

Memo

To: Commission Members
From: Alexander Khu
Date: Monday October 7, 2013
Re: October 7, 2013 Commission Meeting

Enclosed are the materials for the October 7, 2013 Commission meeting which will take place as follows:

Time: 6:00 pm

Location: 1485 Civic Court (formerly Enea Court), Suite 1200, Concord, CA
925-771-7300

A light dinner will be provided.

Please let me know if you have any questions.

Kind Regards,

Alexander Khu, Executive Assistant
First 5 Contra Costa
1485 Civic Court (*formerly Enea Court*)
Suite 1200
Concord, CA 94520
925-771-7342 Direct
925-771-6083 Fax



**Commission Meeting
Agenda**

Monday, October 7, 2013, 6:00 pm
1485 Civic Court, Suite 1200
Large Conference Room
Concord, CA

1.0 Call to Order and Roll Call

2.0 CLOSED SESSION

Public Employee Performance Evaluation

Title: Executive Director

3.0 Public Comment

The public may comment on any item of public interest within the jurisdiction of the First 5 Contra Costa Children and Families Commission. In accordance with the Brown Act, if a member of the public addresses an item not on the posted agenda, no response, discussion, or action on the item may occur.

4.0 Approval of Consent Calendar

Action

A Commissioner or member of the public may ask that any of the following consent items be removed from the consent calendar for consideration under Item 4.

4.1 Approve the minutes from the September 9, 2013 meeting.

4.2 Accept the Executive Committee Report from the September 9, 2013 meeting.

4.3 Approve the Contracts Docket

APPROVE and AUTHORIZE the Executive Director to execute a contract with Community Initiatives/BANDTEC to provide independent assessment (ERS and CLASS) consistent with regional protocols to providers participating in Contra Costa's Quality Rating and Improvement System (QRIS) in an amount not to exceed \$114,000 for term October 15, 2013 to June 30, 2014.

FY2013-14 budget line: Early Care & Education Initiative: Professional Development (\$1,179,654). 100% California Department of Education Race to the Top (RTT) Early Learning Challenge funds.

5.0 Consider for discussion any items removed from the consent calendar.

6.0 Consider accepting the Fiscal Year 2012-2013 Financial Audit

Action

7.0 Consider accepting the 2014 premium contribution rates for active employee health and dental benefits, and maintaining existing contribution rates for health and dental benefits for retirees, survivors and COBRA participants.

Action

8.0 Executive Director's Report

Discussion



- | | | |
|-------------|---|------------|
| 9.0 | Communications
None received. | Discussion |
| 10.0 | Commissioner F.Y.I. Updates | Discussion |
| 11.0 | Adjourn | |

The First 5 Contra Costa Children and Families Commission will provide reasonable accommodations for persons with disabilities planning to participate in Commission meetings who contact the Commission's offices, at least 48 hours before the meeting, at (925) 771-7300.

Any disclosable public records related to an open session item on a regular meeting agenda and distributed by the First 5 Contra Costa Children and Families Commission to a majority of members of the First 5 Contra Costa Children and Families Commission less than 96 hours prior to that meeting are available for public inspection at 1485 Enea Court, Suite 1200, Concord, CA 94520 during normal business hours.

In consideration of those who may suffer from chemical sensitivities or who may have allergic reactions to heavy scents, First 5 Contra Costa requests that staff and visitors refrain from wearing perfume, cologne, or the use of strongly scented products in the work place. We thank you for your consideration of others.



Monday October 7, 2013

Agenda Item 4.1

Approve the minutes from the September 9, 2013 meeting.



Commission Meeting MINUTES

Monday, September 9, 2013, 6:00 pm
1485 Civic Court, Suite 1200
Large Conference Room
Concord, CA

1.0 Call to Order and Roll Call

The meeting was called to order at 6:15 PM.

Commissioners in attendance were Chair PJ Shelton, Secretary/Treasurer Maria Fort, Vice Chair Valerie Earley, John Jones, Gareth Ashley, Barbara Cappa, Dr. William Walker, and Kathy Gallagher.

Alternates in attendance were Toni Robertson and Katharine Mason.
Mister Phillips arrived at 6:46 pm.

Also present was County Counselor Keiko Kobayashi.

2.0 Public Comment

Shelter Inc. Director of Program Services, Jennifer Baha reported that in the last fiscal year (2012-2013), they received 45 families with 69 children (53 were between 0 to 5 years old). 100% went to stable housing, either permanent or transitional housing. She also described a 33 year old mother who just entered facility today who had a one-year-old boy. She will hopefully get her set up with employment search and be entered into stable housing soon.

3.0 Approval of Consent Calendar

Gareth Ashley moved to have the consent calendar approved.
Maria Forte seconded.
Motion was **APPROVED** unanimously.

4.0 Consider for discussion any items removed from the consent calendar.

There were no items removed from the consent calendar.

5.0 Presentation on "Raising a Reader"

Sean Casey introduced Molly Wertz, the Executive Director of Raising a Reader San Francisco and Alameda Counties (RAR). First 5 has been a Raising a Reader affiliate for several years, starting with school readiness programs and later building RAR into Preschool Makes a Difference. With this steady expansion, First 5 now supports RAR in over 160 early learning classrooms, as well as the First 5 Centers. We have been looking at joining RAR San Francisco-Alameda so the program can be maintained and grown in the context of a larger agency devoted to childhood literacy. Sean began discussions with Molly earlier this year and met with the RAR board in the summer. We also hosted an opportunity for Contra Costa funders to meet Molly and learn more about her agency and the potential for expanding into Contra Costa. That meeting has yielded funding commitments for RAR support.

Our target date for transitioning RAR is January 1, 2014. We expect that our current staff member

would become an employee of RAR. The RAR board will be making its final decision in October.

Molly showed the Commission a sample of the “Raising A Reader” bag that children takes home to their families every week. She explains that the program empowers families to build one of the simplest and most transformative of regular routines: weekly book sharing. She presented a PowerPoint overview of the RAR concept and agency.

She explains that each week, children take home these bright red bags filled with high-quality developmentally appropriate multilingual and multicultural children’s books. This simple routine, sustained weekly by educators and caregivers who implement the program, is key in getting families truly engaged in their children’s learning.

RAR currently serves over 110,000 families in San Francisco and Alameda Counties. They anticipate serving over 3, 000 young children in Contra Costa County through home visiting programs, resource centers, preschool centers and family literacy programs.

PJ Shelton asked how RAR determines age-appropriate and culturally-appropriate books. Molly replied that Raising a Reader nationally employs a rigorous selection process to ensure that selected books are appropriate for children at each age and appropriate for children from many backgrounds. Locally, RAR has supplemented with books in Mandarin and other languages.

Gareth Ashley was concerned about the condition of the books being rotated and asked about how RAR plans to maintain the “refresh” cycle. Molly noted that a major component of RAR is regularly visiting with providers and replenishing their book stock to ensure that children are taking home books in good condition. And they encourage provides to remind parents to take care of the books.

Sean said he expected to bring the contract approval to the Commission at the December meeting.

6.0 Executive Director’s Report

Sean Casey reported the following:

Encouraged all to visit the interactive Data Dashboard on the First 5 Contra Costa website, which now provides easy-to-digest facts and information on First 5 programs and outcomes.

Sugar Bites – California First 5 is printing Sugar Bites materials for distribution to over 1,500 dentists statewide. And, Salud America, the Robert Wood Johnson Foundation Research Network to prevent obesity among Latino children, has taken notice of El Asugar Muerde and will be promoting it in a future segment on marketing likely in the Spring of 2014. Meanwhile, the new Sugar Bites Campaign featuring the “Juice Box” is expected to occur in the spring of 2014.

California First 5 is updating its strategic plan. Cally Martin and Sean Casey participated with Directors from almost all the counties in a session with California First 5 staff and their planning consultants in late July to provide input on how California First 5 can be best positioned in the years to come. Our auditors completed their on-site work on August 30th and found no issues or problems to address. Sean thanked Marnie Huddleston, Marianne Dumas, Shawn Garcia, and Lisa Johnson and her assistants for keeping all financial, personnel and contracts affairs compliant and in order with accounting standards. The auditor will be reporting to the Commission at the upcoming October

Commission Meeting.

The State of California will be receiving more federal funds for the Race to The Top Early Learning Challenge program to augment the existing program funding. We currently receive about \$1.5 million over 3 calendar years; the augmentation is expected to be about \$660,000 for the remaining 2 calendar years. What those funds are to be used for, and how we will obtain them, is still to be determined. It's possible that other Bay Area counties who had not been involved in RTT, such as San Mateo County, may be brought in with the funding augmentation. Currently the counties that are participating are Contra Costa, Alameda, Santa Clara, San Francisco and Santa Cruz.

Thursday, September 19, from 5:00 – 7:00 PM there will be a special event at the Food Bank of Contra Costa and Solano Counties, "Confronting Suburban Poverty in Contra Costa County," with Alan Berube of the Brookings Institution, author of *Confronting Suburban Poverty in America*.

Also Thursday, October 10, the Family Economic Security Partnership will be holding a forum on the ACA and its impact for low-income families in Contra Costa featuring Wanda Session and Kathy Gallagher among the speakers.

November 15th is the anniversary of Proposition 10. There will be some statewide activities. The First 5 Association is preparing a "tool kit" of materials for the occasion and all counties are encouraged to acknowledge the day. More information will be forthcoming.

All contracts for the fiscal year 2013-2014 are now fully executed.

The First 5 Contra Costa office's street name has changed from "Enea" to "Civic" Court effective August 2013.

7.0 Communications

Chair, PJ Shelton reminded everyone that the next Commission meeting will occur on Monday October 7th. We will not be in session on November. We will meet Monday December 2nd and Monday February 3, 2014. There is no meeting in January 2014.

Please go to the First 5 Contra Costa Website for the Standing Meetings Calendar.

8.0 Commissioner F.Y.I. Updates

Gareth Ashley reported that the Monument First 5 Center's first year anniversary celebration at 1736 Clayton Road in Concord was well organized and well attended.

9.0 Adjourn

Meeting adjourned at 7:25 PM.



Monday October 7, 2013

Agenda Item 4.2

Accept the Executive Committee Report from the September 9, 2013 meeting.



Executive Committee Minutes

September 9, 2013

4:00 p.m.

Small Conference Room,
1485 Civic Court, Suite 1200, Concord, CA

1.0 Call to Order

In attendance: Chair PJ Shelton, Vice Chair Valerie Earley, Secretary/Treasurer Maria Fort; staff Sean Casey, Cally Martin, Marnie Huddleston.

2.0 Public Comment

None given.

3.0 Staff Updates

Cally Martin provided an update on program activities:

All FY 2013-14 contracts are fully executed, the earliest we have ever achieved this.

Sixty-five child care programs have joined our effort to implement a child care Quality Rating and Improvement System (QRIS) in Contra Costa County. This is our second year implementing the QRIS program. Twenty-one programs participated in a pilot last year. During the month of September sites are completing their self-assessment, which will provide them with a provisional rating.

The Healthy Families Collaborative is a newly formed group working together to implement the new First 5 funded home visiting program. The Collaborative includes First 5, Brighter Beginnings (Hello Baby), and AspiraNet (Welcome Home Baby). The leadership team of the collaborative is currently working on developing a mission and vision and implementing the Family Development Matrix which will be launched later this month at a convening for all home visiting staff.

Lisa Morrell, Family Support Program Officer, has been invited to join the Steering Committee of the statewide Family Strengthening Roundtable, funded by the Office of Child Abuse Prevention. The collaborative includes representatives from child welfare, early childhood serving organizations, and parent leaders from across the state.

Fifty-eight mental health professionals from the three Birth to Six (BTS) mental health providers were trained on the CANS (Child and Adolescent Needs and Strengths) tool. The CANS was selected by the BTS taskforce and First 5 staff to collecting data on family outcomes, replacing the Family Situations Form, a tool previously in use that was found to have poor validity.

This summer, a UC Berkeley Masters degree intern completed her 3 month project to design an evaluation for our Community Engagement program. Several of the evaluation activities have been completed. Some activities are scheduled throughout the year, and evaluation staff will pick up these activities. The findings from the surveys, focus groups, and other evaluation activities will provide new and useful information about the CE program and its outcomes for participants.

4.0 Commission Updates

*Executive Committee
Minutes
September 9, 2013*



Sean is in the middle of meetings with each of the County Supervisors. He is updating them on the Commission's actions to fund its OPEB and pension liabilities, as well as program activities in the past year and the successful Sugar Bites health promotion campaign. The Supervisors he has met with so far have expressed great support for the Commission and its work.

Sean laid out for the Committee his thinking on two staff positions. Previously, in response to the potential funding loss due to AB99, we eliminated the Administrative Assistant who sat at the reception desk. In the past year we have had a temp in that position for 20 hours per week, responding to visitors at the door and providing support to the Administrative Manager. We'd like to make that a regular part-time position now so that we have consistency for longer intervals. The cost for the position is comparable to the cost we currently incur in temporary labor.

Sean also proposes adding a program assistant to support the Public Affairs Manager, who currently shares a program assistant with the Community Engagement Program. With the growth of our social media and health promotion activities, more time is necessary in that department. This addition will be partially offset with the expected January transfer of our current Raising a Reader coordinator to the RAR contract.

The Executive Committee supported creating both positions.

5.0 Statewide Updates

Sean and Cally participated in California First 5's statewide strategic planning session. It was a well-run session; the final plan will be revealed at the State Commission's October meeting.

6.0 Review agenda items for upcoming Commission meetings

The Committee reviewed the new meeting schedule and will be sure to go over it at the Commission meeting as well.

At the October meeting staff will bring forward the health insurance premiums for the 2014 year. The Commission will need to adopt these as the open enrollment period will begin the next day.

7.0 CLOSED SESSION – Public Employee Performance Review

The committee went into closed session.

8.0 Adjourn

The meeting was adjourned at 5:40 pm.



Monday October 7, 2013

Agenda Item 6.0

Consider accepting the Fiscal Year 2012-2013 Financial Audit.



September 26, 2013

To the Board of Commissioners
First 5 Contra Costa Children and Families Commission
Concord, California

We have audited the financial statements of the governmental activities and the general fund of First 5 the Contra Costa Children and Families Commission (the Commission), a component unit of the County of Contra Costa, California, for the year ended June 30, 2013. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated April 12, 2013 and in our meeting with the Commission Chair on June 4, 2013. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Commission are described in Note 1 to the financial statements. As described in Note 1 to the financial statements, the Commission adopted GASB Statement No. 63 – *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, as of July 1, 2012.

We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the Commission's financial statements were:

Management's estimate of the liabilities owed to vendors and grantees included in grants and contracts payable to related and non-related parties are based on historical expenditures and contract amounts. We evaluated the key factors and assumptions used to develop the amounts owed to vendors and grantees in determining that it is reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated September 26, 2013.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of Board of Commissioners and management of the Commission and is not intended to be, and should not be, used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Vavrinch, Train, Day & Co., LLP". The signature is written in a cursive style with a large initial 'V'.

