

FIRST 5 COMMISSION OF SAN DIEGO
9655 Granite Ridge Drive, Suite 120, MS A-211
San Diego, CA 92123
(858) 285-7710

FINANCE COMMITTEE MEETING MINUTES

January 18, 2024

Members Present:

Ricardo Macedo, Chair
Ardee Apostol, Vice-Chair
Chris Herrera

Members Absent:

Fred Baranowski
Tracy Drager

Alternate Member(s) Present:

Brian Ruehle

Staff Present:

Alethea Arguilez, Executive Director
Martin Cherry, Operations Manager
Fortune Cheng, Fiscal Manager
Karen Hays, Administrative Secretary

1. Call to Order

Chair Macedo called the Finance Committee meeting to order at 9:05am.

2. Opportunity for Public Comments

There were no public comments received.

3. Recusal Reminder

Chair Macedo reminded the Finance Committee Members to recuse themselves from voting on any agenda items that have a real or perceived conflict of interest.

4. Approval of Finance Committee Meeting Minutes from September 19, 2023.

ON MOTION OF Member Herrera seconded by Vice Chair Apostol, the Committee approved the minutes for the September 19, 2023 meeting.

AYES: Macedo, Apostol, Herrera, Ruehle
ABSENT: Baranowski, Drager
ABSTAIN: None
NOES: None

5. Commission Financials Approval

Fortune Cheng, Fiscal Manager of First 5 San Diego lead a review and discussion of the Balance Sheet and Statement of Revenues and Expenditures including the 2nd Quarter Budget Projection for the quarter ending December 31, 2023.

ON MOTION OF Vice Chair Apostol, seconded by Member Herrera, the Committee approved the Balance Sheet and Statement of Revenues and Expenditures including the 2nd Quarter Budget Projection for the quarter ending December 31, 2023.

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AYES: Macedo, Apostol, Herrera, Ruehle
ABSENT: Baranowski, Drager
ABSTAIN: None
NOES: None

6. Investment Policy Review

The Commission's Investment Policy, F5C-011, is up for sunset review. The Finance Committee reviewed the policy, and no changes were recommended.

ON MOTION OF Member Herrera, seconded by Vice-Chair Apostol, the Committee approved the Investment Policy, F5C-011.

AYES: Macedo, Apostol, Herrera, Ruehle
ABSENT: Baranowski, Drager
ABSTAIN: None
NOES: None

7. Executive Director Report

- Executive Director Arguilez provided an update to the Committee:
 - The Governor's Budget Proposal:
 - Will keep the committee updated on any relevant funding in the Governor's Budget that supports the work led by First 5 San Diego.
 - Legislation Advocacy:
 - ED Arguilez and APOM Javier will be attending the Annual First 5 Association Advocacy Day in Sacramento in early February to meet with San Diego delegation to discuss the funding issue impacting First 5s statewide, as well as advocate for sustainability funding, a onetime ask of \$100M as well as Early Childhood mental health and supporting continuous Medi-Cal eligibility for children birth to 5 years.
 - Funding Projections and Impact:
 - Our current and future Prop 10 revenue continues to decline. This was recently impacted by the new Prop 31 flavor ban on tobacco. This is projected to reduce annual revenue by \$3M. In the coming year, it is anticipated to reduce budget allocations by nearly \$13.8M. We are taking a close look at our programming, some of which may not be possible to sustain beyond 2025.
 - The Commission is currently in a pilot study to leverage the Federal Funding from the Family First Prevention Service Act (FFPSA). There is a possibility to draw down up to 50% of the claim. That is to be determined at this time.
 - Strategic Planning Update:
 - The Ad Hoc Committee has been formed and will hold its first meeting on February 12, 2024. The Ad Hoc Committee is comprised of mostly community subject matter experts and our County Child Health Officer and a representative of the Commission, Dr. Wilma Wooten as Chair.

8. Future Agenda Items

- FY 2024 – 2025 Proposed Budget including an updated Financial Spending Plan

9. Adjournment

Chair Macedo adjourned the meeting at 10:15am to reconvene on March 13, 2024.

Notes by Karen Hays