



May 19, 2017

Planning Meeting Minutes

Alex Rorabaugh Center, Room H11
1640 S. State St., Ukiah, CA

Commission Members Present

Lucresha Rentería Tammy Moss Chandler John Passalacqua
Paul Tichinin Jim Flaherty, M.D.

ITEM 1 WELCOME & INTRODUCTIONS

Commissioner Tichinin called the meeting to order at 9:54 a.m. and welcomed visitors. The Commission and staff made introductions.

ITEM 2 PUBLIC COMMENT ON NON-AGENDIZED

Commissioner Tichinin asked for public comment on non-agendized items and opened the public hearing.

ITEM 3 CONSENT CALENDAR (ACTION)

- Meeting Agenda
- Draft Minutes from April 24, 2017 Commission Meeting
- Draft Minutes from May 9, 2017 Executive Committee Meeting
- Letter to oppose the American Health Care Act for 2017
- Approve additional \$17,250 for Ford Street

Commissioner Flaherty asked for the request for an additional \$17,250 for Ford Street to be pulled for further discussion.

Motion made to approve the Consent Calendar except for approving additional \$17,250 for Ford Street. Motion/Flaherty, Second/Rentería (all ayes, no nays) Motion Passed

Executive Director Ibarra reported that Ford Street spent down their grant funds earlier than expected because they began to accept fathers of children ages 0-5 for treatment. The additional \$17,250 will cover the costs of five parents to receive treatment for 30 days.

Motion to approve additional \$17,250 for Ford Street
Motion/Moss Chandler, Second/Rentería (all ayes, no nays) Motion Passed

ITEM 4 RECOGNITION OF COMMISSIONER

Commissioners and staff presented Commissioner John Passalacqua a certificate of recognition for

his nearly four years of service as a commissioner. Commissioner Tichinin thanked Commissioner Passalacqua for his service. Commissioner Passalacqua shared that he is relocating to Elk Grove in June.

ITEM 5 CORRECTIVE ACTION FOLLOWING FISCAL YEAR 2015-16 AUDIT (ACTION)

Executive Director Ibarra informed the Commission that the State Controller's Office sent a notice regarding the Independent Audit that was reviewed in October 2016. The State Controller requested the October minutes to document that the commission discussed the identified audit findings and that a plan for corrective action was defined and to be implemented. Upon review of the minutes, Executive Director Ibarra determined that the minutes did not provide sufficient detail.

Executive Director Ibarra directed the commission to page 27 of the audit for the following audit findings:

1. Grant and other receivables were not recorded or recorded correctly
2. Checks were back dated to June instead of accruing the expenses as accounts payable
3. Reconciliation were not completed correctly creating a significant reconciliation discrepancy account
4. Grant income was recorded both as an invoice and then again when the payment was received
5. A duplicate entry was made for disbursement and was not voided out of QuickBooks
6. A duplicate payment was made to a vendor at year end

Executive Director Ibarra commented that beginning in the spring of 2016 the long term accountant had to step away due to health issues. In addition, the long term Executive Director began to transition to a new position. An interim Executive Director came on board. A local bookkeeper was contracted to do reconciliations, fiscal reports and to provide supplemental fiscal oversight.

Since September 2016, FIRST 5 Mendocino hired a full-time Executive Director. Fiscal staff has attended accounting trainings. As of November 30, 2016, FIRST 5 Mendocino has contracted with Robertson & Associates to oversee their books, prepare financial reports and assist with preparing FSM for the audit. Executive Director Ibarra also informed the commission that staff has internal controls in place to monitor incoming invoices and payments.