Sacramento, California
September 26, 2013

**FIRST 5 CONTRA COSTA
CHILDREN AND FAMILIES COMMISSION**
(a Component Unit of the County of Contra Costa, California)

Independent Auditors' Reports, Basic Financial Statements,
Required Supplementary Information,
Other Information and Compliance Section

For the Year Ended June 30, 2013

**FIRST 5 CONTRA COSTA CHILDREN AND FAMILIES COMMISSION
FOR THE YEAR ENDED JUNE 30, 2013**

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INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners
First 5 Contra Costa Children and Families Commission
Concord, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and the general fund of the First 5 Contra Costa Children and Families Commission (the Commission), a component unit of the County of Contra Costa, California, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the general fund of the First 5 Contra Costa Children and Families Commission, as of June 30, 2013, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As described in Note 1 to the financial statements, the Commission adopted GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* as of July 1, 2012. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3 through 7 and pages 32 through 34 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Commission's basic financial statements. The Schedule of Expenditures by Fund Source and Net Position of CCFC Funds for First 5 Programs and Activities is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 26, 2013 on our consideration of the Commission's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Governmental Auditing Standards* in considering the Commission's internal control over financial reporting and compliance.



Sacramento, California
September 26, 2013

**FIRST 5 CONTRA COSTA CHILDREN AND FAMILIES COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)
June 30, 2013**

This Management's Discussion and Analysis is intended to serve as a narrative overview of the financial activities of First 5 Contra Costa for the year ended June 30, 2013. This information should be read in conjunction with the financial statements and the notes to the financial statements (beginning on page 9).

FISCAL 2013 FINANCIAL HIGHLIGHTS

Financial highlights of the year include the following:

The assets of the Commission exceeded its liabilities at the close of fiscal year 2012-2013 by \$39,266,784 (net position), a decrease of 5% from the previous year. Of this amount, \$772,672 was invested in capital assets, \$281,652 was restricted for the Thomas J. Long Foundation Grant, and \$210,789 was restricted for the Race to the Top grant. The remaining net position, \$38,001,671, was available to meet the Commission's ongoing obligations. The change in net position reflects the Commission's planned use of resources to keep program funding stable and in line with budget expectations.

This year the Commission explored options to best manage its commitment to provide pension and other post employment benefits (OPEB) to its employees. It took action to ameliorate the growing unfunded liability of its pension obligation and to ensure sufficient funds are available to meet OPEB obligations.

After reviewing alternative ways to offset the growing unfunded accrued actuarial liability (UAAL), the Commission approved an agreement with Contra Costa County Employee Retirement Association (CCCERA) to pay \$2 million, to be amortized over 11 years, toward the Commission's UAAL, resulting in a prepaid pension asset. Because of this payment and CCCERA's net investment return, the Commission receives a discount on future payments.

The Commission also voted to join the California Employers Retirement Benefits Trust (CERBT), administered by CALPERS, for the purpose of funding the Commission's OPEB liability. The Commission made an initial contribution of \$553,255 to CERBT, paying off past and current year OPEB liabilities and creating a net OPEB asset of \$113,069. CERBT provides investment management, Governmental Accounting Standards Board compliant financial reporting and administration of the Commission funds.

Total commission revenues for fiscal year 2012-2013, which included Contra Costa's Proposition 10 tobacco tax allocation, project-specific funding from First 5 California, grants, interest, and other income, were \$11,505,401, an increase of \$3,516 from the prior year's amount of \$11,501,885. Total expenses for FY 2013 were \$13,475,386, a decrease of \$5,791 from prior year expenses of \$13,481,177.

The 2012-13 Proposition 10 tax revenue total of \$8,729,939 decreased 4% from the previous year's total of \$9,091,348. Half of the decrease was due to a 2% decrease in tobacco tax revenue statewide; the rest is due to a decrease in Contra Costa's portion.

**FIRST 5 CONTRA COSTA CHILDREN AND FAMILIES COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)
June 30, 2013**

OVERVIEW OF THE FINANCIAL STATEMENTS

First 5 Contra Costa financial report includes:

1. The basic financial statements, which include the *government-wide financial statements* and the *fund financial statements*.
2. Notes to the financial statements
3. Required supplementary information
4. Other information

Government-Wide Financial Statements

The *government-wide financial statements* provide a broad overview of the Commission's activities as a whole, and are comprised of the *statement of net position* and the *statement of activities*. The *statement of net position* provides information about the financial position of the Commission on the full accrual basis, similar to that used in the private sector. It shows the Commission's assets and liabilities, with the difference between the two reported as net position. The *statement of activities* provides information about the Commission's revenues and all its expenses, also on the full accrual basis, and explains in detail the change in net position for the year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements. All of the First 5 Contra Costa Commission's activities are accounted for in the general fund.

The *fund financial statements* report essentially the same functions as those reported in the government-wide financial statements. However, unlike the government-wide financial statements, the fund financial statements report the Commission's operations in more detail and focus primarily on the short-term activities of the Commission. The fund financial statements are prepared on the modified accrual basis and measure only current revenues, expenditures and fund balances; they exclude capital assets and long-term liabilities.

NOTES TO THE FINANCIAL STATEMENTS

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide, general fund financial statements and required supplementary information.

OTHER INFORMATION

In addition to the basic financial statements and accompanying notes, this report also presents certain other information concerning the First 5 Contra Costa's finances.

**FIRST 5 CONTRA COSTA CHILDREN AND FAMILIES COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)
June 30, 2013**

The following is a summary of the Commission's Statement of Net Position comparing balances at June 30, 2013 and June 30, 2012.

	Governmental Activities		Change
	2013	2012	
<u>Assets:</u>			
Current and other assets	\$ 37,859,262	\$ 42,045,013	\$ (4,185,751)
Noncurrent assets	3,206,741	1,119,143	2,087,598
Total Assets	<u>41,066,003</u>	<u>43,164,156</u>	<u>(2,098,153)</u>
<u>Liabilities:</u>			
Current liabilities	1,684,890	1,419,859	265,031
Noncurrent liabilities	114,329	507,528	(393,199)
Total Liabilities	<u>1,799,219</u>	<u>1,927,387</u>	<u>(128,168)</u>
<u>Net Position:</u>			
Net investment in capital assets	772,672	798,143	(25,471)
Restricted	492,441	8,929	483,512
Unrestricted	38,001,671	40,429,697	(2,428,026)
Total Net Position	<u>\$ 39,266,784</u>	<u>\$ 41,236,769</u>	<u>\$ (1,969,985)</u>

The Commission's net position from governmental activities decreased from \$41,236,769 in 2012 to \$39,266,784 in 2013. This decrease in Net Position reflected in the Statement of Activities is primarily due to the budgeted use of net position to sustain consistent program funding.

The most significant portion of the Commission's current assets is its cash balances. Cash is maintained in the Contra Costa County's cash and investment pool where interest earned on the Commission's balance is apportioned to the Commission. Current and other assets decreased \$4,185,751 from the prior year June 30 balance. Another component of current assets is the due from other governments balance in the amount of \$1,838,878 at June 30, 2013. These receivables are due from the State for the May and June 2013 Proposition 10 tax revenues not remitted to the Commission prior to June 30th, and for First 5 CA Cares Plus grant expenditures.

Noncurrent assets increased as a result of the Commission's \$2 million prepayment towards its share of the Contra Costa County Retirement System's unfunded accrued actuarial liability. The Commission also contributed to its other post employment benefits (OPEB) obligation, creating a net OPEB asset of \$113,069 at 6/30/2013.

Current liabilities for the year ending June 30, 2013 increased \$265,031 from the prior year due to increased 4th quarter contract payments. Current liabilities include accounts payable of \$42,275, 4th quarter contract payments of \$1,464,758 due to service providers that had not been paid at June 30, 2013, and accrued wages and benefits of \$165,154.

**FIRST 5 CONTRA COSTA CHILDREN AND FAMILIES COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)
June 30, 2013**

The following is a summary of the Commission's revenues, expenses and change in net position comparing fiscal year 2012-2013 with fiscal year 2011-2012:

	Governmental Activities		Change
	2013	2012	
<u>Program Revenues:</u>			
Prop 10 Tax	\$ 8,729,939	\$ 9,091,348	\$ (361,409)
Prop 10 State School Readiness	-	577,913	(577,913)
Prop 10 CARES Plus	288,360	329,054	(40,694)
Grant income	2,229,229	1,218,171	1,011,058
Total Program Revenues	<u>11,247,528</u>	<u>11,216,486</u>	<u>31,042</u>
<u>General Revenues:</u>			
Interest income	153,804	188,068	(34,264)
Other revenue	104,069	97,331	6,738
Total Revenues	<u>11,505,401</u>	<u>11,501,885</u>	<u>3,516</u>
<u>Expenses:</u>			
Child development	<u>13,475,386</u>	<u>13,481,177</u>	<u>(5,791)</u>
Extraordinary item	<u>-</u>	<u>23,488,904</u>	<u>(23,488,904)</u>
Change in net position	(1,969,985)	21,509,612	
Net position, beginning of year	<u>41,236,769</u>	<u>19,727,157</u>	
Net position, end of year	<u>\$ 39,266,784</u>	<u>\$ 41,236,769</u>	

The financial statements for fiscal year 2012-2013 show a decrease in net position of \$1,969,985. The change in net position reflects the Commission's use of resources to keep program funding stable.

Proposition 10 tax revenues decreased by \$361,409 compared to the 2011-2012 fiscal year. Grant income increased \$1,011,058, reflecting the onset of the Race to the Top – Early Learning grant of \$392,779 for implementing a local quality rating and improvement system for childcare providers, and an additional \$618,000 of Thomas J. Long Foundation funding than the prior year. Grant funds from the Thomas J. Long Foundation were in the fourth year of funding for Preschool Makes a Difference scholarships.

The Commission's overall expenses decreased by \$5,791 (<1%) in 2012-13 from the prior year. Contract funding was restored to pre-AB99 levels, and increased an additional 5%. The Early Care and Education Initiative funded fewer preschool scholarships due to the end of the First 5 CA School Readiness funding and start up of the Race to the Top grant. The Public Health department restructured their Medically Vulnerable Infant program and allowed First 5 to redirect funds to other programs addressing early childhood developmental needs, which resulted in Early Intervention initiative cost savings. .

**FIRST 5 CONTRA COSTA CHILDREN AND FAMILIES COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)
June 30, 2013**

Financial Analysis of the Governmental Fund

The fluctuations in the Commission's General Fund from the year ended June 30, 2012 to June 30, 2013 year are similar to those in the government wide statement of activities. Differences between the General Fund and the governmental activities arise primarily due to differences in accounting treatment for compensated absences, other post employment benefits (OPEB), and capital assets resulting from the governmental fund financial statements being reported on a modified accrual basis of accounting.

GENERAL FUND BUDGETARY HIGHLIGHTS

Total revenues exceeded the budgeted amount by \$569,922, or five percent (5%), and total expenses were less than budgeted by \$1,950,978 or thirteen percent (-13%). The increase in revenues was primarily due to the State tobacco tax revenue being greater than projected by the State Department of Finance. Total expenditures were less than budgeted due to under-spending and savings in all areas of the budget, particularly in the Early Care and Education and Early Intervention Initiatives.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The Commission's capital assets consist of land, buildings and improvements, and furniture and fixtures. A new phone system was purchased during the 2012-13 fiscal year in the amount of \$17,836 resulting in the remaining change in capital assets over the current year being entirely attributable to \$43,307 in accumulated depreciation additions.

Debt Administration

The Commission's debt at June 30, 2013 consists of the long-term portion of compensated absences. The large decrease in the Commission's non-current obligations of \$393,199 over the prior year was primarily attributable to a substantial decrease in the net OPEB obligation in the 2012-2013 fiscal year.

ECONOMIC OUTLOOK AND MAJOR INITIATIVES

In the 2012-2013 fiscal year budget, the Commission restored some, but not all, of the cuts it made in the previous year due to AB99, which required county First 5s to remit to the State Treasurer an amount equivalent to 50% of their total Proposition 10 fund balance as of June 30, 2010. A lawsuit brought by a consortium of county First 5s prevailed and AB99 was nullified. The Commission updated its 2012-2013 budget projections accordingly. With the fiscal uncertainty that clouds the state of California, First 5 could still be a target in future attempts to claim Proposition 10 resources for state uses.

**FIRST 5 CONTRA COSTA CHILDREN AND FAMILIES COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)
June 30, 2013**

Proposition 10 cigarette tax revenues decreased 4% in FY2013 and it is anticipated that revenue will decline 2-3% each year for the foreseeable future as tobacco consumption declines in California. The Commission is in the third year of its 2010-2015 strategic plan, which entails using reserves to sustain program funding levels. We are in the planning stages of the next strategic phase, which will reduce expenditures, taking into account decreased Prop 10 revenue in 2016 and a reduced fund balance. We anticipate continuing our four initiatives and are looking forward to working with our community partners to build sustainable programs as we enter the next chapter of First 5.

CONTACTING THE COMMISSION'S FINANCIAL MANAGEMENT

This annual report is intended to provide the community with a general overview of the Commission's finances. Questions about this report should be directed to the Commission's Executive Director at 1485 Civic Court, Suite 1200, Concord, California 94520.

FIRST 5 CONTRA COSTA CHILDREN AND FAMILIES COMMISSION
STATEMENT OF NET POSITION
JUNE 30, 2013

	Governmental Activities
ASSETS	
Current Assets:	
Cash and investments	\$ 35,763,964
Accounts receivable	116,084
Due from other governments	1,838,878
Prepaid expense	140,336
Total current assets	37,859,262
Noncurrent Assets:	
Note receivable	321,000
Capital assets, net of accumulated depreciation	772,672
Prepaid pension asset	2,000,000
Net OPEB asset	113,069
Total noncurrent assets	3,206,741
TOTAL ASSETS	41,066,003
 LIABILITIES	
Current Liabilities:	
Accounts payable	42,275
Grants and contracts payable	1,026,407
Grants and contracts payable to related parties	438,351
Accrued wages and benefits	165,154
Compensated absences	12,703
Total current liabilities	1,684,890
Noncurrent Liabilities:	
Compensated absences	114,329
TOTAL LIABILITIES	1,799,219
 NET POSITION	
Net investment in capital assets	772,672
Restricted for:	
Thomas J. Long Foundation Grant	281,652
Race to the Top Grant	210,789
Unrestricted	38,001,671
TOTAL NET POSITION	\$ 39,266,784

See accompanying notes to the basic financial statements.

**FIRST 5 CONTRA COSTA CHILDREN AND FAMILIES COMMISSION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2013**

	Expenses	Program Revenues Operating Grants And Contributions	Net (Expense) Revenue and Changes in Net Position Governmental Activities
Governmental Activities:			
Child development	\$ 13,475,386	\$ 11,247,528	\$ (2,227,858)
General Revenues:			
Investment income			153,804
Miscellaneous			104,069
Total General Revenues			257,873
Change in Net Position			(1,969,985)
Net Position, July 1			41,236,769
Net Position, June 30			\$ 39,266,784

See accompanying notes to the basic financial statements.

