



Executive Committee Meeting

AGENDA

Monday, September 29, 2025 ~ 5:00 PM

4005 Port Chicago Highway, Suite 120, Concord, CA 94520

Conference Room 110 (Fishbowl)

The Executive Committee meeting will be accessible in-person, and via Zoom to all members of the public. Persons who wish to address the Committee members during public comment or with respect to an item on the agenda may call in during the meeting by dialing 669-444-9171 or 669-900-6833 or use the "raise your hand" feature in the Zoom app. The Committee Chair may reduce or eliminate the amount of time allotted to read comments at the beginning of each item or public comment period depending on the number of comments and the business of the day. Your patience is appreciated.

Virtual Meeting Information:

Join Zoom Meeting

<https://us02web.zoom.us/j/83440113983?pwd=NsacueRzqzCXIMi735MV2kZqZMu4B6.1>

Meeting ID: 834 4011 3983

Passcode: 873962

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| 1.0 | Convene and call to order | |
| 2.0 | Public Comment | |
| 3.0 | Approve the Minutes of the Executive Committee Meetings of May 27, 2025. | Action |
| 4.0 | CONSIDER accepting the report on significant program, financial or contracts matters, and on any personnel matters relating to Commission staff. | Discussion |
| | 4.1 Receive updates from the Deputy Director | Discussion |
| | 4.2 Receive updates from the Finance and Operations Director | |
| | 4.3 Receive updates from the Executive Director | |
| | • Review the Planning Timeline for First 5 Contra Costa's FY 2026/27– FY 2030-31 Strategic Plan | |
| 5.0 | RECEIVE Progress Report Presentation of First 5 Contra Costa's 5-Year Sustainability Plan. Presented by Cathy Senderling McDonald & Dr. Ruth Fernández | Discussion |
| 6.0 | DISCUSS matters regarding the operation of the Commission. | Discussion |
| | 6.1 Discuss the nomination process for the 2026 Officers of the Commission | Discussion |
| | 6.2 Appoint Nominating Committee Chair and Members | Action |
| | 6.3 Discuss Commission Standing Meeting Calendar for 2026 | Discussion |
| 7.0 | CONSIDER accepting the report on statewide activities pertaining to children 0-5, including the activities of the First 5 Association of California, First 5 California, and other statewide advocacy groups. | Discussion |
| 8.0 | REVIEW agenda items for upcoming Commission Meetings. | Discussion |
| 9.0 | Communications | |
| 10.0 | Adjourn | |

The public may comment on any agenda item or 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.

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 Civic Court, Suite 1200, Concord, CA 94520 during normal business hours.

In consideration of those who may suffer from chemical sensitivities and 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



**Executive Committee Meeting
MINUTES**

**Monday, May 27, 2025, 5:00pm
4005 Port Chicago Highway, Suite 120, Concord, CA 94520**

1.0 Convene and call to order.

Chair John Jones called the meeting to order at 5:01 p.m.

In attendance: John Jones, Dr. Marla Stuart, Mary Helen Rocha, Vidya Iyengar.

Staff present: Executive Director, Dr. Ruth Fernández; Deputy Director, Sandra Naughton; Finance and Operations Director, Kelly Sessions; Executive Assistant, Mikele Nelson.

2.0 Public Comment.

No public comment.

3.0 Approve the Minutes of the Executive Committee Meeting on March 10, 2025:

Dr. Marla Stuart motioned to approve the minutes of the Executive Committee meetings on March 10, 2025, and John Jones seconded the motion. The minutes were approved.

4.0 CONSIDER accepting the report on significant program, financial or contracts matters, and on any personnel matters relating to Commission staff.

4.1 Receive updates from Deputy Director

Sandra Naughton provided updates on the Data Team's listening sessions, conducted in partnership with the Stanford Center on Early Childhood. A summary report is expected to be presented to the Commission in August. She noted the initiation of a five-year RKEC Network Analysis, currently in its early stages. At the local level, First 5 convened in a FESP (Family Economic Security Partnership) meeting, which featured a presentation on the state budget and emerging federal threats presented by both the California Budget & Policy Center and the Food Bank.

The Commission submitted a letter of support for SB81, which aligns with safe spaces initiatives. Sandra also highlighted the First 5 Contra Costa's Neurodiversity Convening held on May 17, funded by Measure X, featuring Dani Bowman from the Netflix Series Love in the Spectrum as the keynote speaker and an upbeat atmosphere. Videos from the event, including those in sign language, were released. Dr. Marla Stuart shared that the CalSAWS system has eligibility information and there could be some opportunities for advocacy if federal data-sharing practices allowed for it.

4.2 Receive updates from the Finance and Operations Director:

Kelly Sessions reported that First 5 Contra Costa's annual audit began that day. All initial requests from the auditors have been fulfilled, with additional documentation underway. Brooke Lazzari from Krisch & Associates is the lead accountant for First 5's audit team. A new accounting consultant, Peter Medina, has also been contracted to provide services following the retirement of Marianne Dumas at the end of March. Peter is being supported by in-house staff to fulfill ongoing responsibilities. The third quarter report will be presented at the June Commission

meeting. Kelly noted that expenditures increased by over \$300,000 compared to the previous year, and he anticipates a fund balance drawdown of approximately \$500,000 to \$1 million. Several staff positions remain open.

4.3 Receive updates from the Executive Director:

Sustainability Plan Development Updates: Dr. Ruth Fernández and Cathy Senderling-McDonald provided an update on our Sustainability Plan Development. Cathy presented an overview of the process including Working Group membership and meeting summaries, types of sustainability strategies, projections, and three potential future scenarios. She clarified that this process is separate from the concurrent Strategic Planning efforts that will be led by Nicole Young. Progress continues on financial analysis, key informant interviews, and thematic insights. Individual meetings have been held with most commissioners, and outreach to remaining members is ongoing. Key partners include the Leshner Foundation, County Administrator's Office, Contra Costa Office of Education, and Contra Costa Health. Next steps include timeline refinement and clarifying whether the effort results in a framework or full plan. Full reviews of the Sustainability Plan are anticipated for July through August.

Additional Executive Director Updates:

First 5 staff is considering consolidating administrative offices and exploring opportunities for shared/co-located spaces in the Concord area. Dr. Ruth Fernández confirmed that county-provided space at low/no cost is being explored. Vidya also suggested evaluating remote work options. Dr. Fernandez shared that First 5 will be involved in a new project commissioned by the STRONG Funders looking at the feasibility for a shared space engagement in East Contra Costa County. The project identified three lead organizations to engage in a co-design, visioning and planning process to be led by Community Vision Capital & Consulting.- First 5 Contra Costa is one of three organizations participating in the project including the Contra Costa Family Justice Center and Rubicon Programs in East County. The project is expected to kick-off later this summer. Dr. Ruth Fernández also updated progress on "Choose Children 2026," a statewide campaign co-led by First 5 Association, The Children's Partnership, and the Silicon Valley Community Foundation. A campaign manager has been hired by the First 5 Association to lead this effort with the goal of elevating the needs of children ages 0–5 in California.

5.0 DISCUSS matters regarding the operation of the Commission.

Dr. Ruth Fernández noted the Commission's annual Certificate of Compliance will be submitted to the State and is scheduled to be included in the June packet. It was included in the Executive Committee packet for review only.

6.0 CONSIDER accepting the report on statewide activities pertaining to children 0-5, including the activities of the First 5 Association of California, First 5 California, and other statewide advocacy groups.

The Committee briefly reviewed the First 5 Association's updated strategic framework, as other items had been previously highlighted earlier in the meeting.

7.0 REVIEW agenda items for upcoming Commission Meetings.

Committee members reviewed the upcoming Commission agenda; including: Possible Sustainability Plan update, Community Advisory Council (CAC) presentations, Recognition of Marianne Dumas upon her retirement, Third quarter financial report (presented by Kelly Sessions) It was noted that County Counsel Keiko Kobayashi will be unavailable to attend and will send an alternate in her absence.

8.0 Communications

- Letter - Support for SB 81 (Arreguín) Healthcare Provider Entities: Information Sharing
- Letter to Contra Costa Congressional Delegation - Protecting and Fully Funding Head Start

9.0 Adjourn – Meeting adjourned at 6:23 p.m.

Tips to Support Community Impact Fund Applications

General tips, practical advice, and key data points to strengthen your Community Impact Fund application

Contra Costa County's Board of Supervisors have opened an application process to distribute funds in each district. The deadlines and questions may vary for each district, but this is an opportunity to support programs that serve families with young children and young children directly. The stated goal is to help organizations "that provide support for District residents with priority for marginalized individuals affected by recent national and state policy decisions."

We hope these tips encourage you to present your projects and programs for this grant opportunity, even though the timeline is tight. We also hope they'll be helpful for future funding proposals.

Please note: these are suggestions and guidance based on applications released by Districts 2 and 4, with deadlines at the end of September (9/26 and 9/30). Other districts may ask for different information from applicants.



Step 1: Get Organized

- Assemble the documents that you'll need to submit an application, such as your mission statement and goals, evaluation and prior funder reports (if available), previous grant applications that could help answer similar questions, and agency and project/program budgets. If your project has a Theory of Change or Logic Model, those could be helpful in explaining your goals and objectives, and how the proposed project connects to your broader goals.
- Avoid surprises: Print out the questions and requirements and write some notes about how you plan to answer each question, including if there's anyone else you work with that you will need information from. If you'll have to fill out an online application, make sure you or someone on your team is comfortable with using the online form.
- Assemble a small team to help with and talk through the application questions, noting ideas for who else to talk to and where some similar information might already exist (e.g., in a prior evaluation or funder report or grant application). This could include the proposal team, project staff, and/or others (such as Board members or volunteers). If you have others to help, assign roles: Who will be the lead writer? Who will assemble documents? Who will help create the budget and align it to the proposed actions? Who will be responsible for submitting the application before the deadline? Who will review your draft? (This is a great role for Board members, recently retired staff, and volunteers!)



General Tips & Advice:

- We have not seen any word or page limits, but do your best to be concise when answering the questions. The reviewers will thank you!
- We also have not seen questions that specifically ask about organizational experience, capacity, or staff expertise, so weave that in wherever you can to inspire confidence in reviewers that you can accomplish what you've described.
- Supervisors in Districts 2 and 4 have stated that they are prioritizing projects that serve their District's constituents. Do your best to tie your answer about activities, people served, and impacts to specific Districts in our County.
- Highlight key words or concepts in bold, if the application format allows you to. (Again, this will help reviewers who might be reading many, many applications.)
- Ask a reviewer who knows your organization (such as a Board member, former staff member, or volunteer) to review your draft and ensure your answers make sense to someone who has not been part of the proposal preparations and discussions. (Pro tip: identify this person as early as possible so you'll have time to make any necessary changes.)
- Aim to submit early, if possible. Even if it's just a day before the deadline, and especially if it's an online process, technical glitches happen. Make sure you get some sort of confirmation that your proposal has been received.



Step 2: Get Specific

Application questions available are organized into “Scope of Services Understanding and Experience,” “Data Collection and Program Assessment,” and “Financial and Organizational Administration.” Answer these questions in the order requested in the application, but for discussion and proposal outlining purposes, it may be helpful to group them as questions about the project itself, about the people you intend to serve, and then the impact you hope to achieve.

Project-related Questions

What is the specific project for which you will seek funding, and how is it connected to broader goals for your agency/organization? What are the specific project goals (distinct from the broader agency/organization goals)? What needs is the project addressing, especially in your District? The data describing the needs you are addressing could be a combination of statistical data, stories from clients/partners, your own internal reports, and more—just make sure you explain where it came from and how current it is. See the “Using Data to Make the Case” section in this PDF for county-level statistics related to children that may have data you could include in your application. Remember, as you’re noting needs and problems, try to describe assets and strengths as well.

What will the funding actually be used for (e.g., reach more people, add a staff member, train existing staff)? What services will you provide, and how?