Motion to direct staff to create a cover letter to the State Controller's Office detailing the corrective action plan, that the commission has discussed this item and acknowledged the deficiencies as identified in the audit and that the corrective actions are in place

Motion/Renteria, Second/Moss Chandler (all ayes, no nays) Motion Passed

ITEM 6 REVIEW YEAR 4 OF CURRENT 2013-16 STRATEGIC PLAN

In terms of their population served, it is evenly split in between each age group (0-5); in terms of location, Ukiah is largest population. Families with children in Mendocino County have a median income level of \$61,000 compared to the state average of \$75,000; with females earning less than males. 29.6% of families with children under the age of five in Mendocino County are below the poverty level.

Allegations of abuse are on the rise which is good because it means people are reporting. Substantiations are going down. Commissioner Tichinin asked if Differential Response is going to help with substantiation. Commissioner Moss Chandler said it may not assist with that but there is a possibility that it will help with more services to be provided throughout the county which may cause a difference. Recurrence in maltreatment in Mendocino County is higher than the national standard.

The number of children entering foster care has remained around the same for the past three years. Commissioner Tichinin asked if there is continuation of crisis or challenge in foster care placements and what happens when there is no active foster care. Commissioner Moss Chandler confirmed there is a challenge and when there is no active foster care, they get placed out of county; many of the children are reunified.

Approximately, 19% of the children in Mendocino County are being served by Pediatric Dental Initiative (PDI). FSM provides PDI \$2,500 to serve children in Mendocino County. Based on self-reports, perinatal substance abuse is lowered after knowledge of pregnancy. Mendocino County is higher than the state and national standard for children with two or more adverse childhood experiences. Mendocino County children are slightly more resilient than the state average at 67.8% compared to 67.1%. Mendocino County is the fifth highest county in California with children that have two or more ACEs at 22.9%.

ITEM 7 ADOPT STRATEGIC PLAN FOR 2017-20 (ACTION)

Executive Director Ibarra informed the Commission that staff recommends adding “increase family resilience” to the strategic plan. This captures the work we are already doing to improve parenting and decrease substance abuse. Townley Saye, Raise & Shine Program Manager, commented that many of the programs FSM offers are in connection to ACEs and Resiliency. Lydia Lopez, ARC Family Resource Center (ARC FRC), stated that it is difficult to link well to decreasing substance abuse so adding the language of increasing family resilience helps clarify this; “decreasing substance abuse by increasing family resilience”. Commissioner Rentería said that as a Commission they have struggled to find programs to invest in or that are evidence based that are directed at decreasing substance abuse so she feels that adding this will show it is a strategic focus for them.

Motion made to add “increase family resilience” to the Strategic Plan and adopt the Strategic Plan for 2017-20. Motion/Rentería, Second/Passalacqua (all ayes, no nays) Motion Passed

Commissioner Flaherty asked Townley and Lydia if they believe it should be framed differently to address some of the issues they had because he feels as if trauma informed goals is missing. Townley believes it does address their concerns.

Motion to accept the informative graphic as shown
Motion/Flaherty, Second/Moss Chandler (all ayes, no nays) Motion Passed

Commissioner Tichinin called for a break at 11:25 a.m.

Commissioner Tichinin called the meeting back to order at 11:35 a.m.

ITEM 8 PRIORITIZING RESOURCES TOWARD STRATEGIC PLAN (ACTION)

A. REVIEW BUDGET TO ACTUALS FOR FISCAL YEAR 2016-17

Executive Director Ibarra presented the current budget to actuals. The updated version includes the \$17,250 for Ford Street as well as the \$15,000 for the Ukiah Methodist Church for the naturescape playground. As of June 30, 2017, it is projected that our budget will be on track with a surplus of \$30,000 due to the SUDT grant not being used by the court. The commission discussed the overage in the outside services category where the budget was 133% over. Staff reported this was due to Title IV-E. Commissioner Tichinin directed staff to look it over to ensure it is correct and to provide a clean version at the next Commission Meeting.

Executive Director Ibarra also reported there were overages in office supplies and expenses at 101%, education and training at 107%, memberships at 111% and AmeriCorps at 119%. Since other categories were underspent, the overall budget is projected to be balanced.

