



Commission Meeting

A G E N D A

Monday, October 12, 2026, 6:00 pm

First 5 Contra Costa, Conference Center, First Floor

2300 Clayton Road, Concord CA 94520

75 W. Thousand Oaks Blvd, Thousand Oaks, CA 91360

The Commission meeting will be accessible in-person and via virtual webinar to all members of the public.

Persons who wish to address the Commission 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 Commission 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.

Any disclosable public records related to an open session item on a regular meeting agenda and distributed by the County to a majority of members of First 5 Children and Families Commission less than 96 hours prior to that meeting are available for public inspection at 2300 Clayton Road, Concord, CA 94520, during normal business hours. Staff reports related to items on the agenda are also accessible online at www.first5coco.org.

The First 5 Children and Families Commission will provide reasonable accommodations for people with disabilities planning to attend First 5 Children and Families Commission meetings. Contact Mikele Nelson (mnelson2@first5coco.org) or 925.655.0390 at least 48 hours before the meeting.

Virtual Webinar Information:

Please click the link below to join the webinar:

<https://cccounty-us.zoom.us/j/89192239770?pwd=AoBOfl0mzeuwoMC0BKIFaZf1hqanW.1>

Passcode: 418494

1.0 Call to Order and Roll Call

2.0 Public Comment

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

3.0 Approve the Minutes of the Commission Meeting on:

3.1 Commission Meeting on June 22, 2026

4.0 Approval of Consent Calendar

Action

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

4.1 Approve the Contracts Docket.

- 4.1.1 APPROVE and AUTHORIZE the Executive Director, or her designee, to execute a contract amendment with Optimal Solutions Consulting Group LLC, to increase the payment limit by \$8,000 (from \$62,700 to \$70,700) and extend the contract term from January 31, 2027, to June 30, 2027, to support planning, updating, and developing First 5 Contra Costa's new Strategic Plan. FY 2026-27 budget line: Administrative Expense: Professional Services (\$286,057). Funded 100% by Proposition 10.
- 4.1.2 APPROVE and AUTHORIZE the Executive Director, or her designee, to execute a contract amendment with ASPIRANET (operator of the Antioch First 5 Center located at 300 H Street, Antioch, CA) to incorporate the required federal grant pass-through provisions associated with Office of Traffic Safety (OTS) funding supporting allowable car seat education and distribution activities. The

Commission Meeting Agenda

Monday, October 12, 2026

Page 1 of 4

amendment does not change the payment limit of \$563,153 or the contract term ending June 30, 2027. FY 2026-27 budget line: Strengthening Families Focus Area: First 5 Centers (\$3,919,776). Funded by Proposition 10 and Office of Traffic Safety (OTS) funds.

- 4.1.3 APPROVE and AUTHORIZE the Executive Director, or her designee, to execute a contract amendment with ASPIRANET (operator of the Delta First 5 Center located at 760 First Street, Brentwood, CA) to incorporate the required federal grant pass-through provisions associated with Office of Traffic Safety (OTS) funding supporting allowable car seat education and distribution activities. The amendment does not change the payment limit of \$563,153 or the contract term ending June 30, 2027. FY 2026-27 budget line: Strengthening Families Focus Area: First 5 Centers (\$3,919,776). Funded by Proposition 10 and Office of Traffic Safety (OTS) funds.
- 4.1.4 APPROVE and AUTHORIZE the Executive Director, or her designee, to execute a contract amendment with Bay Area Community Resources (operator of the Monument First 5 Center located at 1736 Clayton Road, Concord, CA) to incorporate the required federal grant pass-through provisions associated with Office of Traffic Safety (OTS) funding supporting allowable car seat education and distribution activities. The amendment does not change the payment limit of \$563,153 or the contract term ending June 30, 2027. FY 2026-27 budget line: Strengthening Families Focus Area: First 5 Centers (\$3,919,776). Funded by Proposition 10 and Office of Traffic Safety (OTS) funds.
- 4.1.5 APPROVE and AUTHORIZE the Executive Director, or her designee, to execute a contract amendment with Bay Area Community Resources (operator of the West County First 5 Center located at 2707 Dover Avenue, San Pablo, CA) to incorporate the required federal grant pass-through provisions associated with Office of Traffic Safety (OTS) funding supporting allowable car seat education and distribution activities. The amendment does not change the payment limit of \$754,318 or the contract term ending June 30, 2027. FY 2026-27 budget line: Strengthening Families Focus Area: First 5 Centers (\$3,919,776). Funded by Proposition 10 and Office of Traffic Safety (OTS) funds.
- 4.1.6 APPROVE and AUTHORIZE the Executive Director, or her designee, to execute a contract amendment with Lincoln (operator of the East County First 5 Center located at 355 E. Leland Road, Pittsburg, CA) to incorporate the required federal grant pass-through provisions associated with Office of Traffic Safety (OTS) funding supporting allowable car seat education and distribution activities. The amendment does not change the payment limit of \$754,318 or the contract term ending June 30, 2027. FY 2026-27 budget line: Strengthening Families Focus Area: First 5 Centers (\$3,919,776). Funded by Proposition 10 and Office of Traffic Safety (OTS) funds.
- 4.2 **Approve the Grants Docket.**
 - 4.2.1 APPROVE and AUTHORIZE the Executive Director, or her designee, to apply for, accept, and appropriate grant funding from Contra Costa County Office of Education's California State Preschool Program Quality Improvement Grant, in

an amount up to \$700,000, to support coaching, training, and technical assistance work with participating CSPP programs to enhance the quality of care and education they provide to young children for the term July 1, 2026 to June 30, 2027. This authorization supersedes the previously approved amount of \$558,000. FY 2026-27 budget line: Early Childhood Education Focus Area: Quality Early Learning (\$300,401). Funded 100% by Contra Costa County Office of Education, California State Preschool Program Quality Improvement Grant.

- 4.2.2 APPROVE and AUTHORIZE the Executive Director, or her designee, to apply for and, if awarded, accept and appropriate grant funding and execute a grant agreement with California Children and Families Foundation, Inc., in an amount up to \$200,000, to support system-building efforts to strengthen the early care and education workforce, including mapping and leveraging the various funding sources supporting early care and education programs in Contra Costa County, for the term December 1, 2026 to November 30, 2028. FY 2026-27 budget line: Early Childhood Education Focus Area: Workforce Development (\$154,258). Funded 100% by Hellman Foundation, administered through California Children and Families Foundation, Inc.
- 4.2.3 APPROVE and AUTHORIZE the Executive Director, or her designee, to apply for and, if awarded, accept and appropriate grant funding and execute a grant agreement with Heising-Simons Foundation, in an amount up to \$200,000, to support governance and finance reforms in early care and education, including system-building efforts to map and leverage funding sources supporting early care and education programs in Contra Costa County to improve access to high-quality, affordable early education opportunities for children, for the term January 1, 2027 to December 31, 2028. FY 2026-27 budget line: Early Childhood Education Focus Area: Quality Early Learning (\$300,401). Funded 100% by Heising-Simons Foundation.
- 4.2.4 APPROVE and AUTHORIZE the Executive Director, or her designee, to apply for and, if awarded, accept and appropriate grant funding and execute a grant agreement with West Contra Costa Unified School District, in an amount up to \$100,000, to support developmental playgroups serving children and families in the West Contra Costa Unified School District region, for the term July 1, 2026 to June 30, 2027. FY 2026-27 budget line: Early Intervention Focus Area: Children's Developmental Needs (\$393,727). Funded 100% by West Contra Costa Unified School District.
- 4.2.5 APPROVE and AUTHORIZE the Executive Director, or her designee, to apply for, and accept a grant award and execute a grant agreement with Kaiser Permanente in an amount up to \$5,000 for a sponsorship to support the Ready Kids East County Partner Wellness Retreat for the term October 1, 2026 to January 30, 2027. FY 2026-27 budget line: Early Childhood Education Focus Area: Ready Kids East County (\$157,130). Funded 100% Kaiser Permanente.
- 4.2.6 APPROVE and AUTHORIZE the Executive Director, or her designee, to execute a lease amendment with Contra Costa County Health Services for its continued occupancy of First 5's property located at 355 E. Leland Road, Suite B, Pittsburg, CA, for the Black Infant Health Program to extend the lease for three additional years, from October 1, 2026 through September 30, 2029, with monthly rental payments of \$2,963.70 in Year 1, \$3,052.61 in Year 2, and \$3,144.19 in Year 3, and provides up to two additional two-year renewal options through September 30, 2033, with annual rental increases of 3%. FY 2026-27 budget



line: Other Revenue (\$538,094). Revenue received from Contra Costa County Health Services.

- 4.3 **Accept 4th Quarter Financials & End of Year Financial Report FY 2025/26.**
- 4.4 **Accept the Minutes from the Executive Committee Meeting on June 8, 2026.**
- 4.5 **Accept the Minutes from the Executive Committee Meeting on September 28, 2026.**
- 4.6 **Accept the 2026 Biennial Review process acknowledgment.**
- 4.7 **Accept the 2026 Nominating Committee Process and Executive Committee Appointed Nominating Committee members for Election of 2027 Slate of Officers.**
 - **Chair – Roslyn Gentry, Members – Alex Khalfin and Bella Merrill**
- 4.8 **Accept the Executive Director’s August/September Report.**
- 5.0 **CONSIDER for discussion any items removed from the Consent Calendar.** **Action**
- 6.0 **CONSIDER accepting the Fiscal Year 2025-26 Financial Audit.** **Action**
 - (a) Public Hearing on the First 5 Contra Costa’s Annual Financial Audit for FY 2025-26
 - Presentation by Layla Elsumeri, Manager from Eide Bailly
 - (b) Adopt the Annual Financial Audit for FY 2025-26
- 7.0 **CONSIDER accepting the Annual Report to First 5 California for Fiscal Year 2025-26.** **Action**
 - (a) Public Hearing on the First 5 Contra Costa’s Annual Report for FY 2025-26
 - Presentation by Sarah Burke, First 5 Data & Policy Analyst
 - (b) Adopt the Annual Report to First 5 California for FY 2025-26
- 8.0 **CONSIDER accepting the 2027 health and dental employer-paid premium contribution rates for active employees; and accept the 2027 premium contribution rates for intermittent employees, COBRA participants, retirees, and survivors at the same levels as the County.** **Action**
- 9.0 **RECEIVE the draft Strategic Plan for FY 2027/28 through FY 2031/32.** **Discussion**

The Children and Families Commission will review draft components of the proposed strategic plan. Presentation by Consultant Nicole Young, Optimal Solutions Consulting and Executive Staff.
- 10.0 **Executive Director’s Report**
- 11.0 **Commissioner F.Y.I. Updates**
- 12.0 **Communications**
 - Making CalAIM Work for Community Providers: Lessons and Strategies from California’s First 5 Network
- 13.0 **Adjourn**

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



Commission Meeting

MINUTES

Monday, June 22, 2026, 6:00 pm

Location: First 5 Contra Costa, Conference Center
2300 Clayton Road, Suite 300, Concord CA 94520

1.0 Call to Order and Roll Call

Chair John Jones was absent and Vice Chair Marla Stuart conducted the meeting in his absence. She called the meeting to order at 6:17 PM.

Commissioners present during roll call were:

District 1: Dr. Rocio Hernández
District 1: Alternate Susanna Marshland
District 2: Marilyn Cachola Lucey
District 2: Alternate Vidya Iyengar
District 3: Mary Helen Rocha
District 4: Alternate Gareth Ashley
District 5: Alternate LaTrena Robinson
Health Department: Alternate Dr. Sefanit Mekuria
EHSD: Dr. Marla Stuart
Children & Families Services: Roslyn Gentry

Commissioners not present during roll call were:

District 3: Alternate Bella Merrill
District 4: Alex Khalfin
District 5: John Jones, Chair
Board of Supervisors: Supervisor Shanelle Scales-Preston
Board of Supervisors: Alternate Supervisor Candace Andersen
Health Department: Dr. Ori Tzvieli
EHSD: Alternate Sarah Reich
Children & Families Services: Alternate Ana Kaye
Also present was Deputy County Counsel Keiko Kobayashi.

2.0 Public Comment

No public comment.

3.0 Approve the Minutes from the May 18, 2026 Special Strategic Planning Retreat and the May 18, 2026 Commission Meeting.

Vice Chair Marla Stuart asked if there were any questions regarding item 3.0.

The Chair asked for a motion to approve the minutes from May 18, 2026. Commissioner Mary Rocha made a motion to approve the minutes, seconded by Commissioner Roslyn Gentry.

Roll call of vote:

YES: District 1: Dr. Rocio Hernández
District 2: Marilyn Cachola Lucey



District 3: Mary Helen Rocha
District 4: Alternate Gareth Ashley
EHSD: Dr. Marla Stuart
Children & Families Services: Roslyn Gentry

NOS: None

ABSTAIN: District 5: Alternate LaTrena Robinson
Health Services: Alternate Dr. Sefanit Mekuria

The motion was **APPROVED**.

4.0 Approval of Consent Calendar. *A Commissioner or member of the public may ask that any of the following consent items be removed from the consent calendar for consideration under item 5.0.*

Dr. Ruth Fernández requested items 4.1.4, 4.1.15, 4.1.16, 4.1.17, and 4.1.18 be removed from consent to be voted under item 5.0 after Commissioners from the EHSD and Children & Family Services read recusal statements due to a conflict of interest. The Chair asked if there were any questions regarding all of the other items. There were no questions.

The Chair then called for a motion to approve the Consent Calendar with the exception of item items 4.1.4, 4.1.15, 4.1.16, 4.1.17 and 4.1.18.

Vice Chair Stuart called for a motion to approve the Consent Calendar. Commissioner Marilyn Lucey motioned to accept the Consent Calendar and Commissioner Rocio Hernández seconded.

Roll call of vote:

YES: District 1: Dr. Rocio Hernández
District 2: Marilyn Cachola Lucey
District 3: Mary Helen Rocha
District 4: Alternate Gareth Ashley
District 5: Alternate LaTrena Robinson
Health Department: Alternate Dr. Sefanit Mekuria
EHSD: Dr. Marla Stuart
Children & Families Services: Roslyn Gentry

NOS: None

Abstain: None

The motion was **APPROVED**.



5.0 CONSIDER for discussion any items removed from the Consent Calendar.

Commissioners from EHSD and Children & Family Services were required to recuse themselves as noted in each vote below.

Commissioner Stuart read her recusal then turned the meeting over to Commissioner Mary Rocha. Commissioner Rocha called for a motion to approve items 4.1.4, 4.1.15, 4.1.16, 4.1.17 and 4.1.18. Commissioner Marilyn Lucey made a motion to approve the item, seconded by Commissioner Sefanit Mekuria.

Roll call of vote:

YES: District 1: Dr. Rocio Hernández
District 2: Marilyn Cachola Lucey
District 3: Mary Helen Rocha
District 4: Alternate Gareth Ashley
District 5: Alternate LaTrena Robinson
Health Department: Alternate Dr. Sefanit Mekuria

RECUSED: EHSD: Dr. Marla Stuart (left the room)
Children & Families Services: Roslyn Gentry (left the room)

NOs: None

Abstain: None

The motion was **APPROVED**.

6.0 RECEIVE Presentations from the First 5 Centers' Community Advisory Councils (CAC) recommendations resulting from their Annual Community Assessment.,

First 5 Program Coordinator, Emily Hampshire introduced the annual Community Advisory Council (CAC) presentations by providing an overview of the purpose and role of the CACs. She explained that the CACs provide structured community representation to help ensure First 5 Center planning and service delivery reflect the needs and priorities of families served by each Center. Emily reviewed the Strengthening Families framework, highlighting the Five Protective Factors, the core responsibilities of CAC members, and the importance of integrating parent and caregiver voice into Center programming. She also shared examples of how recommendations developed during the previous year's CAC process were implemented throughout the First 5 Centers, including expanded mental health supports, developmental resources, parent wellness programming, and communication tools for families.

Representatives from each of the five First 5 Center Community Advisory Councils then presented the findings and recommendations developed through this year's community engagement process.

West County First 5 Center (San Pablo) presented findings focused on helping families manage children's screen time and strengthening healthy family communication. Through interviews, parent cafés, and surveys, families identified challenges related to limiting screen time, managing transitions, and finding age-appropriate content. The CAC recommended expanding education and practical strategies to help caregivers support healthy technology use while strengthening children's social-



emotional development.

Delta First 5 Center (Brentwood) shared findings centered on reducing the mental load of parenting and strengthening parental resilience. Survey and focus group participants discussed the challenges of balancing daily responsibilities while supporting children's development. The CAC recommended providing additional parenting education, practical coping strategies, and opportunities for peer support to strengthen family well-being.

Antioch First 5 Center presented a shared action plan developed through community surveys and CAC discussions. Recommendations focused on creating more welcoming environments, strengthening social connections, increasing awareness of available resources, celebrating cultural diversity, and improving communication with families. The CAC also identified strategies to enhance parent engagement through culturally responsive programming and stronger connections between Center staff and families.

Monument First 5 Center (Concord) reviewed results from surveys conducted both online and in person that identified parent social connection as a priority. While many families reported feeling supported, the CAC recognized opportunities to better engage parents experiencing isolation. Recommendations included creating safe spaces for caregivers to build relationships and expanding supports for parents of newborns, with an emphasis on postpartum emotional well-being.

East County First 5 Center (Pittsburg) presented survey findings focused on strengthening concrete supports, social connections, and children's social-emotional development. Families expressed a desire for additional practical parenting resources, opportunities to discuss children's emotions, and greater access to support programs. Commissioners discussed barriers to participation, including childcare availability, how survey questions were developed, opportunities to retain information from year to year, and ways former CAC participants could continue serving as mentors or advisory members after their children age out of Center programming.

Commissioners expressed appreciation for the thoughtful presentations and commended the CAC members for their commitment to gathering meaningful community input and helping shape Center programming. Several Commissioners also praised the quality of the community engagement process and acknowledged the value of incorporating parent voice into program planning.

7.0 Executive Director's Report

Executive Director Dr. Ruth Fernández thanked the Community Advisory Council members and participating families for their leadership and engagement in strengthening First 5 Center programming.

Dr. Fernández shared several updates from her written report, including that the Contra Costa County Early Childhood System Map is now available in Spanish and that strategic planning efforts continue, with recommendations to be presented to the Commission later this year.

She concluded her report by sharing a video highlighting the First 5 Centers' Road Map to Kindergarten® class offered at each First 5 Center to prepare children and their families for success in Kindergarten.



8.0 Communications

- SB 557 Coalition Letter of support - Child abuse family resource centers
- Letter - Budget Request to Ensure Young Children Retain Access to Preventative Mental Healthcare

9.0 Commissioner F.Y.I. Updates

None

10.0 Adjourn

The meeting adjourned at 7:45 PM. Vice Chair Stuart shared a reminder that the next scheduled Commission will be on October 12, 2026 but should be aware that Special meetings may be scheduled in the interim.

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) 655-0360. 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 2300 Clayton Road, Concord, CA 94520 during normal business hours. In consideration of those who may suffer from chemical sensitivities or who may have allergic reactions to heavy scents, First 5 Contra Costa requests that staff and visitors refrain from wearing perfume, cologne, or the use of strongly scented products in the workplace. We thank you for your consideration of others.