What parts of the project are innovative (i.e., not business as usual)? Perhaps you’re implementing an existing project in a new way (to a different age group or neighborhood, or in a different language). Perhaps you have figured

out a more effective way to reach the people you’re serving, or have found a solution to an implementation barrier. No matter how large or small your innovation may be, celebrate it in your application! You don’t have to be breaking new ground with your entire project to be considered innovative.

People-related Questions

Who and how many people does your project serve (or who is it intended to serve in the future, if it’s new)? What can you tell funders about them? How have they been affected by recent national and state policy decisions (e.g., immigration policy, Medicaid cuts, access to care)? How will people become aware of what the project offers?

District Connections and Partners

How are your organization and project connected to the District? Who are you already partnering with, or how could you expand your connections to other organizations (that are specific to the District)? If you are not sure what communities are included in the District, [click here to view a map of the county’s 5 Districts](#).



Step 3: Measuring Impact

This funding is for Community Impact, so be sure to explain the impact you hope to achieve (i.e., what will be different for the people you are serving, if your project is effective?). How will you know? What data can you realistically collect and interpret? Collected data don’t have to be elaborate, but should give you and the Supervisors a sense of what you’re accomplishing and how it connects to your project.



Learn more about the Community Impact Fund and stay updated on upcoming events and announcements from each district.

Scan the QR code or visit:
bit.ly/community-impact-fund-2025



Step 4: Costs and Budgets

The applications available so far ask for both your organization's annual budget and the cost of your specific project, as well as whether you've secured any other funding. They also want to know your ideas about whether and how the project might be sustained over time, given that this funding is one-time funding.

A budget template has not been provided, but project budgets often cover these categories:

- Personnel (including portions of salaries, fringe benefits)
- Travel costs (such as mileage to events)
- Equipment (such as laptops or printers)
- Supplies (meeting supplies)
- Subcontracts and vendors (translators/interpreters, consultants, printing, graphic design)
- Other (stipends, snacks)
- Indirect costs (a percentage of other costs to cover a portion of operational and administrative expenses incurred by the organization, such as HR, accounting/legal services, rent, and utilities)

It's helpful to provide a brief narrative that accompanies the amounts in your budget – a sentence or two about each category that explains any assumptions (e.g., a portion of two staff members' time, calculated at X% or supplies for Y number of training or community events).

It's rare that a budget is nailed down immediately; in fact, adjustments are a sign that you're fine-tuning your project ideas. That's why we recommend that after you've completed steps 3 and 4, go back to step 2. Do any of your answers need to be adjusted, based on what you came up with to measure impact and budget for your project?

It may be tempting to seek as much funding as possible, especially in these uncertain times. Do your best to present a realistic, defensible budget that matches the project and impact you've described.



Using Data to Make the Case

Using statistics or other quantitative data can help describe the community need your proposal aims to address. When using data in your proposal, try to use clear, easy-to-understand statistics that do not require a lot of background knowledge to understand. You can also provide a comparison to make your point about need, for example:



In our county, the average family child care provider makes \$18 an hour, yet the living wage needed for one adult with a child is \$54 per hour, according to livingwage.mit.edu.

Often you may not have a statistic that addresses your specific neighborhood or maybe the specific aspect of a challenge your proposal addresses. You may consider using a broader countywide statistic to highlight the overall need, and couple that with something more descriptive like a story about a client or a specific neighborhood within the county your organization serves. For example:



While 11.6% of children under age 5 in our county lived in poverty in 2023, we know from conversations with the families we serve that at least half of them have trouble paying their bills each month.

Below are some key countywide statistics for Contra Costa County related to early childhood or families with young children.

Population



There are 72,151 children under age 6 in Contra Costa County.

US Census Bureau, American Community Survey, 1-Year Estimates Tables, 2023



An estimated 4.4% of children 0-17 in Contra Costa County live with one or more serious difficulties in hearing, vision, cognitive ability, ambulatory ability, self-care, or independent living.

Population Reference Bureau, analysis of U.S. Census Bureau American Community Survey, Jan. 2024.

Economic Security



As of 2023, 11.6% of children ages 5 and under (which amounts to 8,335 children) were in poverty (under 100% of the federal poverty level) in Contra Costa, and over a quarter more were in families with low income (between 100-200% of the federal poverty level).

US Census Bureau, American Community Survey, 1-Year Estimates Tables, 2023



Financial experts recommend that households not pay more than 30% of their gross income in housing. Yet a quarter of families in Contra Costa pay 50% or more of their income toward rent.

US Census Bureau, US Department of Commerce, American Community Survey, 5-Year Estimates Detailed Tables, 2023.

Child Care & Early Learning



Countywide, among households in which all parents are working, there is only enough licensed child care seats for 72% of children ages 5 and under.

US Census Bureau, American Community Survey, 1-Year Estimates Tables, 2023; Aggregate Data on Licensed Child Care Providers in Contra Costa provided by CocoKids, 2025



Fewer than half of teachers and assistants working in child care centers and only 70% of family child care operators plan to continue in their current role in 3 years.

The Early Care and Education Workforce of Contra Costa County, by Anna Powell, Wanzi Muruvi, Lea J.E. Austin, and Abby Copeman Petig of the Center of the Study of Child Care Employment, 2024.



Across Contra Costa County, less than half of children are fully ready for kindergarten, and among children who live in low-income families, the percent ready for kindergarten drops to 26%.

Ready or Not, Here We Come: An Assessment of Kindergarten Readiness in Contra Costa, Applied Survey Research for First 5 Contra Costa, 2017.

Health



Babies born at a low birth weight due to preterm birth or other causes are at risk for developmental delays. In our county, 13% of African American, 9.5% of Asian and 6.7% of Latinx babies are born at low birth rate, compared to only 5.7% for white babies.

Centers for Disease Control and Prevention, National Center for Health Statistics, Data are from the Natality Records 2016-2023.



In 2022 in our county, only 48% of children enrolled in Medi-Cal had a developmental screening by age 3.

California Department of Health Care Services as reported in 2025 California County Scorecard of Children's Well-Being, Children Now, 2025.



In 2022 in our county, only 37% of infants enrolled in Medi-Cal received 6 or more well visits in their first 15 months. Among African American infants in the county, the proportion was considerably lower at 24%.

California Department of Health Care Services as reported in 2025 California County Scorecard of Children's Well-Being, Children Now, 2025.

Mental Health



In our county, 13.5% of parents experienced prenatal depression symptoms.


Maternal and Infant Health Assessment Survey Data Snapshots, Contra Costa County, 2019-2021.



It is estimated that in Contra Costa County there are approximately 7,900 to 10,900 children in need of early childhood mental intervention for mental health needs that meet medical necessity criteria.

An Early Childhood Mental Health System of Care for Contra Costa County, Early Childhood Prevention & Intervention Coalition, January 2020

Planning Stage	2025 Aug	Sep	Oct	Nov	Dec	2026 Jan	Feb	Mar	Apr	May+
Launch Planning			10/13/25							
Landscape Analysis										
Draft Priorities & Strategies										
Commission Strategic Planning Session								3/9/26		
Draft Strategic Plan										
Commission Adopt Plan										5/11/26
Disseminate Plan; Prep Y1 tactical plan										

 = Commission Meeting

Strategic Plan 2026-2031: Planning Process

1. Project Planning & Launch <ul style="list-style-type: none"> Develop planning roadmap (key activities, roles, timeline, dates) Ongoing project planning & coordination 	Aug 2025 – June 2026
2. Conduct Landscape Analysis <ul style="list-style-type: none"> Review existing reports and data about the early childhood landscape in Contra Costa County Conduct internal landscape analysis discussions with staff Gather additional data and/or input as needed Synthesize key themes that will inform and/or affirm First 5 Contra Costa's strategic direction for 2026-2031 	Aug – Dec 2025
3. Draft Priorities & Strategies <ul style="list-style-type: none"> Affirm and/or identify strategic priorities for 2026-2031 Begin drafting high-level strategies 	Sept 2025 – Mar 2026
4. Commission Strategic Planning Session <ul style="list-style-type: none"> Plan and conduct a half-day strategic planning session for the Commission 	Jan – Mar 2026
5. Draft Strategic Plan <ul style="list-style-type: none"> Draft written plan Executive Committee review, provide feedback 	March – May 2026
6. Adopt Strategic Plan <ul style="list-style-type: none"> Finalize strategic plan; obtain Commission approval 	May 2026
7. Disseminate Plan; Prep for Y1 Implementation <ul style="list-style-type: none"> Develop Year 1 tactical plan 	May – June 2026

* Timeline subject to change as project progresses

Strategic Planning Roles

Who	Roles
Executive Director	Project Owner & Manager
Consultant (Nicole Young)	Lead overall strategic planning process Facilitator as needed Assist with writing/editing plan
Executive Team	Work with Nicole to develop and monitor planning process and timeline Engage respective teams in planning process Review/edit draft documents
Program, Data, Policy, Communications Team	Review and discuss data collected through Landscape Analysis Engage in collective meaning making about community needs and gaps Propose Focus Area priorities and strategies
Finance & Operations Team	Conduct organizational review in alignment with First 5's 5-Year Sustainability Plan Develop and propose organizational priorities and strategies
Commission	Provide guidance on strategic direction Adopt strategic plan Promote and support First 5 Contra Costa's strategic direction throughout the community

Foreword: A Message to the Community

Dear Community Partners, Friends, and Allies,

First 5 Contra Costa is proud to share our 5-Year Sustainability Plan—a roadmap to secure our organization’s future and ensure that, for the next 25 years, children in Contra Costa County grow up **healthy, ready to learn, and supported by safe, nurturing families and communities.**

Created by California voters through Proposition 10, First 5 Commissions were designed to build an integrated, comprehensive, and collaborative system that prepares children for school and life. Today, declining revenues threaten this vision. While statewide efforts to address sustainability continue, First 5 Contra Costa is committed to meeting the growing needs of young children and families in our county.

Doing nothing is not an option. We must leverage the last 25 years of investments to expand and coordinate efforts that set every child on a path to thrive. Our Sustainability Plan outlines bold strategies to stretch our resources, build on community strengths, and drive innovative partnerships. This plan will complement and guide the development of our community priorities established in our Strategic Plan for FY 2026-27 through FY 2030-31.

Since Prop 10’s passage, research has only deepened the case for early investment in children’s health, learning, and family support—especially for those with the fewest resources. **This work is not only urgent but transformational, offering one of the most powerful prevention strategies for long-term community well-being.**

We cannot do this alone. By working together and aligning our strengths, we can co-create solutions that give every child in Contra Costa County the best possible start. **We invite you to join us in this effort**—dreaming, designing, and building a brighter future for our children.

In partnership and community,

Ruth Fernández, EdD
Executive Director

John Jones
Commission Chair

The Next 25 Years:

Building Sustainability for First 5 Contra Costa County

Supportive and purposeful early childhood development is shown to set the groundwork for educational attainment, health, and well-being for children far beyond their first five years. In November 1998, California voters approved Proposition 10, the Children and Families Act of 1998, to create a locally driven system of early childhood services statewide. Specifically, this act placed a tax on cigarettes and other tobacco products to fund services and programs for children aged zero to 5.

For 25 years, Proposition 10 funding has supported a network of 58 county First 5 commissions as well as the state-level California First 5 Commission. Programs and services vary by county, with local oversight by appointed board members that include community leaders, practitioners, county officials, and involved parents.

In Contra Costa County, First 5 Contra Costa has served as a funder, convener, advocate, expert, and leader in early childhood systems for more than two decades. Its most recent [Strategic Plan](#) builds on this strong history and important community role, while also acknowledging uncertainties driven by pandemic-related issues, economic instability for many families in the region, and multiple crises facing families, such as job turnover and mental health needs.ⁱ

This Sustainability Plan is intended to enable First 5 Contra Costa to meet the future with effective strategies in place to continue its work supporting children, families, and communities – for the next 25 years.

Why a Sustainability Plan?