B. REVIEW FUND STATUS AT COMMUNITY FOUNDATION

The Healthy Kids Mendocino is at \$152,021 and Imagination Library (IL) is at \$3,140. Most of the funds for IL were moved to the IL account at Mendo Lake Credit Union. The IL account at Community Foundation will be maintained in order to receive donations through that outlet.

C. FINANCIAL PROJECTIONS FOR FISCAL YEAR 2016-17

1. BUDGET ASSUMPTIONS

Income: According to state projections, Prop 10 is estimated to be \$641,700 for fiscal year 2017-18. The commission's long term spending plan is to fund FIRST 5 at \$750,000 through 2020 by supplementing the budget with reserve funds. For 2017-18, \$108,300 will be used from the reserve to achieve the \$750,000 budget. Projections for the new tobacco tax have not been released. The ARC FRC was awarded the three year Differential Response grant from HHS. Raise & Shine has applied for Mental Health Services Act funding. .

Commissioner Passalacqua left the meeting at 11:51 a.m.

2. PROP 10 MONTHLY ALLOCATION

The draft budget for 2017-18 allocates Proposition 10 funds as follows:

Strategic Focus Area	% of Proposition 10	Total Proposition 10
Improve Parenting	30.09%	\$225,675
Decrease Substance Abuse	12.5%	\$93,750
Increase Family Resilience	47%	\$352,500
Maximum Effectiveness and Evaluation	8.21%	\$61,575
Support Programs	2.2%	\$16,500

Expenses: The grantees continuing will be the Family Resource Centers (FRCs) and Ford Street Residential Detox & Treatment. The FRC contracts include AmeriCorps for two FRCs. Mendocino Coast Children's Fund (MCCF) is interested as well. Rent and utilities remain stable. The MOU with MCCF for a coast staff person will continue. A Cost Of Living Adjustment was approved by the Commission at last year's Planning Meeting that takes effect this coming fiscal year. Several staff has decreased their hours to accommodate school

schedules. The budget includes three new positions to support current staff and their workload. The new positions are: the differential response caseworker; the community resources and nonprofit coordinator; and the training coordinator which will be funded by Title IV-E pending grant approval.

Commissioner Tichinin asked what their total budget was for the current fiscal year. Executive Director said it is \$2.1 million.

Prop 10 is currently balanced at \$750,000; the largest investment is in FRCs at 27.75% of the Prop 10 budget or \$208,125. FRC's may elect to be a host site for AmeriCorps this coming fiscal year. FSM will pay for 50% of the AmeriCorps and the FRCs will pay for the other 50%. The budget includes a housing stipend for AmeriCorps as we know housing costs and unit availability are obstacles for members.

The budget also includes \$4,000 to assist with travel expenses for individuals attending car seat trainings.

Commissioner Tichinin asked to table the adoption of the 2017-18 Budget until after the lunch break when Commissioner Passalacqua returns to the meeting.

Commissioner Tichinin called for a lunch break at 12:30 p.m.

Commissioner Tichinin called the meeting back to order at 1:20 p.m.

ITEM 9 LONG-TERM FINANCIAL PLAN (ACTION)

B. DEVELOPMENT AND SUSTAINABILITY

In 2015, the Commission approved a five year spending plan to spend down the \$700,000 in reserves by fiscal year 2019-2020.

FIRST 5 as a Funder

FSM is continuing the spending plan at \$750,000. The projections beyond 2019-20 are still not available from the State. Once they are received, they will be presented to the Commission. The amount for Prop 56 backfill is still uncertain.

FIRST 5 as a Grantee – Direct Services

More staff time will be allocated to seeking grants. FSM be hiring a new staffer that will be assisting with fund development. Grants will be pursued for IL as well as for the nonprofit. They have a goal to reach \$90,000 by June 30, 2018 for IL.