**FIRST 5 CONTRA COSTA CHILDREN AND FAMILIES COMMISSION
GOVERNMENTAL FUND BALANCE SHEET
JUNE 30, 2013**

	General Fund
ASSETS	
Cash and investments	\$ 35,763,964
Accounts receivable	116,084
Due from other governments	1,838,878
Prepaid expense	140,336
Note receivable	321,000
Total Assets	\$ 38,180,262
 LIABILITIES AND FUND BALANCES	
LIABILITIES	
Accounts payable	\$ 42,275
Grants and contracts payable	1,026,407
Grants and contracts payable to related parties	438,351
Accrued wages and benefits	165,154
Total Liabilities	1,672,187
 FUND BALANCES	
Nonspendable	461,336
Restricted	492,441
Committed	841,227
Assigned	5,585,350
Unassigned	29,127,721
Total Fund Balances	36,508,075
Total Liabilities and Fund Balances	\$ 38,180,262

See accompanying notes to the basic financial statements.

**FIRST 5 CONTRA COSTA CHILDREN AND FAMILIES COMMISSION
RECONCILIATION OF GOVERNMENTAL FUND BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2013**

Fund balances of governmental funds	\$ 36,508,075
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	772,672
The prepaid pension asset resulting from contributions in excess of the annual required contribution are not current financial resources and therefore not reported in the fund financial statements.	2,000,000
The net OPEB asset resulting from contributions in excess of the annual required contribution are not current financial resources and therefore not reported in the fund financial statements.	113,069
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Compensated absences	(127,032)
Net Position of governmental activities	\$ 39,266,784

See accompanying notes to the basic financial statements.

**FIRST 5 CONTRA COSTA CHILDREN AND FAMILIES COMMISSION
GOVERNMENTAL FUND STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2013**

	General Fund
REVENUES	
Prop 10 Tobacco Tax	\$ 8,729,939
Prop 10 CARES Plus	288,360
Grant income	2,229,229
Interest income	153,804
Other revenue	104,069
	<u>11,505,401</u>
Total Revenues	
EXPENDITURES	
Current:	
Program Expenditures:	
Early care and education	3,273,032
Family support	3,557,814
Early intervention	2,575,413
Community information and education	517,704
Salaries and employee benefits	1,508,749
Other program expenditures	182,755
Evaluation:	
Salaries and employee benefits	412,870
Other evaluation expenditures	342,698
Administrative:	
Salaries and employee benefits	736,803
Other administrative expenditures	278,594
Capital outlay	17,836
	<u>13,404,268</u>
Total Expenditures	
Deficiency of revenues under expenditures	<u>(1,898,867)</u>
SPECIAL ITEMS	
Pre-funding pension trust contribution	(2,000,000)
Pre-funding OPEB trust contribution	(553,255)
	<u>(2,553,255)</u>
Total special items	
NET CHANGES IN FUND BALANCE	(4,452,122)
FUND BALANCE, July 1, 2012	40,960,197
FUND BALANCE, June 30, 2013	\$ 36,508,075

See accompanying notes to the basic financial statements.

**FIRST 5 CONTRA COSTA CHILDREN AND FAMILIES COMMISSION
RECONCILIATION OF THE CHANGE IN FUND BALANCE
TO THE CHANGE IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2013**

Net changes in fund balance - total governmental funds \$ (4,452,122)

Amounts reported for governmental activities in the statement of activities differs from the amounts reported in the statement of revenues, expenditures and changes in fund balance because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets is capitalized and allocated over their estimated useful lives as depreciation expense.

Depreciation expense	(43,307)
Capital outlays	17,836

Compensated absences expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. This amount represents the net change in the compensated absences liability.	13,401
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OPEB expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. This amount represents the net change in the OPEB liability.	494,207
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Pension expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. This amount represents the pre-funding pension trust payment resulting in a prepaid pension asset.	<u>2,000,000</u>
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Change in net position of governmental activities	<u><u>\$ (1,969,985)</u></u>
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See accompanying notes to the basic financial statements.

**FIRST 5 CONTRA COSTA CHILDREN AND FAMILIES COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

First 5 Contra Costa Children and Families Commission (the Commission) was established by the Contra Costa County Board of Supervisors. The Commission was established to implement the provisions of Proposition 10 adopted on November 3, 1998. The Board of Supervisors originally appointed nine commission members and nine alternate members on September 1, 1999. One of the Commissioner positions will be occupied by a member of the County Board of Supervisors and will serve a one year term, three of the Commissioner positions will be occupied by employees of Contra Costa County and will serve without term limit, and the remaining five Commissioner positions will consist of representatives from various organizations or recipients of services and will be appointed for three year terms. The mission of the Commission is, in partnership with parents, caregivers, communities, public and private organizations, advocates and county government, to foster optimal development of children, prenatally to five years of age. The Contra Costa County Board of Supervisors appoints members of the Commission and may remove any Commission member at any time. The Commission is considered a component unit of the County of Contra Costa.

Basis of Accounting and Measurement Focus

The basic financial statements of the Commission are composed of the following:

- Government-wide financial statements
- Fund financial statements
- Notes to the basic financial statements

Government-Wide Financial Statements

Government-wide financial statements consist of the statement of net position and the statement of activities. These statements are presented on an economic resources measurement focus. All economic resources and obligations of the reporting government are reported in the financial statements.

The government-wide financial statements have been prepared on the accrual basis of accounting. Under the accrual basis of accounting all assets and liabilities of the Commission are included on the statement of net position. The difference between the Commission's assets and liabilities is net position. Net position represents the resources the Commission has available for use in providing services. The Commission's spending priority is to spend restricted funds first, followed by unrestricted. The Commission's net position is classified as follows:

Net Investment in Capital Assets – This amount represents the Commission's capital assets, net of accumulated depreciation.

Restricted Net Position – This category represents restrictions imposed on the use of the Commission's resources by parties outside of the government or by law through constitutional provisions or enabling legislation. The Commission's net position of \$492,441 at June 30, 2013 was restricted for the Thomas J. Long Foundation Grant and the Race to the Top Grant.

Unrestricted – This category represents neither restrictions or net investment in capital assets and may be used by the Commission for any purpose though they may not be necessarily liquid.

**FIRST 5 CONTRA COSTA CHILDREN AND FAMILIES COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Financial Statements

The fund financial statements consist of the balance sheet and the statement of revenues, expenditures and changes in fund balance of the Commission's general fund. These statements are presented on a current financial resources measurement focus. Generally, only current assets and current liabilities are included on the balance sheet. The statement of revenues, expenditures and changes in fund balance for the governmental fund generally presents increases (revenues) and decreases (expenditures) in net current assets. All operations of the Commission are accounted for in the general fund.

The fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Prop 10 Tobacco Tax revenue, interest and certain grant payments are accrued when their receipt occurs within ninety (90) days after the end of the accounting period so as to be both measurable and available. Expenditure-driven grant revenues are accrued when their receipt occurs within one year.

Capital assets, net of accumulated depreciation

Capital assets are not considered to be financial resources and therefore, are not reported as an asset in the fund financial statements. Capital assets are capitalized and reported at cost, net of accumulated depreciation in the government-wide financial statements.

The Commission capitalizes assets with a cost in excess of \$5,000 and a useful life greater than one year. The Commission depreciates capital assets using a straight-line method over the estimated useful life of each asset. The estimated useful life used for the depreciable capital assets, ranges from 5 to 10 years.

Depreciation expense for the year ended June 30, 2013 amounted to \$43,307 and is included in the child development functions in the statement of activities.

Long-Term Liabilities

Compensated absence obligations are considered long-term in nature and are reported in the fund financial statements as expenditures in the period paid or when due and payable at year-end under the modified accrual basis of accounting. The compensated absences have been accrued in the government-wide financial statements and are included in long-term liabilities.

Compensated Absences

Compensated absences consist of employee earned vacation time and personal holiday time and are accrued by the Commission when earned by the employee. Unused vacation time and personal holiday may be accumulated up to a specified maximum and are paid at the time of termination from Commission employment.

**FIRST 5 CONTRA COSTA CHILDREN AND FAMILIES COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Grants and Contracts Payable

The grants and contracts payable account represents amounts due to the contracted services providers implementing programs as part of the four initiatives established in the strategic plan approved by the Commission. The payable balance consists of the fiscal year's fourth quarter payments due to the service providers.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates. The Commission's significant estimates are recorded in OPEB, prepaid pension, depreciation, accounts payable, grants and contracts payable and pertain to accruals for services provided by grantees and vendors.

Budget and Budget Reporting

The Commission is required by County ordinance to prepare a budget each year based on estimates of revenues and expected expenditures. The Commission's Board of Commissioners adopted an annual budget of expenditures for the year ended June 30, 2013, which is prepared on the modified accrual basis of accounting. The accompanying schedule of revenues, expenditures and changes in fund balance – budget and actual includes the budgeted expenditures for the year, along with management's estimate of revenues for the year. The legal level of budgetary control is at the total fund level.

Fund Balance

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The Commission has established the following classifications and definitions of fund balance for the year ended June 30, 2013:

Nonspendable – Resources that cannot be spent because they are not in an expendable form (e.g. prepaid asset, inventory) or must be maintained intact (e.g. endowment principal).

Restricted – Resources that are constrained to specific purposes by an external provider (e.g. grantors, contributors, governmental laws and regulations) or by constitutional provisions or enabling legislation.

Committed – Resources with self-imposed limitations and require both a formal action of the highest level of decision making authority (Board of Commissioners) and the same formal action to remove or modify the limitations. The formal action for the Board of Commissioners is a vote to commit funds for a specific purpose.

**FIRST 5 CONTRA COSTA CHILDREN AND FAMILIES COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance (Continued)

Assigned – The assigned portion of fund balance reflects the Commission’s intended use of resources, which can be established either by the Commission Board or the Executive Director. The “assigned” fund balance is similar to the “committed” fund balance, with the difference that Commission formal action is not necessary to assign funds or later modify or remove them. Assigned funds may include the appropriation of a portion of existing fund balance sufficient to eliminate a projected deficit in the subsequent year’s budget or funding that has been set aside for previously executed legally enforceable contracts, such as a multi-year lease.

Unassigned – Resources that cannot be reported in any other classification.

The Commission’s spending priority is to spend restricted fund balance first, followed by committed, assigned and unassigned fund balance.

Contingency Fund

The Commission Board approved a contingency fund of \$7,500,000 which is classified as part of the unassigned fund balance as of June 30, 2013. The fund balance will be used to mitigate the impact of unanticipated circumstances. Such events would include, but are not be limited to, legislation, lawsuits, ballot initiatives or other measures that would reduce, eliminate or otherwise threaten First 5 revenues or reserves. In such circumstances, the Commission could elect to use the contingency fund to meet or extend contracts or meet other emergent expenses.

Refer to Note 9 for additional details regarding the GASB 54 classification of fund balance.

Effect of New Governmental Accounting Standards Board (GASB) Pronouncements

GASB Statement No. 60 – In December 2010, GASB issued Statement No. 60, *Accounting and Financial Reporting for Service Concession Arrangements*. This statement is to improve financial reporting by addressing issues related to service concession arrangements. This statement was effective June 30, 2013. The Commission has determined that this statement is not applicable.

GASB Statement No. 61 – In December 2010, GASB issued Statement No. 61, *The Financial Reporting Entity: Omnibus*. The objective of this statement is to improve financial reporting for governmental financial reporting entities. This statement modifies certain requirements for inclusion of component units in the financial reporting entity and amends the criteria for reporting component units as if they were a part of the primary government in certain circumstances. This statement was effective June 30, 2013 and did not have a material impact.

GASB Statement No. 62 – In June 2011, GASB issued Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. The objective of this statement is to incorporate into the GASB’s authoritative literature certain accounting and financial reporting guidance that is included in FASB and AICPA pronouncements issued on or before November 30, 1989 which does not conflict with our contradict GASB pronouncements. This statement was effective June 30, 2013 and did not have a material impact.

**FIRST 5 CONTRA COSTA CHILDREN AND FAMILIES COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Effect of New Governmental Accounting Standards Board (GASB) Pronouncements (Continued)

GASB Statement No. 63 – In June 2011, GASB issued Statement 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. This statement provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources and the resulting net position. This statement was effective June 30, 2013. The Commission has determined that this statement is applicable and has implemented the statement in the 2012-2013 fiscal year.

Future Governmental Accounting Standards Board (GASB) Pronouncements

GASB Statement No. 65 – In March 2012, GASB issued Statement No. 65, *Items Previously Reported as Assets and Liabilities*. This Statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. This Statement is not effective until the fiscal year ending June 30, 2014. The Commission has not determined the effect of this Statement.

GASB Statement No. 66 – In March 2012, GASB issued Statement No. 66, *Technical Corrections – 2012 – and amendment of GASB Statements No. 10 and 62*. The objective of this Statement is to improve accounting and financial reporting for a governmental financial reporting entity by resolving conflicting guidance that resulted from the issuance of two pronouncements, Statements No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, and No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. This Statement is not effective until the fiscal year ending June 30, 2014. The Commission has not determined the effect of this Statement.

GASB Statement No. 67 – In June 2012, GASB issued Statement No. 67, *Financial Reporting for Pension Plans – an amendment of GASB Statement No. 25*. The objective of this Statement is to improve financial reporting by State and local governmental pension plans. This Statement replaces the requirements of Statements No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans*, and No. 50, *Pension Disclosures*, as they relate to pension plans that are administered through trusts or equivalent arrangements (hereafter jointly referred to as trusts) that meet certain criteria. The requirements of Statements No. 25 and No. 50 remain applicable to pension plans that are not administered through trusts covered by the scope of this Statement and to define contribution plans that provide postemployment benefits other than pensions. This Statement is not effective until the fiscal year ending June 30, 2014. The Commission has not determined the effect of this Statement.

GASB Statement No. 68 – In June 2012, GASB issued Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*. The objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. This Statement replaces the requirements of Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, as well as the requirements of Statement No. 50, *Pension Disclosures*, as they relate to pensions that are provided through pension plans administered as trusts or equivalent arrangements (hereafter jointly referred to as trusts) that meet certain criteria. The requirements of Statements No. 27 and No. 50 remain applicable for pensions that are not covered by the scope of this Statement. This Statement is not effective until the fiscal year ending June 30, 2015. The Commission has not determined the effect of this Statement.

**FIRST 5 CONTRA COSTA CHILDREN AND FAMILIES COMMISSION
 NOTES TO BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2013**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Future Governmental Accounting Standards Board (GASB) Pronouncements (Continued)

GASB Statement No. 69 – In January 2013, GASB issued Statement No. 69, *Government Combinations and Disposals of Government Operations*. The objective of this Statement is to improve accounting and financial reporting by State and local governments for government combinations and disposals of government operations. The Statement provides authoritative guidance on a variety of government combinations including mergers, acquisitions, and transfers of operations. This Statement is not effective until the fiscal year ending June 30, 2015. The Commission has not determined the effect of this Statement.

GASB Statement No. 70 – In April 2013, GASB issued Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*. The objective of this Statement is to improve accounting and financial reporting by State and local governments that extend and receive nonexchange financial guarantees. The Statement requires a government that extends a nonexchange financial guarantee to recognize a liability when qualitative factors and historical data, if any, indicate that it is more likely than not that the government will be required to make a payment on the guarantee. This Statement is not effective until the fiscal year ending June 30, 2014. The Commission has not determined the effect of this Statement.