When voters approved Proposition 10, it was no secret that tobacco tax revenue ¹would likely be a declining source of revenue. The Legislative Analyst’s Office wrote the original voter guide description, noting that the increased tax on tobacco products contained in the measure would likely be passed on to consumers, resulting in declining consumption of these products and therefore decreasing revenues over time.ⁱⁱ This assumption has come to pass, with further declines in tobacco usage over time due to additional measures

¹ In this report, we will refer to the combined Proposition 10, Proposition 56, and related funding (such as interest income) provided to the county commissions by the state as “tobacco tax revenues” for ease of reference.

passed by voters as well as effective public awareness campaigns by the state that have contributed to a decline in cigarette consumption that continues year to year.

Proposition 56, enacted by voters in November 2016, placed an additional \$2 per pack tax on cigarettes. While the later proposition included provisions to provide funds to First 5 commissions to backfill lost Proposition 10 revenues, this backfill has not kept pace with the overall decline in tax revenues from tobacco products over time, and total funding from these two sources continues to drop.

In addition, the state's ban on flavored tobacco, which took effect in late 2022, caused a significant, short-term drop in sales and related tax revenues, though the economist who provides analysis and projections to California First 5, Brad Williams of Capitol Matrix Consulting, believes we will be reaching the end of that steeper pattern of decline in the near future.ⁱⁱⁱ In the same memo, Mr. Williams notes that inflationary increases in the price of cigarettes have also played a role in reducing sales of those products.

In sum, all of these factors have contributed over time to a situation where many (if not most) county First 5 Commissions, including First 5 Contra Costa, are grappling with the effects of long-term declines in the primary sources of revenue for their programs and services. Statewide, the total tobacco tax revenues allocated to county First 5 commissions dropped from \$342 million in 2014-15 to \$245 million in 2024-25.

Capitol Matrix Partners provided a "main" estimate and a "conservative" estimate of tobacco tax revenues over the coming few years, shown below. Note that some additional smaller funding provided to county commissions, including interest earned on revenues, is not reflected in these numbers.

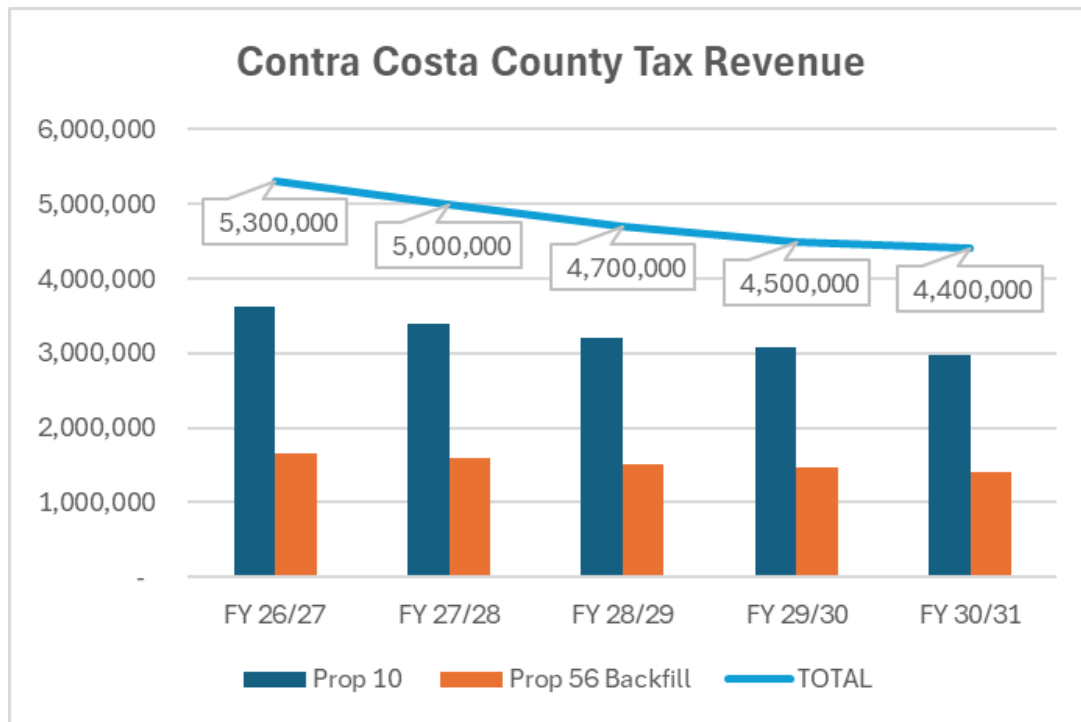
Statewide Proposition 10 + Proposition 56 Funding Projections, 2024-25 to 2029-30

Year(s)	Main Estimate		Conservative Estimate	
	Percent Decline	Revenues*	Percent Decline	Revenues
2024-25	-4.5%	\$287 million	-6.0%	\$286 million
2025-26	-4.5%	\$276 million	-6.0%	\$269 million
2026-27	-4.5%	\$267 million	-6.0%	\$253 million
2027-28	-4.5%	\$259 million	-6.0%	\$240 million
2028-29	-3.3%	\$252 million	-3.6%	\$229 million
2029-30	-3.3%	\$246 million	-3.6%	\$221 million

Source: Capitol Matrix Consulting, July 23, 2025 memo to First 5 California. *Reflects Prop 10 funds minus payments to other funds required by the proposition, plus backfill funds from Prop 56. It also includes funds that First 5 California retains for its operations, in addition to the funds it will send to county commissions.

DECLINING COUNTY TOBACCO TAX REVENUES

For First 5 Contra Costa, annual tobacco tax revenues dropped from \$8.6 million in 2020-21 to \$5.9 million in 2024-25. Revenues are projected to continue declining into the future by 6.0% annually until 2028-29 when the decline is projected to slow to 3.6% according to estimates from First 5 California. The chart below reflects those changes in tobacco tax revenue for the next five years for First 5 Contra Costa.



Source: FY 24/25 Department of Finance birthrate totals, August 15, 2025; FY 25/26 – FY 28/29 projections include 6.0% annual revenue decrease dropping to 3.6% decrease in FY 29/30 and 30/31. (First 5 CA)

ACTIONS TAKEN TO LOWER SPENDING

Over the past several years, First 5 Contra Costa has systematically adjusted its spending to align with reduced state tobacco tax funding levels, demonstrating prudent and strong commitment to fiscal stewardship. This commitment is clearly articulated in its current strategic plan, which articulates conceptual sustainability approaches that are further refined and discussed in this sustainability plan.

On the programmatic side of the organizational chart, leaner spending strategies have included restructuring staff roles and streamlining programmatic efforts to capitalize on natural attrition such as retirements and staff transitions. In addition to reducing the number of program, data, policy, and communications positions, the remaining roles were

adapted to be more generalist in nature, rather than being attached to specific programmatic efforts. This approach will enable staff to take on a variety of projects and responsibilities based on their skill sets and strengths, and as the needs of the agency change over time. As a result of these efforts, a relatively lean and adaptable group of talented and knowledgeable program staff remain at the organization today.

On the operations side, First 5 Contra Costa is also assessing role decentralization and exploring greater use of contracted services for technical and intermittent tasks, such as accounting services. In addition, the organization is scrutinizing its operational spending, focusing on its capital assets and spending for rent for its primary administrative offices as well as property owned by the Commission. Currently, First 5 Contra Costa owns two of the buildings that house First 5 Centers and rents space for the other three. Costs for rent and upkeep on the buildings it owns are a relatively significant part of the organization's annual budget.

While consistent efforts to reduce spending have been incrementally integrated into the organization's fiscal planning in the last three years, to achieve long-term sustainability First 5 Contra Costa is now faced with difficult decisions that require more significant reductions in spending in the next two years.

What is Sustainability?

While the needs of young children prenatal to age 5 and their families will remain First 5 Contra Costa's priority, ensuring the sustainability of the organization is imperative to achieving targeted outcomes in the community. Looking into the future, First 5 Contra Costa's sustainability approach strives to **maintain a stable organization; build on and grow investments** for young children and families in the County through public and private funding partnerships; and **leverage the strengths and assets built** over the years to continue to make the case and successfully advocate for sustainable investments in early childhood.

As part of its 2023-2026 Strategic Plan, First 5 Contra Costa adopted a goal to develop and implement a 5-year Sustainability Plan. Specific sustainability goals included:

- Identify and pursue diversified revenue sources such as local taxes, fees, and other public revenue streams in addition to philanthropic grants, while also exploring ways to match and/or braid external funding with Proposition 10 funds through partnerships;

- Strategically and incrementally shift away from programs, activities, and services that are better aligned with local community partner organizations and that are outside the scope of First 5 Contra Costa's three focus areas;
- Join advocacy efforts led by the First 5 Association of California, the Bay Area First 5 Executive Director's Group, and other First 5 Network leadership to identify new and stable revenue sources for First 5 Commissions that leverage declining Proposition 10 revenue statewide;
- Use data to support and drive actions, including sustainability targets and benchmarks and return on investment; and
- Re-evaluate the amount to set aside in a Contingency Fund each year

This Sustainability Plan is the culmination of an eight-month effort to develop a framework for organizational sustainability. The plan identifies a number of short-, medium-, and longer-term strategies to ensure the organization has the resources to continue to accomplish the vision and mission of the First 5 Contra Costa Commission and accomplish the goals set forth in the Strategic Plan, through both internal and external activities that will take place in the coming months and years.

The plan is intended to inform and determine the level of resources available for the upcoming development of the organization's next Strategic Plan. These sustainability strategies will need deeper reviews of fiscal, organizational, and programmatic aspects of the organization to be implemented.

Key Elements of Sustainability Planning

The basic idea of sustainability planning is to plan for the future, often in the face of known challenges, while safeguarding present operations and gaining flexibility to meet the unknown challenges that inevitably lie ahead. Many industries undertake sustainability planning efforts, for various reasons and under a variety of circumstances. In the non-profit and public service sectors, for example, organizations often face tight budgets and serve vulnerable populations. Sustainability in this context is not just about the survival of an organization, but about the continuation of services to communities through mission-driven work, collaboration, and avoiding gaps or harm should changes in funding, leadership, and/or public policy priorities occur.

FOUR PILLARS OF SUSTAINABILITY

To achieve overall sustainability, an organization should attend to four key areas, considering ways to improve each area in order to drive long-term sustainability.

Briefly, the four pillars are defined as:

1. Financial Stability – Ensure the organization has a diverse and stable funding base to support its long-term mission.
2. Organizational Stability – Strengthen internal capacity, leadership, and partnerships to sustain operations long-term.
3. Programmatic Stability – Ensure that core services and programs remain viable and continue to meet community needs.
4. Policy & Community Stability – Advocate for system change that supports long-term investments in early childhood programs in Contra Costa County.

Each of these pillars are explained in more detail in the graphic on the next page.

In our process we have considered the current landscape of each of the four pillars, where the organization currently sits in each of the four areas, and what core services the organizations provides. This plan identifies sustainability strategies in each area.

Four Pillars of Sustainability

Each is distinct but connects to the others in multiple ways, creating an interactive synergy across the four pillars.



Financial Sustainability

Ensure the organization has a diverse and stable funding base to support its long-term mission

- Diversify revenue sources
 - Ex: Reduce reliance on tobacco tax revenues by securing new fund sources.
- Address budget imbalances
 - Ex: Reduce spending to live within available resources
- Ensure future flexibility by maintaining a reserve
 - Ex: Establish a fund balance policy and re-establish a contingency fund goal and usage policies



Organizational Sustainability

Strengthen internal capacity, leadership, and partnerships to sustain operations long-term.

- Build strong leadership and governance
 - Ex: Develop a leadership pipeline to smooth transitions in executive roles.
- Enhance staff capacity
 - Ex: Invest in staff training and professional development.
- Review organization space needs to identify savings
 - Ex: Identify potential savings from consolidating or reducing owned and rented spaces.



Programmatic Sustainability

Ensure that core services and programs remain viable and continue to meet community needs.