FY 2025/26 FOURTH QUARTER BUDGET REPORT



REVENUE	
State Tobacco Taxes ¹	
Federal Grants	
State Grants ²	
Subrecipient Awards ²	
Philanthropic Grants	
Other Revenue ³	
TOTAL REVENUE	
<i>Prop 10/56 Fund Balance Drawdown</i>	
TOTAL REVENUE	
PROGRAMMATIC FOCUS AREAS EXPENSES	
Early Childhood Education	
Workforce Development ⁴	
Quality Early Learning ⁵	
RKEC School Readiness Initiative	
Total	
Strengthening Families	
First 5 Centers	
Home Visiting System Coordination	
Parent Advisory Group ⁶	
Total	
Early Intervention	
EI Support Services	
Capacity Building and Outreach ⁷	
Total	
Policy Advocacy & Communications Strategies	
Communications Strategy & Policy Advocacy	
Total	
Program Salaries/Benefits and Overhead Expenses	
Program Salaries & Wages ⁸	
Program Employee Benefits ⁸	
Program Expenses and Overhead ⁹	
Total	
TOTAL PROGRAM EXPENSES	
EVALUATION EXPENSES	
Evaluation Salaries & Wages ⁸	
Evaluation Employee Benefits ⁸	
Professional Services	
Purchased Services and Supplies	
Evaluation Expense and Overhead ⁹	
TOTAL EVALUATION EXPENSES	
ADMINISTRATIVE EXPENSES	
Administrative Salaries & Wages	
Administrative Employee Benefits	
Professional Services ¹⁰	
Purchased Services and Supplies ¹¹	
Administrative Expense & Overhead ⁹	
TOTAL ADMINISTRATIVE EXPENSES	
GRAND TOTAL	

FY 2025/26 Budget					
Adopted		Amended		Total Amended	
F5 Contra Costa Funds	Other Funds	F5 Contra Costa Funds	Other Funds	Total Revenue	% of Total
6,353,628	-	6,353,628	-	6,353,628	47%
-	-	-	-	-	0%
-	672,308	-	826,801	826,801	6%
-	747,449	-	1,943,415	1,943,415	14%
-	230,100	-	366,661	366,661	3%
428,294	-	428,294	-	428,294	3%
6,781,922	1,649,857	6,781,922	3,136,877	9,918,799	74%
3,520,977	-	3,520,977	-	3,520,977	26%
10,302,899	1,649,857	10,302,899	3,136,877	13,439,776	100%
F5 Contra Costa Funds	Other Funds	F5 Contra Costa Funds	Other Funds	Total Expense	% of Total
-	134,747	-	341,335	341,335	3%
331,950	62,891	331,950	754,670	1,086,620	8%
-	129,300	-	165,861	165,861	1%
331,950	326,938	331,950	1,261,866	1,593,816	12%
3,671,326	-	3,671,326	115,781	3,787,107	28%
31,970	-	31,970	-	31,970	0%
15,100	-	15,100	-	15,100	0%
3,718,396	0	3,718,396	115,781	3,834,177	29%
612,454	141,043	612,454	146,648	759,102	6%
25,494	-	25,494	-	25,494	0%
637,949	141,043	637,949	146,648	784,597	6%
211,299	35,000	211,299	35,000	246,299	2%
211,299	35,000	211,299	35,000	246,299	2%
1,478,508	600,613	1,478,508	699,029	2,177,537	16%
868,740	359,373	868,740	417,173	1,285,913	10%
604,619	-	604,619	-	604,619	4%
2,951,866	959,986	2,951,866	1,116,202	4,068,068	30%
7,851,460	1,462,967	7,851,460	2,675,497	10,526,957	78%
F5 Contra Costa Funds	Other Funds	F5 Contra Costa Funds	Other Funds	Total Expense	% of Total
350,394	-	350,394	12,042	362,436	3%
181,437	-	181,437	7,072	188,510	1%
134,000	-	134,000	-	134,000	1%
20,870	-	20,870	-	20,870	0%
114,470	-	114,470	-	114,470	1%
801,171	-	801,171	19,114	820,285	6%
F5 Contra Costa Funds	Other Funds	F5 Contra Costa Funds	Other Funds	Total Expense	% of Total
772,969	-	772,969	-	772,969	6%
407,323	-	407,323	-	407,323	3%
211,619	-	211,619	100,000	311,619	2%
152,803	-	152,803	-	152,803	1%
292,443	-	292,443	155,376	447,819	3%
1,837,158	-	1,837,158	255,376	2,092,534	16%
10,489,789	1,462,967	10,489,789	2,949,987	13,439,776	100%

FY 2025/26 Actuals			
4th Quarter			
F5 Contra Costa Funds	Other Funds	Total Revenue	% Budget Rec'd
5,731,552	-	5,731,552	90%
-	-	-	0%
-	748,522	748,522	91%
-	1,850,880	1,850,880	95%
-	363,600	363,600	99%
702,418	-	702,418	164%
6,433,970	2,963,002	9,396,972	95%
-	-	883,712	25%
6,433,970	2,963,002	10,280,684	76%
F5 Contra Costa Funds	Other Funds	Total Expense	% Budget Spent
-	180,827	180,827	53%
10,925	725,126	736,051	68%
-	126,992	126,992	77%
10,925	1,032,945	1,043,870	65%
3,055,330	179,189	3,234,519	85%
7,062	-	7,062	22%
8,445	-	8,445	56%
3,070,837	179,189	3,250,026	85%
529,827	89,795	619,622	82%
(22,208)	24,514	2,306	9%
507,619	114,309	621,928	79%
39,378	74,185	113,563	46%
39,378	74,185	113,563	46%
1,394,870	728,368	2,123,238	98%
715,855	390,609	1,106,464	86%
251,133	-	251,133	42%
2,361,858	1,118,977	3,480,835	86%
5,990,617	2,519,605	8,510,222	81%
F5 Contra Costa Funds	Other Funds	Total Expense	% Budget Spent
290,137	-	290,137	80%
131,991	-	131,991	70%
24,442	-	24,442	18%
6,621	-	6,621	32%
51,983	2,500	54,483	48%
505,174	2,500	507,674	62%
F5 Contra Costa Funds	Other Funds	Total Expense	% Budget Spent
497,424	-	497,424	64%
231,939	-	231,939	57%
276,252	9,700	285,952	92%
42,509	369	42,878	28%
204,595	-	204,595	46%
1,252,719	10,069	1,262,788	60%
7,748,510	2,532,174	10,280,684	76%

Net Change in Fund Balance	
FY 2025/26	Fund Balance
Fund Balance Begin (July 1)	\$ 16,940,021
Net Change in Fund Balance	\$ (883,712)
Fund Balance End (June 30)	\$ 16,056,309

FY 2025/26	% of Total Expense
Program Initiatives	83%
Evaluation	5%
Administration	12%
Total:	100%

NOTES:

- State Sales Tax revenue includes Prop 10, Prop 56, CECET, and SMIF Interest accrued while in State interest earning accounts prior to distribution to counties.
- Budgeted funds include indirect revenue from grants totaling \$236,681: State Grants (\$78,429), and Subrecipient Awards (\$158,251).
- Includes interest earnings proportional to First 5's share of County pooled investments (F5 Contra Costa Funds). Also includes one-time clearing of old accounts (External Funds)
- Workforce Development includes a two-year grant. Additional spending will occur in the second year.
- Prop 10 funding not needed after additional external funding was secured.
- Budget previously included under First 5 Centers.
- Budget previously shown under Help Me Grow Services & Developmental Playgroups and Trauma-Informed Systems. Negative expense in F5 CC Funds due to transfer of expense from Prop 10 funding to External funding.
- Higher than expected Program expenditures and lower than expected Evaluation expenditures due to grant funding for two Eval employees accruing to Programs.
- Includes departmental expenses plus allocated costs (e.g. rent, CAM, and insurance; Finance, HR and IT support; County Counsel, etc.). Savings largely due to lower rent costs for Administrative offices.
- 3-year \$300k Sunlight Giving Grant ended in FY25 (\$100k per year). Nearly \$92k carried over from FY25 per extension agreement with the funder.
- Savings due to cancelation of plans to purchase new laptops, no need for temp employees, and reduced need for ergonomic evaluations and County maintenance services.



**Special Executive Committee Meeting
MINUTES**

Monday, June 22, 2026, 5:00pm

2300 Clayton Road, Suite 300, Conference Center, Concord, CA 94520

1.0 Convene and call to order.

Vice Chair Marla Stuart called the meeting to order at 5:04 p.m.

In attendance: Dr. Marla Stuart, Gareth Ashley, Mary Helen Rocha

Absent: John Jones

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

2.0 Public Comment.

No public comment.

3.0 Approve the Minutes of the Executive Committee Meeting on May 4, 2026:

Mary Rocha motioned to approve the minutes of the Executive Committee meetings on May 4, 2026, and Dr. Marla Stuart 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

Deputy Director Sandra Naughton provided several program updates. She reported on the recent Coffee & Kids Policy Breakfast, which brought together regional partners to discuss early childhood workforce development. A consultant presented preliminary findings from a workforce landscape analysis focused on recruitment, retention, and compensation challenges within the early childhood field. Feedback gathered during the event will inform a final report expected by the end of July. Committee members recognized the participation of Congressman DeSaulnier and thanked Commissioners Mary Rocha, Gareth Ashley, Alex Kalfin, and Marilyn Cachola Lucey for supporting the event. Action planning to implement the recommendations in the analysis will begin late this summer.

Sandra also shared updates on the Building Equity in Early Learning Systems (BEELS) initiative, which continues regional collaboration to strengthen child care quality improvement efforts.

She shared that the agency is excited to begin a two-year partnership with Children and Family Services to continue and expand a pilot effort to expand fatherhood programming and concrete supports in 3 of the First 5 Centers beginning July 1 for approximately \$600,000 in funding.

Sandra concluded by reporting on the Parent Advisory Group's final meeting of the year. Approximately 15 parents attended each session throughout the year. Recruitment for next year's cohort will begin soon and staff plans to implement suggestions from prior members to recruit more diverse participants across the county, including fathers. Commissioners discussed strategies for increasing father participation, including a suggestion from Commission Rocha to begin outreach through local faith-based organizations. There was also discussion about ways to recognize parent leaders for their ongoing participation and contributions.

4.2 Receive updates from the Finance and Operations Director

Finance and Operations Director Kelly Sessions reported that auditors completed fieldwork during the week following Memorial Day and that staff have responded to all audit requests. He also informed the Committee that Commissioners recently received the annual governance letter required under professional auditing standards.

Kelly noted that staff are recommending Krisch & Company as the Commission's accounting services provider due to staffing changes at the previous firm.

He also reported on the Commission's year-to-date financial position, reporting that the organization is on track to preserve approximately \$2 million in fund balance, based on the adopted budget projected fund balance drawdown.

4.3 Receive updates from the Executive Director

Executive Director Dr. Ruth Fernández recognized Sandra Naughton, Mackenzie Whipps, Emily Hampshire, and Liliana Gonzales for successfully completing the First 5 Association's 2025 Leadership Lab.

She provided an update on the First 5 CA's Resilience Initiative Community of Practice RFA. First 5 Butte County submitted an application to the RFA to serve as the county commission lead for the entire First 5 Network. The First 5 Association is a proud partner with First 5 Butte as a subcontractor, on the application to deliver meaningful communities of practice (CoPs) to the Network over the next three years. If awarded, the project will begin with a statewide needs assessment informed by First 5s to identify the most pressing capacity-building, sustainability, and systems improvement needs across the network to shape the CoP content. That input will inform a workplan and menu of offerings, including CoP meetings, webinar learning opportunities, technical assistance, resource sharing, and peer-learning opportunities.

Dr. Fernández also shared an update on the Commission's Strategic Planning process. Staff continue to work in collaboration with consultant Nicole Young who will conduct partner interviews to collect input from contractors and First 5's closest community partners regarding First 5's strengths, challenges and opportunities in the next five years. Community engagement and organizational planning will continue throughout the summer to inform long-term sustainability recommendations. She noted that planning efforts include evaluating the organizational structure, aligning staffing with future priorities, and preserving institutional knowledge while maintaining high-quality services. The Committee discussed organizational transition planning, anticipated rightsizing given fiscal landscape, staff development opportunities, and the anticipated timeline for implementing a new organizational structure, including a future update of current classifications and a compensation survey following completion of the proposed organizational changes. Dr. Fernández noted that a special Executive Committee and Commission meeting may be scheduled later this year to review strategic planning recommendations as the work progresses.

5.0 DISCUSS matters regarding the operation of the Commission.

Dr. Fernández reported that the District 1 Commissioner and Alternate designation change was expected to be finalized the following day through the consent calendar at the Board of Supervisors meeting. She also provided a brief update regarding the appointment of the new EHSD Alternate Commissioner, Sarah Reich.

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.

Dr. Fernández reminded the Committee about the upcoming First 5 California Annual Summit in August and informed members that Jackie Wong, Executive Director of First 5 Association of California, is currently on administrative leave. The First 5 California Children and Families Commission named Chief Counsel Anthony Pane as Acting Executive Director during Director Wong's administrative leave.

7.0 Communications

- SB 557 Coalition Letter of support - Child abuse family resource centers
- Letter - Budget Request to Ensure Young Children Retain Access to Preventative Mental Healthcare

8.0 Adjourn – Meeting adjourned at 5:56 p.m.



Executive Committee Meeting

MINUTES

Monday, September 28, 2026, 5:00 p.m.

2300 Clayton Road, Suite 300, Conference Center, Concord, CA 94520

1.0 Convene and call to order.

Chair John Jones called the meeting to order at 5:07pm.

In attendance: John Jones, Dr. Marla Stuart, Gareth Ashley, and Mary Helen Rocha.

Absent: None.

Staff present: Executive Director, Dr. Ruth Fernández; Deputy Director, Sandra Naughton; Finance and Operations Director, Kelly Sessions; Operations Manager, Tammy Henry.

Guest: Nicole Young (via Zoom)

2.0 Public Comment.

No public comment.

3.0 Approve the Minutes of the Special Executive Committee Meeting of June 22, 2026.

Commissioner Stuart motioned to approve the minutes of the Special Executive Committee Meeting of June 22, 2026, and Commissioner Rocha seconded the motion. Motion passed.

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 the Deputy Director

Deputy Director Sandra Naughton shared several funding updates. The program team is working on two proposals for \$200,000 per year each for 2027 and 2028: one to the Heising-Simons Foundation for early childhood education systems financing and one to the Hellman Foundation for ECE workforce support. Staff are also working with West Contra Costa Unified School District on a proposal for \$100,000 for developmental playgroups this fiscal year and finalizing a \$150,000 Office of Traffic Safety grant for car seat safety education at First 5 Centers in FY 2027.

Sandra also reported that the County Office of Education increased the Quality Matters contract by \$142,000 this fiscal year, from \$558,000 to \$700,000. Staff submitted a \$5,000 Kaiser grant request for RKEC's wellness event. Related funding items are expected to come to the Commission in October.

First 5's Parent Advisory Group began its third year with 22 members, including seven returning parents and more fathers. Twenty parents attended the September 19 orientation. This year, parents will also work in small groups to gather input on developmental screening barriers, child care preferences, access to parenting support, early literacy resources, and ways to help families learn about services earlier.

Sandra shared an update on the cross-sector work group following the final ECE workforce landscape report. The group has 26 participants, including 10 Early Learning Leadership Group members and 16 additional partners. Two meetings have been held, with two more planned. The group aims to develop an action plan by the end of 2026.

4.2 Receive updates from the Finance and Operations Director

Finance and Operations Director Kelly Sessions reviewed the FY 2025/26 fourth-quarter budget report. Revenue totaled \$9,396,972, or 95% of the amended revenue budget. Expenses totaled

\$10,280,684, or 76% of the amended expense budget. The agency used \$883,712 in fund balance, compared with the budgeted \$3,520,977, leaving a June 30 balance of \$16,056,309. No unit was over budget.

Program expenses totaled \$8,510,222, evaluation expenses were \$507,674, and administrative expenses were \$1,262,788. These made up 83%, 5%, and 12% of total spending, respectively.

Committee members asked whether underspending was due to savings or programs that had not started. Staff explained that all budgeted programs had moved forward. Some savings reflected the timing of multi-year grants, with workforce grant expenses carrying into the next fiscal year. Two First 5 Center contractors also underspent, mainly due to staffing transitions and a history of lower staffing expenses. Staff noted that the team works to make full use of external funding while being careful with Proposition 10 funds.

Kelly reported that the audit was about 90% complete, with no findings reported so far. A special Executive Committee meeting is planned for October 12 at 5:00 p.m. to review the audit before the Commission meeting. The auditor is also expected to present to the Commission.

4.3 Receive updates from the Operations Manager

Operations Manager Tammy Henry reviewed the Executive Director's annual performance review process and the compensation and benefits study due every three years. Gallagher Consulting provided a \$5,500 quote for the Executive Director study. The cost is budgeted, and staff recommended using Gallagher based on its previous work with the agency.

Members discussed the timing of a broader staff compensation review and supported moving ahead with the Executive Director study. Ruth will send work plan and supporting documents in October. The review and study are expected to be ready for a December closed session. The Chair also suggested a short survey to gather feedback from the full Commission for the evaluation.

4.4 Receive updates from the Executive Director

Executive Director Dr. Ruth Fernández introduced the proposed 2027–2032 Strategic Plan. She noted that staff, Commissioners, and community partners have helped shape the draft. Consultant Nicole Young participated via Zoom and reviewed the planning timeline. The full draft will come to the Commission on October 12, with adoption expected in December.

Ruth reviewed the agency's foundation under Proposition 10 and its role in building a coordinated early childhood system. Since 1998, First 5 Contra Costa has invested more than \$204 million in the county through grants, contracts, professional development, and other supports. She explained that declining tobacco tax revenue and changes in the early childhood landscape have led the agency to focus more on systems building. The mission, vision, and core values remain the same.

Sandra Naughton then walked through the updated strategic framework. She described the early childhood ecosystem as the people, public systems, organizations, and community partners whose work affects young children and families. The plan builds on existing work through three core functions:

Ecosystem Learning focuses on gathering and sharing research, data, evaluation findings, and community input to better understand needs, resources, and gaps across the county. Sandra noted that this broadens the agency's current data and evaluation work beyond the programs it directly funds.

System Infrastructure and Capacity Building includes professional development, shared tools, and stronger connections among providers. Sandra gave examples such as ECE coaching, joint training for home visitors, and Help Me Grow Cafés that bring providers together to learn and build relationships.

Policy and Advocacy focuses on policies, practices, and public funding that affect early childhood services. This also includes helping families and providers participate in decisions and making sure community voices are heard.

Sandra explained that these functions support the overarching goal of aligning and fully funding county systems and partners to create an integrated, effective, family-centered early childhood landscape that emphasizes prevention. Examples include updating the systems map and sharing child development knowledge with school district and probation staff.

She then reviewed the two priority areas and how the agency will measure impact.

The plan places more emphasis on population-level indicators while continuing to track program performance.

She noted that available countywide data is limited and that these measures reflect the work of many partners, rather than First 5 alone. More detailed performance measures will be developed after adoption to track whether planned activities are completed and how well they work.

Kelly Sessions then reviewed the long-term financial projections, showing continued declines in Proposition 10 revenue and external funding as existing grants end. He explained that external revenue projections include only funding that is confirmed or highly likely.

Sandra returned to explain the transition reserve, which the Commission created in May. Its projected starting balance is \$7.7 million in FY 2027–28, with \$6.7 million proposed for First 5 Centers and \$1 million for developmental playgroups. Funding would decrease over four years and end in FY 2030–31. The reserve will not be replenished.

