding of \$25,000. The CARES program is scheduled to end June 30, 2008. This plan assumes that no bridge funding will be provided for CARES, nor will the project be extended beyond June 2008.

Non-Prop 10 grants and contributions. This plan does not currently provide for revenues from other grant sources or public/private contributions.

Interest and other income. Interest earnings are calculated as 3% of beginning fund balance and revenues for the year.

EXPENSE ASSUMPTIONS

Operating costs - general. The plan assumes that the Commission will continue to contract for professional services and staff to manage its operations. FY 2007-08 operating costs shown for comparison, were taken from the annual budget adopted by the Commission. Operating costs for are projected to increase according to the California Consumer Price Index (CPI) forecasts provided by the California Department of Finance. The estimated CPI rate for 2008 is 2.6% and for 2009 is 2.7%; no inflation estimates are available beyond 2009, so the 2.7% is used for forecast purposes related to the administration contract and insurance line items only. Audit costs are expected to remain level at \$7,500, while technical assistance and evaluation costs are expected to decline. Other program expenses are anticipated to remain at current levels throughout the forecast period.

School readiness program and coordination costs. In order to draw down the maximum \$100,000 per year of state School Readiness matching funds, \$100,000 in local cash match must be provided. The financial plan uses the Pathways home visiting activities funded by First 5 toward the cash match requirement, and assumes that all state School Readiness funds will be expended in the year in which they are received or available. An additional \$25,000 carryover funding from the first School Readiness contract is included in the total program funding. The financial plan assumes that First 5 Lassen will continue funding school readiness at the current level (local and state match equal to \$275,000 per year) through the

end of the financial plan period. An allowance of \$10,000 for Adin State Preschool is also included throughout the plan period.

Behavioral Health Initiative. The forecast assumes that BHI funding will be reduced from its current level to provide funds to cover treatment costs and develop a process for parents to access needed services. Lassen Child and Family Resources (LCFR) has indicated they will continue current level of services and supports to child care professionals under separate (non First 5) funding streams.

CARES Program. This plan assumes that First 5 Lassen, in partnership with LCFR, will create a new CARES initiative to replace the existing program when state funding ends in June 2008. Since AB212 and the Local Child Care Planning Council resources provide stipends for providers, the new First 5 funding is expected to support more training options, provide incentives such as tuition reimbursements and gift certificates for child care products/materials to third party vendors. The forecast also assumes funding will no longer be provided through CARES for oral health screenings and services offered at child care provider sites. CARES funding is forecast at current local match levels (\$50,000/year) throughout the plan period.

Oral Health Program. Funding for the oral health program was reduced from \$43,000 in fiscal year 2006-07 to \$25,000 in FY 07/08 to adjust for grantee's unspent funds. The financial forecast increases funding for this program to \$35,000 in fiscal year 2008-09, and maintains it at this level throughout the remaining years of the plan.

Other Grants and Programs. The forecast assumes that the amount of funding available for mini-grants will remain the same throughout the five years. Additionally, a reduced amount of funding is reserved to develop and support a Child Find system for Lassen County.

Professional services. FY 2007-08 costs include audit, evaluation, strategic and financial planning support services. Costs for evaluation are reduced after the state School Readiness contract period ends, and costs for technical support services are also reduced to reflect increased capacity of the Commission's staff to complete these activities independently. No increases are anticipated for audit services after FY 2008-09.

Commissioners were asked to address the following questions: Does the Commission want to continue current levels of funding until it reaches a deficit budget (FY 2011-12), or adjust to achieve a balanced budget throughout the plan period? Which programs/expenses should adjusted, by how much, and at what point in time to balance the budget in future years? Do you want to have a zero balance the end of the fiscal forecast? At the end of 5 years what do you want the balance to be? Draft 2009-2013 Financial Projections were presented. After a great deal of discussion and review, the following priorities were suggested by Commissioners:

#1 Priority	Home Visiting/School Readiness	50% of available program funds
#2 Priority	Oral Health	35% of available program funds
#3 Priority	Behavioral Health/Child Find	15% of available program funds

Commissioners suggested no allocations of funding for mini grants, CARES, Adin Preschool, and New Parent Kits. Discussions were extensive and lively concerning the difficult realities of defunding beneficial programs. CARES in particular was discussed. No resolution could be reached with regard to continued funding for a local CARES program, and since a CARES extension has been offered by the State Commission (CCFC), it was suggested to allocate funds for an additional year of program services but at a reduced

amount. During that extended program time it was suggested that the CARES Oversight Committee meet and work out the details of the program year and request any program modifications necessary with the State CARES staff. The Commissioners indicated that after the one year extension the allocation would end. It was also noted that Lassen Child and Family Resources (LCFR) has indicated their willingness to continue provider mentoring and support with regard to Behavioral Health. This would be funded by other sources. However, they also noted that treatment funds for uninsured children or over-income children are needed.

It was suggested by the Chairman that the cuts in program allocations should proportionally impact administration costs and the current spread sheets did not show that. The financial priorities will be worked into the financial forecast spread sheets and presented at the next meeting so the Commissioners can see the impact of their decisions.

Next steps – Draft Long-range financial plan reflecting decisions of the Commission, Identify revisions to strategic plan, based on financial planning decisions, March session to present draft Financial Plan and Strategic Plan for review and discussion prior to April public hearing: A revised document will be prepared reflecting the decisions and ideas of the commission. Based on the decisions and work of the Commission a revised draft Strategic and Financial Plan will be finalized for consideration at the next meeting. It appears that final documents will be ready for public hearing at the May meeting rather than the April meeting.

ADJOURN: The meeting was adjourned at 4:00 p.m. The next meeting will be held on March 6th, 2008 at 1:30 p.m.

Respectfully Submitted,

Laura J. Roberts
Executive Director