- Align with community needs
 - Ex: Partner with schools, healthcare providers, and social services agencies to align early childhood efforts across systems
- Evaluate effectiveness
 - Ex: Conduct impact assessments to determine which programs have the greatest return
- Target fundraising efforts to fill identified gaps



Policy & Community Sustainability

Advocate for system change that supports long-term investments in early childhood programs in Contra Costa County.

- Pursue funds to support early childhood investment
 - Ex: Work with statewide networks to push for new ongoing funding
- Increase public and community support for early childhood services
 - Ex: Strategic communication and grassroots engagement
- Embed early childhood priorities in larger systems
 - Ex: Advocate in federal, state and county budget processes

SUSTAINABILITY PLANNING VS STRATEGIC PLANNING

A key issue to address is the difference between Sustainability Planning and Strategic Planning. While related, these are not the same thing.

Strategic Planning focuses on setting an organization's vision, goals, and priorities over a defined period of time, typically 3 to 5 years. It charts a specific course to achieve mission-driven success.

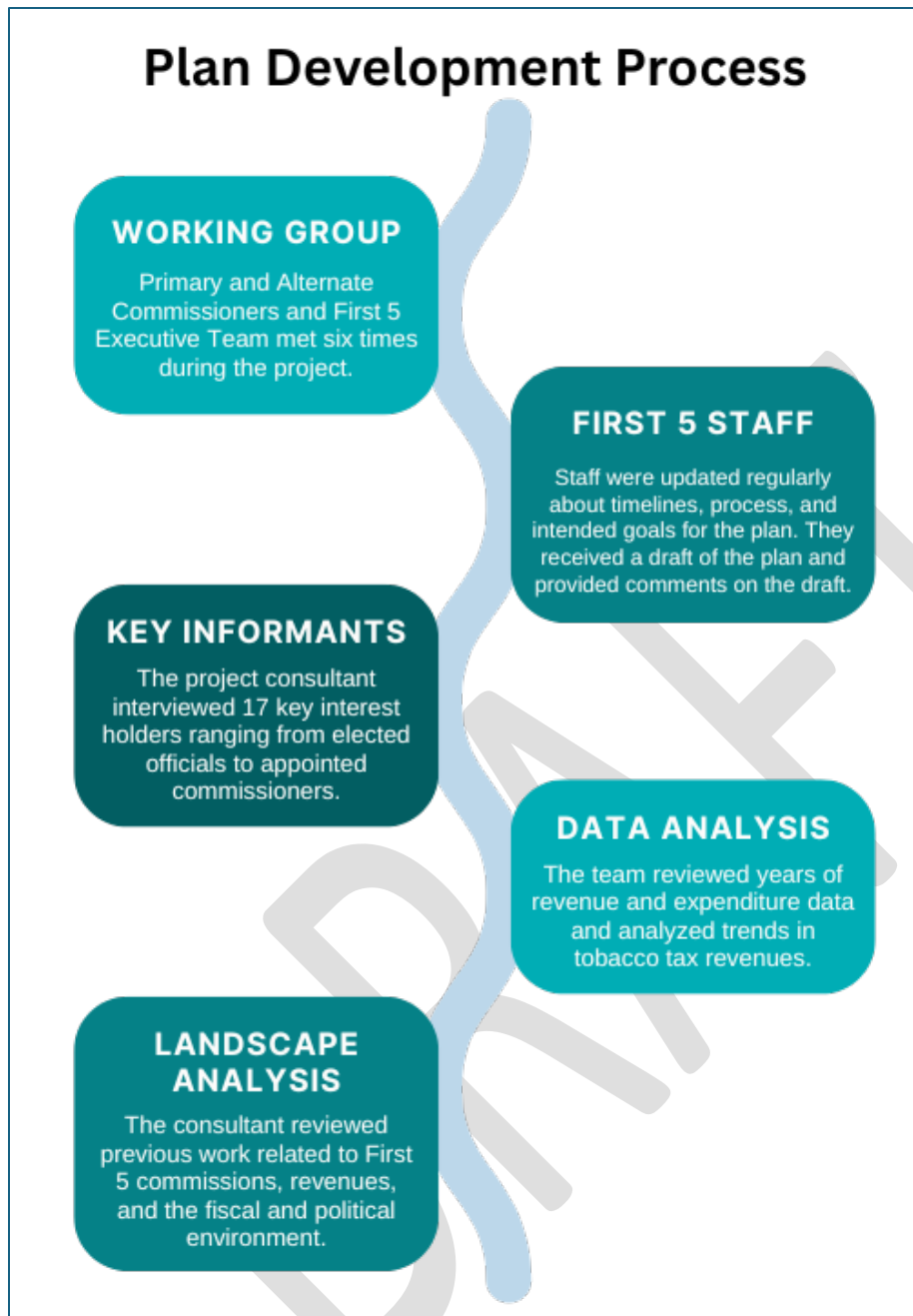
Sustainability planning, on the other hand, is about ensuring the ongoing viability of an organization. In this case, short-term financial considerations are paramount for First 5 Contra Costa, given that revenue from Propositions 10 and 56 continues to decline and the organization has been tapping its reserves to sustain its operations. This plan sets out a series of quick and thoughtful actions, helping the organization to avoid making rash decisions in the face of a growing financial crisis. The plan also includes longer-term actions that can help it stay on the path of sustainability.

In practice, Strategic Planning and Sustainability Planning should be complementary. In our work, we have timed the development and approval of key strategies contained in the sustainability plan to coincide with the upcoming First 5 Contra Costa strategic planning process, to provide an overall sustainability framework for the organization as it embarks on planning its specific programs and activities for the coming strategic plan period.

Sustainability Plan Development Process

A number of activities fed into the development of this Sustainability Plan. These included creation of a Working Group to provide guidance and feedback, informational interviews with a number of key individuals within the county, staff input, analyses of the organization's prior-year and projected fiscal data, and an analysis of the landscape in which the organization operates.

The graphic on the next page shows the activities undertaken by the organization during this process, some of which are further discussed below.



WORKING GROUP

CEO Cathy Senderling-McDonald of Catbird Strategies LLC served as the project consultant, working closely with Executive Director Dr. Ruth Fernandez and her executive team throughout the eight-month project span. The project was advised by a working group that met 6 times over the project period. Participants included Commission members, the First 5 Contra Costa Executive Director, and key First 5 Contra Costa executive-level staff, detailed in the table below.

Working Group Member	Role
Ruth Fernandez, EdD	First 5 Contra Costa - Executive Director
Sandra Naughton	First 5 Contra Costa – Deputy Director
Kelly Sessions	First 5 Contra Costa – Finance & Operations Director
John Jones	District V, Commissioner/Commission Chair
Susanna Marshland	District I, Alternate Commissioner
The Hon. Candace Andersen	District II Alternate Commissioner, County Supervisor
Gareth Ashley	District IV, Alternate Commissioner

With the help of the Working Group, First 5 Contra Costa and Ms. Senderling-McDonald were able to examine key elements of the organization corresponding to the Four Pillars of Sustainability and discuss ideas and options with a knowledgeable group of engaged partners. This work enabled a robust thought process and encouraged the development of a plan that aims high while also being grounded in the realities of available revenues, the current political and economic climate, and the requirements of Proposition 10.

KEY INFORMANT INTERVIEWS

To obtain a broader understanding of the organization’s partnerships and the engagement of county officials and leaders with First 5 Contra Costa, Ms. Senderling-McDonald conducted informational one-on-one interviews with 17 key interest holders. This included all current elected Board of Supervisors members; several primary or alternate representatives to the First 5 Commission; representatives from three county departments – Health, Employment and Human Services, and the County Administrator’s Office; First 5 Contra Costa executive staff; and nearly all working group members.

Suggested interview questions were vetted by First 5 staff and interviewees were informed that their individual responses would be kept confidential, though they would be used in aggregate to assist in developing this plan.

Notable in the interviews was a strong enthusiasm for the work of First 5 Contra Costa and broad agreement on the need to ensure the organization can sustain itself going forward. Those interviewed expressed support for the mission and goals of the organization and often offered to assist in various aspects of implementing the final Sustainability Plan, once completed. As most of the interviewees work outside of the organization itself, they generally had less familiarity with the day-to-day operations of the organization; still, most demonstrated a deep understanding of the overall goals, purpose, and history of First 5 and also had a history of engagement with First 5’s Executive Team and other staff in various ways during their careers, as residents of the county, or as Commissioners.

A number of key themes emerged from the informational interviews, which were shared and further examined with the Working Group members. These themes included a number of strength areas noted by the interviewees, with the most frequently mentioned key contributions that First 5 Contra Costa makes to the community being:

A Broker of Services and Support to Strengthen Families

While First 5 Contra Costa does not provide direct services to families and children, it is well-known for contracting for the operation of five First 5 Centers located across the county. The value of these centers was discussed in nearly all interviews.

First 5 also supports training and professional development for providers and drives quality improvement activities for early care and education in the county, which was commonly mentioned. A number of interviewees also mentioned that they had received First 5-supported information boxes in the hospital when their babies were born.

A Convener of Child-Serving Organizations in the County

First 5 Contra Costa is seen as a community leader and an organization that brings together others that share the mission and goals of ensuring children in our county reach their full potential by focusing on the most critical years of development – prenatal through age 5. Interviewees expressed ideas for the organization to further build its relationships with local organizations, including employers and businesses, cities, school boards, and other family-focused groups.

A Funder of Organizations Working in the Early Childhood Arena

Historically, First 5 commissions have been grantmakers to other local organizations of various sizes doing solid work to support young children and their families. First 5 Contra Costa has a network of current and former grantees and solid relationships that could serve as a springboard for sustainability efforts.

In the interviews, the structure of First 5 Contra Costa, which is connected to the county but operates as an independent public entity, was typically seen as an advantage in terms of partnering with grantees and responding to changes in the early childhood landscape. As an independent public entity, First 5 Contra Costa has flexibility to identify potential funding opportunities and quickly develop new programs and services with partners, outside of the constraints that can exist within county departments.

“The Expert” in Early Child Development and Care

First 5 Contra Costa has well-respected staff that are seen as knowledgeable leaders in the area of early childhood, child care, and the needs of young children and their families.

Interviewees mentioned this reputation as a potential opportunity to develop new funding partnerships and programmatic opportunities as part of the Sustainability Plan.

Overall, the interviews were highly informative and provided not only a robust picture of how the organization is viewed by its community partners and county leadership but also identified some potential partnerships and opportunities to explore in implementing the Sustainability Plan.

LANDSCAPE ANALYSIS

A number of structural and environmental factors affect First 5 Contra Costa, that are useful to enumerate and consider when developing this plan.

Structural Factors

First 5 Contra Costa was established by the Contra Costa County Board of Supervisors in 1999 as an independent public entity following the California Children and Families Act of 1998 (Proposition 10). Prop 10 allowed counties to structure their First 5 Commissions either as independent entities or as part of county agencies. First 5 Contra Costa was established as an independent public entity under Ordinance No. 99-15.

Other First 5 commissions face similar sustainability challenges to First 5 Contra Costa, prompting studies on the effectiveness of different structural models. For example, in 2018, First 5 Sonoma's Ad Hoc Sustainability Committee conducted a study on its structure as part of the Sonoma County Department of Health Services. The study found that of the 58 counties, 34 had independent entities, 13 were standalone county departments, and nine were embedded within county departments. Several counties, including Sonoma, later converted to independent agencies to improve sustainability, streamline operations, and better meet Prop 10's intent. Sonoma's study led to a unanimous recommendation to become an independent agency, adopted by the Board of Supervisors in March 2019.

While each county is unique, First 5 Sonoma's findings highlight the benefits of independent First 5 Commissions in maximizing operational efficiency and aligning with Prop 10's goals. Many converted commissions reported that independence allowed them to avoid burdensome county regulations and better fulfill their mandate.