NOTE 2 – CASH AND INVESTMENTS

Cash and investments consisted of the following at June 30, 2013:

Cash in County Pool	\$ 35,762,964
Imprest cash	<u>1,000</u>
Total Cash and Investments	<u><u>\$ 35,763,964</u></u>

Investment Policy

The Commission adopted a resolution in February 2001 delegating investment authority to the County Treasurer, and specifying that the Commission “will continue to advise how the Children and Families Trust Funds are to be invested”. The Executive Director is authorized by the Commission’s board approved Consolidated Financial Policies to invest in securities of varying maturity according to cash flow and long term needs. Investments not specifically directed by the Commission to be invested separately are maintained with the County Treasurer in the County investment pool (Pool). On a quarterly basis, the Treasurer allocates interest to participants based upon their average daily balances. Required disclosure information regarding the classification of investments and other deposit and investment risk disclosures can be found in the County’s Comprehensive Annual Financial Report (CAFR). The County’s financial statements may be obtained by contacting the County of Contra Costa’s Auditor-Controller’s office at 625 Court Street, Martinez, California 94553. The Contra Costa County Treasury Oversight Committee oversees the Treasurer’s investments and policies. Investments held in the Pool are available on demand and are stated at their fair value.

**FIRST 5 CONTRA COSTA CHILDREN AND FAMILIES COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

NOTE 2 – CASH AND INVESTMENTS (CONTINUED)

Interest Rate Risk

Interest rate risk is the measurement of how changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the more sensitive to changes in market interest rates of its fair value. The County manages its exposure to declines in fair value of Pool investments by investing in securities that have a term remaining to maturity in less than five years, unless the legislative body has granted express authority to make that investment either specifically or as part of an investment program approved by the legislative body no less than three months prior to the investment. Information about the sensitivity of the fair value of the Commission investments to market interest rate fluctuations is provided in the following table.

As of June 30, 2013, the Commission had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>Fair Value</u>	<u>WAM Years</u>
County Investment Pool	N/A	\$ 35,762,964	0.50
Total Investments		<u>\$ 35,762,964</u>	

Credit Risk

The following is a summary of the credit quality of the County Investment Pool at June 30, 2013:

<u>Investment</u>	<u>S&P</u>	<u>Moody's</u>	<u>Amount</u>
County Investment Pool	AAAf	Aa2	\$ 35,762,964

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Commission will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. Refer to the County's CAFR for additional information on custodial credit risks of the County Investment Pool.

Concentration of Credit Risk

Investments held in the Pool are subject to the County's investment policy and contains certain limits on the amount that can be invested in any one issuer beyond that stipulated by California code. Refer to the County's CAFR for additional information on concentration of credit risks of the County Investment Pool.

NOTE 3 – COMPENSATED ABSENCES

Changes in the liability for the 2012-2013 fiscal year are summarized as follows:

	<u>Balance Beginning of Year</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance End of Year</u>	<u>Amount Due within one year</u>
Compensated Absences	\$ 140,433	\$ 500	\$ (13,901)	\$ 127,032	\$ 12,703

**FIRST 5 CONTRA COSTA CHILDREN AND FAMILIES COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

NOTE 4 – DUE FROM OTHER GOVERNMENTS

The due from other governments account represents amounts due to the Commission from the California Children and Families Commission (“State Commission”) for Prop 10 related revenues and other governmental agencies. The amounts due to the Commission at June 30, 2013, were as follows:

Due from State Commission:

Prop 10 revenue for:

May 2013	\$	763,412
June 2013		822,426
Cares Plus		<u>253,040</u>
Total due from other governments	\$	<u><u>1,838,878</u></u>

NOTE 5 – NOTES RECEIVABLE

In November 2005, the Commission entered into a forgivable loan agreement with the Perinatal Council (now known as Brighter Beginnings) to acquire and renovate a property in Antioch, California for the purpose of operating a First 5 Center on site. The Commission loaned to the Perinatal Council \$428,000 for a period of twenty years. The Commission agreed to forgive 25% of the loan on the 5th anniversary date of the issuance of the Certificate of Completion, 25% on the 10th anniversary, 25% on the 15th anniversary and 25% at the end of the loan term. The loan is secured by a Deed of Trust and recorded as a lien against the property. The loan does not bear interest unless there is a default by the Borrower, such as an unauthorized transfer of the property or change in the use of the site. The Commission does not anticipate receiving any cash payments from the borrower. The loan had an outstanding balance of \$321,000 as of June 30, 2013.

NOTE 6 – CAPITAL ASSETS

Governmental activities:	July 1, 2012	Additions	Deletions	June 30, 2013
Capital assets, not being depreciated				
Land	\$ 245,430	\$ -	\$ -	\$ 245,430
Total capital assets, not being depreciated	<u>245,430</u>	<u>-</u>	<u>-</u>	<u>245,430</u>
Capital assets, being depreciated:				
Buildings and improvements	666,935	-	-	666,935
Furniture and fixtures	107,176	17,836	-	125,012
Total capital assets, being depreciated	<u>774,111</u>	<u>17,836</u>	<u>-</u>	<u>791,947</u>
Less accumulated depreciation for:				
Buildings and improvements	(130,709)	(25,458)	-	(156,167)
Furniture and fixtures	(90,689)	(17,849)	-	(108,538)
Total accumulated depreciation	<u>(221,398)</u>	<u>(43,307)</u>	<u>-</u>	<u>(264,705)</u>
Governmental activities capital assets, net	<u>\$ 798,143</u>	<u>\$ (25,471)</u>	<u>\$ -</u>	<u>\$ 772,672</u>

**FIRST 5 CONTRA COSTA CHILDREN AND FAMILIES COMMISSION
 NOTES TO BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2013**

NOTE 7 – COMMITMENTS

The Commission leases office space from a third party under a long-term operating lease, which expires on December 31, 2013. The future minimum rental payments due under the leases are as follows.

Year Ended June 30,	
2014	\$ 85,302
	\$ 85,302

Rent expense was \$310,284 for the year ended June 30, 2013.

NOTE 8 – SPECIAL ITEMS

The Commission employees are members of the Contra Costa County Employee Retirement Association system (CCCERA), a cost sharing multiple employer defined benefit pension plan, and their retirement experience, expense, assets and liabilities are pooled with County employees. CCCERA sets the contribution rates for the employer’s and employee’s normal cost contributions and for the employer’s contribution to the unfunded accrued actuarial liability (UAAL). The UAAL is the extent to which the actuarial accrued liability of the Plan exceeds the assets of the Plan. Only the employer may fund the UAAL. CCCERA calculates the UAAL for the entire membership of each cost group, and then apportions it among the employers in each cost group according to size of payroll.

After exploring different ways to offset the growing UAAL, the Commission approved, and the CCCERA Board accepted an agreement with CCCERA to pay \$2 million toward the Commission’s share of the UAAL. The resulting prepaid pension asset will be amortized over 11 years. Because of this payment and CCCERA’s net investment return, the Commission receives a discount on future payments.

The Commission also voted to join the California Employers Retirement Benefits Trust (CERBT), administered by CALPERS, for the purpose of funding the Commission’s OPEB liability. First 5 employees hired before January 1, 2009 may elect to continue enrollment in County health insurance plans for themselves and their families upon retirement from First 5. This benefit is commonly referred to as “other post-employment benefits” or OPEB. The benefit is administered by the County but paid for by First 5 Contra Costa. Like the pension benefit, First 5 must ensure that sufficient funds are available to meet the actuarially-determined need for future OPEB expenditures.

The Commission made an initial contribution of \$553,255 to the CERBT, paying off past and current OPEB liabilities and creating a net OPEB asset of \$113,069. CERBT provides investment management, Governmental Accounting Standards Board compliant financial reporting and administers the Commission’s OPEB funds.

**FIRST 5 CONTRA COSTA CHILDREN AND FAMILIES COMMISSION
 NOTES TO BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2013**

NOTE 9 – FUND BALANCE

Fund balance is classified using a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Fund balance at June 30, 2013 consisted of the following:

Fund Balance:	<u>General Fund</u>
Nonspendable:	
Prepaid Expense	\$ 140,336
Note Receivable - Perinatal	321,000
Restricted:	
Long Foundation Grant	281,652
Race to the Top	210,789
Committed:	
Capital Asset Replacement	841,227
Assigned:	
Elimination of FY13/14 budget deficit	5,500,048
Leases	85,302
Unassigned:	
Unassigned fund balance	29,127,721
Total Fund Balance	<u><u>\$ 36,508,075</u></u>

The Commission Board approved a contingency fund of \$7,500,000 which is classified as part of the unassigned fund balance as of June 30, 2013.

NOTE 10 – CONTINGENCIES

The Commission is involved in various legal proceedings from time to time in the normal course of business. In management’s opinion, the Commission is not involved in any legal proceeding that will have a material adverse effect on financial position or changes in financial position of the Commission.

NOTE 11 – RELATED PARTY TRANSACTIONS

The legally required composition of the Children and Families Commission includes a County Supervisor, Directors of County agencies and representatives of agencies and constituencies concerned with children. Many of the programs funded by the Commission are operated by organizations represented by Commissioners and Alternate Commissioners. Commissioners and Alternate Commissioners must abstain from voting on issues and participating in discussions directly related to their respective organizations.

**FIRST 5 CONTRA COSTA CHILDREN AND FAMILIES COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

NOTE 11 – RELATED PARTY TRANSACTIONS (CONTINUED)

The following table shows fiscal year 2012-2013 expenses with agencies represented by Commissioners and Alternate Commissioners:

Related Party	Fiscal Year 2012-13 Expenses
Contra Costa County	\$ 1,018,790
WE Care Services for Children	635,573
Total	\$ 1,654,363

The Commission incurred expenses totaling \$1,018,790 for County services provided during the year ended June 30, 2013. Of the total expenses paid to the County, \$122,230 is for administrative and general services. The County provides banking, investment and legal services, payroll and benefits administration, computer hardware and technical support, facility maintenance, and other administrative services to the Commission. The Commission participates in the County’s risk management programs (commercial and self-insurance programs) for general and automobile liability insurance and personal property. In addition, the County purchases worker’s compensation and crime insurance on behalf of the Commission. Of the remaining \$896,560 of expenses, \$36,994 was for Behavioral Health Services, \$582,509 was paid to the County’s Mental Health Division, and \$277,057 was for the Family, Maternal and Child Health Program administered by the County.

The following table shows balances due to agencies represented by Commissioners and Alternate Commissioners:

Related Party	Balances Due June 30, 2013
Contra Costa County	\$ 356,794
WE Care Services for Children	81,557
Total	\$ 438,351

The Commission has accrued expenses totaling \$356,794 for County services provided during the year ended June 30, 2013. Of the total payable amount, \$14,245 is for administrative and general services as indicated above. Of the remaining \$342,549, \$65,529 is owed for the County’s Family, Maternal and Child Health Program, \$36,994 is payable for Behavioral Health Services, and \$240,026 is payable to the County’s Mental Health Division.

The following table shows fiscal year 2012-2013 revenue with agencies represented by Commissioners and Alternate Commissioners:

Related Party	Fiscal Year 2012-13 Revenue
Contra Costa County	\$ 81,004
Total	\$ 81,004

**FIRST 5 CONTRA COSTA CHILDREN AND FAMILIES COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

NOTE 11 – RELATED PARTY TRANSACTIONS (CONTINUED)

The Commission earned revenue totaling \$81,004 from Contra Costa County during the year ended June 30, 2013. This revenue was solely for Health Services, which includes Behavioral Health and Mental Health Services.

NOTE 12 – PROGRAM EVALUATION

In accordance with the Standards and Procedures for Audits of California Counties Participating in the California Children and Families Program, issued by the California State Controller, the Commission is required to disclose the amounts expended during the fiscal year on program evaluation. Program evaluation costs pertain to those activities undertaken to support the collection, production, analysis and presentation of evaluation information for Commission management, Commissioners and other interested parties.

For the year ended June 30, 2013, the Commission expended \$755,568 for program evaluation.

NOTE 13 – DEFINED BENEFIT PENSION PLAN

A. Plan Description

The Contra Costa County Employee Retirement Association (CCCERA) is governed by the Board of Retirement under the County Employees Retirement Law of 1937, as amended. The plan covers substantially all of the employees of the County and sixteen member agencies, including First 5 Contra Costa Children and Families Commission. The plan issues stand-alone financial statements which can be directly obtained from its office at 1355 Willow Way, Suite 221, Concord, California 94520.

The plan provides for retirement, death or disability to its members, in accordance with the 1937 Act. Annual cost-of-living adjustments to retirement benefits can be granted by the Retirement Board as provided by state statutes. Covered employees are required by statute to contribute toward their pensions; the amount is determined by when the employee was hired, the employee's salary and their age when entering the retirement system.

CCCERA operates as a cost sharing, multiple employer defined benefit pension plan. In October 2009, the Retirement Board depooled CCCERA's assets, actuarial accrued liability (AAL), and normal cost both by tier and employer for determining employer contribution rates. This Board action yielded 12 separate cost groups by employer, with the exception of smaller employers (those with less than 50 active members, including First 5 Contra Costa) who continued to be pooled with the applicable County tier. The depooling action affected the actuarially determined employer rates effective July 1, 2011. The plan is currently divided into eight benefit levels in accordance with the 1937 Act. These levels are known as General Tier I enhanced and non-enhanced; Tier II; Tier III enhanced and non-enhanced; Safety Tier A, enhanced and non-enhanced and Safety Tier C, enhanced. On October 1, 2002, the Contra Costa County Board of Supervisors adopted Resolution No. 2002/608, which provides enhanced benefit changes commonly known as 3% at 50 for safety members and 2% at 55 for general members, effective July 1, 2002 and January 1, 2003, respectively. First 5 Contra Costa employees hired prior to January 1, 2011 are all classified as General Tier I, enhanced. Service retirement benefits are based on age, length of service and final average salary in accordance with the California Government Code Section 31462 and 31462.1. The retirement benefit is based on a one-year average salary.

**FIRST 5 CONTRA COSTA CHILDREN AND FAMILIES COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

NOTE 13 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

A. Plan Description (Continued)

In March 2010, the Board agreed to adopt a change to terminal pay elements for members with membership dates on or after January 1, 2011. Under this amended policy, certain terminal pay elements are no longer included in the determination of compensation for retirement purposes. In April 2011, the Board voted to develop terminal pay assumptions by cost group, beginning with the December 31, 2010 valuation. CCCERA’s actuary prepared contributions rates that became effective for both employee and employer on July 1, 2011, for those members with membership dates on or after January 1, 2011.

On September 12, 2012, the California Public Employee’ Pension Reform Act (PEPRA) was signed into law establishing a new tier for General and Safety employees entering CCCERA membership on or after January 1, 2013. The benefit formula for General members is 2.5% at age 67 and the Safety formula is 2.7% at age 57. Benefits under the new PEPRA tiers are based on a three-year final average compensation period. Additionally, PEPRA limits the amount of compensation CCCERA can use to calculate a retirement benefit.