Ruth concluded with four organizational priorities:

1. Put the Sustainability Plan into action to build long-term financial stability.
2. Streamline fiscal stewardship so First 5 Contra Costa remains a nimble investor and system builder.
3. Identify sustainable funding to increase investment in early childhood education and services across Contra Costa County.
4. Model the agency's values of equity, diversity, cultural humility, inclusion, and community partnership in how staff work internally.

Ruth described staffing adjustments, including internal workforce reductions, updated workflows and technology, and succession planning. Staff will also look at simplifying contractor requirements and reducing partner reporting burdens while meeting statutory requirements. Sustainable funding work includes exploring a community endowment with county, elected, and philanthropic leaders. She also noted the employee handbook revisions and the staff-developed family-friendly statement as part of reflecting the agency's values internally.

Nicole Young invited clarifying questions. Staff confirmed that the \$204 million represented funding invested over the agency's history. Ruth also confirmed that the October 12 draft would be presented for review and additional Commission input, with adoption planned for December.

Commissioner Dr. Marla Stuart asked how the proposed population-level indicators would be measured and interpreted. For publicly funded early care and education, she asked whether the measure would show the percentage of eligible children enrolled or the available slots compared with need. Sandra explained that it would track the percentage of unmet need among income-eligible children. A recent review combined administrative data across public funding programs with population data and found about 11,000 children ages 0–5 who were income-eligible but not being served. Marla noted that the County’s annual Head Start report used a similar approach and offered to share its methodology.

Commissioner Stuart asked whether the developmental screening measure for Medi-Cal infants and toddlers included only the County health department or other providers as well. Sandra clarified that it includes managed care plans across the county, using data they report to the state. The discussion noted that this includes both the County health plan and Kaiser.

Commissioner Stuart also asked what the percentage of third graders with an identified disability would show and whether an increase or decrease would signal improvement. Sandra explained that the measure needs context, including children’s demographics, whether identified children reflect the district population, and whether some groups are over- or underrepresented. Comparisons with statewide data and similar counties would also help. An increase could reflect better identification of children who need services, so the number alone would not show whether outcomes were improving. The discussion emphasized looking at early identification, access to needed services, and prevention together when interpreting this measure.

Commissioner Stuart appreciated the thought that had gone into the indicators and their usefulness in tracking progress toward the agency’s mission. Members also emphasized stronger school district partnerships and asked for a clearer definition of prevention.

No public comment was offered, and no action was taken on the plan.

5.0 DISCUSS matters regarding the operation of the Commission.

5.1 Discuss the nomination process for the 2027 Officers of the Commission

Staff reviewed the process and timeline for selecting the 2027 Chair, Vice Chair, Secretary/Treasurer, and non-voting member. The Nominating Committee will invite Commissioner interest in late October and meet in October or early November to recommend a slate. The slate will be shared two weeks before the December 14 Commission meeting.

5.2 Appoint Nominating Committee Chair and Members

Dr. Marla Stuart motioned to approve Roslyn Gentry as Nominating Committee Chair and Alex Khalfin and Bella Merrill as members. Mary Rocha seconded. Motion approved.

5.3 2026 Local Agency Biennial Notice

Ruth reported that there are no changes to the conflict-of-interest policy or designations. She will submit the biennial notice to the Clerk of the Board by October 1. This was an information item.

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.

Staff shared highlights from the First 5 California summit in Anaheim. First 5 Contra Costa presented on the systems map, sustainability plan, and development of the Wage Boost program

with UC Berkeley. Other topics included technology and human connection, federal policy impacts, HR 1 impacts, and early childhood funding.

Ruth also shared updates on the First 5 Association's work with the First 5 California state Commission and partners on sustainability and policy strategies. Staff will attend an October 28 policy meeting in Sacramento and share more in December. A future Commission presentation on universal child care funding was also discussed.

7.0 Communications

The meeting materials included Making CalAIM Work for Community Providers: Lessons and Strategies from California's First 5 Network. Members discussed the report during the statewide activities update.

Members asked how CalAIM might support the sustainability plan. Staff explained that direct Medi-Cal billing would be difficult for the agency because of the administrative work, reimbursement rates, and scale needed, and would not fit well with its systems-building role at this time. Staff will continue working with managed care plans and providers, exploring partnerships, and helping providers build capacity. First 5 Children's Policy Center offers Webinars in this topic that will also be shared with Commissioners.

8.0 Adjourn

The meeting adjourned at 7:05pm.

2026 Local Agency Biennial Notice

Name of Agency: First 5 Contra Costa Children & Families Commission
Mailing Address: 2300 Clayton Rd Suite 300 Concord CA 94520
Contact Person: Ruth Fernandez Phone No. 925-655-0360
Email: rfernandez@first5coco.org Alternate Email: _____

Accurate disclosure is essential to monitor whether officials have conflicts of interest and to help ensure public trust in government. The biennial review examines current programs to ensure that the agency's code includes disclosure by those agency officials who make or participate in making governmental decisions.

This agency has reviewed its conflict of interest code and has determined that (*check one BOX*):

☐ **An amendment is required. The following amendments are necessary:**

(*Check all that apply.*)

- ☐ Include new positions
- ☐ Revise disclosure categories
- ☐ Revise the titles of existing positions
- ☐ Delete titles of positions that have been abolished and/or positions that no longer make or participate in making governmental decisions
- ☐ Other (*describe*) _____

☐ **The code is currently under review by the code reviewing body.**

☒ **No amendment is required.** (If your code is over five years old, amendments may be necessary.)

Verification (to be completed if no amendment is required)

This agency's code accurately designates all positions that make or participate in the making of governmental decisions. The disclosure assigned to those positions accurately requires that all investments, business positions, interests in real property, and sources of income that may foreseeably be affected materially by the decisions made by those holding designated positions are reported. The code includes all other provisions required by Government Code Section 87302.



Signature of Chief Executive Officer

9/30/2026

Date

All agencies must complete and return this notice regardless of how recently your code was approved or amended. Please return this notice no later than **October 1, 2026**, or by the date specified by your agency, if earlier, to:

(PLACE RETURN ADDRESS OF CODE REVIEWING BODY HERE)

PLEASE DO NOT RETURN THIS FORM TO THE FPPC.



2026 NOMINATING COMMITTEE PROCESS AND TIMELINE

SEPTEMBER 28, 2026	The Executive Committee appoints Nominating Committee Chair and members
LATE OCTOBER TO EARLY NOVEMBER 2026	Nominating Committee sends an email to the entire Commission to elicit interest to participate in Executive Committee
OCTOBER – EARLY NOVEMBER 2026	Nominating Committee meets to discuss and approve the nomination of Chair, Vice Chair, and Secretary/Treasurer for Calendar Year 2027
NO LATER THAN MONDAY NOVEMBER 30, 2026	In accordance with the Bylaws, the Nominating Committee sends out the Slate of Officers for election for 2027 to the Commission 2 weeks prior to the voting meeting on <i>December 14, 2026</i> .
DECEMBER 14, 2026	Commission votes and approves the Slate of Officers for Election for Calendar Year 2027.

EXECUTIVE DIRECTOR'S REPORT

October 2026



Internal Updates

First 5 Network Leadership Institute Cohort 2

We're excited to share that Emily Hampshire and Brian Kelley have been accepted into the First 5 Leadership Institute's Cohort 2. Over the next nine months, they'll strengthen their leadership skills, set and pursue meaningful goals, and connect with peers across the First 5 network who share a commitment to young children and families. Congratulations, Emily and Brian! We're excited to see how you'll grow as leaders and continue to bring new ideas, perspectives, and energy to the work ahead.

Program, Data & Policy Team Updates

Working in partnership with others, First 5 Contra Costa aims to change systems of services and supports informed by data and using policy advocacy as a strategy in three focus areas—Early Care and Education, Early Intervention, and Strengthening Families—to better meet the needs of young children and their families.

Early Care and Education

*Our **Early Care and Education (ECE)** focus area aims to ensure that all children have access to high-quality, affordable child care and early learning.*

New Report: Opportunities to Enhance Supports for Contra Costa County's Early Educator Workforce

First 5 Contra Costa released [a new report](#) of a landscape analysis of the county's early care and education workforce, including its strengths and the challenges that continue to threaten its stability. The report identifies three priority opportunities to strengthen the early educator workforce. As a way to keep building momentum for the investments needed to strengthen and sustain Contra Costa County's early educator workforce, First 5 Contra Costa launched a cross-sector work group to develop a countywide action plan. The group includes representatives from business, higher education, philanthropy, elected officials, and early education, and aims to complete its plan by the end of 2026.



Early Intervention

*Our **Early Intervention (EI)** focus area aims to ensure that families have access to prevention and early intervention supports and services that foster the optimal development of all children.*

New Multilingual Resources Promote Developmental Screening

New outreach materials are available in [Spanish](#), [Chinese](#), and [Arabic](#) to support our efforts to ensure

all children receive developmental screenings. By partnering with the Sparkler Screening App, this pilot effort aims to give families whose primary language is not English access to developmental screening, play-based activities, and parent education resources.



In partnership with:



Coming Up Next: Save the Date for our next Help Me Grow Café

Join us on November 10 from 9am-12pm, for our next Help Me Grow Café, a networking opportunity for all agencies providing services to children 0-5 and their families in Contra Costa County. The morning will include a special panel discussion on respite care services in Contra Costa County.

EXECUTIVE DIRECTOR'S REPORT

October 2026



Strengthening Families

Our **Strengthening Families (SF)** focus area helps families build healthy relationships, strengthen support systems, and nurture their children's development.

Celebrating Black Families at the Annual African American Community Baby Shower

On August 29, First 5 Contra Costa joined [A More Excellent Way](#) in Concord for Contra Costa County's 14th Annual African American Community Baby Shower, celebrating and connecting Black families with valuable resources and supports. The event offered families free education and resources, fresh food, essential baby items, and opportunities to connect with the community. First 5 Contra Costa was able to distribute 'new parent kits' filled with information about local resources and supports.



Data & Policy

Advocacy-focused Grants Related to Early Childhood

On September 29, First 5 Contra Costa released [Building Blocks Mini-Grants for FY 26-27](#) to support community advocacy projects that build awareness, strengthen community voice, and advance policies and systems that benefit children prenatal to age 5 and their families. A total of \$20,000 is available, with individual awards of up to \$4,000 each.

Parent Advisory Group

The **Parent Advisory Group (PAG)** is a new effort to intentionally center parent voices in First 5 Contra Costa's efforts, and to support parents as early childhood advocates.

Welcoming the 2026-27 Parent Advisory Group

The PAG held its first meeting on September 19, kicking off a year of learning, discussion, and parent engagement. It was a great opportunity to connect, learn from one another, and get excited about the year ahead. A highlight was playing "Human Bingo" to get to know each other, a fun activity that quickly became surprisingly competitive. Parents and caregivers also enjoyed the opportunity to present and learn about "PAG Side Quests," focused projects where they can dig into topics that matter to families and help inform the work of First 5 Contra Costa. The next PAG meeting will be held on December 12.



County Updates

Highlighting the Power of Community Voice at 3rd Annual Community Partner Convening

On August 27, Ruth Fernández joined a panel at the John Muir Community Health Fund's 3rd Annual Community Partner Convening. The gathering brought together community partners from across East Contra Costa County to explore the changing health equity landscape, strengthen collective voice, and share strategies for resilience and sustainability. Joined by fellow community leaders for a powerful

EXECUTIVE DIRECTOR'S REPORT

October 2026



conversation on how community voice drives collective advocacy and shapes policy, Ruth highlighted the importance of collaboration in advancing equity across our communities.

Representative John Garamendi's Team Visits from Washington D.C.

On September 9, the West County First 5 Center had the pleasure of welcoming Representative John Garamendi's team from Washington, D.C. for a tour showcasing the important work happening at the Center. A special thank you to Melissa Tabique, Center Director, for hosting and leading such an informative tour, and Jonas Mok, CEO of Bay Area Community Resources, for joining the conversation. Visits like this underscore the power of collaboration and the importance of investing in trusted, community-based resources that support children and families.



Senator Christopher Cabaldon visits First 5 Contra Costa

On September 30, Senator Christopher Cabaldon visited First 5 Contra Costa's administrative offices and met with Ruth Fernández and Mackenzie Whipps to discuss policy priorities, including reducing unnecessary burdens on families who are seeing services for which they are already eligible. We appreciate the Senator's office for participating in our Action Planning workgroup focused on strengthening the child care workforce and look forward to continued conversations about opportunities to support families and the child care workforce.



25th Annual Young Children's Issue Forum: Supporting Young Children and Families.

On September 26, First 5 Contra Costa was proud to be part of a meaningful conversation about the future of child care and early learning, bringing together parents, educators, advocates, and community partners. The event featured powerful testimonials from two parents who spoke candidly about the challenges of finding affordable, quality child care and a panel discussion featuring moderator Julie Nicholson and panelists Ruth Fernandez, Ed.D., John Jones, Lynn Mackey, and Keisha Nzewi that was grounded in the experiences and needs of families and educators. First 5 Contra Costa is appreciative of the work being done by the Local Planning and Advisory Council (LPC) for Early Care and Education in Contra Costa County, to be a part of this important conversation, and to continue working alongside our community toward a stronger early care and education system.



EXECUTIVE DIRECTOR'S REPORT

October 2026



State Updates

2026 First 5 California Summit: Their Futures First

The First 5 California Summit was held from August 31 through September 2 and several members of the First 5 Contra Costa team had the opportunity to attend and present at the annual gathering of partners, advocates, practitioners, and leaders to explore strengthening systems and advancing outcomes for young children and their families.



Dr. Ruth Fernández, Executive

Director, and Cathy Senderling-McDonald co-presented a spotlight session to highlight First 5 Contra Costa's approach, insights, and lessons learned from developing First 5 Contra Costa's sustainability plan while remaining rooted in the organization's mission. Dr. Mackenzie Whipps, Data and Policy Manager, also had the opportunity to present on a panel with partners from UC Berkeley about Contra Costa County's Wage Enhancement Pilot program for early care educators; she also co-hosted a poster session with partners from Start Early Consulting showcasing the [Early Childhood Systems Map](#), illustrating the many systems and programs families with young children in Contra Costa County rely on.

Financial Statements

For the Year Ended June 30, 2026

First 5 Contra Costa Children and Families Commission

(a Component Unit of the County of Contra Costa, California)

First 5 Contra Costa Children and Families Commission

Table of Contents

June 30, 2026

Independent Auditor's Report.....	1
Management's Discussion and Analysis	4
Financial Statements	
Statement of Net Position	11
Statement of Activities.....	13
Governmental Fund Balance Sheet	14
Reconciliation of Governmental Fund Balance Sheet to the Statement of Net Position	15
Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balance	16
Reconciliation of the Change in Fund Balance to the Statement of Activities	17
Notes to Financial Statements	19
Required Supplementary Information	
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual General Fund.....	41
Notes to Budgetary Comparison Schedules	41
Schedule of the Commission's Proportionate Share of the Net Pension Liability/(Asset)	42
Schedule of Pension Contributions.....	43
Schedule of Changes in the Commission's Net OPEB Liability/(Asset) and Related Ratios.....	44
Schedule of the Commission's OPEB Contributions	46
Note to Required Supplementary Information.....	47
Supplementary Information	
Schedule of Expenses by Fund Source and Net Position of CCFC Funds for First 5 Programs and Activities.....	48
Compliance Reports	
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	49
Independent Auditor's Report on State Compliance and on Internal Control Over Compliance	51



Independent Auditor's Report

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

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and the general fund of the First 5 Contra Costa Children and Families Commission (Commission), a component unit of the County of Contra Costa, California as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and general fund of the First 5 Contra Costa Children and Families Commission, as of June 30, 2026, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Commission and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Commission's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events considered in the aggregate, that raise substantial doubt about the Commission's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison schedule, the schedule of the Commission's proportionate share of the net pension liability/(asset), schedule of pension contributions, schedule of changes in the Commission's net other postemployment benefits (OPEB) and related ratios, and the schedule of the Commission's OPEB contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic

financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Commission's basic financial statements. The schedule of expenses by fund source and net position of the California Children and Families Commission (CCFC) Funds for First 5 Programs and Activities (schedule) is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the schedule is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report October 12, 2026, on our consideration of the Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Commission's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Commission's internal control over financial reporting and compliance.

Eide Bailly LLP

Ontario, California
October 12, 2026

Management's Discussion and Analysis

The purpose of the Management's Discussion and Analysis (MD&A) is to help families and other readers understand what the financial statements and notes in this financial report say about the financial health of the First 5 Contra Costa Children and Families Commission (Commission) and why that health has changed since last year. This report contains information drawn from other parts of the report, accompanied by explanations informed by the finance staff's knowledge of the organization's finances for the fiscal year ended June 30, 2026. This information should be read in conjunction with the financial statements and the notes to the financial statements beginning on page 19.

Overview of the Financial Statements

The Commission's financial report includes:

The basic financial statements, which include the government-wide financial statements and the fund financial statements,

1. Notes to the financial statements,
2. Required supplementary information, and
3. Other supplementary information.

Government-Wide Financial Statements

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

Fund Financial Statements

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

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

Notes to the Financial Statements

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

Other Information

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

Fiscal 2026 Financial Summary

The Commission's overall financial position declined slightly in 2026, but the financial picture was nuanced. At June 30, 2026, the Commission had \$17.9 million in net position, compared with \$18.4 million in 2025. This is a decrease of about \$557,000, or 3%. This is because the Commission had about \$3.0 million less in assets than it did the previous year. A large part of that decrease came from a \$2.1 million reduction in the value of buildings, equipment, infrastructure, and other capital assets, primarily as those assets were depreciated or removed from service. The Commission also had about \$887,000 less in cash and other current assets.

At the same time, however, the Commission reduced what it owed by almost \$4.0 million. Most of this improvement came from a \$3.8 million reduction in long-term liabilities due to the cancelation of the Commission's lease of the former administrative offices. In other words, while the Commission had fewer assets at year-end, it also had substantially fewer obligations.

Although the Commission ended 2026 with about \$557,000 less overall net position than the previous year, this does not necessarily mean its financial condition deteriorated significantly. The Commission reduced its liabilities by nearly \$4 million, which is a significant positive change. The overall decrease in net position was largely the result of lower asset values and lower unrestricted resources, offset in substantial part by the reduction in liabilities.

	Governmental Activities		Change
	2026	2025	
Assets			
Current and other assets	\$ 17,068,567	\$ 17,955,526	\$ (886,959)
Capital assets, net of depreciation	4,308,794	6,438,709	(2,129,915)
Total Assets	21,377,361	24,394,235	(3,016,874)
Deferred outflows of resources	591,227	1,455,288	(864,061)
Liabilities			
Current liabilities	1,315,966	1,474,985	(159,019)
Noncurrent liabilities	1,735,590	5,565,928	(3,830,338)
Total Liabilities	3,051,556	7,040,913	(3,989,357)
Deferred inflows of resources	1,065,388	400,091	665,297
Net Position			
Net investment in Capital Assets	3,247,806	3,086,958	160,848
Unrestricted	14,603,838	15,321,561	(717,723)
Total Net Position	\$ 17,851,644	\$ 18,408,519	\$ (556,875)

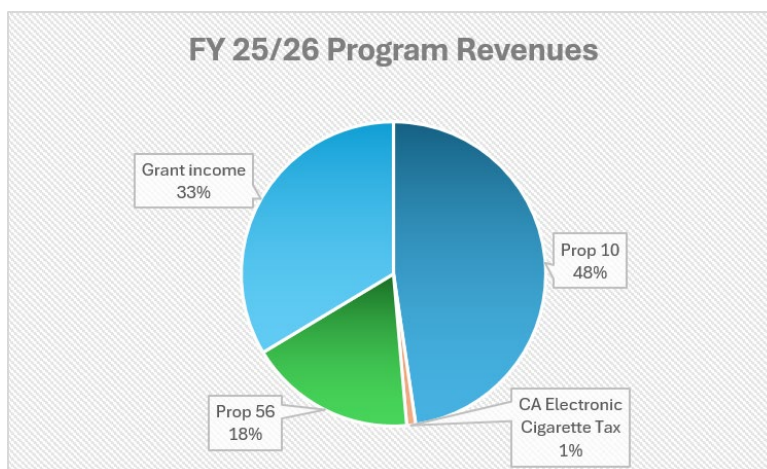
Detailed Financial Analysis

Although the Commission's overall financial position declined by approximately \$557,000 in fiscal year 2025/26, this amount represents a significant improvement compared with the \$1.6 million decline in fiscal year 2024/25, especially in light of the long, slow steady reduction of Proposition 10 revenues over the last several years. This year-over-year change was the result of total revenues holding steady at \$9.8 million—only a \$93,000 decline from the previous year—while total expenses declined by approximately \$950,000, from \$11.3 million to \$10.4 million.