In summary, First 5 Sonoma's key findings from their analysis of the pros and cons of converting from a County embedded agency to an independent public agency looked at the factors described below:

1. Operational and administrative efficiency – reductions to staffing costs associated with managing Department and County administrative compliance, cost savings related to staff salaries and benefits, autonomy to procure lean and cost-efficient services (e.g. accounting/fiscal, legal support, IT, telecom, HR).
2. Maintaining public confidence in the Commission's work.
3. Maintaining and enhancing political capital and relationships.
4. Assessing capacity to recreate First 5's infrastructure – determining if the commission and staff have overall organizational bandwidth and infrastructure to operate independently.

The decision to become independent allowed First 5 Sonoma to be more flexible and responsive in grantmaking and in their community convener efforts. Similarly, other counties found that independence improved their ability to deliver early childhood resources effectively.

First 5 Contra Costa's independent structure provides flexibility in administration and operations. It allows for quicker decision-making, streamlined procurement, and more responsive programming, unlike county departments, which require approval from the Board of Supervisors. This autonomy helps First 5 Contra Costa act swiftly to serve families and children.

However, being separate from the county limits First 5 Contra Costa's involvement in county-wide planning for young children's resources. Effective coordination between agencies is critical to avoid duplication, maximize funding, and enhance impact. Some First 5 Commissions, like First 5 Sonoma, have formalized partnerships with their Boards of Supervisors to create interagency agreements and integrate First 5 as the **local early childhood expert** that can partner with the county as an intermediary and disseminate county funding on behalf of the county and its departments.

By intentionally relying on First 5 Contra Costa's expertise and flexibility, the county could achieve cost savings, better coordination, and greater impact across the early childhood system. These efficiencies not only support First 5 Contra Costa's sustainability but also strengthen the County's overall service delivery for young children and their families.

Environmental Factors

In addition to the above-mentioned challenges facing all local commissions related to tobacco tax revenue declines, First 5 commissions also are operating in an uncertain moment with regard to state and federal support and policies for child development, health, and human services related programs. The current-year California state budget already reflects vulnerabilities in terms of cost overruns in major programs such as Medi-

Cal (the state's Medicaid health care program); however, the advent of the second Trump Administration in January 2025 – including nearly immediate funding freezes and the passage of H.R.1, the “One Big Beautiful Bill” – has created further uncertainty across most governmental service providers. All of this federal-level unpredictability will almost certainly make it significantly more difficult to secure additional federal or state funding or seek policy changes that could be helpful to First 5 Contra Costa and other First 5 commissions facing budgetary pressures due to declining tobacco tax revenues.


Key Findings and Observations

The issues facing First 5 Contra Costa are largely financial in nature, driven by the decline in tobacco tax revenues and the drawdown of reserves over time. While there are both findings and recommendations in the other areas – operational, programmatic, and policy/community focused – the primary findings and, as a result, the primary recommendations, are driven by these financial realities.

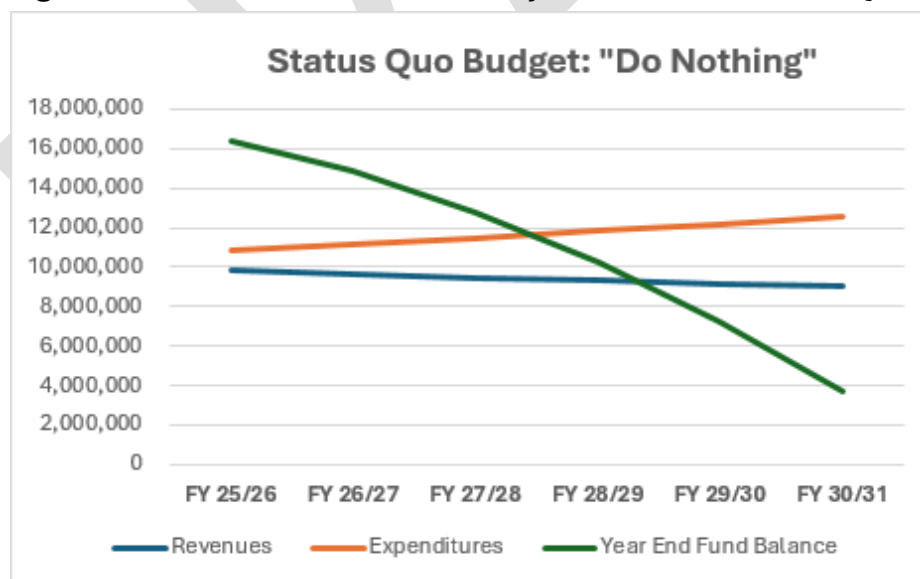
FINANCIAL

- **Deficit budgeting has reduced reserve fund balance significantly** - First 5 Contra Costa has developed a pattern of deficit spending in each fiscal year, assuming a draw-down of its reserve funds to make up the difference between revenues and expenditures. The amount drawn from reserves has fluctuated and often been less than budgeted, but the fund balance is now at a point where its use as a balancer cannot be sustained. If current trends continue, the organization's fund balance will be exhausted after FY 30/31, causing a need for immediate and drastic action. The following table shows the current/status quo budget projections if changes are not made to reduce spending, increase revenues, or both.

Table 1. Year End Projections with Status Quo Budget – FY 25/26 to 30/31

	FY 26/27 - FY 30/31 Year End Projection				
	FY 26/27 Projected	FY 27/28 Projected	FY 28/29 Projected	FY 29/30 Projected	FY 30/31 Projected
Revenues					
Prop 10 Tobacco Tax	3,618,616	3,401,499	3,197,409	3,005,565	2,825,231
Prop 56 Backfill	1,720,309	1,686,695	1,653,739	1,621,426	1,589,745
CECET	100,896	101,939	102,993	104,058	105,134
Subtotal Tobacco Tax	5,439,821	5,190,134	4,954,142	4,731,050	4,520,111
Other Revenue	4,190,598	4,274,410	4,359,898	4,447,096	4,536,038
Total Revenue	9,630,419	9,464,544	9,314,040	9,178,146	9,056,149
Expenditures					
Total Operating Expenses	11,153,852	11,488,467	11,833,121	12,188,115	12,553,758
Other financing sources/uses	11,207	11,767	12,356	12,973	13,622
Net Position Begin of Year	16,372,243	14,837,603	12,801,912	10,270,475	7,247,532
Net Position End of Year	14,837,603	12,801,912	10,270,475	7,247,532	3,736,300
Net Change in Fund Balance	(1,534,640)	(2,035,691)	(2,531,437)	(3,022,943)	(3,511,232)

- **Current spending cannot be sustained with current revenues.** Due to the declines in tobacco tax revenues and the reduced fund balance, the organization can no longer continue spending at the same rate without seriously jeopardizing its financial stability, as indicated in the table above and in the following figure:

Fig 1. FY 25/26 to 30/31 Year-End Projections Under Status Quo Budget

In addition to shifting its spending approach, the organization will focus its fiscal efforts to ensure cost-effective and flexible business practices that support long-term diversification of funding. To address fund balance depletion, the intent is to preserve and eventually grow its fund balance. Emphasis will be placed to maintain

lean overhead costs and to the extent possible minimize fiscal reductions to community investments. Parallel to this effort, First 5 Contra Costa will lead efforts to identify new funding partnerships and to coordinate pooled funding efforts through public-private partnerships – the hope is that these parallel strategies will help avoid drastic impacts to the community.

- **Diversifying revenues should be a critical focus.** In addition to continuing efforts to strategically reduce spending, pursuing new revenue streams, funding agreements, and partnerships to leverage resources will help the organization sustain its operations and programming while continuing to advance its mission over time.

OPERATIONAL

- **The organization's structure has caused it to miss out on past financial opportunities.** As a governmental entity, the organization is neither a charitable non-profit nor a county department. Up to this point, it has operated in a gray area that has caused it to miss out on funding that could have been used to support its work, such as donations and grants available only to non-profit (i.e., 501(c)(3)) organizations.

Some other First 5 Commissions have created 501(c)(3) organizations. In a survey First 5 Contra Costa sent out as part of this project, responding commissions provided some details on why they had created their non-profits. Reasons they gave are summarized in the table below but generally centered around greater flexibility for the organization and more potential opportunities for partnerships and funding.

What were your main reasons for establishing a 501(c)(3)?
Ability to apply for private or philanthropic funding
Increased flexibility in programming and partnerships
Tax deductibility for donors
Expanded community engagement opportunities
Other: To take advantage of a specific tax credit program

- **Organizational staffing shifts have been a good start, but more is needed.** First 5 Contra Costa has changed its approach to staffing, creating a more flexible operation and taking advantage of natural attrition to reduce positions. However, some major cost centers for the organization persist, especially on the administrative side of the ledger. In particular, costs for rent (for the organization's

main office, as well as three First 5 Centers) and upkeep of the two buildings it owns are significant.

PROGRAMMATIC

- **Strategic Planning will bring an opportunity to review programs.** Knowing that this Sustainability Plan is feeding into the next strategic planning process, our efforts have focused more on the fiscal and operational aspects of the organization. However, it is clear that consideration of what community needs to prioritize in the face of declining revenue and needed spending reductions, how to best to continue driving system-level changes in the county, and where new partnerships may be possible, are all likely decision points in the next planning process.

POLICY AND COMMUNITY

- **First 5 Contra Costa is a respected partner in the community.** It is clear from the key informant interviews and other aspects of the sustainability planning process that First 5 is viewed as a leader and an important asset to the county and its communities. This gives it an important voice as well as bringing opportunities to explore new partnerships with both public- and private-sector organizations.
- **New state-level funding is not imminent.** With the current political climate at the federal level and the state facing potentially significant budget challenges due to lost federal funding and impacts of H.R. 1, the budget reconciliation package signed by President Trump in July, new ongoing state-level funding will be difficult to obtain for the foreseeable future. First 5 commissions and their statewide association will not stop their ongoing advocacy for new state funding, however, but it will likely be a longer-term effort than hoped.

Recommended Actions

The most urgent goals of the Sustainability Plan are for First 5 Contra Costa to (1) reduce spending to live within its means and (2) bring in sufficient funding to support its day-to-day operations in the short term and to meet its overarching mission over time. Achieving these goals will take actions across the Four Pillars, as recommended below.

For purposes of these recommendations, we have used a 5-year time horizon starting FY 2026-27 through FY 2030-31, as follows:

Time Horizon	Plan Years
Short Term	Years 1-2

Medium Term	Year 3
Long Term	Years 4-5


FINANCIAL

The actions recommended here are aimed at reducing spending and increasing funding to ensure the organization has a diverse and stable funding base to support its operations as well as its long-term mission.

Short Term Actions

- **Reduce Costs and Spending to Live Within Available Funds.** To avoid depleting reserves, the organization will systematically budget for operations without tapping its fund balance, beginning in FY 27/28. Operational spending will be based only on available state tobacco tax revenues and other external funding dedicated to delivering specific services or reaching particular community outcomes. Doing so will also preserve fund balance in excess of \$12 million in FY 27/28 and for years going forward, as shown in the below table and figure.

