



**October 28, 2010
Special Commission Meeting Minutes**

Location: FIRST 5 Mendocino
166 East Gobbi Street
Ukiah, CA

and Via Conference Call
Toll Free: (866) 740-1260
Access Code: 4624453 #

Commission Members Present Via Phone at Alternative Locations:

Lucresha Rentería calling in from Mendocino Coast Clinic 205 South Street Fort Bragg, CA	Jim Levine calling in from 41860 Signal Port Creek Rd. Gualala, CA	Tammy Scott calling in from New Life Preschool 302 W. Henry Street Ukiah, CA
David Colfax calling in from 21799 Redwood Ridge Road Boonville, CA		

Commission Members Absent:

Paul Tichinin

Present at the FIRST 5 Mendocino Office:

Commissioner Diane Pauli Anne Molgaard	Kathryn Dornhuber Kirsten Logan	Lydia Lopez Roseanne Castro
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Public Present:

Denise Gorny	Teri Sedrick	Judy Morgan
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ITEM 1 Welcome & Introductions by Commission Chair, Lucresha Rentería

Commissioner Rentería called the meeting to order at 12:07p.m.

ITEM 2 Public Comment on Non-Agendized Items

None.

ITEM 3 CalWORKS Stage 3 Child Care (*Action*)

Executive Director Molgaard stated that she had submitted questions to North Coast Opportunities, Inc. (NCO) regarding the number of children age 0-5 that would be affected by the cut to CalWORKS Stage 3 Child Care and spoke with Executive Director Wes Winter regarding the issue. NCO is the Alternative Payment provider for Mendocino and Lake Counties.

NCO reported that in Mendocino County, 38 children ages 0-5 are served by this program and are in jeopardy of losing coverage. Payments to cover these children total \$17,126 per month. NCO reported that their staff is prepared to notify parents and providers regarding the program

status by tomorrow Friday, October 29, 2010. NCO reported that every Head Start, State Preschool in Mendocino County is fully enrolled. There are three available spots that are part-time; one at Leggett State Preschool, one at Talmage State Preschool and one at the Coyote Valley Tribal Head Start. Denise Gorny, NCO Rural Communities Child Care Co-Director stated that NCO staff will contact families in those geographic areas to notify them about this option.

Discussion held regarding individual cost of child care according to ages of the children. Ms. Gorny stated that the variation in cost is attributed to the number of hours the family uses for child care. Some parents require more care hours than others due to their work schedule. Ms. Gorny stated that NCO covers the cost for additional hours of care if a parent must travel to their employment site for example if a parent commutes from Laytonville to Ukiah that travel time will be included in the hours of child care.

Executive Director Molgaard stated that the draft language of the bill the Assembly and Senate will consider in January includes a provision that states that the provider can repay the loan. Executive Director Molgaard stated that the FIRST 5 Mendocino contract may contain language stating NCO must repay the loan. Discussion held regarding the contract language.

(Commissioner Cryer joins the meeting at 12:15 p.m.)

Commissioner Levine inquired if another funding source is being pursued to cover children over the age of 5. Executive Director Molgaard stated that the California Welfare Directors Association is reviewing this issue and that Speaker of the Assembly, John A. Pérez, has earmarked \$6 million from his budget to possibly cover older children.

Teri Sedrick, NCO Rural Communities Child Care Co-Director, stated that the \$6 million from the state was pulled from the Budget to pay for children from any age group. Ms. Sedrick stated that FIRST 5 Lake will provide funding to NCO to cover children ages 0-13.

Commissioner Scott asked if FIRST 5 Mendocino is the only source of funding to cover children in the county and if FIRST 5 will be paid back first if other creditors are pursued.

Ms. Sedrick stated that NCO has no other sources of funding for this service. NCO is requesting bridge loan funding from First 5's as recommended by the State. Ms. Sedrick stated some counties are considering service to all children to accommodate older siblings who are in the same day care.

Commissioner Levine inquired if other sources of funding are being pursued for older children. Ms. Sedrick responded that at this time, no other source of funding is currently being pursued to cover older children in the county.

(Dr. Mann joins the meeting at 12:22 p.m.)

Executive Director Molgaard states that funding to cover administrative costs is not included in the staff recommendation. Executive Director Molgaard states that it will cost NCO approximately \$10,000 to cover staff time to operate this program. Commissioner Scott asked that if NCO cannot afford staff time to operate the program what will be done with the funds. Ms. Gorny stated that NCO funding is limited and staff hours have been reduced due to other cuts.

Commissioner Rentería inquired if there was any interest in supplying additional funding to cover NCO's administrative costs.

Commissioner Scott stated her opposition. Commissioner Colfax stated his opposition to including administrative cost in the loan.

Commissioner Levine asked staff to consult Mr. Winter for further information about NCO's discretionary funding.

Commissioner Pauli asked if other First 5's throughout the state are pursuing similar bridge loans. Executive Director Molgaard stated that First 5 Riverside, Santa Barbara, Los Angeles, Shasta, Monterrey have all approved loan funding to cover children ages 0-5.

Commissioner Colfax inquired if other First 5's are pursuing what has been proposed by the State or are other First 5's providing direct loans independently of the State. Executive Director Molgaard stated that according to the information she has received, First 5's are providing a direct loan to their Alternative Payment Provider.

Motion was made to approve the staff recommendation to delegate authority to the Executive Director to negotiate and execute an agreement to establish a transition loan with North Coast Opportunities, Inc. that serves as the County's Alternative Payment Provider, to provide families with transitional assistance as they seek other viable child care options for their children ages birth to 5 as a result of the elimination of CalWORKS Stage 3 Child Care. The Bridge Loan contract from Transitional Assistance will be for the period of November 1, 2010 through January 31, 2011. The following requirements will be added to the contract with NCO:

- Payment will be based on the invoices for child care services provided through the contractors. FIRST 5 Mendocino will provide funding for the first month at the estimated cost and settle up the actual cost based on the invoices. This will be done to avoid a cash flow delay;
- FIRST 5 Mendocino will be the top creditor and must be reimbursed before other creditors;
- Loan funding will be returned immediately, even before State reimbursement, if the funding is not dispersed to providers by the end of the month according to the regular schedule; and
- NCO must submit an administrative plan to operate during the transition period before loan funding is released for the first month.

NCO will agree to reimburse FIRST 5 Mendocino for any and all funds once those dollars are made available to them from the State of California. The agreement for transition loan will not exceed \$55,000. Motion/Pauli, Second/Scott. (Pauli, Yes; Rentería, yes; Levine, yes; Colfax, yes; Scott, yes; Mann, yes; Cryer, yes). Passed.

Staff will forward a copy of the contract and press release to Commissioners.

Commissioners Stacey Cryer and Jeremy Mann had previous commitments but became available and called in to the meeting. They are not counted as part of the quorum since their locations were not properly noticed per Brown Act regulations.

There being nothing further to come before the Commission, the meeting adjourned at 12:33 p.m.