On September 12, 2012 AB197 was passed by the California Legislature. Changes mandated in AB197, in which the legislation changed the definition of “compensation earnable” in Section 31461 of the Government code, would apply to current CCCERA members. On November 28, 2012, the Deputy Sheriff’s Association and the International Association of Firefighters filed a lawsuit against CCCERA and the Board of Retirement on behalf of all active and deferred members of CCCERA to stop CCCERA and the Board of Retirement from implementing AB197. With CCCERA’s agreement, the Contra Costa County Superior Court issued a stay order, requiring CCCERA to refrain from implementing AB197 and continue to follow its current policy on final average salary calculations for all members who are not “new members” as defined in PEPRA, until after this matter is heard and decided.

B. Funding Policy

The employees and members contribute to CCCERA based on rates recommended by an independent actuary and adopted by the CCCERA Board of Retirement. Covered employees are required by statute to contribute toward their pensions. Member contributions are formulated on the basis of the date of entry and the actuarially calculated benefits. In addition to the fiscal year 2012-13 annual required contribution, on June 24, 2013, the Commission Board approved an agreement with CCERA to make a \$2,000,000 prepayment contribution to the Unfunded Actuarial Accrued Liability (UAAL) to be amortized over an eleven year period. The following table shows the components of the Commission’s annual Pension cost for the year and changes in the Commission’s Prepaid Pension asset:

Annual required contribution	\$ (566,991)
Contributions made	
Contributions	566,991
Pre-funding trust payments made	2,000,000
Increase in prepaid pension asset	2,000,000
Prepaid pension asset - beginning of year	-
Prepaid pension asset - end of year	\$ 2,000,000

**FIRST 5 CONTRA COSTA CHILDREN AND FAMILIES COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

NOTE 13 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

B. Funding Policy (Continued)

Contra Costa County and special districts, including First 5 Contra Costa, are required by statute to contribute the amounts necessary to finance the estimated benefits accruing to their employees. The Commission's contributions to CCCERA for the years ending June 30, 2013, 2012 and 2011 were \$2,566,991, \$543,503, and \$502,830 respectively.

<u>Fiscal Year Ending</u>	<u>Annual Required Contributions (ARC)</u>	<u>Percentage of ARC Contributed</u>	<u>Prepaid Pension Asset / (Obligation)</u>
6/30/2013	\$ 566,991	452.74%	\$ 2,000,000
6/30/2012	543,503	100.00%	-
6/30/2011	502,830	100.00%	-

NOTE 14 – OTHER POSTEMPLOYMENT HEALTHCARE BENEFITS

Plan Description. First 5 Contra Costa Children and Families Commission ("Commission") participates in the County of Contra Costa Post Retirement Health Benefits Plan. The County is the plan sponsor and administers the single-employer defined benefit healthcare plan. The plan provides post employment medical and dental insurance benefits to eligible retired Commission employees and their dependents. The OPEB plan is presented as a trust fund with the County of Contra Costa Comprehensive Annual Financial Report. A copy of this report can be obtained at 625 Court Street, Finance Building, Martinez, California 94553.

The County contracts with health plans to provide medical and dental benefits. For employees hired prior to January 1, 2009, the Commission will contribute a percentage (varying by medical plan) of the medical and/or dental premiums. For current eligible employees, the Commission contribution will be capped at the 2009 premium level for future years. Any person who becomes age 65 and is eligible for Medicare must immediately enroll in Medicare Parts A and B.

Eligibility. Commission staff are eligible for membership in the plan when they retire at age 50 or older from the Commission (drawing a pension from CCCERA), are active subscribers to one of the County contracted health/dental plans, and have 10 years of service (15 years if hired after December 31, 2006). Members in deferred retirement status may maintain membership in County health plans at their own cost and become eligible for coverage as a retiree upon commencement of their pension. Employees hired on or after January 1, 2009 are not eligible to receive a Commission contribution toward their retirement medical or dental costs. There were thirteen plan members eligible for Commission contributions as of the date of this report.

Funding Policy. The contribution requirements of program members and the Commission are established by the Contra Costa Board of Supervisors and may be amended by the Commission. Currently the Commission follows the County's retiree contribution guidelines. In fiscal year 2012-2013 the Commission funding was based on the "pay-go" basis. The Commission had one retiree receiving healthcare benefits during 2012-2013, and the "pay-go" cost was \$4,850.

The Commission board passed a resolution on November 5, 2012 to participate in the California Employers Retirees Benefit Trust (CERBT), an irrevocable trust established to fund OPEB effective December 27, 2012. CERBT is administered by the CalPERS Board, who has sole and exclusive control and power over the administration and investment of the prefunding plan.

**FIRST 5 CONTRA COSTA CHILDREN AND FAMILIES COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

NOTE 14 – OTHER POSTEMPLOYMENT HEALTHCARE BENEFITS (CONTINUED)

The trust is not considered a component unit by the Commission and has been excluded from these financial statements. Separately issued financial statements for CERBT may be obtained from CalPERS at P.O. Box 942709, Sacramento, California 94229-2709.

Annual OPEB Cost and Net OPEB Obligation (Asset). The Commission's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the Commission's annual OPEB cost for the year and changes in the Commission's Net OPEB obligation (asset):

Annual required contribution	\$ 64,108
Interest on net OPEB obligation	26,864
Adjustment to annual required contribution	<u>(31,924)</u>
Annual OPEB cost (expense)	59,048
Contributions made	<u>(553,255)</u>
Decrease in net OPEB obligation	(494,207)
Net Post Employment Benefit obligation - beginning of year	<u>381,138</u>
Net Post Employment Benefit (asset) - end of year	<u><u>\$ (113,069)</u></u>

The Commission's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for fiscal year 2012-2013:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation/(Asset)
6/30/2013	\$ 59,048	937%	\$ (113,069)
6/30/2012	78,403	0%	381,138
6/30/2011	92,228	0%	302,735

Funded Status and Funding Progress. As of June 30, 2013, the most recent actuarial valuation date, the Actuarial Accrued Liability (AAL) for benefits was \$553,255. As of June 30, 2013, the Plan Assets were \$561,057, resulting in a Funded Actuarial Accrued Liability (Asset) (UAAL) of (\$7,802). The covered payroll was \$1,138,000, and the ratio of the UAAL to covered payroll was (0.69%).

**FIRST 5 CONTRA COSTA CHILDREN AND FAMILIES COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

NOTE 14 – OTHER POSTEMPLOYMENT HEALTHCARE BENEFITS (CONTINUED)

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2011 actuarial valuation, the valuation used to determine the FY 2012-13 ARC, the entry age normal actuarial cost method was used. The actuarial assumptions included a 4.5% investment rate of return (net of administrative expenses), which is the expected long-term investment returns on the County's own investments and an annual healthcare cost trend rate of 9% initially, reduced by 0.5% decrements to an ultimate rate of 5% after five years. The UAAL is being amortized as a level dollar amount over 30 years on a level dollar basis. The remaining amortization period at June 30, 2013, was twenty-five years.

NOTE 15 – RISK MANAGEMENT

The Commission is exposed to various risks of loss related to the loss of, damage to and destruction of assets caused by accidents, forces of nature, and the requirements of the California Labor Code.

The Commission mitigates its exposure to loss through multiple risk treatment mechanisms. The Commission participates in the County of Contra Costa's self insurance program for public and automobile liability, and property losses, where excess insurance has been purchased through California State Association of Counties Excess Insurance Authority (CSAC-EIA), a joint powers authority. The Commission participates in a joint power authority, separate from the County's, effected through CSAC-EIA for its workers' compensation exposure. Crime insurance is covered through the purchase of commercial insurance.

During the year ending June 30, 2013, the Commission has no settlements exceeding insurance coverage for these categories of risk. For the past three years, settlements or judgment amounts have not exceeded insurance provided for the Commission.

REQUIRED SUPPLEMENTARY INFORMATION

**FIRST 5 CONTRA COSTA CHILDREN AND FAMILIES COMMISSION
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2013**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Prop 10 Tobacco Tax	\$ 8,205,829	\$ 8,205,829	\$ 8,729,939	\$ 524,110
Prop 10 CARES Plus	300,000	300,000	288,360	(11,640)
Grant income	2,234,650	2,234,650	2,229,229	(5,421)
Interest income	120,000	120,000	153,804	33,804
Other revenue	75,000	75,000	104,069	29,069
Total Revenues	10,935,479	10,935,479	11,505,401	569,922
EXPENDITURES				
Current:				
Program Expenditures:				
Early care and education	3,805,131	3,805,131	3,273,032	532,099
Family support	3,758,660	3,758,660	3,557,814	200,846
Early intervention	3,279,073	3,279,073	2,575,413	703,660
Community information and education	603,640	603,640	517,704	85,936
Salaries and employee benefits	1,657,630	1,657,630	1,508,749	148,881
Other program expenditures	284,835	284,835	182,755	102,080
Evaluation:				
Salaries and employee benefits	447,396	447,396	412,870	34,526
Other evaluation expenditures	371,091	371,091	342,698	28,393
Administrative:				
Salaries and employee benefits	797,345	797,345	736,803	60,542
Other administrative expenditures	421,564	421,564	278,594	142,970
Total Expenditures	15,426,365	15,426,365	13,386,432	2,039,933
Excess (deficiency) of revenues over (under) expenditures	(4,490,886)	(4,490,886)	(1,881,031)	2,609,855
Net Change in Fund Balance (BUDGETARY BASIS)	(4,490,886)	(4,490,886)	(1,881,031)	2,609,855
BASIS ADJUSTMENT:				
Capital outlay			(17,836)	
Pre-funding pension trust contribution			(2,000,000)	
Pre-funding OPEB trust contribution			(553,255)	
Total Basis Adjustments			(2,571,091)	
NET CHANGE IN FUND BALANCE (GAAP BASIS)			(4,452,122)	
FUND BALANCE, BEGINNING OF YEAR			40,960,197	
FUND BALANCE, END OF YEAR			\$ 36,508,075	

See accompanying note to required supplementary information.

**FIRST 5 CONTRA COSTA CHILDREN AND FAMILIES COMMISSION
SCHEDULE OF FUNDING PROGRESS
FOR THE RETIREE HEALTH PLAN
FOR THE YEAR ENDED JUNE 30, 2013**

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability (Asset)	Funded Ratio	Covered Payroll	UAAL (Asset) as a Percentage of Covered Payroll
June 30, 2013	\$ 561,057	\$ 553,255	\$ (7,802)	101%	\$ 1,138,000	0.69%
July 1, 2011	-	537,405	537,405	0%	1,121,213	47.9%
July 1, 2008	-	359,199	359,199	0%	1,125,207	31.9%

See accompanying note to required supplementary information.

**FIRST 5 CONTRA COSTA CHILDREN AND FAMILIES COMMISSION
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2013**

BUDGET AND BUDGETARY ACCOUNTING

The Commission prepares and legally adopts a final budget on or before June 30th of each fiscal year. The Commission operations, commencing July 1st, are governed by the proposed budget, adopted by the board of Commissioners by June of the prior fiscal year.

An operating budget is adopted each fiscal year in the modified accrual basis of accounting. Additionally, encumbrance accounting is utilized to assure effective budgetary control. Encumbrances outstanding at year-end represent the estimated amount of the expenditures ultimately to result if the unpaid contracts in process at year-end are fully performed by year-end or purchase commitments satisfied. Unencumbered appropriations lapse at year-end and encumbrance balances that will not be honored are liquidated.

The legal level of budgetary control (the level on which expenditures may not legally exceed appropriations) is at the total fund level.

OTHER INFORMATION

**FIRST 5 CONTRA COSTA CHILDREN AND FAMILIES COMMISSION
SCHEDULE OF EXPENDITURES BY FUND SOURCE AND
NET POSITION OF CCFC FUNDS FOR FIRST 5 PROGRAMS AND ACTIVITIES
FOR YEAR ENDED JUNE 30, 2013**

Program	Source	Revenue CCFC		Change in	Net	Net
		Funds	Expenditures	Net Position	Position	Position
					Beginning	End of Year
					of Year	
CARES PLUS	CCFC Program Funds	\$ 288,360	\$ 288,360	\$ -	\$ -	\$ -
	County, Local Funds	881,724	881,724	-	-	-
<hr/>						
Race to the Top	CCFC Program Funds	392,780	181,991	210,789	-	210,789
	County, Local Funds	-	-	-	-	-
<hr/>						

COMPLIANCE REPORTS



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED
ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To the Board of Commissioners
First 5 Contra Costa Children and Families Commission
Concord, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the general fund of the First 5 Contra Costa Children and Families Commission (the Commission), a component unit of the County of Contra Costa, California, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements, and have issued our report thereon dated September 26, 2013. Our report includes an emphasis of a matter for the Commission's adoption of new accounting guidance GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Commission's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Commission's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Commission's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Sacramento, California
September 26, 2013



INDEPENDENT AUDITORS' REPORT ON STATE COMPLIANCE

To the Board of Commissioners
First 5 Contra Costa Children and Families Commission
Concord, California

Compliance

We have audited the basic financial statements of the First 5 Contra Costa Children and Families Commission (the Commission), a component unit of the County of Contra Costa, as of and for the year ended June 30, 2013 and have issued our report thereon dated September 26, 2013. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. We have also audited the Commission's compliance with the requirements specified in the State of California's *Standards and Procedures for Audits of Local Entities Administering the California Children and Families Act*, issued by the State Controller's Office, applicable to the Commission's statutory requirements identified below for the year ended June 30, 2013.

Management's Responsibility

Compliance with the requirements referred to above is the responsibility of the Commission's management.

Auditor's Responsibility

Our responsibility is to express an opinion on the Commission's compliance based on our audit.

We conducted our compliance audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller of the United States; and the State of California's *Standards and Procedures for Audits of Local Entities Administering the California Children and Families Act*, issued by the Controller's Office. Those standards and the State of California's *Standards and Procedures for the Audits of Local Entities Administering the California Children and Families Act* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above that could have a material effect on the statutory requirements listed below occurred. An audit includes examining, on a test basis, evidence about the Commission's compliance with those requirements and performing such procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Commission's compliance with those requirements.

In connection with the audit referred to above, we selected and tested transactions and records to determine the Commission’s compliance with the state laws and regulations applicable to the following items:

Description	Audit Guide Procedures	Procedures Performed
Contracting and Procurement	6	Yes
Administrative Costs	3	Yes
Conflict of Interest	3	Yes
County of Ordinance	4	Yes
Long-range Financial Plans	2	Yes
Financial Condition of the Commission	1	Yes
Program Evaluation	3	Yes
Salaries and Benefit Policies	2	Yes

Opinion

In our opinion, the First 5 Contra Costa Children and Families Commission complied, in all material respects, with the compliance requirements referred to above that are applicable to the statutory requirements listed above for the year ended June 30, 2013.

Purpose of this Report

The purpose of this report on compliance is solely to describe the scope of our testing over compliance and the results of that testing based on the State of California’s *Standards and Procedures for Audits of Local Entities Administering the California Children and Families Act*, issued by the Controller’s Office. Accordingly, this report is not suitable for any other purpose.