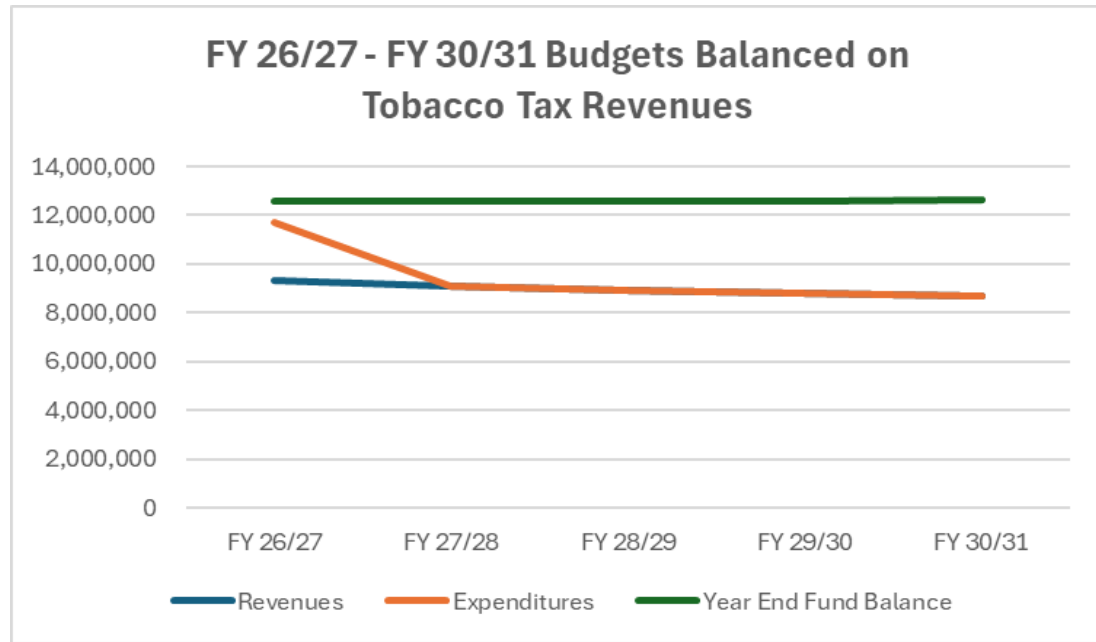
Table 2. Year End Projections with Spending Reductions Starting FY 27/28

	FY 26/27 - FY 30/31 Year End Projection				
	FY 26/27 Projected	FY 27/28 Projected	FY 28/29 Projected	FY 29/30 Projected	FY 30/31 Projected
Revenues					
Prop 10 Tobacco Tax	3,618,616	3,401,499	3,197,409	3,082,303	2,971,340
Prop 56 Backfill	1,648,825	1,582,665	1,519,159	1,458,202	1,411,748
CECET	98,841	98,841	98,841	98,841	98,841
State Grant Income	3,103,042	3,179,879	3,258,618	3,339,308	3,421,995
Other	860,265	846,997	833,994	821,251	808,763
Total Revenue	9,329,589	9,109,881	8,908,022	8,799,904	8,712,687
Expenditures					
Total Operating Expenses	11,682,694	9,109,881	8,908,022	8,799,904	8,712,687
Other financing sources/uses (leases)	11,207	11,767	12,356	12,973	13,622
Net Position Begin of Year	14,918,994	12,577,095	12,588,862	12,588,862	12,601,218
Net Position End of Year	12,577,095	12,588,862	12,601,218	12,601,836	12,614,840
Net Change in Fund Balance	(2,341,898)	11,767	12,356	12,973	13,622

Once this is accomplished, the organization may wish to consider adopting a two-year budget cycle for planning purposes, which could help to better set goals for revenues and expenditures over time, set fundraising and development goals, and

work with Commission members to plan ahead for needed changes in programming and operations to maintain a fiscal reserve.²

Fig. 2. FY 26/27 to 30/31 Year-End Projections With Proposed Spending Cuts



- **Establish a Fund Balance Policy with a Contingency Fund.** The organization has not had a policy regarding the maintenance of a fund balance or contingency reserve. Like many other First 5 commissions, the fund balance built up in years when tobacco tax revenues were healthier has been used to offset more recent revenue declines and uncertain state funding.

With the reserve now at a significantly lower level, First 5 Contra Costa will:

1. **Re-establish a goal for a contingency fund level.** Until the Strategic Plan adopted in Fiscal Year 2020-21, First 5 Contra Costa maintained an Emergency Reserve of \$7.5 million. Having a contingency fund gives the organization flexibility to respond to urgent needs or seize opportunities that may arise. Having funds in reserve also makes organizational decision-

² Note that a two-year approach to budgeting does not eliminate the need for fiscal-year reporting to control agencies, audits, or other annually required budgeting and accounting work; it should be considered as more of a planning support than a cost-saving measure.

making less reactive and more purposeful; it provides breathing room to evaluate options and make thoughtful, mission-aligned choices.

2. **Establish a policy for use of the contingency fund**, setting forth circumstances under which fund balance dollars not already committed could be utilized, and how to replenish the reserve if possible.

Ultimately, should tobacco tax revenues become permanently unavailable, the reserve amount should be sufficient to sustain baseline programs for approximately one year while staff secures additional funding and/or begins the process to close operations.

Short to Medium Term

- **Establish Baseline Funding Goals with Fund Development Goals Year-to-Year.** Related to the short-term effort identified below in the Organizational category, in which the organization will seek to add internal capacity to fundraise from a variety of potential sources, this goal seeks to identify the minimum level of funds needed to support the organization's basic operations, while setting fund development goals for the organization to grow or develop programmatic offerings over time.

This plan does not pre-establish any specific development goals for particular types of funding, as this will need to be part of the discussion and decision-making process internally with staff input, as well as with support and input from the Commission and other partners.

ORGANIZATIONAL

The actions in this section target the need to build organizational capacity for fund development, while continuing to work collaboratively with staff to implement the changes and opportunities it may bring for the team. The strategies discussed in this section are also aimed at developing a longer-term plan for ensuring the structure of the organization matches its needs.

Short Term

- **Review Owned and Rented Space and Identify Changes to Reduce Costs.** As noted previously, the cost of rent and building operations for the First 5 Centers and the First 5 Contra Costa administrative offices are a relatively significant component of the budget. The organization should review its space needs to determine if there are options to reduce or offset costs for rental and owned properties. Additionally,

as the organization completes its strategic planning process for the next five years, consideration should be given to service models at the First 5 Centers that integrate co-location, shared spaces, virtual services, and pop-up opportunities that make participation more accessible to families and decrease dependency on brick-and-mortar locations.

This analysis should include a review of current and projected expenditures for rent, taxes, upkeep and other capital outlay, as well as the risks and benefits of maintaining vs. shifting away from the current locations. This should include an analysis of the market and potential sale proceeds of buildings currently owned as well as a consideration of how funding received through such a sale would be used over time as part of the overall sustainability plan. The organization should also consider whether some of the locations it currently rents or owns might be able to support operations of partner organizations through shared spaces that could help offset costs.

- **Establish Organizational Fund Development Capacity.** Up to now, the organization has not had a dedicated position for fund development or fundraising. The Executive Director and program staff have taken on this role, and while the Executive Director would continue to play a key role in this work, having staff with the skills and dedicated time for fundraising, seeking partnerships, developing agreements, and monitoring success is critical. This could include development of capacity within existing staff, establishing contracted positions, and/or establishing a new internal staff position. It could be helpful to consider offering professional development opportunities for existing staff, depending on their skills and interest in this type of work.

Due to the potential to pursue various funding types and sources, careful consideration should be given to the strengths, experience and skills that will be needed to obtain the types of funds that would be the best fit for the organization, and whether the role should be concentrated within one staff position or spread across multiple positions. Establishing goals and actively managing these efforts, with appropriate accountability, will be critical.

- **Create a 501(c)(3)-Status Organization Under First 5 Contra Costa.** The organization has been considering the idea of creating a separate organization incorporated as a 501(c)(3) for fundraising purposes. Some organizations – including both public and private funders – require such a designation for their grantees. As a

result, First 5 Contra Costa has missed opportunities to apply for funding in the past.

After consulting with the Working Group and with other First 5s that operate separate 501(c)(3) organizations, the recommendation is to develop a 501(c)(3) for First 5 Contra Costa. There will be some small upfront costs (estimated at less than \$15,000) to properly start up and register the organization and ensure its documents of incorporation are consistent with the mission, vision and goals of the Commission, as well as some small costs (estimated at \$5,000 per year) to ensure compliance with reporting requirements. It is not recommended to separately staff the organization, but to instead use First 5 Contra Costa staff within their existing duties to provide any needed support.

Overall, the flexibility afforded by the existence of this organization in terms of fundraising and tax-deductibility for donors should outweigh the costs, based on the feedback received from First 5 Commissions that have created a 501(c)(3).

Short to Medium Term

- **Continue Reviewing Organizational Needs and Revising Staffing Patterns.** In a continuation of the work that predated the development of this plan, the organization should continue to review its staffing and make adjustments as needed to support a leaner approach to operations, without compromising quality or goals.
- **Diversify Funding Streams by Expanding and/or Developing New Relationships.** Although as mentioned in the landscape section that many private and public funding sources are currently being reduced or eliminated due to the political climate, there are opportunities for new partnerships within the county – with cities, school boards, corporations, and the county itself – which could bring the potential for new one-time or ongoing funding streams, service expansions, and other means of either lowering First 5 Contra Costa’s costs or enhancing its efforts.
- **Establish an early childhood focused funder collective with private philanthropy** - First 5 Contra Costa will lead the effort to establish an Early Childhood Funders collective that can intentionally pool funds for targeted needs and issue areas in early childhood. Given the current gaps in services and funding for underserved communities, public and philanthropic funders have an opportunity to prioritize public-private partnerships. By sharing responsibility and aligning

resources, these collaborations can maximize impact, promote innovation, and create more sustainable solutions than any one sector could achieve alone.

- **Create more interagency agreements to formalize relationships with key county departments**, such as the Health Department (Contra Costa Health) and Employment and Human Services Department (EHSD), which serve similar populations in many of their programs. This could result in new service partnerships that leverage multiple public funding streams and maximize use of resources for the intended audiences.

Locally, formalized partnerships between First 5 and county agencies have lead to larger impacts. Building on past success, future possibilities might include formally designating First 5 Contra Costa as the local public entity to administer and disseminate Measure X funding dedicated to early childhood services in the county. Other counties across the state, with several Bay Area Counties included, already maximize and rely on their local First 5 Commission to serve as the administrative agency for local ballot measures dedicated to early childhood services.

As discussed earlier in this report, there is great flexibility, efficiencies, and benefits to be gained by the County and the community by making First 5 the designated ‘go to public entity’ to assist in the planning, coordination, and dissemination of early childhood funding and resources in Contra Costa County.

First 5 Contra Costa’s twenty five years of experience as a local public funder, convener and innovator puts the organization on solid footing to take on a broader and greater role to lead the administration of early childhood-related funding. There is great opportunity to more intentionally maximize the authority given to First 5 commissions by Prop 10 statute to achieve greater local coordination through more flexible service delivery systems that in turn leverage community and county assets in Contra Costa County. This intent is clearly articulated in Prop 10’s statute *Division 108, Section 130100 (a) “It is the intent of this act to facilitate the creation and implementation of an integrated, comprehensive, and collaborative system of information and services to enhance optimal early childhood development. This system should function as a network that promotes accessibility to all information and services from any entry point into the system. It is further the intent of this act to emphasize local decision-making, to provide greater local flexibility in designing delivery systems, and to eliminate duplicative administrative systems.”*

As an example of what is possible, Appendix A included in this report contains information on several projects that other county First 5 Commissions operate or

contribute to, with funding from other local and external sources. Some of the counties selected for these examples not only blend Prop 10 with other public and philanthropic funding sources but also have designated their local First 5 Commission as the lead administrator for early childhood revenue generated by voter approved ballot measures.

- ***Develop relationships with cities and school districts*** that may be able to offer space for First 5 services, trainings, or other programming, or be willing to establish funding partnerships aimed at better supporting families and young children served by multiple agencies and organizations.

PROGRAMMATIC

As fiscal and operational changes come into focus, the impacts to programmatic offerings will become more clear. Syncing this plan with the timing of First 5 Contra Costa's next 5-year Strategic Plan is a purposeful way to gather information and feedback from community members and partner organizations, as well as set priorities for the coming years in light of other changes taking place.

Short to Medium Term

- **Conduct Strategic Planning in Concert with Sustainability Efforts.** As the organization develops its next strategic plan, it will be critical to identify which areas of community-focused work should be prioritized based on First 5 Contra Costa's ability to make an impact and our current understanding of need within the county.

Unlike the sustainability planning process which was a largely "internal" process, the strategic plan process will by design include input from the community, including families, partner organizations, and other key stakeholders. First 5 plans to use the strategic planning process to also help the community and stakeholders learn about the agency's sustainability plan and direction for the future.