	Governmental Activities		
	2026	2025	Change
Program Revenues			
Prop 10	\$ 4,116,542	\$ 4,095,311	\$ 21,231
CA Electronic Cigarette Tax	81,668	73,842	7,826
Prop 56	1,534,143	1,789,558	(255,415)
Grant income	2,903,895	2,912,199	(8,304)
Total Program Revenues	8,636,248	8,870,910	(234,662)
General Revenues			
Interest income	556,555	690,769	(134,214)
Unrealized gain/(loss)	(19,814)	97,914	(117,728)
Rental income	49,060	34,700	14,360
Miscellaneous	588,438	23,384	565,054
Total General Revenues	1,174,239	846,767	327,472
Expenses			
Child development	10,255,600	11,147,873	(892,273)
Interest expense	111,762	169,854	(58,092)
Total Expenses	10,367,362	11,317,727	(950,365)
Change in net position	(556,875)	(1,600,050)	1,043,175
Net position, beginning of year	18,408,519	20,008,569	(1,600,050)
Net position, end of year	\$ 17,851,644	\$ 18,408,519	\$ (556,875)

Commission Revenue

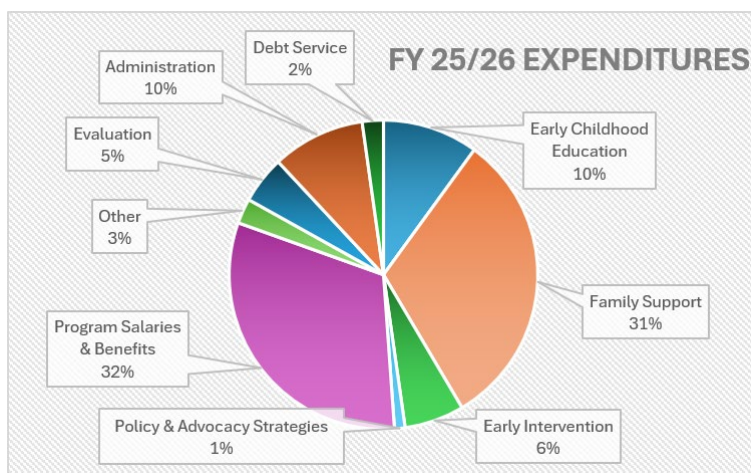
The Commission received approximately \$8.6 million in program revenues, including Proposition 10 funding, California electronic cigarette tax revenue (CECET), Proposition 56 funding, and external grants, including familiar sources such as IMPACT Legacy, IMPACT HUB, Quality Counts California (QCC), California State Preschool Program (CSPP), the Children & Youth Behavioral Health Initiative (CYBHI), Children with Disabilities Inclusion funding (Measure X), and other foundation grants, as well as interest income. This was about \$235,000 less than the \$8.9 million received in 2025, a decrease of 2.6%. Proposition 10 revenue increased slightly by approximately \$21,000 despite the multi-year trend of a shrinking revenue base due to decreasing societal acceptance of tobacco and a declining birthrate statewide, including in Contra Costa County; additionally, CECET experienced a modest uptick of approximately \$8,000. These increases, however, were more than offset by a \$255,000 decrease in Proposition 56 revenue, a 14.3% decline from the previous fiscal year. External grant revenue remained flat at \$2.9 million, declining by about \$8,000.



The Commission also received nearly \$1.2 million in general revenues, an increase of about \$327,000 from the prior year. This increase was primarily due to a significant increase in miscellaneous revenue from the gain on the lease termination of the old administrative offices. Rental income also increased modestly due to short-term rentals of office space also at the old administrative offices. These increases were partially offset by lower interest income because of the Commission's declining cash balance in the pool and lower rates of return, and a decrease in the value of investments, reflected in the unrealized investment loss (cash is maintained in Contra Costa County's cash and investment pool where interest earned on the Commission's balance gets apportioned to the Commission).

Commission Expenses

On the expense side, the Commission spent approximately \$10.4 million during 2026, which was about \$950,000 less than the previous year. The majority of this reduction came from child development expenses, which decreased significantly by approximately \$892,000, due to concerted efforts to reduce spending, underspending by Commission contractors at two First 5 Centers because of staffing shortages, and timing of spending of multi-year grants. Interest expense also declined by approximately \$58,000 from the termination of the old administrative office lease.



When revenues and expenses are considered together, year over year revenues were relatively stable overall, while expenses—particularly child development expenses—declined substantially. The Commission received approximately \$9.8 million in total revenues compared with \$10.4 million in expenditures. Thus, although the Children and Families Commission continued to spend more than it received in 2026 resulting in a \$557,000 reduction in net position, the gap was smaller than the \$1.6 million reduction in 2025, signaling that the agency is moving in the right direction.

Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balance

In FY 2025/26, revenues totaling \$9.3 million were received into First 5's General Fund. Total receipts fell short of budget by approximately \$592,000 or 5.9%. Collectively, Proposition 10, Proposition 56, and CECET revenues totaled \$5,732,353, falling short of budget by \$581,275 due to declining use of tobacco products and declining birthrates. Proposition 56 backfill was particularly low at \$1,534,143, a decline of more than 14.0% from the previous fiscal year, for the same aforementioned reasons. Expenditures totaled \$10,290,487 and were under budget by more than \$3.2 million. Half of this underspending is attributable to budget amendments made to the FY 2025/26 budget on the revenue side. The budget was adopted early in the fiscal year before the Commission knew how much it could expect to receive in grant revenue. After the additional funding was identified, revenues were increased in the external grants budget without corresponding decreases to the General Fund budget (\$1.5 million).

With revenues of \$9.3 million and expenditures totaling \$10.2 million, the Commission dipped into reserves to make up the shortfall, resulting in a net decrease to fund balance totaling \$912,352, far below the budgeted fund balance drawdown of \$3.5 million.

Governmental Fund Balances

FY 2025/26 saw big changes in fund balances, not so much in the total but in the type. Total fund balance decreased from \$16.9 million to \$16.0 million due to the scheduled draw down of fund balance to close the FY 2025/26 budget deficit. Nonspendable decreased from \$613,573 in FY 24/25 to \$172,283 in FY 25/26. Committed increased from \$4.5 million to \$5.2 million, the bulk of which was due to the \$3.5 million budgeted to draw down from reserves to close the budget deficit in the FY 25/26 Amended Budget. Assigned fund balance increased from \$3.5 million to \$10.7 million. with the establishment of the Transition Reserve.

In May 2026, the Commission approved a plan to move \$7.7 million from Unassigned Fund Balance into a new reserve called the Transition Reserve. This reserve would be used to fund the next four years of activities at the First 5 Family Centers and Developmental Playgroups, as the organization transitions away from directly funding such services, thus giving contractors and community partners time to adapt program models, adjust their plans and activities, and time to search for other stewards in a position to step-in and fund such services. When funding in the Transition Reserve is exhausted, the Reserve will be closed. In FY 24/25, unassigned funds equaled \$8.3 million but were eliminated altogether with the establishment of the Transition Reserve and their placement in Assigned Fund Balance as discussed above.

Capital Assets

The Commission's capital assets consist of land, buildings and improvements, furniture and fixtures, and right-to-use lease and subscription-based IT arrangement assets. At 2025/26 fiscal year-end, capital assets being depreciated equaled \$5,288,057, including the addition of \$833,067 for the new administrative office space on Clayton Road. Capital assets being deleted included \$3,924,961 for the old office space on Port Chicago Highway as well as its furniture and fixtures.

The Commission started the fiscal year with accumulated depreciation of -\$2.4 million. During the fiscal year, -\$437,740 was added while \$1,308,210 was deleted, for a year-end total net of -\$1,509,310. Again, nearly all additions and deletions were the result of the Commission moving its administrative offices.

Capital Assets, Net	
July 1, 2025	6,331,709
Additions	395,327
Deletions	(2,616,751)
June 30, 2026	<u>4,110,285</u>

In the end, capital assets from the governmental activities perspective changed significantly due to the move of the administrative office: approximately \$395,000 was added and -\$2,617,000 was deleted for total net capital assets of \$4,110,285.

Long-Term Obligations

The Commission's long-term obligations are the long-term portion of compensated absences, net pension and OPEB liabilities, lease liability, and subscription-based IT arrangements that span multiple fiscal years at year-end. They are not due and payable in the current period and therefore are not reported in the funds. These "noncurrent liabilities" decreased \$3.9 million from the previous year, largely due to the \$2.4 million decrease in lease liability from the move of the administrative offices and the \$1.2 million decrease in net pension liability based on the latest actuarial valuation.

Currently Known Facts, Decisions or Conditions

Despite tobacco sales continued downward trajectory statewide, Proposition 10 tobacco tax revenues received by the Commission remained flat in FY 2025/26. This slight reprieve is not expected to continue as tobacco sales are expected to decline for the next several years before eventually leveling off. Indeed, Capital Matrix Consulting, who First 5 California retains to provide revenue projections, “conservatively” estimates that statewide revenue totals will decline 6.0% in both FY 2026/27 and FY 2027/28 after which the decline is projected to slow to 3.6% for the next two fiscal years.

California has also experienced a declining birth rate over the last several years, a trend that is expected to continue. Indeed, demographic projections from the California Department of Finance (DOF) show that California's birth rate and fertility patterns will continue their historic decline well below the replacement level. In 2025, live births in Contra Costa County totaled 10,905 but are projected to decrease in both 2026 and 2027. These decreases translate into corresponding revenue declines for the Commission for the next several years going forward. In response, the Commission issued a Sustainability Plan in 2025 which is being implemented currently.

In summary, the Commission ended the 2025/26 fiscal year with a decrease in net position of governmental activities of \$556,875. The agency also ended the year with a decrease in fund balance totaling \$895,998. Both decreases were smaller amounts than the previous fiscal year, signaling that the organization is moving in the right direction.

Contacting the Commission's Financial Management

This annual report is intended to provide the community with a general overview of the Commission's finances. Questions about this report should be directed to the Commission's Executive Director at 2300 Clayton Road, Suite 300, Concord, California 94520.

First 5 Contra Costa Children and Families Commission

Statement of Net Position

June 30, 2026

	<u>Governmental Activities</u>
Assets	
Current Assets	
Cash and investments	\$ 15,259,026
Accounts receivable	317,606
Due from other governments	1,426,652
Prepaid items	<u>65,283</u>
Total current assets	<u>17,068,567</u>
Noncurrent Assets	
Note receivable	107,000
Capital assets not being depreciated	331,538
Capital assets being depreciated, net	2,992,673
Net OPEB Asset	91,509
Right to use leased assets being amortized, net	772,776
Right to use subscription IT assets being amortized, net	<u>13,298</u>
Total noncurrent assets	<u>4,308,794</u>
Total assets	<u>21,377,361</u>
Deferred Outflows of Resources	
Deferred outflows related to pensions	299,776
Deferred outflows related to OPEB	<u>291,451</u>
Total deferred outflows of resources	<u>591,227</u>
Liabilities	
Current Liabilities	
Accounts payable	167,401
Grants and contracts payable	520,788
Grants and contracts payable to related parties	17,518
Accrued wages and benefits	425,837
Compensated absences, current portion	36,517
Lease liability, current portion	128,764
SBITA liability, current portion	<u>19,141</u>
Total current liabilities	<u>1,315,966</u>
	(Continued)

First 5 Contra Costa Children and Families Commission

Statement of Net Position

June 30, 2026

	Governmental Activities
Noncurrent Liabilities	
Compensated absences	\$ 328,656
Net pension liability	692,360
Lease liability	714,574
Total noncurrent liabilities	1,735,590
Total liabilities	3,051,556
Deferred Inflows of Resources	
Deferred inflows related to pensions	602,226
Deferred inflows related to OPEB	463,162
Total deferred inflows of resources	1,065,388
Net position	
Net investment in capital assets	3,247,806
Unrestricted	14,603,838
Total net position	\$ 17,851,644

First 5 Contra Costa Children and Families Commission

Statement of Activities

For the Year Ended June 30, 2026

		Program Revenues	Net (Expense) Revenue and Changes in Net Position
<u>Governmental Activities</u>	<u>Expenses</u>	<u>Operating Grants And Contributions</u>	<u>Governmental Activities</u>
Child development	\$ 10,255,600	\$ 8,636,248	\$ (1,619,352)
Interest expense	111,762	-	(111,762)
Total Governmental Activities	<u>\$ 10,367,362</u>	<u>\$ 8,636,248</u>	<u>(1,731,114)</u>
General Revenues			
Investment income			556,555
Unrealized loss			(19,814)
Rental income			49,060
Miscellaneous			588,438
Total General Revenues			<u>1,174,239</u>
Change in Net Position			(556,875)
Net Position, beginning			<u>18,408,519</u>
Net Position, June 30			<u>\$ 17,851,644</u>

First 5 Contra Costa Children and Families Commission

Governmental Fund Balance Sheet

June 30, 2026

	General Fund
Assets	
Cash and investments	\$ 15,259,026
Accounts receivable	317,606
Due from other governments	1,426,652
Prepaid items	65,283
Note receivable	107,000
	<u>107,000</u>
Total assets	<u>\$ 17,175,567</u>
Liabilities and Fund Balances	
Liabilities	
Accounts payable	\$ 167,401
Grants and contracts payable	520,788
Grants and contracts payable to related parties	17,518
Accrued wages and benefits	425,837
	<u>425,837</u>
Total liabilities	<u>1,131,544</u>
Deferred Inflow of Resources	
Unavailable Revenue	<u>16,354</u>
Fund Balances	
Nonspendable	172,283
Committed	5,202,011
Assigned	10,653,375
	<u>10,653,375</u>
Total fund balances	<u>16,027,669</u>
Total liabilities and fund balances	<u>\$ 17,175,567</u>

First 5 Contra Costa Children and Families Commission
Reconciliation of Governmental Fund Balance Sheet to the Statement of Net Position
June 30, 2026

Fund balance of governmental fund	\$ 16,027,669
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets, net of accumulated depreciation/amortization, used in governmental activities are not financial resources and, therefore, are not reported in the funds.	4,110,285
Revenues which are deferred inflows on the fund financial statements because they are not currently available, are reported as revenue in the Government-wide statement of activities	16,354
Deferred inflows and outflows of resources related to the net pension liability are not due and payable in the current period and therefore, are not reported in the funds:	
Deferred outflows of resources related to pensions	299,776
Deferred inflows of resources related to pensions	(602,226)
Deferred inflows and outflows of resources related to the net OPEB liability are not due and payable in the current period and therefore, are not reported in the funds:	
Deferred outflows of resources related to OPEB	291,451
Deferred inflows of resources related to OPEB	(463,162)
Long-term liabilities/assets are not due and payable in the current period and therefore are not reported in the funds.	
Net pension liability	(692,360)
Net OPEB asset	91,509
Lease liability	(843,338)
SBITA liability	(19,141)
Compensated absences	(365,173)
Net Position of Governmental Activities	<u>\$ 17,851,644</u>

First 5 Contra Costa Children and Families Commission
Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended June 30, 2026

	<u>General Fund</u>
Revenues	
Prop 10 Tobacco Tax	\$ 4,116,542
CA Electronic Cigarette Excise Tax	65,314
Prop 56	1,534,143
Grant income	2,903,895
Interest income	556,555
Unrealized loss	(19,814)
Rental income	49,060
Other revenue	<u>104,912</u>
Total revenues	<u>9,310,607</u>
Expenditures	
Current	
Program Expenditures	
Early care and education	1,024,700
Family support	3,217,241
Early intervention	639,927
Policy advocacy & communication strategies	113,563
Salaries and employee benefits	3,229,702
Other program expenditures	267,822
Evaluation	
Salaries and employee benefits	422,128
Other evaluation expenditures	85,246
Administrative	
Salaries and employee benefits	729,364
Other administrative expenditures	266,442
Debt Service	
Principal	182,590
Interest	<u>111,762</u>
Total expenditures	<u>10,290,487</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(979,880)</u>
Other financing sources (uses)	
Sale of capital assets	<u>67,528</u>
Net change in fund balance	(912,352)
Fund balance, July 1	<u>16,940,021</u>
Fund balance, June 30	<u><u>\$ 16,027,669</u></u>

First 5 Contra Costa Children and Families Commission
Reconciliation of the Change in Fund Balance to the Statement of Activities
For the Year Ended June 30, 2026

Net change in fund balance - total governmental fund \$ (912,352)

Amounts reported for governmental activities in the Statement of Activities differs from the amounts reported in the Statement of Revenues, Expenditures and Changes in Fund Balance because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the costs of capital assets are expensed over their estimated useful lives as depreciation expense.

Depreciation/amortization expense (437,740)

In the statement of activities, only the gain/loss on the sale of capital assets is reported, whereas in the governmental funds, the proceeds from the sale are reported as other financing sources. Thus, the change in net position differs from the change in fund balance by the net book value of the assets sold. (67,528)

Compensated absences expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. This amount represents the net change in the compensated absences liability. 29,043

The issuance of long-term debt (e.g., bonds, leases) provides current resources to governmental funds, while the repayment of long-term debt principal is an expenditure in the governmental funds. The issuance of debt increases long-term liabilities and the repayment reduces long-term liabilities in the statement of net position.

Leases and SBITA liability principal payments 182,590
Termination of office lease 483,526

Revenues not received within the period of availability are recognized as revenues in the subsequent period. 16,354

Governmental funds report OPEB plan contributions as expenditures. However, in the Statement of Activities, OPEB expense is measured as the change in net OPEB liability and the amortization of deferred outflows and inflows related to OPEB. The following amounts reflect changes in the OPEB related balances.

Change in deferred outflows related to OPEB (74,631)
Change in deferred inflows related to OPEB (282,937)
Change in net OPEB liability 447,318

First 5 Contra Costa Children and Families Commission
Reconciliation of the Change in Fund Balance to the Statement of Activities
For the Year Ended June 30, 2026

Governmental funds report pension contributions as expenditures. However, in the Statement of Activities, pension expense is measured as the change in net pension liability and the amortization of deferred outflows and inflows related to pensions. The following amounts reflect changes in the pension related balances.

Change in deferred outflows related to pensions	\$ (789,430)
Change in deferred inflows related to pensions	(382,360)
Change in net pension liability	<u>1,231,272</u>
Change in net position of governmental activities	<u><u>\$ (556,875)</u></u>

Note 1 - Summary of Significant Accounting Policies**Reporting Entity**

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

Basis of Accounting and Measurement Focus

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

- Government-wide financial statements,
- Fund financial statements, and
- Notes to the basic financial statements.