Sacramento, California
September 26, 2013



Monday October 7, 2013

Agenda Item 7.0

Consider accepting the 2014 premium contribution rates for active employee health and dental benefits, and maintaining existing contribution rates for health and dental benefits for retirees, survivors and COBRA participants.



**Staff Report
October 7, 2013**

ACTION: X
DISCUSSION:

TITLE: Consider accepting the 2014 premium contribution rates for active employee health and dental benefits, and maintaining existing contribution rates for health and dental benefits for retirees, survivors and COBRA participants.

Introduction:

From its inception, the Commission has chosen to participate in the County’s health benefits plan for First 5 employees. Each year the County negotiates the premiums with the health insurance providers and provides a rate sheet to First 5 listing the employer and employee contributions based on the negotiated rates (see attached). At its September, 2012 meeting the Commission adopted an 80%/20% employer/employee contribution split for active employees who work 20 hours or more per week, which is reflected on the attached rate sheet. The contribution levels for permanent intermittent, temporary and employees who work less than 20 hours per week, retirees, survivors and COBRA participants remain at their 2011 levels.

The Commission must set the rates at this meeting as the open enrollment period (which opens for County staff October 7) opens for First 5 staff October 8 and closes November 1.

Background:

Eight plans are available through four different carriers. Each carrier offers a Plan A and a lower-cost Plan B. Within each plan, rates are set for individual employee plans or family plans consisting of one or more family members in addition to the employee. The Board of Supervisors approved the 2014 premiums at its August 13, 2013 meeting. The premiums for all plans will increase in 2014, by a range of 1.5% to 11.98% among the plans.

Of the two dental plans, one remains unchanged through December, 2014, the other will increase by 1%. A new vision plan replaces a previous staff benefit addressing staff use of video displays. This plan is paid entirely by the employer at a rate of \$4.64 for month per employee.

**First 5 Contra Costa
Annual Cost of Employee Health Benefits**

	2011	2012	2013	2014
	<i>Capped at 2009 level</i>	<i>Capped at 2011 level</i>	<i>Employer Share: 80%</i>	<i>Employer Share: 80%</i>
Total employer contributions	\$226,894	\$215,802	\$220,333	\$224,457
Percent gain over previous year		-5%	2%	2%



Total employees receiving health and/or dental benefit	22	21	19	19
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Currently, of the 21 staff eligible for health benefits, 15 participate in both health and dental plans, four participate only in dental, and two do not participate in any plan.

Based on current staff enrollment, the 2014 employer cost is expected to increase about 2% in the coming year. Some staff turnover in the last year resulted in a different mix of employee plan choices. Because of the small number of participating employees the actual cost could change significantly if more staff enroll, or if current participants change plans or disenroll altogether. One staff position is currently unfilled, and another is being created, which could add to the 2014 cost depending on the eventual employees' plan choices.

Recommendation:

Staff recommend the Commission accept the 2014 premium contribution rates for active employee health and dental benefits, and maintain existing contribution rates for health and dental benefits for retirees, survivors and COBRA participants.

2014 FIRST 5 MONTHLY MEDICAL AND DENTAL PREMIUMS

8C AND 8E

**PERMANENT FULL TIME EMPLOYEES, AND PART TIME EMPLOYEES WORKING 20 OR MORE HOURS PER WEEK -
EMPLOYER CONTRIBUTION IS 80% OF PREMIUM EFFECTIVE SEPTEMBER 2012**

PLAN/COVERAGE DESCRIPTION	TOTAL MONTHLY PREMIUM	FIRST 5 MONTHLY SHARE	EMPLOYEE MONTHLY SHARE	
CONTRA COSTA HEALTH PLAN - BASIC PLAN A				
Employee on Basic Plan	\$612.77	\$490.22	\$122.55	
Employee & 1 or more dependents on Basic Plan	\$1,459.96	\$1,167.97	\$291.99	
CONTRA COSTA HEALTH PLAN - BASIC PLAN B				
Employee on Basic Plan	\$679.27	\$543.42	\$135.85	
Employee & 1 or more dependents on Basic Plan	\$1,614.06	\$1,291.25	\$322.81	
KAISER PERMANENTE - BASIC PLAN A				
Employee on Basic Plan	\$768.47	\$614.78	\$153.69	
Employee & 1 or more dependents on Basic Plan	\$1,790.52	\$1,432.42	\$358.10	
KAISER PERMANENTE - BASIC PLAN B				
Employee on Basic Plan	\$676.03	\$540.82	\$135.21	
Employee & 1 or more dependents on Basic Plan	\$1,575.17	\$1,260.14	\$315.03	
HEALTH NET HMO PLAN - BASIC PLAN A				
Employee on Basic Plan	\$1,067.40	\$853.92	\$213.48	
Employee & 1 or more dependents on Basic Plan	\$2,618.43	\$2,094.74	\$523.69	
HEALTH NET HMO PLAN - BASIC PLAN B				
Employee on Basic Plan	\$836.04	\$668.83	\$167.21	
Employee & 1 or more dependents on Basic Plan	\$2,050.86	\$1,640.69	\$410.17	
HEALTH NET CA & NAT'L PPO PLAN - BASIC PLAN A				
Employee on PPO Basic Plan	\$1,365.43	\$1,092.34	\$273.09	
Employee & 1 or more dependents on PPO Basic Plan	\$3,243.69	\$2,594.95	\$648.74	
HEALTH NET CA & NAT'L PPO PLAN - BASIC PLAN B				
Employee on PPO Basic Plan	\$1,240.08	\$992.06	\$248.02	
Employee & 1 or more dependents on PPO Basic Plan	\$2,945.89	\$2,356.71	\$589.18	
DELTA DENTAL - \$1,800 Annual Maximum				
For CCHP Plans A & B	Employee	\$44.27	\$41.17	\$3.10
	Family	\$100.00	\$93.00	\$7.00
For Health Net Plans A&B	Employee	\$44.27	\$34.02	\$10.25
	Family	\$100.00	\$76.77	\$23.23
For Kaiser Permanente Plans A & B	Employee	\$44.27	\$34.02	\$10.25
	Family	\$100.00	\$76.77	\$23.23
Without a Health Plan	Employee	\$44.27	\$43.35	\$0.92
	Family	\$100.00	\$97.81	\$2.19
DELTA CARE (PMI)				
For CCHP Plans A & B	Employee	\$29.06	\$25.41	\$3.65
	Family	\$62.81	\$54.91	\$7.90
For Health Net Plans A&B	Employee	\$29.06	\$21.31	\$7.75
	Family	\$62.81	\$46.05	\$16.76
For Kaiser Permanente Plans A & B	Employee	\$29.06	\$21.31	\$7.75
	Family	\$62.81	\$46.05	\$16.76
Without a Health Plan	Employee	\$29.06	\$27.31	\$1.75
	Family	\$62.81	\$59.03	\$3.78

2014 FIRST 5 MONTHLY MEDICAL AND DENTAL PREMIUMS

**8C AND 8E
COBRA PARTICIPANTS**

PLAN/COVERAGE DESCRIPTION	TOTAL MONTHLY PREMIUM	MONTHLY ADMIN FEE	EMPLOYEE MONTHLY SHARE	
CONTRA COSTA HEALTH PLAN - BASIC PLAN A				
Employee on Basic Plan	\$612.77	\$12.26	\$625.03	
Employee & 1 or more dependents on Basic Plan	\$1,459.96	\$29.20	\$1,489.16	
CONTRA COSTA HEALTH PLAN - BASIC PLAN B				
Employee on Basic Plan	\$679.27	\$13.59	\$692.86	
Employee & 1 or more dependents on Basic Plan	\$1,614.06	\$32.28	\$1,646.34	
KAISER PERMANENTE - BASIC PLAN A				
Employee on Basic Plan	\$768.47	\$15.37	\$783.84	
Employee & 1 or more dependents on Basic Plan	\$1,790.52	\$35.81	\$1,826.33	
KAISER PERMANENTE - BASIC PLAN B				
Employee on Basic Plan	\$676.03	\$13.52	\$689.55	
Employee & 1 or more dependents on Basic Plan	\$1,575.17	\$31.50	\$1,606.67	
HEALTH NET HMO PLAN - BASIC PLAN A				
Employee on Basic Plan	\$1,067.40	\$21.35	\$1,088.75	
Employee & 1 or more dependents on Basic Plan	\$2,618.43	\$52.37	\$2,670.80	
HEALTH NET HMO PLAN - BASIC PLAN B				
Employee on Basic Plan	\$836.04	\$16.72	\$852.76	
Employee & 1 or more dependents on Basic Plan	\$2,050.86	\$41.02	\$2,091.88	
HEALTH NET CA & NAT'L PPO PLAN - BASIC PLAN A				
Employee on PPO Basic Plan	\$1,365.43	\$27.31	\$1,392.74	
Employee & 1 or more dependents on PPO Basic Plan	\$3,243.69	\$64.87	\$3,308.56	
HEALTH NET CA & NAT'L PPO PLAN - BASIC PLAN B				
Employee on PPO Basic Plan	\$1,240.08	\$24.80	\$1,264.88	
Employee & 1 or more dependents on PPO Basic Plan	\$2,945.89	\$58.92	\$3,004.81	
DELTA DENTAL - \$1,800 Annual Maximum				
For CCHP Plans A & B	Employee	\$44.27	\$0.89	\$45.16
	Family	\$100.00	\$2.00	\$102.00
For Health Net Plans A&B	Employee	\$44.27	\$0.89	\$45.16
	Family	\$100.00	\$2.00	\$102.00
For Kaiser Permanente Plans A & B	Employee	\$44.27	\$0.89	\$45.16
	Family	\$100.00	\$2.00	\$102.00
Without a Health Plan	Employee	\$44.27	\$0.89	\$45.16
	Family	\$100.00	\$2.00	\$102.00
DELTA CARE (PMI)				
For CCHP Plans A & B	Employee	\$29.06	\$0.58	\$29.64
	Family	\$62.81	\$1.26	\$64.07
For Health Net Plans A&B	Employee	\$29.06	\$0.58	\$29.64
	Family	\$62.81	\$1.26	\$64.07
For Kaiser Permanente Plans A & B	Employee	\$29.06	\$0.58	\$29.64
	Family	\$62.81	\$1.26	\$64.07
Without a Health Plan	Employee	\$29.06	\$0.58	\$29.64
	Family	\$62.81	\$1.26	\$64.07

**2014 FIRST 5 MONTHLY MEDICAL AND DENTAL PREMIUMS
RETIREES**

**FORMER GROUPS: 8C AND 8E
EMPLOYER CONTRIBUTION IS A FIXED AMOUNT AS OF MAY 2011.**

PLAN/COVERAGE DESCRIPTION	TOTAL MONTHLY PREMIUM	COUNTY MONTHLY SHARE	RETIREE MONTHLY SHARE
CONTRA COSTA HEALTH PLAN - BASIC PLAN A			
Retiree on Basic Plan	\$612.77	\$509.92	\$102.85
Retiree & 1 or more dependents on Basic Plan	\$1,459.96	\$1,214.90	\$245.06
CONTRA COSTA HEALTH PLAN - BASIC PLAN B			
Retiree on Basic Plan	\$679.27	\$528.50	\$150.77
Retiree & 1 or more dependents on Basic Plan	\$1,614.06	\$1,255.79	\$358.27
CONTRA COSTA HEALTH PLAN - MEDICARE COORDINATION OF BENEFITS (COB) PLAN A			
Retiree on Medicare COB Plan	\$279.23	\$279.22	\$0.01
Retiree & 1 dependent on Medicare COB Plan	\$1,228.77	\$1,035.60	\$193.17
CONTRA COSTA HEALTH PLAN - MEDICARE COORDINATION OF BENEFITS (COB) PLAN B			
Retiree on Medicare COB Plan	\$287.60	\$287.59	\$0.01
Retiree & 1 dependent on Medicare COB Plan	\$1,265.63	\$1,088.06	\$177.57
COMBINATION OF CONTRA COSTA HEALTH PLAN - BASIC PLAN & MEDICARE COB PLAN A			
Retiree on Medicare COB Plan , and, 1 or more dependents on Basic Plan	\$1,234.35	\$1,125.25	\$109.10
Retiree & 1 dependent on Medicare COB Plan , and, 1 or more dependents on Basic Plan	\$1,228.77	\$1,035.60	\$193.17
Retiree on Basic Plan, and, 1 dependent on Medicare COB Plan	\$1,234.35	\$1,125.25	\$109.10
Retiree on Basic Plan, and, 2 or more dependents on Medicare COB Plan	\$1,228.77	\$1,035.60	\$193.17
Retiree & 1 dependent on Basic Plan, and, 1 or more dependents on Medicare COB Plan	\$1,234.35	\$1,125.25	\$109.10
COMBINATION OF CONTRA COSTA HEALTH PLAN - BASIC PLAN & MEDICARE COB PLAN B			
Retiree on Medicare COB Plan , and, 1 or more dependents on Basic Plan	\$1,271.38	\$1,171.93	\$99.45
Retiree & 1 dependent on Medicare COB Plan , and, 1 or more dependents on Basic Plan	\$1,265.63	\$1,088.06	\$177.57
Retiree on Basic Plan, and, 1 dependent on Medicare COB Plan	\$1,271.38	\$1,171.93	\$99.45
Retiree on Basic Plan, and, 2 or more dependents on Medicare COB Plan	\$1,265.63	\$1,088.06	\$177.57
Retiree & 1 dependent on Basic Plan, and, 1 or more dependents on Medicare COB Plan	\$1,271.38	\$1,171.93	\$99.45
KAISER PERMANENTE - BASIC PLAN A			
Retiree on Basic Plan	\$768.47	\$478.91	\$289.56
Retiree & 1 or more dependents on Basic Plan	\$1,790.52	\$1,115.84	\$674.68
KAISER PERMANENTE - BASIC PLAN B			
Retiree on Basic Plan	\$676.03	\$478.91	\$197.12
Retiree & 1 or more dependents on Basic Plan	\$1,575.17	\$1,115.84	\$459.33
KAISER PERMANENTE SENIOR ADVANTAGE (KPSA) PLAN A			
Retiree on KPSA Plan	\$295.01	\$263.94	\$31.07
Retiree & 1 dependent on KPSA Plan	\$796.71	\$712.79	\$83.92
Retiree & 2 dependents on KPSA Plan	\$1,298.41	\$1,161.65	\$22.01
KAISER PERMANENTE SENIOR ADVANTAGE (KPSA) PLAN B			
Retiree on KPSA Plan	\$223.69	\$223.68	\$0.01
Retiree & 1 dependent on KPSA Plan	\$603.97	\$603.96	\$0.01
Retiree & 2 dependents on KPSA Plan	\$984.25	\$984.24	\$0.01
COMBINATION OF KAISER BASIC PLAN AND KPSA PLAN A			
Retiree on KPSA Plan, and, 1 or more dependents on Basic Plan	\$1,317.06	\$945.58	\$371.48
Retiree & 1 or more dependents on Basic Plan, and, 1 dependent on KPSA Plan	\$1,270.17	\$945.58	\$324.59
COMBINATION OF KAISER BASIC PLAN AND KPSA PLAN B			
Retiree on KPSA Plan, and, 1 or more dependents on Basic Plan	\$1,222.83	\$945.58	\$277.25
Retiree & 1 or more dependents on Basic Plan, and, 1 dependent on KPSA Plan	\$1,056.31	\$945.58	\$110.73