POLICY/COMMUNITY

Over time, First 5 Contra Costa has played an active role in advocating for policies that support early childhood development. The organization also has an opportunity to increase its efforts in Contra Costa County to place children and families at the forefront of policy, budgeting and services discussions.

Short Term

- **Develop Communications Plan to Share Sustainability Efforts.** In partnership with the state First 5 Association, elected officials, the First 5 Contra Costa Commission, and others, First 5 Contra Costa will discuss its development of a sustainability plan, one of the first few plans of this nature created by a county First 5 commission. This can help jump-start local efforts as well as bringing state-level attention to the needs of First 5 Commissions and the populations they serve.

Long Term

- **Take the Lead in Establishing a county specific Community Children's Fund.** Many localities have developed funds or endowments of this nature to support programs and services for children. With its existing role as a convener and leader in early childhood development, First 5 Contra Costa would be a natural choice to pull together a representative community group to develop the concept and create a governance structure. Establishing a 501c3 status for First 5 Contra Costa will support the creation of a governance structure that can lead efforts to establish a 'community fund' that will pool donor contributions and charitable assets dedicated to local programs, non-profits, and/or initiatives that advance the optimal development and education of young children and their families.

Ongoing

- **Continue Efforts to Create Sustainable Alternative State-Level Funding to Proposition 10/ 56.** Through the statewide First 5 Association, continue to actively engage in efforts to develop new funding sources for First 5 Commissions. This is likely a multi-year effort and may involve a return to the ballot; the experience of First 5 Contra Costa in developing this sustainability plan, and making the necessary adjustments to continue operations in light of declining resources, will be instructive to lawmakers and policy leaders.

Next Steps

CREATE TACTICAL PLAN TO IMPLEMENT RECOMMENDATIONS

Many of the recommendations in this Sustainability Plan are considered to be short-term and somewhat urgent in nature given the decline in revenue and the pace at which the organization has tapped its reserves to cover funding gaps. The first step for the

organization will be to take the recommendations in this plan and build out a plan with action steps and a timeline for accomplishing these tasks.

Developing the recommended communication plan will require First 5 Contra Costa to think through how to frame and talk about this sustainability work and can help to jump-start the process of developing new connections and partnerships within the community. Making decisions about how to “roll out” public communications about this process is a key step.

DEVELOP PERFORMANCE INDICATORS

How will the organization know when it has achieved success in delivering on the goal of long-term sustainability for the organization? Simply checking off boxes on a plan is not enough to declare victory, and much of the work started by this plan – even recommendations labeled “short term” – will almost certainly be ongoing. It will be important to work with Commission members, staff and key stakeholders to define and measure success in this effort over the next five years.

MONITOR AND REPORT

Regular reporting at Commission meetings and internal staff meetings on progress and activities related to the Sustainability Plan will be critical to ensuring ongoing engagement, attention, and progress.

Conclusion

The thorough and thoughtful efforts of the Working Group, the executive team and staff of First 5 Contra Costa, and the many others who contributed to this Sustainability Plan is groundbreaking. Every First 5 commission has conducted strategic planning and summarized their activities and successes in annual reports for the past 25 years. This process, however, has held up a light to the finances and operations of First 5 Contra Costa in a new and deeper way, forging a path towards long-term sustainability for the organization and taking stock of its position in the community along the way.

The insights gained through this effort are invaluable and set the organization on a path to success for years to come. We hope it serves not only as a roadmap for First 5 Contra Costa, but as a guide for other organizations wishing to do the same.

Acknowledgements

The successful development of this plan would not have been possible without the contributions of many individuals, who we thank for their time and efforts.

Contra Costa County Board of Supervisors and their staff

Hon. John Gioia, District 1 Supervisor

Hon. Candace Anderson, Chair, District 2 Supervisor

Hon. Diane Burgis, District 3 Supervisor

Hon. Ken Carlson, District 4 Supervisor

Hon. Shanelle Scales-Preston, District 5 Supervisor

First 5 Contra Costa Sustainability Plan Working Group Members

First 5 Contra Costa Commissioners and Alternate Commissioners

First 5 Contra Costa Staff

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Nina Machado, Executive Director, First 5 Amador County

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References

ⁱ *Strategic Plan and Long-Term Financial Plan, Fiscal Years 2023-2026*, First 5 Contra Costa. Accessed at: <https://www.first5coco.org/wp-content/uploads/2023/06/First5ContraCosta-Strategic-Plan-2023.pdf>

ⁱⁱ Legislative Analyst's Office, November 1998. *Proposition 10: State and County Early Childhood Development Programs*. Accessed at https://lao.ca.gov/ballot/1998/10_11_1998.htm

ⁱⁱⁱ Brad Williams, Senior Partner, Capitol Matrix Consulting, July 23, 2025 memo to First 5 California, "Tobacco Tax Revenue Projections – California Children and Families First Trust Fund," accessed at <https://simbli.eboardsolutions.com/Meetings/Attachment.aspx?S=36031642&AID=1192454&MID=36680>

APPENDIX A.**First 5 Commissions Leveraging Funds Across Local and External Sources**

Commission	Program	Funding Sources
Yolo	Welcome Baby: Road to Resilience – provides vital, early services to families living in Yolo County with a child under the age of two. Families receive in-clinic resource navigation, a nurse home visit postpartum and follow-up, and, as needed, longer-term intensive home visiting services during pregnancy and the child's early years. WB:R2R's tailored, early approach enables timely identification and intervention to promote maternal and child health, prevent child maltreatment, and build a foundation for early learning and school readiness. ¹	<u>Local Funds:</u> <ul style="list-style-type: none"> • First 5 Yolo • County Board of Supervisors • City of Davis • City of Woodland • City of West Sacramento <u>External Funds:</u> <ul style="list-style-type: none"> • CA Dept of Social Services Office of Child Abuse Prevention • American Rescue Plan (ARP) funds allocated by Yolo County Board of Supervisors and local cities • First 5 California Home Visiting Coordination Grant • Private Donors • Medi-Cal - CA Dept of Health Care Services (DHCS): <ul style="list-style-type: none"> ○ <i>Child and Youth Behavioral Health Initiative (CYBHI)</i> ○ <i>CalAIM Community Health Worker Services (CHW)</i> ○ <i>CalAIM Enhanced Care Management (ECM)</i> • Sutter Health • Dignity Health <u>In-Kind Partners:</u> <ul style="list-style-type: none"> • UC Davis Health Equity Across the Lifespan Lab • UC Davis Health • Sutter Davis Hospital • Dignity/Woodland Hospital • Kaiser Permanente • Capital OB/GYN
Santa Clara	Home Visiting Programs – In a comprehensive study published in November 2024, Santa Clara County's First 5 mapped funding amounts and sources for every home visiting program in	Early Childhood Mental Health Outpatient Consortium <u>Local Funds:</u> <ul style="list-style-type: none"> • Behavioral Health • First 5

	<p>operation in the county, some of which are funded by First 5.</p> <p>All home visiting models in the county except for Head Start rely on at least two sources of funding, and several braid and/or blend funding from even more.²</p>	<p><u>External Funds:</u></p> <ul style="list-style-type: none"> DHCS/Medi-Cal <p><i>The funding sources listed here are for the Early Childhood Mental Health Outpatient Consortium, which represented 53% of funding for home visiting identified in Contra Costa County in FY23-24. The program has an annual capacity of 1,800 slots.</i></p>
Solano	<p>Early Learning Center - First 5 Solano County has raised funds from a variety of sources to purchase and redevelop a former school site in Vallejo. When complete, the ELC will house multiple service providers, including early care and education providers, as well as bringing together other services for families and children.</p>	<p><u>Local Funds:</u></p> <ul style="list-style-type: none"> \$2M - County Board of Supervisors \$30,000 County Board of Education \$61K - Vallejo City Council \$4.47M - First 5 Solano \$2.86M - Child Start Inc. <p><u>External Funds:</u></p> <ul style="list-style-type: none"> \$500K – Federal earmark \$1M – Syar Foundation grant \$5M – State Earmark \$1M – State Earmark \$200K – Irwin Foundation
Alameda	<p>Collaborative Diaper Distribution Program – Administered by SupplyBank.org, this partnership will distribute \$5.8 million in diapers over three calendar years (2025-2027) at sites such as Family Resource Centers, WIC locations, and Resource and Referral agencies.⁴</p>	<p><u>Local Funds:</u></p> <ul style="list-style-type: none"> First 5 Alameda County Social Services Agency Alameda County Health Alameda County Probation Department

Sources: ¹The First 5 Center wrote a recent blog post about the Welcome Baby Program, at: <https://first5center.org/blog/first-5-yolo-countys-welcome-baby-program>; ²First 5 Santa Clara’s full report on home visiting programs is available at: <https://first5kids.org/wp-content/uploads/2025/03/Feasibility-Study-for-the-Expansion-of-Home-Visiting-Services-for-Children-11-1-2024.pdf>; ³First 5 California, “Sustainability, Diversification & Capacity Building: A Playbook for Local First 5 Commissions,” October 2024; ⁴First 5 Alameda, “Strengthening system partnerships through collaborative investments in diaper distribution program,” January 2025, accessed at: <https://www.first5alameda.org/strengthening-system-partnerships-through-collaborative-investments-in-diaper-distribution-program/>

Sustainability Plan Draft: ***Overview & Discussion***


Presentation to First 5 Contra Costa Executive Committee
September 29, 2025

Presentation Overview

- Sustainability Plan Sections
- Four Pillars
- Plan Development Process
- Findings and Observations
- Recommendations
- Next Steps (Implementing the Plan)
- Discussion and Questions



Sustainability Plan Sections

1. Message to the Community (Ruth and John)
 2. Why a Sustainability Plan is Needed
 3. What is Sustainability
 4. Plan Development Process
 5. Key Findings and Observations
 6. Recommended Actions
 7. Next Steps
 8. Conclusion
 9. Acknowledgements
- 

Four Pillars of Sustainability

Each is distinct but connects to the others in multiple ways, creating an interactive synergy across the four pillars.



Plan Development Process

WORKING GROUP

Primary and Alternate Commissioners and First 5 Executive Team met six times during the project.

FIRST 5 STAFF

Staff were updated regularly about timelines, process, and intended goals for the plan. They received a draft of the plan and provided comments on the draft.

DATA ANALYSIS

The team reviewed years of revenue and expenditure data and analyzed trends in tobacco tax revenues.

KEY INFORMANTS

The project consultant interviewed 17 key interest holders ranging from elected officials to appointed commissioners.

LANDSCAPE ANALYSIS

The consultant reviewed previous work related to First 5 commissions, revenues, and the fiscal and political environment.

Key Findings and Observations

1

Reserve balance is shrinking

Deficit spending has reduced the organization's fund balance significantly in recent years

2

Current spending cannot be sustained with current revenues

The organization must spend less, or risk financial instability. Prior operational shifts have helped, but more internal review is needed.

3

Diversifying revenues should be a critical focus

This will allow First 5 to maintain operations and programming and continue to meet its mission.