Government-Wide Financial Statements

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

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

Net investment in Capital Assets – This amount represents the Commission's capital assets, net of accumulated depreciation and leased and subscription assets, net of accumulated amortization.

Restricted Net Position – This category represents restrictions imposed on the use of the Commission's resources by parties outside of the government or by law through constitutional provisions or enabling legislation.

Unrestricted – This category represents neither restrictions nor investment in capital assets and may be used by the Commission for any purpose though they may not be necessarily liquid.

Fund Financial Statements

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

The fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Prop 10 Tobacco Tax revenue, Prop 56 revenue, California Electronic Cigarette Excise Tax, interest and certain grant payments are accrued when their receipt occurs within ninety (90) days after the end of the accounting period so as to be both measurable and available. Expenditure-driven grant revenues are accrued when their receipt occurs within one year.

Capital Assets

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

The Commission capitalizes assets with a cost in excess of \$5,000 and a useful life greater than one year. The Commission depreciates capital assets using a straight-line method over the estimated useful life of each asset. Leased assets are reported as "right to use" assets and are amortized over the shorter of the asset's useful life or the lease term. The estimated useful life used for the depreciable capital assets and leased assets, ranges from 5 to 35 years.

Right to use leased assets are recognized at the lease commencement date and represent the Commission's right to use an underlying asset for the lease term. Right to use leased assets are measured at the initial value of the lease liability plus any payments made to the lessor before commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term, plus any initial direct costs necessary to place the leased asset into service. Right to use leased assets are amortized over the shorter of the lease term or useful life of the underlying asset using the straight-line method. The amortization period varies from 3 to 5 years.

Subscription assets are recognized at the subscription commencement date and represent the Commission's right to use the underlying IT asset for the subscription term. Subscription assets are measured at the initial value of the subscription liability plus any payments made to the vendor at the commencement of the subscription term, less any incentives received at or before the commencement of the term, plus any capitalizable initial implementation costs necessary to place the subscription asset into service. They are amortized over the shorter of the subscription term or useful life of the underlying asset using the straight-line method. The amortization period is 3 years.

Compensated Absences

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

Compensated absences consist of employee earned vacation time, personal holiday time, and sick time and are accrued by the Commission when earned by the employee. Unused vacation time and personal holiday may be accumulated up to a specified maximum and are paid at the time of termination from Commission employment. Sick time accrued is for time that has been earned, is available for use, and is more likely than not to be used in the future.

Grants and Contracts Payable

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

Post-Employment Benefits Other Than Pensions (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the First 5 Contra Costa Retiree Benefits Plan (Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position of the First 5 Contra Costa Children and Families Commission's Contra Costa County Employees' Retirement Association (CCCERA) plan and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by CCCERA. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Cash and Investments

The Commission maintains all of its cash in the Contra Costa Treasury. The County's investment pool operates in accordance with appropriate state laws and regulations. The method used to determine the value of the participant's equity withdrawn is based on the book value, amortized cost, plus accrued interest, multiplied by the Commission's percentage at the date of such withdrawal, which approximates fair value.

The Commission categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant to other observable inputs; Level 3 inputs are significant unobservable inputs. The Commission does not have any investments that are measured using Level 3 inputs. Money market investments that have remaining maturity at the time of purchase of one-year or less and guaranteed investment contracts are measured at amortized cost.

The Commission is a participant in the Contra Costa Treasurer's Pool (County Pool). The County Pool was rated by Standard & Poor's (S&P) on September 30, 2024. The County Pool was assigned a fund credit quality rating of "AAAF" and a fund volatility rating of "S1+". The Contra Costa County Treasury Oversight Committee conducts County Pool oversight. Cash on deposit in the County Pool is stated at fair value. The County Pool values participant shares on an amortized cost basis during the year and adjusts to fair value at year-end. For further information regarding the County Pool, refer to the County of Contra Costa Annual Financial Report.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Fund Balance

Fund balance is classified based on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The Commission has established the following classifications and definitions of fund balance for the year ended June 30, 2026:

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

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

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

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

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

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

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position also reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expense) until then. The Commission reports deferred outflows related to pensions and OPEB.

In addition to liabilities, the statement of net position also reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period. The Commission reports deferred inflows related to pensions and OPEB.

Effect of New Governmental Accounting Standards Board (GASB) Pronouncements

GASB Statement No. 103 – In April 2024, the GASB issued Statement No. 103, *Financial Reporting Model Improvements*. The objective of this Statement is to improve key components of the governmental financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement includes changes to the content and presentation of Management's Discussion and Analysis (MD&A), requires separate presentation of unusual or infrequent items in the financial statements, modifies certain proprietary fund reporting requirements, and updates budgetary comparison information and major component unit presentations. Management evaluated the impact of this Statement on the Commission's financial reporting and incorporated the required presentation and disclosure changes, as applicable, for the year ended June 30, 2026.

GASB Statement No. 104 – As of July 1, 2025, the Commission adopted GASB Statement No. 104, *Disclosure of Certain Capital Assets*. The implementation of this standard establishes requirements for certain types of capital assets to be disclosed separately in the capital assets note disclosures and establishes requirements for capital assets held for sale, including additional disclosures for those capital assets. The effect of the implementation of this standard on capital asset categories is disclosed in Note 6.

GASB Statement No. 105 – In December 2025, the GASB issued Statement No. 105, *Subsequent Events*. The primary objective of this Statement is to improve the financial reporting requirements for subsequent events, thereby enhancing consistency in their application and better meeting the information needs of financial statement users. This Statement defines subsequent events as transactions or other events that occur after the date of the financial statements but before the date the financial statements are available to be issued. That definition modifies the subsequent events time frame throughout the GASB literature. This Statement also requires the date through which subsequent events have been evaluated to be disclosed. This Statement clarifies the subsequent events that constitute recognized and nonrecognized events and establishes specific note disclosure requirements for nonrecognized events. This Statement is effective for reporting periods beginning after June 15, 2026. The Commission has not determined the effect on the financial statements.

Note 2 - Cash and Investments

Cash and investments consisted of the following at June 30, 2026:

Cash in Contra Costa County Pool	\$ 15,258,526
Imprest cash	<u>500</u>
Total cash and investments	<u><u>\$ 15,259,026</u></u>

Investment Policy

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

Interest Rate Risk

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

As of June 30, 2026, the Commission had the following investments:

Investment	Fair Value	WAM Years
County Investment Pool	\$ 15,258,526	0.85
Total investments	<u><u>\$ 15,258,526</u></u>	

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The County Pool was assigned a fund credit quality rating of “AAAF” and a fund volatility rating of “S1+”.

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a failure of the counterparty to a transaction, the Commission will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. At June 30, 2026, the Commissions’ deposits were not exposed to custodial credit risk as all funds were held in the County Pool, which is collateralized in accordance with State law.

Fair Value Measurements

The Commission categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are significant other observable inputs and Level 3 inputs are significant unobservable inputs. As of June 30, 2026, the Commission’s funds were invested in the Contra Costa County Investment Pool.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation.

Deposits and withdrawals are made on the basis of \$1 and not fair value, accordingly, the Commission’s proportionate share of investments in the Contra Costa County Investment Pool at June 30, 2026, of \$15,258,526 is an uncategorized input, not defined as a level 1, level 2 or level 3 input and approximates fair value. The carrying amount of deposits held with the County Pool was \$15,429,138 with the difference of \$170,612 representing outstanding checks.

Note 3 - Compensated Absences

Changes in the compensated absences liability for the fiscal year ended June 30, 2026, are summarized as follows:

	Balance June 30, 2025	Net Change	Balance June 30, 2026	Amount Due within one year
Compensated Absences	\$ 394,216	\$ (29,043)	\$ 365,173	\$ 36,517

First 5 Contra Costa Children and Families Commission

Notes to Financial Statements

June 30, 2026

Note 4 - Due from Other Governments

The due from other governments account represents amounts due to the Commission from the California Children and Families Commission ("State Commission") for Prop 10 related revenues and other governmental agencies. The amounts due to the Commission at June 30, 2026, were as follows:

Due from State Commission	
Prop 10 revenue for	
June 2026	\$ 347,002
SMIF	37,535
California Electronic Cigarette Excise Tax	16,354
Due from Other Agencies:	
Jan-Mar 2026 HUB	\$ 9,422
Jan-Mar 2026 IMPACT	157,277
Jan-Mar 2026 Wage Enhancement	23,236
April-June 2026 Wage Enhancement	40,311
Q4-QCC QRIS Block Grant	100,149
Q4-CSPP QRIS Block Grant	158,813
Q4 2026 Measure X	231,741
Q3 & Q4 Triple P	42,289
Q3 OTS Car Seat Grant	91,149
April-June IMPACT	171,374
Total due from other governments	<u>\$ 1,426,652</u>

Note 5 - Notes Receivable

In November 2005, the Commission entered into a forgivable loan agreement with the Perinatal Council (now known as Brighter Beginnings) to acquire and renovate a property in Antioch, California to operate a First 5 Center on site. The Commission loaned to the Perinatal Council \$428,000 for a period of twenty years. The Commission agreed to forgive 25 percent of the loan on the 5th anniversary date of the issuance of the Certificate of Completion, 25 percent on the 10th anniversary, 25 percent on the 15th anniversary and 25 percent at the end of the loan term. The agreement was amended as of December 7, 2020, extending the term to December 1, 2026. The loan is secured by a Deed of Trust and recorded as a lien against the property. The loan does not bear interest unless there is a default by the Borrower, such as an unauthorized transfer of the property or change in the use of the site. The Commission does not anticipate receiving any cash payments from the borrower. The loan had an outstanding balance of \$107,000 as of June 30, 2026.

First 5 Contra Costa Children and Families Commission

Notes to Financial Statements

June 30, 2026

Note 6 - Capital Assets

Governmental Activities	July 1, 2025	Additions	Deletions	June 30, 2026
Capital assets, not being depreciated				
Land	\$ 331,538	\$ -	\$ -	\$ 331,538
Total capital assets, not being depreciated	331,538	-	-	331,538
Capital assets, being depreciated:				
Buildings and improvements	4,198,414	-	-	4,198,414
Furniture and fixtures	260,291	-	(156,543)	103,748
Lease assets:				
Office space	3,857,891	833,067	(3,768,418)	922,540
Equipment	10,165	-	-	10,165
Software	53,190	-	-	53,190
Total capital assets being depreciated and amortized	8,379,951	833,067	(3,924,961)	5,288,057
Less accumulated depreciation for:				
Buildings and improvements	(1,093,979)	(125,999)	-	(1,219,978)
Furniture and fixtures	(154,833)	(23,694)	89,016	(89,511)
Lease assets:				
Office space	(1,112,589)	(258,064)	1,219,194	(151,459)
Equipment	(5,082)	(3,388)	-	(8,470)
Software	(13,297)	(26,595)	-	(39,892)
Total accumulated depreciation and amortization	(2,379,780)	(437,740)	1,308,210	(1,509,310)
Net capital assets being depreciated and amortized	6,000,171	395,327	(2,616,751)	3,778,747
Governmental activities capital assets, net	\$ 6,331,709	\$ 395,327	\$ (2,616,751)	\$ 4,110,285

Depreciation and amortization expense for the year ended June 30, 2026, amounted to \$437,740 and is included in the child development function in the statement of activities.

First 5 Contra Costa Children and Families Commission

Notes to Financial Statements

June 30, 2026

Note 7 - Lease and SBITA Liabilities

Changes in lease and SBITA liabilities during the year ended June 30, 2026 are as follows:

Leases	July 1, 2025	Additions	Deletions	June 30, 2026	Due in One Year
Family resource centers	\$ 35,526	\$ -	\$ (16,724)	\$ 18,802	\$ 18,802
Admin office - Old	3,167,948	-	(3,167,948)	-	-
Admin office - New	-	833,067	(10,309)	822,758	108,184
Equipment	5,204	-	(3,426)	1,778	1,778
Subtotal Leases	3,208,678	833,067	(3,198,407)	843,338	128,764
Subscription IT liabilities	36,073	-	(16,932)	19,141	19,141
Total Lease and SBITA Liabilities	\$ 3,244,751	\$ 833,067	\$ (3,215,339)	\$ 862,479	\$ 147,905

In prior years, the Commission had entered into various lease agreements as lessee for the use of office space to run family resource centers. As of June 30, 2026, the lease liability was \$18,802. The Commission is required to make monthly payments ranging from \$1,510 - \$1,560 with varying escalators each year on the respective anniversary dates. This lease runs through June 30, 2027. The lease has an implied interest rate of 5.0%.

The Commission leases office space from third parties for the administration office. As of June 30, 2026, the value of the lease liability was \$822,758. The Commission is required to make monthly payments of \$16,563 as of June 30, 2026. The payments have scheduled increases of 3.0% on the anniversary date each year until May 2031. The lease has an implicit interest rate of 8.75%. During the fiscal year, the Commission terminated its lease agreement for its former administrative office location effective December 31, 2025. As a result of the termination, the related lease liability was removed from the financial statements and a gain on lease termination was recognized.

In the previous fiscal year, the Commission entered into a lease agreement for the use of a copier at the administration office. As of June 30, 2026, the lease liability was \$1,778. The Commission is required to make quarterly payments of \$905. The lease runs through February 28, 2027. The lease has an implied interest rate of 4.92%.

The Commission recognized \$261,452 in amortization expense and \$111,762 in interest expense during the fiscal year ended June 30, 2026 related to leases.

In the previous fiscal year, the Commission entered into a SBITA contract for the use of grant related software. As of June 30, 2026, the value of the subscription liability was \$19,141. The Commission is required to make annual principal and interest payments through December 2026. The subscription has an interest rate of 4.23%.

The Commission paid \$1,556 interest on the SBITA during the current year and recognized \$26,595 in amortization for the SBITA.

First 5 Contra Costa Children and Families Commission

Notes to Financial Statements

June 30, 2026

Remaining principal and interest payments on leases are as follows:

<u>Fiscal Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>
2027	\$ 128,764	\$ 69,523
2028	151,005	56,629
2029	171,355	42,622
2030	193,578	26,742
2031	198,636	8,857
	<u>\$ 843,338</u>	<u>\$ 204,373</u>

Remaining principal and interest payments on SBITA are as follows:

<u>Fiscal Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>
2027	\$ 19,141	\$ 826
	<u>\$ 19,141</u>	<u>\$ 826</u>

Note 8 - Fund Balance

Fund balance is classified using a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Fund balance at June 30, 2026 consisted of the following:

	<u>General Fund</u>
Fund Balance	
Nonspendable	
Prepaid Item	\$ 65,283
Note Receivable - Brighter Beginnings	107,000
	<u>172,283</u>
Subtotal nonspendable	172,283
Committed	
Program Contractual Obligations	5,202,011
Assigned	
Elimination of FY26/27 budget deficit	2,529,121
Contingency Reserve	4,858,839
Cash Flow Reserve	1,000,000
Transition Reserve	2,265,415
	<u>2,265,415</u>
Total fund balance	<u>\$ 16,027,669</u>

First 5 Contra Costa Children and Families Commission

Notes to Financial Statements

June 30, 2026

Note 9 - Contingencies

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

Note 10 - Related Party Transactions

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

The following table shows expenditures with agencies represented by Commissioners and Alternate Commissioners for the fiscal year ended June 30, 2026:

Related Party	Fiscal Year 2025-26 Expenditures
CoCoKids Inc.	\$ 167,727
Total	<u>\$ 167,727</u>

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

Related Party	Balances Due June 30, 2026
CoCoKids Inc.	\$ 17,518
Total	<u>\$ 17,518</u>

The following table shows revenue with agencies represented by Commissioners and Alternate Commissioners for the fiscal year ended June 30, 2026:

Related Party	Fiscal Year 2025-26 Revenue
CoCoKids Inc.	\$ 124,458
Contra Costa County	642,711
Total	<u>\$ 767,169</u>

The Commission earned revenue totaling \$642,711 from Contra Costa County during the year ended June 30, 2026. This revenue was for Health Services, which includes Public Health and Behavioral Health Services Division/Mental Health, and for Employment and Human Services Department Measure X funding.

Note 11 - Program Evaluation

In accordance with the State of California's *Expanded Audit Guide: Standards and Procedures for Audits of Local Entities Administering the California Children and Families Act* (First 5), issued by the California State Controller, the Commission is required to disclose the amounts expended during the fiscal year on program evaluation. Program evaluation costs pertain to those activities undertaken to support the collection, production, analysis and presentation of evaluation information for Commission management, Commissioners and other interested parties.

For the year ended June 30, 2026, the Commission expended \$507,374 for program evaluation.

Note 12 - Defined Benefit Pension Plan**Plan Description****Plan Administration**

The Contra Costa County Employees' Retirement Association (CCCERA) was established by the County of Contra Costa in 1945. CCCERA is governed by the County Employees' Retirement Law of 1937 (California Government Code Section 31450 et. seq), the California Public Employees' Pension Reform Act of 2013 (PEPRA), and the regulations, procedures, and policies adopted by CCCERA's Board of Retirement. CCCERA is a cost-sharing multiple employer public employee retirement association whose main function is to provide service retirement, disability, death and survivor benefits to the General and Safety members employed by the County of Contra Costa. CCCERA also provides retirement benefits to the employee members for 16 other participating agencies which are members of CCCERA, including the First 5 Contra Costa Children and Families Commission. CCCERA issues a publicly available financial report that can be obtained at www.cccera.org.

The management of CCCERA is vested with the CCCERA Board of Retirement. The Board consists of twelve trustees. Of the twelve members, three are alternates. Four trustees are appointed by the County Board of Supervisors; four trustees (including the Safety alternate) are elected by CCCERA's active members; two trustees (including one alternate) are elected by the retired membership. Board members serve three-year terms, except for the County Treasurer who is elected by the general public and serves during his tenure in office.

Benefits Provided

CCCERA provides service retirement, disability, death and survivor benefits to eligible employees. All regular full-time employees of the County of Contra Costa or participating agencies become members of CCCERA effective on the first day of the first full pay period after employment. Part-time employees in permanent positions must work at least 20 hours a week in order to become a member of CCCERA. Commission employees are classified as General Tier 1 (Enhanced). New Commission employees who become a General Member on or after January 1, 2013, are designated as PEPRA General Tier 4 and are subject to the provisions of California Government Code 7522 et seq. The plan provisions and benefit terms may be amended by the Contra Costa County Board of Retirement.

General members hired prior to January 1, 2013, are eligible to retire once they attain the age of 70 regardless of service or at age 50 and have acquired 10 or more years of retirement service credit. A member with 30 years of service is eligible to retire regardless of age. General members who are first hired on or after January 1, 2013, are eligible to retire once they have attained the age of 70 regardless of service or at age 52 and have acquired five years of retirement service credit.

The retirement benefits the member will receive is based upon age at retirement, final average compensation, years of retirement service credit and retirement plan and tier. General Tier 1 benefits are calculated pursuant to the provisions of Sections §31676.16. The monthly allowance is equal to 1/50th of final compensation multiplied by years of accrued retirement service credit multiplied by the age factor from §31676.16. General members with membership dates on or after January 1, 2013 (PEPRA General Tier 4) are calculated pursuant to the provisions found in California Government Code Section §7522.20(a). The monthly allowance is equal to the final compensation multiplied by years of accrued retirement credit multiplied by the age factor from Section §7522.20(a).

For members with membership dates before January 1, 2013, the maximum monthly retirement allowance is 100 percent of final compensation. There is no final compensation limit on the maximum retirement benefit for members with membership dates on or after January 1, 2013.