**2014 FIRST 5 MONTHLY MEDICAL AND DENTAL PREMIUMS
RETIREES**

**FORMER GROUPS: 8C AND 8E
EMPLOYER CONTRIBUTION IS A FIXED AMOUNT AS OF MAY 2011.**

PLAN/COVERAGE DESCRIPTION	TOTAL MONTHLY PREMIUM	COUNTY MONTHLY SHARE	RETIREE MONTHLY SHARE
HEALTH NET HMO PLAN - BASIC PLAN A			
Retiree on Basic Plan	\$1,067.40	\$627.79	\$439.61
Retiree & 1 or more dependents on Basic Plan	\$2,618.43	\$1,540.02	\$1,078.41
HEALTH NET HMO PLAN - BASIC PLAN B			
Retiree on Basic Plan	\$836.04	\$627.79	\$208.25
Retiree & 1 or more dependents on Basic Plan	\$2,050.86	\$1,540.02	\$510.84
HEALTH NET SENIORITY PLUS (HNSP) PLAN A			
Retiree on HNSP Plan	\$514.28	\$409.69	\$104.59
Retiree & 1 dependent on HNSP Plan	\$1,028.56	\$819.38	\$209.18
Retiree & 2 dependent on HNSP Plan	\$1,542.84	\$1,229.07	\$313.77
HEALTH NET SENIORITY PLUS (HNSP) PLAN B			
Retiree on HNSP Plan	\$431.74	\$409.69	\$22.05
Retiree & 1 dependent on HNSP Plan	\$863.48	\$819.38	\$44.10
Retiree & 2 dependent on HNSP Plan	\$1,295.22	\$1,229.07	\$66.15
COMBINATION OF HEALTH NET SENIORITY PLUS A (HNSP) AND COORDINATION OF BENEFITS (COB) PLANS			
Retiree on HNSP, and, dependent on Health Net Coordination of Benefits (COB) Plan	\$1,087.31	\$876.32	\$210.99
Retiree on Health Net Coordination of Benefits (COB) Plan, and, dependent on HNSP	\$1,087.31	\$876.32	\$210.99
COMBINATION OF HEALTH NET SENIORITY B PLUS (HNSP) AND COORDINATION OF BENEFITS (COB) PLANS			
Retiree on HNSP, and, dependent on Health Net Coordination of Benefits (COB) Plan	\$1,004.77	\$876.82	\$127.95
Retiree on Health Net Coordination of Benefits (COB) Plan, and, dependent on HNSP	\$1,004.77	\$876.82	\$127.95
COMBINATION OF HEALTH NET BASIC PLAN A AND HEALTH NET SENIORITY PLUS PLAN A (HNSP)			
Retiree on HNSP Plan, and, 1 dependent on Basic Plan	\$1,581.68	\$1,068.49	\$513.19
Retiree on HNSP Plan, and, 2 or more dependents on Basic Plan	\$3,132.71	\$1,949.71	\$1,183.00
Retiree & 1 dependent on HNSP Plan, and, 1 dependent on Basic Plan	\$2,095.96	\$1,509.13	\$586.83
Retiree on Basic Plan, and, 1 dependent on HNSP Plan	\$1,581.68	\$1,068.49	\$513.19
Retiree & 1 or more dependents on Basic Plan, and, 1 dependent on HNSP Plan	\$3,132.71	\$1,949.71	\$1,183.00
COMBINATION OF HEALTH NET BASIC PLAN B AND HEALTH NET SENIORITY PLUS PLAN B (HNSP)			
Retiree on HNSP Plan, and, 1 dependent on Basic Plan	\$1,267.78	\$1,068.49	\$199.29
Retiree on HNSP Plan, and, 2 or more dependents on Basic Plan	\$2,482.60	\$1,949.71	\$532.89
Retiree & 1 dependent on HNSP Plan, and, 1 dependent on Basic Plan	\$1,699.52	\$1,509.13	\$190.39
Retiree on Basic Plan, and, 1 dependent on HNSP Plan	\$1,267.78	\$1,068.49	\$199.29
Retiree & 1 or more dependents on Basic Plan, and, 1 dependent on HNSP Plan	\$2,482.60	\$1,949.71	\$532.89
HEALTH NET MEDICARE COORDINATION OF BENEFITS PLAN (HNCOB)			
Retiree on HNCOB Plan	\$573.03	\$467.13	\$105.90
Retiree & 1 or more dependents, 2 on HNCOB	\$1,146.06	\$934.29	\$211.77
COMBINATION OF HEALTH NET BASIC PLAN A AND HEALTH NET COORDINATION OF BENEFITS PLAN (HNCOB)			
Retiree on HNCOB, and, 1 dependents on Basic Plan	\$1,640.43	\$1,083.16	\$557.27
Retiree on Basic Plan, and, 1 dependent on HNCOB	\$1,640.43	\$1,083.16	\$557.27
Retiree on HNCOB, and, 2 or more dependents on HN Basic Plan	\$3,191.46	\$2,007.15	\$1,184.31
Retiree & 1 dependent on HNCOB, and, 1 or more dependents on Basic Plan	\$2,213.46	\$1,562.08	\$651.38
Retiree on Basic Plan, and 2 dependents on HNCOB	\$2,213.46	\$1,562.08	\$651.38
COMBINATION OF HEALTH NET BASIC PLAN B AND HEALTH NET COORDINATION OF BENEFITS PLAN (HNCOB)			
Retiree on HNCOB, and, 1 dependents on Basic Plan	\$1,409.06	\$1,083.16	\$325.90
Retiree on Basic Plan, and, 1 dependent on HNCOB	\$1,409.06	\$1,083.16	\$325.90
Retiree on HNCOB, and, 2 or more dependents on HN Basic Plan	\$2,623.89	\$2,007.15	\$616.74
Retiree & 1 dependent on HNCOB, and, 1 or more dependents on Basic Plan	\$1,982.10	\$1,562.08	\$420.02

**2014 FIRST 5 MONTHLY MEDICAL AND DENTAL PREMIUMS
RETIREES**

**FORMER GROUPS: 8C AND 8E
EMPLOYER CONTRIBUTION IS A FIXED AMOUNT AS OF MAY 2011.**

PLAN/COVERAGE DESCRIPTION	TOTAL MONTHLY PREMIUM	COUNTY MONTHLY SHARE	RETIREE MONTHLY SHARE
Retiree on Basic Plan, and 2 dependents on HNCOB HEALTH NET CA & NAT'L PPO PLAN - BASIC PLAN A	\$1,982.10	\$1,562.08	\$420.02
Retiree on PPO Basic Plan	\$1,365.43	\$604.60	\$760.83
Retiree & 1 or more dependents on PPO Basic Plan HEALTH NET CA & NAT'L PPO PLAN - BASIC PLAN B	\$3,243.69	\$1,436.25	\$1,807.44
Retiree on PPO Basic Plan	\$1,240.08	\$604.60	\$635.48
Retiree & 1 or more dependents on PPO Basic Plan HEALTH NET CA & NAT'L PPO PLAN A WITH MEDICARE PARTS A & B	\$2,945.89	\$1,436.25	\$1,509.64
Retiree on PPO Medicare Plan	\$924.22	\$563.17	\$361.05
Retiree & 1 or more dependents on PPO Medicare Plan HEALTH NET CA & NAT'L PPO PLAN B WITH MEDICARE PARTS A & B	\$1,848.43	\$1,126.24	\$722.19
Retiree on PPO Medicare Plan	\$839.40	\$563.17	\$276.23
Retiree & 1 or more dependents on PPO Medicare Plan COMBINATION OF HEALTH NET CA & NAT'L PPO PLAN A - BASIC PLAN & PPO MEDICARE PLAN A	\$1,678.80	\$1,126.24	\$552.56
Retiree on PPO Medicare Plan, and, 1 dependent on PPO Basic Plan	\$2,289.65	\$1,167.78	\$1,121.87
Retiree on PPO Basic Plan, and, 1 dependent on PPO Medicare Plan	\$2,289.65	\$1,167.78	\$1,121.87
Retiree & 1 dependent on PPO Medicare Plan, and, 1 dependent on PPO Basic Plan	\$3,213.86	\$1,730.84	\$1,483.02
Retiree on PPO Basic Plan, and, 2 dependents on PPO Medicare Plan COMBINATION OF HEALTH NET CA & NAT'L PPO PLAN B - BASIC PLAN & PPO MEDICARE PLAN B	\$3,213.86	\$1,730.84	\$1,483.02
Retiree on PPO Medicare Plan, and, 1 dependent on PPO Basic Plan	\$2,079.48	\$1,167.78	\$911.70
Retiree on PPO Basic Plan, and, 1 dependent on PPO Medicare Plan	\$2,079.48	\$1,167.78	\$911.70
Retiree & 1 dependent on PPO Medicare Plan, and, 1 dependent on PPO Basic Plan	\$2,918.88	\$1,730.84	\$1,188.04
Retiree on PPO Basic Plan, and, 2 dependents on PPO Medicare Plan COMBINATION OF HEALTH NET SENIORITY PLUS PLAN A, AND, HEALTH NET CA & NAT'L PPO PLAN A	\$2,918.88	\$1,730.84	\$1,188.04
Retiree on HNSP Plan, and, 1 dependent on PPO Basic Plan	Closed Plan - No New Enrollments		
Retiree on PPO Basic Plan, and, 1 dependent on HNSP Plan	\$1,879.71	\$1,014.29	\$865.42
Retiree on HNSP Plan, and, 1 dependent on PPO Medicare Plan	\$1,879.71	\$1,014.29	\$865.42
Retiree on PPO Medicare Plan, and, 1 dependent on HNSP Plan	\$1,438.50	\$972.86	\$465.64
Retiree & 1 dependent on HNSP Plan, and, 1 dependent on PPO Basic Plan	\$1,438.50	\$972.86	\$465.64
Retiree on PPO Basic Plan, and, 2 dependents on HNSP Plan COMBINATION OF HEALTH NET SENIORITY PLUS PLAN B, AND, HEALTH NET CA & NAT'L PPO PLAN B	\$2,393.99	\$1,423.98	\$970.01
Retiree on HNSP Plan, and, 1 dependent on PPO Basic Plan	\$2,393.99	\$1,423.98	\$970.01
Retiree on PPO Basic Plan, and, 1 dependent on HNSP Plan	Closed Plan - No New Enrollments		
Retiree on HNSP Plan, and, 1 dependent on PPO Medicare Plan	\$1,671.82	\$1,014.29	\$657.53
Retiree on PPO Medicare Plan, and, 1 dependent on HNSP Plan	\$1,671.82	\$1,014.29	\$657.53
Retiree on PPO Basic Plan, and, 1 dependent on HNSP Plan	\$1,271.14	\$972.86	\$298.28
Retiree & 1 dependent on HNSP Plan, and, 1 dependent on PPO Basic Plan	\$1,219.33	\$972.86	\$246.47
Retiree on PPO Medicare Plan, and, 1 dependent on HNSP Plan	\$2,103.56	\$1,423.98	\$679.58
Retiree & 1 dependent on HNSP Plan, and, 1 dependent on PPO Basic Plan	\$2,103.56	\$1,423.98	\$679.58
Retiree on PPO Basic Plan, and, 2 dependents on HNSP Plan			

**2014 FIRST 5 MONTHLY MEDICAL AND DENTAL PREMIUMS
RETIREES**

**FORMER GROUPS: 8C AND 8E
EMPLOYER CONTRIBUTION IS A FIXED AMOUNT AS OF MAY 2011.**

PLAN/COVERAGE DESCRIPTION		TOTAL MONTHLY PREMIUM	COUNTY MONTHLY SHARE	RETIREE MONTHLY SHARE
DELTA DENTAL - \$1,800 ANNUAL MAXIMUM				
For CCHP Plans A & B	Retiree	\$44.27	\$41.17	\$3.10
	Family	\$100.00	\$93.00	\$7.00
For Health Net Plans A&B	Retiree	\$44.27	\$34.02	\$10.25
	Family	\$100.00	\$76.77	\$23.23
For Kaiser Permanente Plans A & B	Retiree	\$44.27	\$34.02	\$10.25
	Family	\$100.00	\$76.77	\$23.23
Without a Health Plan	Retiree	\$44.27	\$43.35	\$0.92
	Family	\$100.00	\$97.81	\$2.19
DELTA CARE (PMI)				
For CCHP Plans A & B	Retiree	\$29.06	\$25.41	\$3.65
	Family	\$62.81	\$54.91	\$7.90
For Health Net Plans A&B	Retiree	\$29.06	\$21.31	\$7.75
	Family	\$62.81	\$46.05	\$16.76
For Kaiser Permanente Plans A & B	Retiree	\$29.06	\$21.31	\$7.75
	Family	\$62.81	\$46.05	\$16.76
Without a Health Plan	Retiree	\$29.06	\$27.31	\$1.75