The Raise & Shine program has Title IV-E and Health and Human Services Agency (HHSA) contracts. For this new fiscal year, they are seeking Mental Health Services Act (MHSA) funding.

The ARC FRC receives grants from OCAP, VOCA and HHSA Differential Response. They will also be seeking additional grants and are planning a fundraiser.

Nonprofit

The Sandbox has applied for the Food Program which will bring in revenue. It will pay for their food and for a food prep worker. Executive Director Ibarra will be developing a plan to grow the

nonprofit to carry FSM's mission as revenues decline beyond 2019-20.

Commissioner Passalacqua rejoined the meeting at 1:26 p.m.

ITEM 8 PRIORITIZING RESOURCES TOWARD STRATEGIC PLAN (ACTION)

C. FINANCIAL PROJECTIONS FOR FISCAL YEAR 2016-17

Commissioner Tichinin brought Commissioner Passalacqua up to date on what was discussed on Item 8B.

3. OTHER REVENUE

The conversations held in earlier parts of the meeting covered this item.

4. GRANTEES AND INVESTMENTS

Commissioner Flaherty asked if Executive Director Ibarra feels as if becoming a part of the Pediatric Dental Initiative (PDI) board would be an effective use of her time given that she already has a lot of responsibilities with FSM. He believes it would be great if she was part of the PDI board but would not like for her to take on too much. He suggested possibly having a Commissioner or a local dentist to be become a board member.

Commissioner Tichinin believes they should approve the allocation of time and hold the application process until the next meeting. Executive Director Ibarra said she could attend the next meeting to get an idea of what exactly PDI will need.

D. ADOPTION OF THE 2017-18 BUDGET

Motion to approve the draft budget of \$2,123,464 in revenue, and \$2,100,817 in expenses with \$22,647 as a reserve contingency if grants applied for are not received or if fundraisers do not meet the projected target.

Motion/Rentería, Second/Flaherty (All ayes, no nays) Motion passed.

E. AUTHORIZATION OF THE 2017-18 CONTRACTS AND GRANTS

Commissioner Tichinin opened a public hearing on the authorization of the 2017-18 contracts and grants. Asked for any public comments; none received. Commissioner Tichinin closed the public hearing.

Motion to authorize the Executive Director to approve contracts and grants for fiscal year 2017-18
Motion/Moss Chandler, Second/Rentería (all ayes, no nays) Motion passed

ITEM 9 LONG-TERM FINANCIAL PLAN (ACTION)

A. APPROVE/MODIFY/ADOPT LONG-TERM FINANCIAL PLAN

Commissioner Tichinin opened a public hearing to discuss the long-term financial plan. Asked for any public comment; none received. Commissioner Tichinin closed the public hearing.

Motion to approve the long-term financial plan

Motion/Passalacqua, Second/Flaherty (all ayes, no nays) Motion passed

ITEM 10 CLOSED SESSION – PERFORMANCE EVALUATION

Per Gov. Code 54954(b) the Commission will conduct a performance evaluation of the Executive Director.

ITEM 11 RECONVENE OPEN SESSION

Commissioner Tichinin reconvened in open session at 2:05 p.m.; Executive Committee Board will meet with Executive Director to discuss the evaluation results.

ITEM 12 COMMISSIONER REPORTS, ANNOUNCEMENTS & ADDITIONAL MATERIALS

Commissioner Passalacqua shared that sixty percent of the dependency budget has been shifted to recipient counties such as Los Angeles, San Bernardino and Riverside Counties. As a result experienced dependency attorneys are leaving the area. The budget for dependency council was approximately \$760,000; it will be \$390,000 by the end of next year. Commissioner Passalacqua stated he is concerned about who will represent Mendocino County's children

Commissioner Renteria informed the commission that Lin Hunter, former Executive Director of the Mendocino Community Health Clinics passed away.

Commissioner Tichinin adjourned the meeting at 2:27 p.m.