Final average compensation consists of the highest 12 consecutive months for General Tier 1, and the highest 36 consecutive months for PEPRA General Tier 4.

The member may elect an unmodified retirement allowance, or choose an optional retirement allowance. The unmodified retirement allowance provides the highest monthly benefit and a 60 percent continuance to an eligible surviving spouse or domestic partner. An eligible surviving spouse or domestic partner is one married to or registered with the member one year prior to the effective retirement date or at least two years prior to the date of death and has attained age 55 on or prior to the date of death. There are four optional retirement allowances the member may choose. Each of the optional retirement allowances requires a reduction in the unmodified retirement allowance in order to allow the member the ability to provide certain benefits to a surviving spouse, domestic partner, or named beneficiary having an insurable interest in the life of the member.

CCCERA provides an annual cost-of-living benefit to all retirees. The cost-of-living adjustment, based upon the Consumer Price Index for the San Francisco-Oakland-San Jose Area, is capped at 3.0 percent for General Tier 1 and PEPRA General Tier 4. The plan also provides a post-retirement lump sum death benefit of \$5,000 to the member's beneficiary (§31789.5) paid from the Post Retirement Death Benefit Reserve.

The County of Contra Costa and participating agencies contribute to the retirement plan based upon actuarially determined contribution rates adopted by the Board of Retirement. Employer contribution rates are adopted annually based upon recommendations received from CCCERA's actuary after the completion of the annual actuarial valuation. Members are required to make contributions to CCCERA regardless of the retirement plan or tier in which they are included.

First 5 Contra Costa Children and Families Commission

Notes to Financial Statements

June 30, 2026

The Plan's provisions and benefits in effect at June 30, 2026 are summarized as follows:

	General	
	Prior to January 1, 2013	On or after January 1, 2013
Hire date		
Formula	2.0% @ 55	2.5% @ 67
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life
Retirement age	70 (1)	70 (2)
Monthly benefits, as a % of annual salary	2.0% to 2.7%	1.0% to 2.5%
Required employee contribution rates	8.24% - 16.32%	11.18% - 12.51%
Required employer contribution rates	26.00%	20.03%

(1) Or 50 with ten years of service credit

(2) Or 52 with five years of service credit

Contributions - Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plan are determined annually on an actuarial basis as of June 30 by Contra Costa County Employees' Retirement Association. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The Commission is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the year ended June 30, 2026, contributions to the plan were as follows:

	General
Contributions - employer	\$ 100,000

Plan's Collective Net Pension Liability

As of June 30, 2026, the Commission reported a liability of \$692,360 for its proportionate share of the Plan's collective net pension liability.

The Commission's net pension liability for the Plan is measured as the proportionate share of the total net pension liability. The net pension liability of the Plan is measured as of December 31, 2025, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2024. The Commission's proportion of the net pension liability is based on the Commission's actual 2025 compensation relative to the actual compensation of all participating employers. The Commission's proportionate share of the net pension liability, measured at December 31, 2024 and 2025 was as follows:

	General
Proportion - December 31, 2024	0.149%
Proportion - December 31, 2025	0.130%
Change in Proportion	-0.019%

First 5 Contra Costa Children and Families Commission

Notes to Financial Statements

June 30, 2026

For the year ended June 30, 2026, the Commission recognized pension expense of \$601,268. At June 30, 2026, the Commission reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in proportion and differences between the Commission's contributions and proportionate share of contributions	\$ 65,326	\$ 72,554
Changes in assumptions or other inputs	-	34,502
Net difference between projected and actual earnings on plan investments	-	495,170
Difference between expected and actual experience	234,450	-
Total	<u>\$ 299,776</u>	<u>\$ 602,226</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year ended June 30	
2027	\$ 326,078
2028	(239,599)
2029	(216,191)
2030	(172,738)
Total	<u>\$ (302,450)</u>

Actuarial Assumptions

The total pension liability in the December 31, 2024, actuarial valuation was determined using the following actuarial assumptions:

	Miscellaneous
Valuation Date	December 31, 2024
Measurement Date	December 31, 2025
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions	
Discount Rate	6.75%
Inflation	2.50%
Payroll Growth	3.00% (1)
Projected Salary Increase	3.55% - 12.00%
Investment Rate of Return	6.75% (2)
	Pub-2010 General Healthy Retiree
	Amount-Weighted Above-Median Mortality Table (3)
Mortality	

(1) Inflation of 2.50% per year plus "across the board" real salary increases of 0.5% per year

(2) Net of pension plan investment expense, including inflation

(3) Projected 30 years generationally with the two-dimensional MP-2021 projection scale

The underlying mortality assumptions and all other actuarial assumptions used in the December 31, 2024, valuation was based on the results of an experience study for the period January 1, 2021 through December 31, 2023.

Discount Rate

The discount rate used to measure the total pension liability was 6.75 percent for the Plan. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that the Commission's contributions will be made at the current contribution rates and that employer contributions will be made at rates equal to the actuarially determined contribution rates. For this purpose, only employee and employer contributions that are intended to fund benefits for current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs for future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, the Plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments for current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability as of December 31, 2024.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of inflation) are developed for each major asset class. These returns are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage, adding expected inflation and subtracting expected investment expenses and a risk margin. The target allocation and projected arithmetic real rates of return for each major asset class, after deducting inflation but before deducting investment expenses, used in the derivation of the long-term expected investment rate of return assumption are summarized in the following table:

Asset Class	Target	Long-Term
Large Cap U.S. Equity	9.00%	5.59%
Small Cap Equity	2.00%	6.45%
International Developed Equity	5.00%	6.23%
Global Equity	10.00%	6.35%
Emerging Markets Equity	2.00%	7.89%
Short-Term Govt/Credit	14.00%	1.84%
US Treasury	3.50%	1.80%
Cash	3.00%	0.98%
Private Equity	15.00%	9.31%
Private Credit	13.00%	6.47%
Infrastructure	3.00%	7.20%
Real Estate - Debt	3.00%	5.00%
Real Estate - Value Add	3.00%	7.90%
Real Estate - Opportunistic	4.00%	9.70%
Hedge Funds	6.50%	3.50%
Multi-Sector Credit	4.00%	4.50%
Total	100%	

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Commission's proportionate share of the net pension liability for the Plan, calculated using the discount rate for the Plan, as well as what the Commission's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Discount Rate	5.75%	6.75%	7.75%
Commission's Net Pension Liability	\$ 3,655,394	\$ 692,360	\$ (1,735,266)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued CCCERA financial reports.

Note 13 - Other Postemployment Healthcare Benefits**General Information About the OPEB Plan****Plan Description**

The Commission's defined benefit OPEB plan provides benefits for employees hired prior to January 1, 2007 and who retire directly from the Commission on or after age 50 with at least 10 years of service. Part-time employees receive pro-rated service. The Commission's OPEB plan is an agent multiple employer defined benefit OPEB plan administered by California Employees Retirement Benefit Trust (CERBT). CERBT issues a publicly available financial report that can be obtained at www.calpers.ca.gov.

Benefits Provided

Eligible retirees and their dependents are offered a choice of medical and dental plans through the Contra Costa County Employee Benefits Health Plan. The Commission provides a contribution towards the cost of medical and dental coverage. These contributions are fixed based on the employer subsidies in place in 2011 which varies based on the plan and family coverage category elected by the retiree. The plan provisions and provision terms may be amended by the Commission's Board of Commissioners.

Employees Covered by Benefit Terms

At June 30, 2026, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	9
Active employees	23
Total	<u>32</u>

Contributions

Generally, contribution requirements of the Commission are established and may be amended by the Board of Commissioners. The Plan and its contribution requirements are established by the Board of Supervisors of Contra Costa County. The annual contribution is based on the actuarially determined contribution. Employees are not required to contribute to the plan. For the year ended June 30, 2026, the Commission made no cash contributions directly to the plan and recognized \$54,223 in implicit contributions.

Net OPEB Liability

The Commission's net OPEB liability was measured as of June 30, 2025, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2025.

Actuarial Assumptions

The total OPEB liability in the June 30, 2025, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%
Salary increases	3%, average including inflation
Investment Rate of Return	6.10% percent, net of OPEB plan investment expense, including inflation
Healthcare cost trend rates	8.5% for 2026 decreasing 0.25% per year to an ultimate rate of 4.5% for 2041 and later years

Mortality rates were based on the Society of Actuaries Pub-2010 General Healthy Retiree Amount- Weighted Above-Median Mortality Table fully generational using Scale MP-2021.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target
Global Equity	34.00%
Fixed Income	41.00%
REITS	17.00%
Commodities	3.00%
Inflation Assets	5.00%
Total	100.00%

Discount Rate

The discount rate used to measure the total OPEB liability was 6.10 percent. The projection of cash flows used to determine the discount rate assumed that the Commission contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability (Asset)
Balance at June 30, 2024 measurement date	\$ 1,380,499	\$ 1,024,690	\$ 355,809
Changes in the year			
Service cost	24,363	-	24,363
Interest on the total OPEB liability	84,067	-	84,067
Differences between Expected and Actual Experience	(400,234)	-	(400,234)
Changes of Assumptions	7,279	-	7,279
Contribution - employer	-	54,223	(54,223)
Net investment income	-	108,891	(108,891)
Benefit payments, including refunds of employee contributions	(54,223)	(54,223)	-
Administrative expense	-	(321)	321
Net changes	(338,748)	108,570	(447,318)
Balance at June 30, 2025 measurement date	<u>\$ 1,041,751</u>	<u>\$ 1,133,260</u>	<u>\$ (91,509)</u>

Change in assumption

Changes in assumption include updating the Health Care Trend Rates from 8.00% as of June 30, 2024 to 8.50% as of June 30, 2025.

Sensitivity of the Net OPEB Liability (Asset) to Changes in the Discount Rate and Health-Care Cost Trend Rates

The following presents the net OPEB liability of the Commission, as well as what the Commission's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.1 percent) or 1-percentage-point higher (6.1 percent) than the current discount rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Discount rate	5.10%	6.10%	7.10%
Commission's net OPEB liability (asset)	\$10,485	(\$91,509)	(\$180,686)

The following presents the net OPEB liability of the Commission, as well as what the Commission's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Current Trend Rate</u>	<u>1% Increase</u>
Healthcare cost trend rates	7.50% decreasing to 3.50%	8.50% decreasing to 4.50%	9.50% decreasing to 5.50%
Commission's net OPEB liability (asset)	(\$141,038)	(\$91,509)	(\$33,797)

OPEB Plan Fiduciary Net Position

Detailed information about the OPEB plan's fiduciary net position is available in the separately issued CERBT report.

For the year ended June 30, 2026, the Commission recognized OPEB expense of \$5,308. At June 30, 2026, the Commission reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Commission contributions subsequent to measurement date	\$ 52,366	\$ -
Net difference between projected and actual earnings on plan investments	-	(2,626)
Difference between expected and actual experience	185,240	(358,366)
Changes of assumptions	53,845	(102,170)
Total	<u>\$ 291,451</u>	<u>\$ (463,162)</u>

First 5 Contra Costa Children and Families Commission

Notes to Financial Statements

June 30, 2026

The \$52,366 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2027. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year ended June 30,</u>	
2027	\$ 16,004
2028	(28,359)
2029	(32,527)
2030	(37,269)
2031	(64,582)
Thereafter	<u>(77,344)</u>
Total	<u>\$ (224,077)</u>

Note 14 - Risk Management

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

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

During the year ending June 30, 2026, the Commission had no settlements exceeding insurance coverage for these categories of risk. For the past three years, settlements or judgment amounts have not exceeded insurance provided for the Commission.

Required Supplementary Information
For the Year Ended June 30, 2026

First 5 Contra Costa Children and Families Commission

(a Component Unit of the County of Contra Costa, California)

First 5 Contra Costa Children and Families Commission
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual General Fund
For the Year Ended June 30, 2026

	Budgeted amounts		Variance with		Variance with
	Original	Final	Original budget - over (under) Final Budget	Actual Amounts	Final Budget - over (under) Actual Amounts
Revenues					
Prop 10 Tobacco Tax	\$ 4,290,525	\$ 4,290,525	\$ -	\$ 4,116,542	\$ (173,983)
CA Electronic Cigarette Excise Tax	97,836	97,836	-	65,314	(32,522)
Prop 56	1,925,267	1,925,267	-	1,534,143	(391,124)
SMIF	40,000	40,000	-	37,535	(2,465)
First 5 California IMPACT	628,892	589,970	(38,922)	570,773	(19,197)
Measure X	-	493,214	493,214	466,468	(26,746)
CSPP-COE/Preschool QRIS Block Grant	251,119	577,211	326,092	677,360	100,149
QCC-Quality Counts California	205,870	300,000	94,130	199,851	(100,149)
CYBHI Children & Youth Behavioral					
Health Initiative	43,416	43,416	-	40,000	(3,416)
Other public funds	290,460	766,405	475,945	361,953	(404,452)
Other grants	230,100	366,661	136,561	549,955	183,294
Rental income	28,294	28,294	-	49,060	20,766
Interest income	400,000	400,000	-	556,555	156,555
Unrealized loss	-	-	-	(19,814)	(19,814)
Other revenue	-	-	-	104,912	104,912
Total revenues	8,431,779	9,918,799	-	9,310,607	(608,192)
Expenditures					
Current					
Program expenditures					
Early care and education	658,888	1,593,816	934,928	1,024,700	(569,116)
Family support	3,718,396	3,834,177	115,781	3,217,241	(616,936)
Early intervention	778,992	784,597	5,605	639,927	(144,670)
Policy Advocacy & Communication					
Strategies	246,299	246,299	-	113,563	(132,736)
Salaries and employee benefits	3,307,234	3,463,450	156,216	3,229,702	(233,748)
Other program expenditures	604,619	604,619	-	267,822	(336,797)
Evaluation					
Salaries and employee benefits	531,831	550,945	19,114	422,128	(128,817)
Other evaluation expenditures	269,340	269,340	-	85,246	(184,094)
Administrative					
Salaries and employee benefits	1,180,292	1,180,292	-	729,364	(450,928)
Other administrative expenditures	656,866	912,242	255,376	266,442	(645,800)
Debt Service					
Principal	-	-	-	182,590	182,590
Interest	-	-	-	111,762	111,762
Total expenditures	11,952,757	13,439,777	1,487,020	10,290,487	(3,149,290)
Excess (deficiency) of revenues over (under) expenditures	(3,520,978)	(3,520,978)	-	(979,880)	2,541,098
Other financing sources (uses)					
Sale of capital assets	-	-	-	67,528	67,528
Net Change in Fund Balance	(3,520,978)	(3,520,978)	-	(912,352)	2,608,626
Fund Balance, Beginning of Year	16,940,021	16,940,021	-	16,940,021	-
Fund Balance, End of Year	\$ 13,419,043	\$ 13,419,043	\$ -	\$ 16,027,669	\$ 2,608,626

First 5 Contra Costa Children and Families Commission

Notes to Budgetary Comparison Schedules

June 30, 2026

	<u>Over/(Under)</u>
Budgetary Revenues	
Differences: original budget to final budget	
The original budget was adopted in March 2025, well before the Commission knew about grant awards. Once awarded, the new revenue was added into external funds as mid-year amendments.	\$ 1,487,020
Differences: final budget to actual	
Prop 10 Tobacco Tax and Prop 56 Backfill are based on State revenue projections which came up short, \$174,000 and \$391,000 respectively. Also, some grants were multi-year grants with the bulk of the work happening in a coming fiscal year.	(608,192)
Budgetary Expenditures	
Differences: original budget to final budget	
The original budget was adopted in March 2025, well before the Commission knew about grant awards. Once awarded, the new revenue was appropriated to external funds as mid-year amendments to spend.	1,487,020
Differences: final budget to actual	
The \$1,487,020 added at mid-year meant that this amount of funding was no longer needed from fund balance to close the budget deficit, but it was never reduced. In Early Care & Education, some grants are multi-year grants that include significant spending next fiscal year. In Family Support, two First 5 Center operators underspent their contracted amounts because of staffing shortages they were not able to fill. Employee salary and benefits was underspent due to vacancies that were never filled. Program, Evaluation, and Administrative expenditures for "other" were underspent because of the termination of the old administrative office lease and because of a five-month rent holiday in the new space.	(3,149,290)

First 5 Contra Costa Children and Families Commission
 Contra Costa County Employees' Retirement Association –
 Schedule of the Commission's Proportionate Share of the Net Pension Liability/(Asset)
 Last 10 Years as of June

Fiscal year ended June 30,	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Proportion of the net pension liability	0.173%	0.159%	0.202%	0.171%	0.106%	0.314%	0.185%	0.182%	0.149%	0.130%
Proportionate share of the net pension liability (asset)	\$ 2,423,899	\$ 1,289,083	\$ 2,881,759	\$ 1,480,016	\$ 487,008	\$ (763,759)	\$ 3,135,224	\$ 2,907,786	\$ 1,923,632	\$ 692,360
Covered payroll	\$ 2,140,380	\$ 2,405,397	\$ 2,525,004	\$ 2,511,538	\$ 2,398,684	\$ 2,846,338	\$ 2,718,488	\$ 2,870,849	\$ 2,636,199	\$ 2,838,155
Proportionate share of the net pension liability/(asset) as a percentage of covered payroll	113.25%	53.59%	114.13%	58.93%	20.30%	-26.83%	115.33%	101.29%	72.97%	24.39%
Plan fiduciary net position as a percentage of the total pension liability	84.16%	91.18%	85.09%	91.46%	95.62%	102.17%	85.55%	87.14%	91.01%	96.87%
Measurement date	December 31, 2016	December 31, 2017	December 31, 2018	December 31, 2019	December 31, 2020	December 31, 2021	December 31, 2022	December 31, 2023	December 31, 2024	December 31, 2025

First 5 Contra Costa Children and Families Commission
 Contra Costa County Employees' Retirement Association –
 Schedule of Pension Contributions
 Last 10 Years as of June

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Actuarially determined contributions	\$ 636,711	\$ 660,452	\$ 659,815	\$ 615,504	\$ 703,170	\$ 858,000	\$ 858,000	\$ 1,000,000	\$ 590,642	\$ 100,000
Contributions in relation to the actuarially determined contribution	636,711	660,452	659,815	615,504	703,170	858,000	858,000	1,000,000	590,642	100,000
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 2,204,354	\$ 2,488,297	\$ 2,747,667	\$ 2,607,465	\$ 2,930,043	\$ 2,808,304	\$ 2,824,663	\$ 2,870,849	\$ 2,907,786	\$ 1,923,632
Contributions as a percentage of covered payroll	28.88%	26.54%	24.01%	23.61%	24.00%	30.55%	30.38%	34.83%	20.31%	5.20%

Notes to Schedule

Valuation date: 12/31/2024

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Actuarial Cost Method
Amortization method	Level percentage of payroll (3% payroll growth assumed)
Remaining amortization period	Fixed 18-year period
Asset valuation method	5-year smoothed market
Inflation	2.50%
Salary Increase	3.55%- to 12.00%, including inflation
Investment Rate of Return	6.75%, net of pension plan investment expense, including inflation
Retirement age	General members hired prior to January 1, 2013, are eligible to retire once they attain the age of 70 regardless of service or at age 50 and have acquired 10 or more years of retirement service credit. A member with 30 years of service is eligible to retire regardless of age. General members who are first hired on or after January 1, 2013, are eligible to retire once they have attained the age of 70 regardless of service or at age 52 and have acquired five years of retirement service credit.