**2014 FIRST 5 MONTHLY MEDICAL AND DENTAL PREMIUMS
SURVIVORS OF RETIREES**

FORMER GROUPS: 8C AND 8E

PLAN/COVERAGE DESCRIPTION	TOTAL MONTHLY PREMIUM	MONTHLY ADMIN. FEE	SURVIVOR MONTHLY SHARE
CONTRA COSTA HEALTH PLAN - BASIC PLAN A			
Survivor on Basic Plan	\$612.77	\$3.22	\$615.99
Survivor & 1 or more dependents on Basic Plan	\$1,459.96	\$3.22	\$1,463.18
CONTRA COSTA HEALTH PLAN - BASIC PLAN B			
Survivor on Basic Plan	\$679.27	\$3.22	\$682.49
Survivor & 1 or more dependents on Basic Plan	\$1,614.06	\$3.22	\$1,617.28
CONTRA COSTA HEALTH PLAN - MEDICARE COORDINATION OF BENEFITS (COB) PLAN A			
Survivor on Medicare COB Plan	\$279.23	\$3.22	\$282.45
Survivor & 1 dependent on Medicare COB Plan	\$1,228.77	\$3.22	\$1,231.99
CONTRA COSTA HEALTH PLAN - MEDICARE COORDINATION OF BENEFITS (COB) PLAN B			
Survivor on Medicare COB Plan	\$287.60	\$3.22	\$290.82
Survivor & 1 dependent on Medicare COB Plan	\$1,265.63	\$3.22	\$1,268.85
COMBINATION OF CONTRA COSTA HEALTH PLAN - BASIC PLAN & MEDICARE COB PLAN A			
Survivor on Medicare COB Plan , and, 1 or more dependents on Basic Plan	\$1,234.35	\$3.22	\$1,237.57
Survivor & 1 dependent on Medicare COB Plan , and, 1 or more dependents on Basic Plan	\$1,228.77	\$3.22	\$1,231.99
Survivor on Basic Plan, and, 1 dependent on Medicare COB Plan	\$1,234.35	\$3.22	\$1,237.57
Survivor	\$1,228.77	\$3.22	\$1,231.99
Survivor & 1 dependent on Basic Plan, and, 1 or more dependents on Medicare COB Plan	\$1,234.35	\$3.22	\$1,237.57
COMBINATION OF CONTRA COSTA HEALTH PLAN - BASIC PLAN & MEDICARE COB PLAN B			
Survivor on Medicare COB Plan , and, 1 or more dependents on Basic Plan	\$1,271.38	\$3.22	\$1,274.60
Survivor & 1 dependent on Medicare COB Plan , and, 1 or more dependents on Basic Plan	\$1,265.63	\$3.22	\$1,268.85
Survivor on Basic Plan, and, 1 dependent on Medicare COB Plan	\$1,271.38	\$3.22	\$1,274.60
Survivor on Basic Plan, and, 2 or more dependents on Medicare COB Plan	\$1,265.63	\$3.22	\$1,268.85
Survivor & 1 dependent on Basic Plan, and, 1 or more dependents on Medicare COB Plan	\$1,271.38	\$3.22	\$1,274.60
KAISER PERMANENTE - BASIC PLAN A			
Survivor on Basic Plan	\$768.47	\$3.22	\$771.69
Survivor & 1 or more dependents on Basic Plan	\$1,790.52	\$3.22	\$1,793.74
KAISER PERMANENTE - BASIC PLAN B			
Survivor on Basic Plan	\$676.03	\$3.22	\$679.25
Survivor & 1 or more dependents on Basic Plan	\$1,575.17	\$3.22	\$1,578.39
KAISER PERMANENTE SENIOR ADVANTAGE (KPSA) PLAN A			
Survivor on KPSA Plan	\$295.01	\$3.22	\$298.23
Survivor & 1 dependent on KPSA Plan	\$796.71	\$3.22	\$799.93
Survivor & 2 dependents on KPSA Plan	\$1,298.41	\$3.22	\$1,301.63
KAISER PERMANENTE SENIOR ADVANTAGE (KPSA) PLAN B			
Survivor on KPSA Plan	\$223.69	\$3.22	\$226.91
Survivor & 1 dependent on KPSA Plan	\$603.97	\$3.22	\$607.19
Survivor & 2 dependents on KPSA Plan	\$984.25	\$3.22	\$987.47
COMBINATION OF KAISER BASIC PLAN AND KPSA PLAN A			
Survivor on KPSA Plan, and, 1 or more dependents on Basic Plan	\$1,317.06	\$3.22	\$1,320.28
Survivor & 1 or more dependents on Basic Plan, and, 1 dependent on KPSA Plan	\$1,270.17	\$3.22	\$1,273.39
COMBINATION OF KAISER BASIC PLAN AND KPSA PLAN B			
Survivor on KPSA Plan, and, 1 or more dependents on Basic Plan	\$1,122.83	\$3.22	\$1,126.05
Survivor & 1 or more dependents on Basic Plan, and, 1 dependent on KPSA Plan	\$1,056.31	\$3.22	\$1,059.53

**2014 FIRST 5 MONTHLY MEDICAL AND DENTAL PREMIUMS
SURVIVORS OF RETIREES**

FORMER GROUPS: 8C AND 8E

PLAN/COVERAGE DESCRIPTION	TOTAL MONTHLY PREMIUM	MONTHLY ADMIN. FEE	SURVIVOR MONTHLY SHARE
HEALTH NET HMO PLAN - BASIC PLAN A			
Survivor on Basic Plan	\$1,067.40	\$3.22	\$1,070.62
Survivor & 1 or more dependents on Basic Plan	\$2,618.43	\$3.22	\$2,621.65
HEALTH NET HMO PLAN - BASIC PLAN B			
Survivor on Basic Plan	\$836.04	\$3.22	\$839.26
Survivor & 1 or more dependents on Basic Plan	\$2,050.86	\$3.22	\$2,054.08
HEALTH NET SENIORITY PLUS (HNSP) PLAN A			
Survivor on HNSP Plan	\$514.28	\$3.22	\$517.50
Survivor & 1 dependent on HNSP Plan	\$1,028.56	\$3.22	\$1,031.78
Survivor & 2 dependent on HNSP Plan	\$1,542.84	\$3.22	\$1,546.06
HEALTH NET SENIORITY PLUS (HNSP) PLAN B			
Survivor on HNSP Plan	\$431.74	\$3.22	\$434.96
Survivor & 1 dependent on HNSP Plan	\$863.48	\$3.22	\$866.70
Survivor & 2 dependent on HNSP Plan	\$1,295.22	\$3.22	\$1,298.44
COMBINATION OF HEALTH NET SENIORITY PLUS A (HNSP) AND COORDINATION OF BENEFITS (COB) PLANS			
Survivor on HNSP, and, dependent on Health Net Coordination of Benefits (COB) Plan	\$1,087.31	\$3.22	\$1,090.53
Survivor on Health Net Coordination of Benefits (COB) Plan, and, dependent on HNSP	\$1,087.31	\$3.22	\$1,090.53
COMBINATION OF HEALTH NET SENIORITY B PLUS (HNSP) AND COORDINATION OF BENEFITS (COB) PLANS			
Survivor on HNSP, and, dependent on Health Net Coordination of Benefits (COB) Plan	\$1,004.77	\$3.22	\$1,007.99
Survivor on Health Net Coordination of Benefits (COB) Plan, and, dependent on HNSP	\$1,004.77	\$3.22	\$1,007.99
COMBINATION OF HEALTH NET BASIC PLAN A AND HEALTH NET SENIORITY PLUS PLAN A (HNSP)			
Survivor on HNSP Plan, and, 1 dependent on Basic Plan	\$1,581.68	\$3.22	\$1,584.90
Survivor on HNSP Plan, and, 2 or more dependents on Basic Plan	\$3,132.71	\$3.22	\$3,135.93
Survivor & 1 dependent on HNSP Plan, and, 1 dependent on Basic Plan	\$2,095.96	\$3.22	\$2,099.18
Survivor on Basic Plan, and, 1 dependent on HNSP Plan	\$1,581.68	\$3.22	\$1,584.90
Survivor & 1 or more dependents on Basic Plan, and, 1 dependent on HNSP Plan	\$3,132.71	\$3.22	\$3,135.93
COMBINATION OF HEALTH NET BASIC PLAN B AND HEALTH NET SENIORITY PLUS PLAN B (HNSP)			
Survivor on HNSP Plan, and, 1 dependent on Basic Plan	\$1,267.78	\$3.22	\$1,271.00
Survivor on HNSP Plan, and, 2 or more dependents on Basic Plan	\$2,482.60	\$3.22	\$2,485.82
Survivor & 1 dependent on HNSP Plan, and, 1 dependent on Basic Plan	\$1,699.52	\$3.22	\$1,702.74
Survivor on Basic Plan, and, 1 dependent on HNSP Plan	\$1,267.78	\$3.22	\$1,271.00
Survivor & 1 or more dependents on Basic Plan, and, 1 dependent on HNSP Plan	\$2,482.60	\$3.22	\$2,485.82
HEALTH NET MEDICARE COORDINATION OF BENEFITS PLAN (HNCOB)			
Survivor on HNCOB Plan	\$573.03	\$3.22	\$576.25
Survivor & 1 or more dependents, 2 on HNCOB	\$1,146.06	\$3.22	\$1,149.28
COMBINATION OF HEALTH NET BASIC PLAN A AND HEALTH NET COORDINATION OF BENEFITS PLAN (HNCOB)			
Survivor on HNCOB, and, 1 dependents on Basic Plan	\$1,640.43	\$3.22	\$1,643.65
Survivor on Basic Plan, and, 1 dependent on HNCOB	\$1,640.43	\$3.22	\$1,643.65
Survivor on HNCOB, and, 2 or more dependents on HN Basic Plan	\$3,191.46	\$3.22	\$3,194.68
Survivor & 1 dependent on HNCOB, and, 1 or more dependents on Basic Plan	\$2,213.46	\$3.22	\$2,216.68
Survivor on Basic Plan, and 2 dependents on HNCOB	\$2,213.46	\$3.22	\$2,216.68
COMBINATION OF HEALTH NET BASIC PLAN B AND HEALTH NET COORDINATION OF BENEFITS PLAN (HNCOB)			
Survivor on HNCOB, and, 1 dependents on Basic Plan	\$1,409.06	\$3.22	\$1,412.28
Survivor on Basic Plan, and, 1 dependent on HNCOB	\$1,409.06	\$3.22	\$1,412.28
Survivor on HNCOB, and, 2 or more dependents on HN Basic Plan	\$2,623.89	\$3.22	\$2,627.11
Survivor & 1 dependent on HNCOB, and, 1 or more dependents on Basic Plan	\$1,982.10	\$3.22	\$1,985.32

**2014 FIRST 5 MONTHLY MEDICAL AND DENTAL PREMIUMS
SURVIVORS OF RETIREES**

FORMER GROUPS: 8C AND 8E

PLAN/COVERAGE DESCRIPTION	TOTAL		SURVIVOR
	MONTHLY PREMIUM	MONTHLY ADMIN. FEE	MONTHLY SHARE
Survivor on Basic Plan, and 2 dependents on HNCOB HEALTH NET CA & NAT'L PPO PLAN - BASIC PLAN A	\$1,982.10	\$3.22	\$1,985.32
Survivor on PPO Basic Plan	\$1,365.43	\$3.22	\$1,368.65
Survivor & 1 or more dependents on PPO Basic Plan HEALTH NET CA & NAT'L PPO PLAN - BASIC PLAN B	\$3,243.69	\$3.22	\$3,246.91
Survivor on PPO Basic Plan	\$1,240.08	\$3.22	\$1,243.30
Survivor & 1 or more dependents on PPO Basic Plan HEALTH NET CA & NAT'L PPO PLAN A WITH MEDICARE PARTS A & B	\$2,945.89	\$3.22	\$2,949.11
Survivor on PPO Medicare Plan	\$924.22	\$3.22	\$927.44
Survivor & 1 or more dependents on PPO Medicare Plan HEALTH NET CA & NAT'L PPO PLAN B WITH MEDICARE PARTS A & B	\$1,848.43	\$3.22	\$1,851.65
Survivor on PPO Medicare Plan	\$839.40	\$3.22	\$842.62
Survivor & 1 or more dependents on PPO Medicare Plan COMBINATION OF HEALTH NET CA & NAT'L PPO PLAN A - BASIC PLAN & PPO MEDICARE PLAN A	\$1,678.80	\$3.22	\$1,682.02
Survivor on PPO Medicare Plan, and, 1 dependent on PPO Basic Plan	\$2,289.65	\$3.22	\$2,292.87
Survivor on PPO Basic Plan, and, 1 dependent on PPO Medicare Plan	\$2,289.65	\$3.22	\$2,292.87
Survivor & 1 dependent on PPO Medicare Plan, and, 1 dependent on PPO Basic Plan	\$3,213.86	\$3.22	\$3,217.08
Survivor on PPO Basic Plan, and, 2 dependents on PPO Medicare Plan COMBINATION OF HEALTH NET CA & NAT'L PPO PLAN B - BASIC PLAN & PPO MEDICARE PLAN B	\$3,213.86	\$3.22	\$3,217.08
Survivor on PPO Medicare Plan, and, 1 dependent on PPO Basic Plan	\$2,079.48	\$3.22	\$2,082.70
Survivor on PPO Basic Plan, and, 1 dependent on PPO Medicare Plan	\$2,079.48	\$3.22	\$2,082.70
Survivor & 1 dependent on PPO Medicare Plan, and, 1 dependent on PPO Basic Plan	\$2,918.88	\$3.22	\$2,922.10
Survivor on PPO Basic Plan, and, 2 dependents on PPO Medicare Plan COMBINATION OF HEALTH NET SENIORITY PLUS PLAN A, AND, HEALTH NET CA & NAT'L PPO PLAN A	\$2,918.88	\$3.22	\$2,922.10
	Closed Plan - No New Enrollments		
Survivor on HNSP Plan, and, 1 dependent on PPO Basic Plan	\$1,879.71	\$3.22	\$1,882.93
Survivor on PPO Basic Plan, and, 1 dependent on HNSP Plan	\$1,879.71	\$3.22	\$1,882.93
Survivor on HNSP Plan, and, 1 dependent on PPO Medicare Plan	\$1,438.50	\$3.22	\$1,441.72
Survivor on PPO Medicare Plan, and, 1 dependent on HNSP Plan	\$1,438.50	\$3.22	\$1,441.72
Survivor & 1 dependent on HNSP Plan, and, 1 dependent on PPO Basic Plan	\$2,393.99	\$3.22	\$2,397.21
Survivor on PPO Basic Plan, and, 2 dependents on HNSP Plan COMBINATION OF HEALTH NET SENIORITY PLUS PLAN B, AND, HEALTH NET CA & NAT'L PPO PLAN B	\$2,393.99	\$3.22	\$2,397.21
	Closed Plan - No New Enrollments		
Survivor on HNSP Plan, and, 1 dependent on PPO Basic Plan	\$1,671.82	\$3.22	\$1,675.04
Survivor on PPO Basic Plan, and, 1 dependent on HNSP Plan	\$1,671.82	\$3.22	\$1,675.04
Survivor on HNSP Plan, and, 1 dependent on PPO Medicare Plan	\$1,271.14	\$3.22	\$1,274.36
Survivor on PPO Medicare Plan, and, 1 dependent on HNSP Plan	\$1,271.14	\$3.22	\$1,274.36
Survivor & 1 dependent on HNSP Plan, and, 1 dependent on PPO Basic Plan	\$2,103.56	\$3.22	\$2,106.78
Survivor on PPO Basic Plan, and, 2 dependents on HNSP Plan	\$2,103.56	\$3.22	\$2,106.78

**2014 FIRST 5 MONTHLY MEDICAL AND DENTAL PREMIUMS
SURVIVORS OF RETIREES**

FORMER GROUPS: 8C AND 8E

PLAN/COVERAGE DESCRIPTION		TOTAL MONTHLY PREMIUM	MONTHLY ADMIN. FEE	SURVIVOR MONTHLY SHARE
DELTA DENTAL - \$1,800 ANNUAL MAXIMUM				
For CCHP Plans A & B	Survivor	\$44.27	\$0.00	\$44.27
	Family	\$100.00	\$0.00	\$100.00
For Health Net Plans A&B	Survivor	\$44.27	\$0.00	\$44.27
	Family	\$100.00	\$0.00	\$100.00
For Kaiser Permanente Plans A & B	Survivor	\$44.27	\$0.00	\$44.27
	Family	\$100.00	\$0.00	\$100.00
Without a Health Plan	Survivor	\$44.27	\$3.22	\$47.49
	Family	\$100.00	\$3.22	\$103.22
DELTA CARE (PMI)				
For CCHP Plans A & B	Survivor	\$29.06	\$0.00	\$29.06
	Family	\$62.81	\$0.00	\$62.81
For Health Net Plans A&B	Survivor	\$29.06	\$0.00	\$29.06
	Family	\$62.81	\$0.00	\$62.81
For Kaiser Permanente Plans A & B	Survivor	\$29.06	\$0.00	\$29.06
	Family	\$62.81	\$0.00	\$62.81
Without a Health Plan	Survivor	\$29.06	\$3.22	\$32.28