4

Organizational Structure provides opportunities and also some limitations

First 5's quasi-governmental status is generally seen as a strength; establishing a separate 501(c)(3) could offer additional flexibilities

5

Upcoming Strategic Plan is timely and important


Consider what programs to prioritize, how to drive systems change in the county, and where new partnerships are possible

6

First 5 has many strengths to build on

The organization is respected in the community and viewed as a leader in Contra Costa County

Fiscal Projection w/o Spending Reduction

	FY 26/27 - FY 30/31 Year End Projection				
	FY 26/27 Projected	FY 27/28 Projected	FY 28/29 Projected	FY 29/30 Projected	FY 30/31 Projected
Revenues					
Prop 10 Tobacco Tax	3,618,616	3,401,499	3,197,409	3,005,565	2,825,231
Prop 56 Backfill	1,720,309	1,686,695	1,653,739	1,621,426	1,589,745
CECET	100,896	101,939	102,993	104,058	105,134
Subtotal Tobacco Tax	5,439,821	5,190,134	4,954,142	4,731,050	4,520,111
Other Revenue	4,190,598	4,274,410	4,359,898	4,447,096	4,536,038
Total Revenue	9,630,419	9,464,544	9,314,040	9,178,146	9,056,149
Expenditures					
Total Operating Expenses	11,153,852	11,488,467	11,833,121	12,188,115	12,553,758
Other financing sources/uses	11,207	11,767	12,356	12,973	13,622
Net Position Begin of Year	16,372,243	14,837,603	12,801,912	10,270,475	7,247,532
Net Position End of Year	14,837,603	12,801,912	10,270,475	7,247,532	3,736,300
Net Change in Fund Balance	(1,534,640)	(2,035,691)	(2,531,437)	(3,022,943)	(3,511,232)

Recommended Actions

Short Term - Years 1-2 | Medium Term - Year 3 | Long Term - Years 4-5



Financial

SHORT TERM

Reduce Costs and Spending to Live Within Available Funds

Establish a Fund Balance Policy

SHORT TO MEDIUM TERM

Establish Baseline Funding Goals with Fund Development Goals Year-to-Year



Organizational

SHORT TERM

Review Owned & Rented Space and Identify Savings

Establish Fund Development Capacity

Create a 501(c)(3) Organization Under First 5 Contra Costa

Work w/ County Partner Agencies to Formalize Relationships

SHORT TO MEDIUM TERM

Continue to Review Org Needs & Revise Staffing Patterns

Diversify Funding Streams by Expanding and/or Developing New Relationships



Programmatic

SHORT TERM

Conduct Strategic Planning in Concert with Sustainability Efforts

Use Strategic Plan process as an opportunity to discuss Sustainability Plan efforts with community partners



Policy & Community

SHORT TERM

Develop Communication Plan to Share Efforts


LONG TERM

Take the Lead in Establishing a County Children's Fund

ONGOING

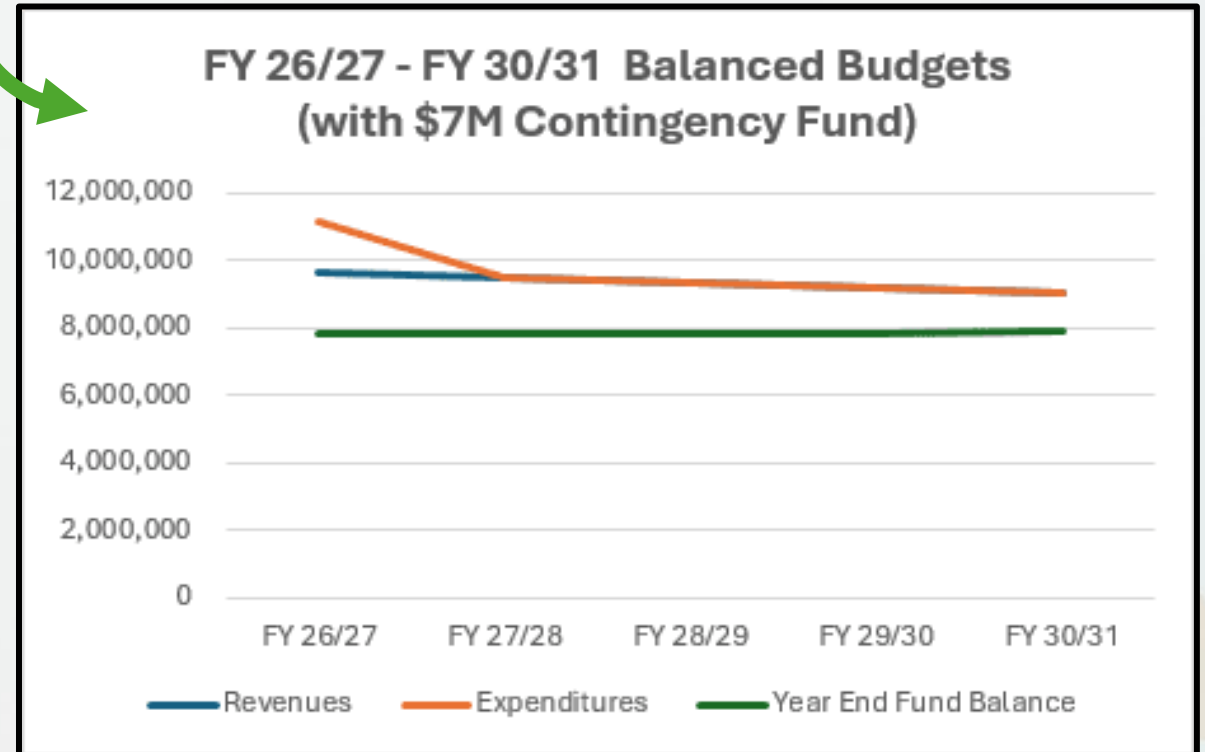
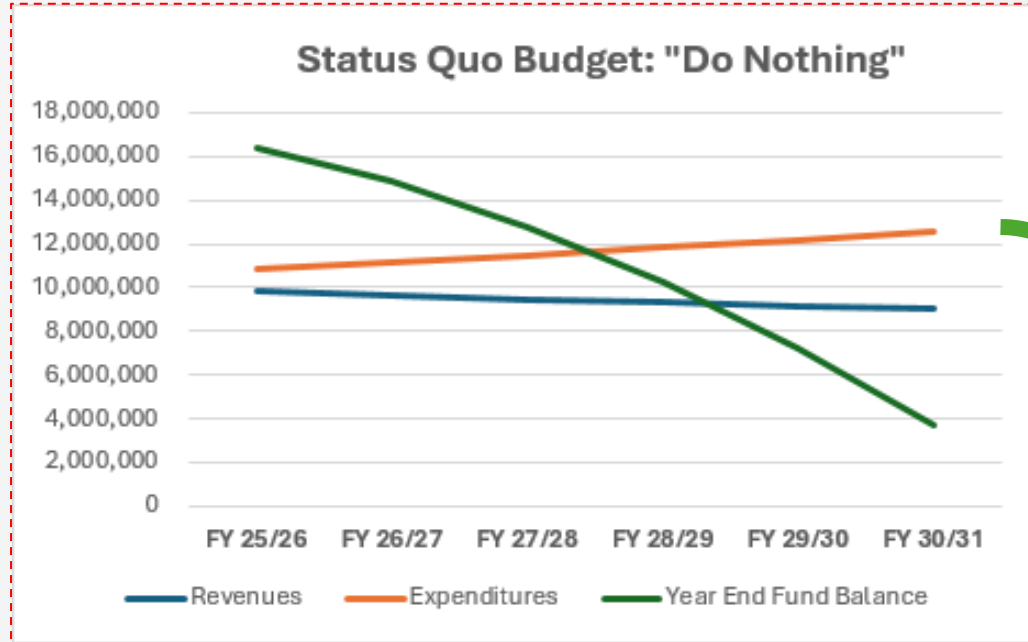
Efforts to Create a New State-Level Funding Source

Fiscal Projection With Spending Reduction

	FY 26/27 - FY 30/31 Year End Projection				
	FY 26/27 Projected	FY 27/28 Projected	FY 28/29 Projected	FY 29/30 Projected	FY 30/31 Projected
Revenues					
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Expenditures					
Total Operating Expenses	11,153,852	9,464,544	9,314,040	9,178,146	9,056,149
Other financing sources/uses	11,207	11,767	12,356	12,973	13,622
Net Position Begin of Year	16,372,243	7,837,603	7,849,370	7,849,370	7,861,726
Net Position End of Year *	7,837,603	7,849,370	7,861,726	7,862,343	7,875,348
Net Change in Fund Balance	(8,534,640)	11,767	12,356	12,973	13,622

* Includes \$7 million set aside in a new contingency fund in FY 26/27 for emergency purposes.

Comparison of Fiscal Projections





Next Steps (Implementing the Plan)

After approval, several things will need to happen to begin and measure implementation.



Step 1

Develop Tactical (Implementation) Plan

The organization will need to build out a plan with action steps and a timeline for accomplishing these tasks.

Developing the recommended communication plan will require First 5 Contra Costa to think through how to frame and talk about this sustainability work. This can help jump-start the development of new connections in the community.



Step 2

Develop Performance Indicators


How will the organization know when it has achieved success in delivering on the goal of long term sustainability? Simply checking off boxes on a plan is not enough to declare victory, and much of the work started by this plan - even if labeled “short term” - will certainly be ongoing. Organizational leaders will need to work with staff, Commissioners, and others to define and measure success.



Step 3

Monitor and Report Progress

Regular reporting at Commission meetings and internal staff meetings, at a minimum, on milestones and activities related to the Sustainability Plan will be critical to ensuring ongoing engagement, attention, and progress.



Discussion & Questions



2025 NOMINATING COMMITTEE PROCESS AND TIMELINE

SEPTEMBER 29, 2025	The Executive Committee appoints Nominating Committee Chair and members
LATE OCTOBER TO EARLY NOVEMBER 2025	Nominating Committee sends an email to the entire Commission to elicit interest to participate in Executive Committee
OCTOBER – EARLY NOVEMBER 2025	Nominating Committee meets to discuss and approve the nomination of Chair, Vice Chair, and Secretary/Treasurer for Calendar Year 2026
NO LATER THAN MONDAY DECEMBER 1, 2025	In accordance with the Bylaws, the Nominating Committee sends out the Slate of Officers for election for 2026 to the Commission 2 weeks prior to the voting meeting on <i>December 15, 2025</i> .
DECEMBER 15, 2025	Commission votes and approves the Slate of Officers for Election for Calendar Year 2026.



All meetings are held in hybrid modality with Zoom participation capability.
 Meetings will be held at the First 5 Contra Costa offices located at 4005 Port Chicago Highway,
 Conference Center, Concord CA 94520.

Standing Meetings 2026

	Executive Committee 5:00 PM	Full Commission Meeting 6:00 PM
Feb		February 9
	February 23	
Mar		March 9 9-12:30 Strategic Planning Retreat 1-2pm Commission Meeting
April	April 27	
May		May 11
June	June 1	June 15
July	July 27	
August		August 10
September	September 28	
October		October 12
November	November 30	
December		December 14

MEMBERSHIP BENEFITS

First 5 Association of California offers several benefits to member First 5 county commissions.



Member Learning and Engagement

- Access to the First 5 Leadership Institute – a comprehensive member education and leadership development institute that provides learnings on relevant and timely topics such as state and federal policy implementation, funding and partnership opportunities, leadership development, mentorship, and fellowship.
- Networking events including the First 5 Annual Summit
- Regional and issue-specific workgroups for peer learning, cross-sharing, and collaboration with other First 5 county commissions
- Resource library on Race, Equity, Diversity, and Inclusion (REDI) principles, staff orientation, strategic plan examples, and other resources and samples from counties within the First 5 Network



Communications

- Communications strategy, brand positioning, and messaging for the Network
- Weekly member newsletter, Network highlights, learning and funding opportunities
- Regular communications calls and trainings
- Customizable communications assets
- Advocacy and social media toolkits
- Collecting and communicating First 5 stories of community impact to state and federal leaders, media, and the early childhood field



Policy Development and Advocacy

- Direct state and federal lobbying on behalf of members
- Annual legislative advocacy day at the State Capitol
- State policy development, analysis and updates for members
- Advocacy assets including talking points and fact sheets directed to local, state, and federal leaders
- State and federal legislation and budget tracking that affect local First 5s and communities
- Access to the First 5 Center for Children's Policy which provides policy research, development, and publications on issues salient to First 5s and the prenatal to five field
- Access to research and policy briefs detailing First 5 outcomes and emerging issues
- Access and introductions to state leaders, including legislators, department heads Governor's office, and key partner coalitions



Fee-based Consultation and Intermediary Services

- Technical assistance for program and policy implementation
- Program, policy, systems, and evaluation design consultation
- 501c3 grantmaking services on behalf of members that are seamless, efficient, and cost-effective
- Pooled funding support and intake