Mortality Pub-2010 General Healthy Retiree Amount-Weighted Above Median Mortality Table

First 5 Contra Costa Children and Families Commission
Schedule of Changes in the Commission's Net OPEB Liability/(Asset) and Related Ratios
Last 10 Years as of June

	Fiscal Year ended June 30, Measurement year ended June 30,	2018 2017	2019 2018	2020 2019	2021 2020
Total OPEB Liability					
Service cost		\$ 32,608	\$ 34,728	\$ 35,770	\$ 33,804
Interest on the total OPEB liability		64,455	68,828	73,368	64,114
Changes in assumptions**		-	-	(52,714)	-
Differences between expected and actual experience		-	-	(158,097)	(4,415)
Benefit payments, including refunds of employee contributions		(27,243)	(36,565)	(32,954)	(45,214)
Net change in total OPEB liability		69,820	66,991	(134,627)	48,289
Total OPEB liability - beginning		972,633	1,042,453	1,109,444	974,817
Total OPEB liability - ending (a)		<u>\$ 1,042,453</u>	<u>\$ 1,109,444</u>	<u>\$ 974,817</u>	<u>\$ 1,023,106</u>
Plan fiduciary net position					
Contributions - employer		\$ 52,344	\$ 45,720	\$ 67,165	\$ 85,093
Net investment income		50,176	47,514	57,293	49,736
Administrative expenses		(367)	(403)	(177)	(454)
Other expense		-	(1,021)	-	-
Benefit payments		(27,243)	(36,565)	(32,954)	(45,214)
Net change in plan fiduciary net position		74,910	55,245	91,327	89,161
Plan fiduciary net position - beginning		696,541	771,451	826,696	918,023
Plan fiduciary net position - ending (b)		<u>771,451</u>	<u>826,696</u>	<u>918,023</u>	<u>1,007,184</u>
Net OPEB liability - ending (a)-(b)		<u>\$ 271,002</u>	<u>\$ 282,748</u>	<u>\$ 56,794</u>	<u>\$ 15,922</u>
Plan fiduciary net position as a percentage of the total OPEB liability		74.00%	74.51%	94.17%	98.44%
Covered-employee payroll		\$ 1,085,000	\$ 1,085,000	\$ 827,457	\$ 852,281
Net OPEB liability as percentage of covered-employee payroll		24.98%	26.06%	6.86%	1.87%

*Fiscal year 2018 was the first year of implementation; therefore, only nine years are shown.

** Change of assumptions: For the measurement period ended June 30, 2025, the healthcare cost trend rates were updated as compared to the measurement period ended June 30, 2024. For the measurement period ended June 30, 2024, the long-term rate of return and discount rate were adjusted to 6.10% from 5.50% as of June 30, 2023. For measurement period ended June 30, 2023, the healthcare cost trend rates were updated as compared to the measurement period ended June 30, 2022. For measurement period ended June 30, 2022, the long-term rate of return and discount rate were adjusted to 5.50% from 6.50% as of June 30, 2021. For measurement period ended June 30, 2021, the healthcare cost trend rates were updated as compared to the measurement period ended June 30, 2020.

First 5 Contra Costa Children and Families Commission
Schedule of Changes in the Commission's Net OPEB Liability/(Asset)
Last 10 Years as of June*

<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
\$ 34,537	\$ 24,873	\$ 30,152	\$ 26,340	\$ 24,363
66,983	69,444	64,493	78,892	84,067
(131,848)	102,837	6,121	(85,997)	7,279
138,209	(29,914)	250,017	3,847	(400,234)
(55,152)	(65,715)	(70,783)	(99,943)	(54,223)
52,729	101,525	280,000	(76,861)	(338,748)
<u>1,023,106</u>	<u>1,075,835</u>	<u>1,177,360</u>	<u>1,457,360</u>	<u>1,380,499</u>
<u>\$ 1,075,835</u>	<u>\$ 1,177,360</u>	<u>\$ 1,457,360</u>	<u>\$ 1,380,499</u>	<u>\$ 1,041,751</u>
\$ 31,916	\$ 26,161	\$ 32,841	\$ 49,670	\$ 54,223
198,872	(148,102)	37,383	81,634	108,891
(368)	(300)	(287)	(321)	(321)
-	-	-	-	-
(55,152)	(65,715)	(70,783)	(99,943)	(54,223)
175,268	(187,956)	(846)	31,040	108,570
<u>1,007,184</u>	<u>1,182,452</u>	<u>994,496</u>	<u>993,650</u>	<u>1,024,690</u>
<u>1,182,452</u>	<u>994,496</u>	<u>993,650</u>	<u>1,024,690</u>	<u>1,133,260</u>
<u>\$ (106,617)</u>	<u>\$ 182,864</u>	<u>\$ 463,710</u>	<u>\$ 355,809</u>	<u>\$ (91,509)</u>
109.91%	84.47%	68.18%	74.23%	108.78%
\$ 877,849	\$ 732,387	\$ 678,210	\$ 518,671	\$ 534,231
-12.15%	24.97%	68.37%	68.60%	-17.13%

First 5 Contra Costa Children and Families Commission
Schedule of the Commission's OPEB Contributions
Last 10 Years as of June*

	2018	2019	2020	2021	2022	2023	2024	2025	2026
Actuarially determined contributions	\$ 30,875	\$ 35,444	\$ 76,640	\$ 31,916	\$ 12,263	\$ 13,418	\$ 60,128	\$ 97,827	\$ 98,686
Contributions in relation to the actuarially determined contribution	30,875	35,444	76,640	31,916	26,161	32,841	49,670	11,531	52,366
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ (13,898)	\$ (19,423)	\$ 10,458	\$ 86,296	\$ 46,320
Covered-employee payroll	\$ 1,085,000	\$ 827,457	\$ 852,281	\$ 877,849	\$ 732,387	\$ 678,210	\$ 518,671	\$ 534,231	\$ 550,258
Contributions as a percentage of covered-employee payroll	2.85%	4.28%	8.99%	3.64%	3.57%	4.84%	9.58%	2.16%	9.52%

*Fiscal year 2018 was the first year of implementation; therefore, only nine years are shown.

Notes to Schedule

Valuation date: 6/30/2025

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Actuarial Cost Method
Amortization method	Level percentage of payroll (3% payroll growth assumed)
Remaining amortization period	Fixed 18-year period
Asset valuation method	Fair value of assets
Inflation	3.00%
Salary Increase	3%, average including inflation
Investment Rate of Return	6.10%, net of OPEB plan investment expense, including inflation
Retirement age	Employees hired prior to January 1, 2007 and who retire directly from the Commission on or after age 50 with at least 10 years of service.
Mortality	Mortality rates were based on the Society of Actuaries Pub-2010 General Healthy Retiree Amount- Weighted Above-Median Mortality Table fully generational using Scale MP-2021.

Note 1 - Budget

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

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

The legal level of budgetary control (the level on which expenditures may not legally exceed appropriations) is at the total fund level. The Commission does not establish a budget for debt service, capital outlay or other financing sources and uses.

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Supplementary Information

For the Year Ended June 30, 2026

First 5 Contra Costa Children and Families Commission

(a Component Unit of the County of Contra Costa, California)

First 5 Contra Costa Children and Families Commission
Schedule of Expenses by Fund Source and Net Position of CCFC Funds for First 5 Programs and Activities
For the Year Ended June 30, 2026

Program	Source	Revenue CCFC Funds	Expenses	Change in Net Position	Net Position Beginning of Year	Net Position End of Year
IMPACT	CCFC Program Funds*	\$ 587,127	\$ 587,127	\$ -	\$ -	\$ -
	Total	<u>\$ 587,127</u>	<u>\$ 587,127</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

* \$9,422 HUB funding received from First 5 San Benito is *not included* in IMPACT.

Compliance Reports

For the Year Ended June 30, 2026

First 5 Contra Costa Children and Families Commission

(a Component Unit of the County of Contra Costa, California)

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**Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance
and Other Matters Based on an Audit of Financial Statements Performed in Accordance
with *Government Auditing Standards***

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities and the general fund of the First 5 Contra Costa Children and Families Commission (Commission), a component unit of the County of Contra Costa, California (County), as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements and have issued our report thereon dated October 12, 2026.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Eide Bailly LLP

Ontario, California
October 12, 2026



Independent Auditor's Report on State Compliance and on Internal Control Over Compliance

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

Report on Compliance

Opinion on State Compliance

We have audited the First 5 Contra Costa Children and Families Commission's (Commission), a component unit of the County of Contra Costa, California, compliance with the requirements specified in the State of California's *Expanded Audit Guide: Standards and Procedures for Audits of Local Entities Administering the California Children and Families Act (First 5)*, issued by the State Controller's Office, applicable to the Commission's statutory requirements identified below for the year ended June 30, 2026.

In our opinion, the First 5 Contra Costa Children and Families Commission complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the California Children and Families Program for the year ended June 30, 2026.

Basis for Opinion

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the State of California's *Expanded Audit Guide: Standards and Procedures for Audits of Local Entities Administering the California Children and Families Act (First 5)*, issued by the State Controller's Office. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Commission and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Our audit does not provide a legal determination of the Commission's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above, and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the First 5 Program.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether the material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Commission's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the State of California's *Expanded Audit Guide: Standards and Procedures for Audits of Local Entities Administering the California Children and Families Act (First 5)* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Commission's compliance with the requirements of the California Children and Families Program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the State of California's *Expanded Audit Guide: Standards and Procedures for Audits of Local Entities Administering the California Children and Families Act (First 5)*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit;
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Commission's compliance with the compliance requirements referred to above and performing such other procedures as we consider necessary in the circumstances;
- Obtain an understanding of the Commission's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the State of California's *Expanded Audit Guide: Standards and Procedures for Audits of Local Entities Administering the California Children and Families Act (First 5)*, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal controls over compliance. Accordingly, we express no such opinion; and
- Select and test transactions and records to determine the Commission's compliance with the state laws and regulations applicable to the following items:

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

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identify during the audit.

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit, we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the State of California's *Expanded Audit Guide: Standards and Procedures for Audits of Local Entities Administering the California Children and Families Act (First 5)*. Accordingly, this report is not suitable for any other purpose.

Eide Bailly LLP

Ontario, California
October 12, 2026



Annual Report AR-2
Contra Costa Demographic Worksheet
July 1, 2025 - June 30, 2026

Population Served

Category	Number
Children Less than 3 Years Old	2,400
Children from 3rd to 6th Birthday	2,593
Children – Ages Unknown (birth to 6th Birthday)	174
Primary Caregivers	6,710
Providers	1,753
Total Population Served	13,630

Primary Language Spoken in Home

Category	Number of Children	Number of Primary Caregivers
Cantonese	15	24
English	710	1,500
Korean	2	11
Mandarin	15	35
Other - Specify with text box Arabic, Berber, Dari, Farsi, Hindi, Nepali, Pashto	110	261
Spanish	1,089	2,195
Tagalog	15	36
Unknown	3,206	2,631
Vietnamese	5	17
Totals	5,167	6,710

Race and/or Ethnicity of Population Served

Category	Number of Children	Number of Primary Caregivers
Alaska Native/American Indian	10	12
Alaska Native/American Indian Hispanic/Latino	1	2
Alaska Native/American Indian Non-Hispanic White	2	2
Alaska Native/American Indian Hispanic/Latino Non-Hispanic Black or African American	1	1
Alaska Native/American Indian Middle Eastern or North African Non-Hispanic White	1	0
Asian	188	330
Asian Non-Hispanic Black or African American	2	0
Asian Hispanic/Latino	11	3
Asian Middle Eastern or North African	0	1
Asian Native Hawaiian or Other Pacific Islander	0	2
Asian Non-Hispanic White	9	0
Asian Non-Hispanic Black or African American Non-Hispanic White	0	1
Asian Hispanic/Latino Native Hawaiian or Other Pacific Islander	1	0
Asian Hispanic/Latino Non-Hispanic White	3	0
Hispanic/Latino Non-Hispanic Black or African American	19	10
Totals	5,167	6,710

Category	Number of Children	Number of Primary Caregivers
Non-Hispanic Black or African American Non-Hispanic White	8	5
Hispanic/Latino Native Hawaiian or Other Pacific Islander Non-Hispanic Black or African American	1	0
Hispanic/Latino Non-Hispanic Black or African American Non-Hispanic White	2	0
Non-Hispanic Black or African American	320	591
Hispanic/Latino Middle Eastern or North African	2	1
Hispanic/Latino Non-Hispanic White	30	11
Hispanic/Latino	1,497	2,151
Middle Eastern or North African Non-Hispanic White	0	3
Middle Eastern or North African	40	53
Other – Specify with text box More than one race or ethnicity	222	121
Native Hawaiian or Other Pacific Islander	11	21
Native Hawaiian or Other Pacific Islander Non-Hispanic White	1	0
Non-Hispanic White	158	287
Unknown	2,627	3,102
Totals	5,167	6,710

Duplication Assessment

Category	Data
Degree of Duplication	30%
Confidence in Data	Somewhat confident
Additional Details (Optional)	There are programs, such as Kit for New Parents and StoryCycles, that don't collect individual participation data including ethnicity/race and primary language.



Annual Report AR-3

Contra Costa County Evaluation Summary and Highlights

July 1, 2025 - June 30, 2026

County Evaluation Summary

Evaluation Activities Completed, Findings, and Policy Impact

Program Overview and Objectives

Throughout FY 2025–2026, First 5 Contra Costa partnered with a collaborative of three early childhood mental health organizations—Early Childhood Mental Health Program, VistAbility, and We Care Services for Children—to provide early childhood mental health consultation across Contra Costa County. The project used a program-based consultation model, shifting the focus from individual children to the adults, classroom environments, and program policies and procedures that shape young children’s experiences. Services included classroom observations, consultation, reflective practice meetings, coaching, provider and parent workshops, and referrals to community resources. The model was designed to strengthen provider capacity, create inclusive early learning environments, promote children’s participation and belonging, and reduce the likelihood that children are excluded from early learning settings due to social-emotional or behavioral challenges.

Methodology and Evaluation Approach

To evaluate the project, First 5 Contra Costa reviewed quarterly contractor reports with performance metrics, including service counts, site participation information, consultation and referral data, workshop attendance, and participant survey findings. Contractors also provided qualitative feedback and stories, along with quantitative data on providers’ self-reported increases in knowledge and intent to use new strategies and parents’ self-reported increases in understanding their child’s needs and confidence supporting their development. Limitations include reliance on contractor-reported data rather than independently collected data, duplicated workshop participation counts, self-reported perceptions of impact, limited information about longer-term outcomes, and limited follow-up on whether families connected with services after referrals were made.

Key Findings and Outcomes

During FY 2025–2026, the three-contractor collaborative served 30 early care and education sites: 17 licensed child care centers, eight licensed family child care homes, and five preschool sites. Together, the sites employed 270 providers and enrolled about 1,450 children. The collaborative provided 540 site-based mental health consultations and made 70 referrals to supports including mental health services, special education, early intervention, Help Me Grow, basic needs resources, and pediatric care. Sites reported changes in teacher practices, program policies, and classroom environments, including greater use of relationship-based strategies, positive behavior guidance, and supports for children’s regulation and belonging. None of the 30 sites reported expulsion or exclusion for behavioral issues during the program. Across quarterly evaluations, 97%–100% of providers reported increased knowledge, and at least 95% of parents reported increased understanding of their child’s needs.

Equity and Access

The project expanded access to early childhood mental health consultation across West, Central, and East County, reaching child care centers, family child care homes, and preschool programs serving infants, toddlers, and preschoolers. Contractor reports described a Race, Equity, Diversity, and Inclusion (REDI) lens as foundational to the consultation model. Consultants helped providers recognize the impact of systemic inequities and implicit bias, strengthen inclusive practices for children with disabilities and delays, and respond to children's behavior with curiosity, compassion, and effective strategies. The project also supported access by helping programs connect children and families to additional services when needs were identified. Parent workshops extended the work beyond early learning programs by giving families information and strategies to better understand and support their children's development.

Lessons Learned and Recommendations

FY 2025–2026 was a period of learning for consultants, many of whom were trained as therapists and were adapting to a program-based consultation model. First 5 Contra Costa built time into the contract for the collaborative to work with an outside consultant to support this shift, strengthen coordination across the three organizations, and reflect together on implementation challenges. This process raised important questions about how to tier support, determine appropriate site dosage, and decide when a program is ready to “graduate” from consultation services. These lessons are helping refine the model and deepen understanding of what it takes to strengthen early learning programs as part of prevention-focused systems work.

County Highlights

Purpose and Activities

The highlight of Contra Costa County's work this year is the creation and dissemination of the Early Childhood System Map, a visual and strategic tool that illustrates the systems and programs families with young children rely on across the county. The map was created to turn data into insights and insights into action by making the early childhood landscape easier to see and understand. In FY 2025–2026, First 5 Contra Costa gathered and organized information across early childhood systems to show where services are available, where gaps remain, and where stronger coordination is needed. The map serves as a shared resource to support planning, partnership, and collective action.

Key Achievements and Outcomes

During FY 2025–2026, First 5 Contra Costa completed and shared the first iteration of the Early Childhood System Map as a countywide resource for decision-makers, funders, providers, and community partners. The map brings together program data, public and administrative datasets, state benchmarks, and qualitative insights from families and providers. It includes more than 100 pages of data and insights and is available in English and Spanish, along with an At-A-Glance overview, Key Takeaways document, and video guide. Early users report using the map for grant writing, program planning, coordination with early childhood system leaders, and advocacy.

Community Engagement, Partnerships and Equity-Focused Efforts

Equity and community voice were central to the Early Childhood System Map's design. First 5 Contra Costa partnered with Start Early Consulting and convened an advisory group representing diverse local organizations and county departments to ensure broad input and shared ownership. Families and frontline providers shared their experiences with barriers and opportunities across services, ensuring that lived experience shaped how the system was represented. By surfacing where pathways are complex, disconnected, or inequitable, the map helps illuminate disparities and identify opportunities for stronger coordination and more culturally responsive care. The collaborative process also strengthened cross-sector relationships and connections across the early childhood system.

Qualitative Impact

Partner and family feedback shows that the Early Childhood System Map is making complex information more accessible and useful. Contra Costa County Library shared that the map "pulls together data from many sources and puts it together in a very readable and useful way." Family input reinforced why this work matters, with one family describing the experience of navigating services as "being on your own, trying to piece together support from a system that isn't connected." Together, these perspectives demonstrate how the map can help partners better understand family experiences and identify where stronger coordination is needed. County leaders have also noted the map's potential, with one County Supervisor stating that it was "expected to play an important role in future planning and budget discussions, helping align resources with the needs of families throughout the county."

Looking Forward

Looking ahead, First 5 Contra Costa and its partners will use the Early Childhood System Map as a foundation for deeper collaboration, shared sense-making, and collective action. The map will help guide strategic planning, support grant writing and advocacy, and help partners align efforts across sectors. First 5 Contra Costa will also use the map to inform investments and identify opportunities for collective action. The map will be updated regularly so it remains a living resource that reflects changing community needs and system conditions.



Staff Report
October 12, 2026

ACTION: _____ ✓
DISCUSSION: _____

TITLE: FIRST 5 California Annual Report Fiscal Year 2025-26

Background:

On an annual basis, each county First 5 is required to provide a summary of revenues, expenditures, and populations served for the fiscal year to First 5 California in the form of the Annual Report. The county Annual Reports inform a statewide summary that First 5 California is required by the California Children and Families Act to produce on an annual basis.

The Annual Report presented pertains to the fiscal year period of July 1, 2025 – June 30, 2026. Annual Report expenditures and counts of children, caregivers, and providers served are organized into Result Areas defined by First 5 California. Below are the Result Areas with a brief description of which First 5 Contra Costa efforts fall within those areas:

- **Improved Family Functioning:** Our Strengthening Families efforts include family resource centers, parent education, family literacy, and parent leadership training through the Community Advisory Councils at each family resource center.
- **Improved Child Development:** Our Early Childhood Education efforts include school readiness, coaching, capacity building, professional development, inclusion in early learning, and other quality improvement efforts.
- **Improved Child Health:** Our Early Intervention efforts include Help Me Grow, early childhood mental health consultation services, home visiting, and distributing car seats.
- **Improved Systems of Care:** Our advocacy efforts focus on Early Childhood Education, Early Intervention, and Strengthening Families through the various coalitions we participate in or lead such as the Family Economic Security Partnership, Early Learning Leadership Group and the Early Childhood Prevention & Intervention Coalition. Also includes Building Blocks Mini-Grants and our Parent Advisory Group.

The Annual Report is comprised of three sections, AR-1, AR-2, and AR-3:

- Annual Report AR-1 includes a First 5 Contra Costa Revenue and Expenditure Summary that demonstrates the relationship between financial resources and services.

- Annual Report AR-2 consists of an overview of demographic information on race/ethnicity and primary language spoken in the home for populations served by First 5 Contra Costa.
- Annual Report AR-3 contains an evaluation summary and a county highlight, which is published in First 5 California's Annual Report.

Recommendation:

ADOPT the presented Annual Report for FY 2025-26 to be submitted to First 5 California by its due date of October 31, 2026.

Fiscal Impact:

The Annual Report outlines First 5 Contra Costa's revenues and expenditures in Fiscal Year 2025-26, but adopting the report has no fiscal impact on the agency.

Consequence of Negative Action:

First 5 Contra Costa would fail to comply with state reporting mandates and would need to revise the Annual Report and resubmit to the Commission for adoption before submitting the report to First 5 California.



**Staff Report
October 12, 2026**

ACTION: _____ ✓
DISCUSSION: _____

TITLE: First 5 Employee Compensation and Benefits Resolution No. 2025/01

Introduction:

The Commission utilizes the County's payroll and benefits program for its employees. Since 2012, the Commission has maintained its employee compensation and benefits resolution to clarify where Commission compensation and benefits policies diverge from those of the County.

The updates in this resolution incorporate items the Commission has previously approved. In addition, the benefit rates have been updated to reflect the health and dental plans that will be effective January 1, 2027.

Prior Commission-approved changes are listed below:

Page 1, 17 and 18: Attachment A Salary Schedule

- Updated 3% COLA for staff including the ED approved by the Commission on May 18, 2026, effective July 1, 2026 through the Commission's budget adoption process.

The Commission sets the health and dental benefit plan rates and contribution levels at this meeting, as the open enrollment period needs to begin upon approval. The window for open enrollment for First 5 employees is set to begin following approval from the Commission. The open enrollment window will be October 13, 2026, to October 30, 2026.

2027 health and dental benefit rates were approved by the Board of Supervisors on September 14, 2026. Eight health plans are available through three different carriers in combination with a Health Savings Account (HSA). Two dental plans are offered. A voluntary vision plan remains offered and is paid entirely by employees.

The increase for the 2027 health plan providers is shown below:

CONTRA COSTA HEALTH PLAN A & B	+73 %
KAISER PERMANENTE – BASIC PLAN A, B AND HIGH DEDUCTIBLE (HD)	+3 %
HEALTH NET SMARTCARE HMO A AND B	+29.5 %
HEALTH NET PPO PLAN – BASIC PLAN A	+15 %



The incorporated changes will change the title to: Employee Compensation and Benefits Resolution 2026/01 adopted October 12, 2026.

Recommendation:

Staff recommend the Commission approve the Employee Compensation and Benefits Resolution with the updated title 2026/01, which reflects changes approved by the Commission.



**EMPLOYEE COMPENSATION
AND
BENEFITS RESOLUTION
NO. 20265/01**

**Adopted
October 1227, 20265**

TABLE OF CONTENTS

1. Compensation.....	1
A. Executive Director.....	1
B. Employees.....	1
C. Cost of Living Adjustment (COLA)	1
2. Employment Status – Definitions	1
3. Work Week Defined	2
4. Leaves With and Without Pay, and Related Benefits	2
A. Holidays Observed	2
B. Personal Holiday Leave	2
C. Vacation	2
D. Vacation Buy Back.....	3
E. Sick Leave	3
F. Administrative Leave	4
G. Disability Insurance.....	4
H. Disability Insurance for Partial Wage Replacement.....	4
I. Supplemental Disability Insurance	5
J. Paid Family Leave	5
K. California Family Rights Act.....	5
5. Health, Dental, and Related Benefits for Active Employees	5
A. Health Plan Coverages.....	5
B. Monthly Premium Subsidy	6
C. Health Plan Coverages and Provisions.....	7
D. Family Member Eligibility Criteria	8
E. Voluntary Vision Plan.....	9
F. CalPERS Long-Term Care	9
G. Premium Conversion Plan	9
6. Health, Dental and Related Benefits for Separated or Retired Employees	9
A. Coverage Upon Separation	9
B. Coverage Upon Retirement	9
7. Workers' Compensation.....	9
8. Flexible Spending Accounts	910
A. Health Care Spending Account.....	10
B. Dependent Care Assistance Program.....	10
9. Life Insurance	10
A. Life Insurance Benefit Under Health and Dental Plans	10
B. Voluntary Supplemental Life Insurance.....	10
C. Non-exempt Employees.....	10
D. Exempt Employees.....	11
E. Executive Director.....	11
10. Retirement.....	11
A. Membership.....	12
B. Rates	12
C. Pre-Tax Payment of Retirement Contributions	12
D. Health and Dental Benefit Participation Upon Retirement	12
E. Employees Who File For Deferred Retirement.....	13

11. Deferred Compensation	14
A. Deferred Compensation Incentive.....	15
B. Maximum Annual Contribution	15
C. Deferred Compensation Plan (IRC 457) Loan Provision	15
12. Professional Development and Training.....	16
A. Career Development Training Reimbursement	16
B. Management Development Policy	16
C. Memberships, Subscriptions, and Dues.....	16
D. Executive Director Memberships, Subscriptions, and Dues	Error! Bookmark not defined.
13. Mileage Reimbursement.....	16
14. Executive Director Automobile Allowance	16
Attachment A Salary Schedule	17

1. Compensation

It is the policy of the Commission to provide its employees with a fair and competitive compensation package. The policy for setting compensation is described in the Commission's Consolidated Financial Policies.

- A. Executive Director: The approved salary range for the Executive Director is ~~\$159,480.03~~~~154,834.98~~ to ~~\$245,236.68~~~~238,093.58~~~~82~~. The Executive Director's salary is set by the Commission

The Commission, at its discretion, may provide the Executive Director with an annual merit increase in an amount to be determined by the Commission.

- B. Employees: Salary ranges are listed in Attachment A, First 5 Contra Costa Salary Schedule.

First 5 Contra Costa has a 5-step pay structure shown in attachment A. Employees receive up to four (4) annual salary (step) increases. After reaching Step 5, employees no longer receive annual salary (step) increases.

- C. Cost of Living Adjustment (COLA): COLAs are determined and approved by the Commission. If awarded, the COLA is generally applied at the beginning of a fiscal year (July 1). All employees, including the Executive Director, are eligible to receive a COLA.

2. Employment Status – Definitions

Full-Time Employees are scheduled to work 40 hours per work week.

Part-Time Employees are scheduled to work twenty (20) hours or more per work week.

Intermittent Employees work on an as needed, irregular basis. Intermittent employees are paid by the hour, and offered limited benefits specified in this Resolution.

Temporary Employees/Interns work for a limited period of time. Paid temporary employees/interns will be paid on an hourly basis, and offered limited benefits specified in this Resolution. Nonpaid interns will not be offered benefits.

Non-exempt Employees are eligible to be paid for overtime work in accordance with the Federal Fair Labor Standards Act (FLSA).

Exempt Employees are exempt from earning overtime compensation under the provisions of the Federal Fair Labor Standards Act (FLSA).

3. Work Week Defined

Work Week Defined: The work week begins at 12:01 a.m. on Saturday and ends at 12:00 midnight on Friday.

4. Leaves With and Without Pay, and Related Benefits

Refer to the Benefits and Leaves of Absence Sections within the Employee Handbook to determine eligibility.

- A. Holidays Observed: First 5 Contra Costa observes 11 holidays each year. The following holidays are observed for all employees, and the office is officially closed on these days:

New Year's Day	Labor Day
Martin Luther King Jr. Day	Veterans' Day
Presidents' Day	Thanksgiving Day
Memorial Day	Day after Thanksgiving
Juneteenth Day	Christmas Day
Independence Day	

Full-time employees are entitled to observe a holiday (8 hours off work), without a reduction in pay, when a holiday is observed by First 5 Contra Costa. Part-time employees who work 20 hours or more per work week are entitled to observe a holiday (time off work) in proportion to their regular weekly schedule, without a reduction in pay, when a holiday is observed by First 5 Contra Costa. Part-time employees working less than twenty (20) hours per week, intermittent employees, and temporary employees/interns are not eligible to receive paid time-off to observe holidays.

- B. Personal Holiday Leave: Full-time employees are eligible to accrue two (2) hours of personal holiday leave each month. Part-time employees who work 20 hours or more per week accrue a prorated amount of hours based upon the number of hours they work each week. No employee may accrue more than forty (40) hours of PHL. Part-time employees working less than twenty (20) hours per week, intermittent and temporary employees/interns are not eligible to accrue personal holiday leave.

Upon separation from First 5 Contra Costa, an employee will be paid for any unused accrued personal holiday leave at the employee's then current rate of pay.

- C. Vacation: Full-time employees are eligible to accrue paid vacation each month according to years of service. Vacation for part-time and intermittent employees working more than one (1) but less than forty (40) hours per week will be prorated based upon the number of hours they work. Temporary employees/interns are not eligible to receive vacation benefits.

Vacation accrual rates and accrual maximums based upon years of service for full-time employees are reflected in the following table. No employee may accrue more than the designated maximum hours of vacation.

Length of Service	Monthly Accrual Hours	Maximum Cumulative Hours
Under 11 years	10	240
11 years	10 2/3	256
12 years	11 1/3	272
13 years	12	288
14 years	12 2/3	304
15 through 19 years	13 1/3	320
20 through 24 years	16 2/3	400
25 through 29 years	20	480
30 + years	23 1/3	560

Upon separation from First 5 Contra Costa, an employee will be paid for any unused accrued vacation at the employee's then current rate of pay.

D. Vacation Buy Back: Exempt employees may elect payment of up to one-third (1/3) of their annual vacation accrual, subject to the following conditions:

1. the choice can be made only once every twelve (12) months with eleven (11) full months between each election;
2. payment is based on an hourly rate determined by dividing the employee's monthly salary by 173.33; and
3. the maximum number of vacation hours that may be paid in any one sale is one-third (1/3) of the annual accrual.

E. Sick Leave: Full-time employees are eligible to accrue eight (8) hours of sick leave per month. Sick leave for part-time, intermittent employees, and temporary employees/interns working more than one (1) but less than 40 hours per week will be prorated based upon the number of hours they work. There is no cap on sick leave accruals.

On July 1 each fiscal year, temporary employees/interns will be credited with twenty-four (24) hours of sick leave. Temporary employees/interns hired during the fiscal year will receive 24 hours of sick leave regardless of when hired. Sick leave may be used 90 days from date of hire. Sick leave is non-accruable for temporary employees/interns, and all balances will be zeroed out each June 30.

There will be no payout of accrued sick leave upon separation from First 5 Contra Costa.

- F. Administrative Leave: On January 1 each year, full-time exempt employees in an active paid status will be credited with sixty (60) hours of paid administrative leave. Part-time exempt employees receive an amount proportionate to their established work schedule. Non-exempt, intermittent, and temporary employees/interns are not eligible to receive administrative leave.

Employees hired or promoted to exempt positions are eligible for administrative leave on the first day of the month following their appointment date and will receive administrative leave on a prorated basis that first year.

Administrative leave is non-accruable, and all balances will be zeroed out each December 31. There is no payout of administrative leave balances upon separation from First 5 Contra Costa.

- G. Disability Insurance: First 5 Contra Costa provides short and long-term disability insurance for eligible employees. Eligibility is outlined below:

1. Short-Term Disability Insurance

- a) Non-exempt, intermittent and temporary employees/interns participate in the California State Disability Insurance program through payroll deductions.
- b) Exempt employees do not participate in the California State Disability Insurance program.

2. Long-Term Disability Insurance

- a) Exempt employees who work 20 hours or more per work week, participate in Management Long-Term Disability Benefits through payroll deductions.
- b) Non-exempt, intermittent, and temporary employees/interns do not participate in Management Long-Term Disability Benefits

3. Supplemental Disability Insurance provided by First 5 Contra Costa

- a) Non-Exempt employees who work 20 hours or more per work week are provided with Supplemental Long-Term disability insurance.
- b) Exempt employees, who work 20 hours or more per work week, are provided with short-term disability insurance.
- c) Intermittent, temporary employees/interns are not eligible to participate in supplemental disability insurance.

- H. Disability Insurance for Partial Wage Replacement: First 5 Contra Costa will provide the same disability coverage for employees as provided through and administered by Contra Costa County. Refer to plan documents for more information.

1. Long-Term Disability. Full and part-time exempt employees, who work 20 hours or more per week, participate in the Management Long-Term Disability

Insurance program with a replacement limit of eighty-five (85%) of total monthly base earnings reduced by any deductible benefits.

2. Short-Term Disability. Full and part-time non-exempt, intermittent employees, and paid temporary employees/intern employees participate in California's State Disability Insurance program through payroll deductions as mandated by the California Unemployment Insurance Code and administered by the Employment Development Department.
- I. Supplemental Disability Insurance: First 5 Contra Costa provides additional short and long-term disability insurance, at no cost to employees, for full-time and part-time employees who work 20 hours or more per week. Part-time employees who work less than 20 hours per week, intermittent employees, and temporary employees/interns are not eligible to receive supplemental disability insurance. Refer to plan documents for more information.
- J. Paid Family Leave: Non-exempt employees who participate in California's State Disability Insurance program through payroll deductions may be eligible for up to eight (8) weeks of the state's Paid Family Leave program, which provides partial wage replacement for absences related to care of a family member, or bonding with a new child. This program is coordinated through the State Employment Development Department (EDD). Refer to PFL documents for more information.
- K. California Family Rights Act (CFRA): Eligible employees may qualify for up to twelve (12) weeks of unpaid job-protected leave to care for their own serious health condition, a family member with a serious health condition, to bond with a new child, or to care for a designated person. Refer to CFRA documents for more information.

5. Health, Dental, and Related Benefits for Active Employees

For a full description of plans, rates and benefits listed below, refer to the County Employee Benefits information online at www.co.contra-costa.ca.us.

- A. Health Plan Coverages: First 5 Contra Costa will provide the same medical and dental plans for employees and their eligible family members, as provided through Contra Costa County and the following providers:
 1. Contra Costa Health Plan
 2. Kaiser Permanente
 3. Health Net
 4. Delta Dental Premier
 5. Delta Care (HMO)

B. Monthly Premium Subsidy:

1. Intermittent employees are eligible to participate in the health, dental, and vision plans offered, and will pay the full premium costs of the plan.
Temporary employees/interns are not eligible to participate in the optional health, dental, or vision plans.
2. For full-time and part-time employees who work 20 hours or more per week, and who are not intermittent, temporary employees/interns, the following rules apply.
 - a) For each health plan, First 5 Contra Costa's monthly premium subsidy is a set percentage of the premium charged by the plan. First 5 Contra Costa will pay 80% of the monthly health plan premium. Employees are required to pay 20% of the monthly health premium.
 - b) For each dental plan, First 5 Contra Costa's monthly premium subsidy is the same rate as County unrepresented employees.

First 5 Contra Costa will pay the following monthly premium subsidies for full-time and part-time employees working 20 hours or more per week.

**2026 Employer
Monthly Contribution**

HEALTH PLANS

Contra Costa Health Plan-Basic Plan

	Plan A	Plan B
Employee on Basic Plan	\$1085.90 <u>1878.94</u>	\$1203.73 <u>1679.33</u>
Employee & 1	\$2171.76 <u>3757.81</u>	\$2407.44 <u>3358.64</u>
Employee & 2 or more dependents	\$3257.67 <u>5636.78</u>	\$3611.19 <u>5038.00</u>

Kaiser Permanente-Basic Plan

Employee on Basic Plan	\$857.78 <u>884.95</u>	\$681.75 <u>703.33</u>
Employee & 1	\$1715.56 <u>1769.89</u>	\$1363.49 <u>1406.66</u>
Employee & 2 or more dependents	\$2573.33 <u>2654.84</u>	\$2045.24 <u>2109.99</u>

Kaiser Permanente-High Deductible Plan

Employee on Basic Plan	\$547.33 <u>564.68</u>	-
Employee & 1	\$1094.66 <u>1129.35</u>	-
Employee & 2 or more dependents	\$1641.99 <u>1694.02</u>	-

Health Net SmartCare HMO Plan

Employee on Basic Plan	\$1663.56 <u>2155.96</u>	\$1113.03 <u>1442.48</u>
Employee & 1	\$3327.11 <u>4311.92</u>	\$2226.05 <u>2884.96</u>
Employee & 2 or more dependents	\$4990.66 <u>6467.88</u>	\$3339.08 <u>4327.44</u>

Health Net PPO Plan-Basic Plan

Employee on Basic Plan	\$3680.84 <u>234.08</u>	-
Employee & 1	\$7361.68 <u>468.15</u>	-
Employee & 2 or more dependents	\$11042.52 <u>12702.22</u>	-

DENTAL PLANS

For CCHP Plans

	Delta Dental Premier PPO	Delta Care (HMO)
Employee	\$41.17	\$24.17 <u>22.96</u>
Employee & 1	\$93.00	\$52.23 <u>49.62</u>
Employee & 2 or more dependents	\$93.00	\$52.23 <u>49.62</u>

For Health Net Plans

Employee	\$34.02	\$21.31
Employee & 1	\$76.77	\$46.05
Employee & 2 or more dependents	\$76.77	\$46.05

For Kaiser Permanente Plans

Employee	\$34.02	\$21.31
Employee & 1	\$76.77	\$46.05
Employee & 2 or more dependents	\$76.77	\$46.05

Without a Health Plan

Employee	\$43.35	\$24.17 <u>22.96</u>
Employee & 1	\$97.81	\$52.23 <u>49.62</u>
Employee & 2 or more dependents	\$97.81	\$52.23 <u>49.62</u>

3. In the event that First 5 Contra Costa's premium subsidy amounts are greater than one hundred percent (100%) of the applicable premium of any health or dental plan, for any plan year, First 5's contribution will not exceed one hundred percent (100%) of the applicable plan premium.

C. Health Plan Coverages and Provisions: The following provisions are applicable to First 5 Contra Costa Employee's Health and Dental Plan participation:

1. Employee Contribution Deficiencies: First 5 Contra Costa contributions to the Health Plan and/or Dental Plan premiums are payable for any month in which the employee is paid. If an employee's compensation in any month is not sufficient to pay the employee share of the premium, the employee must make up the difference by remitting the unpaid amount to the County Auditor Controller. The responsibility for this payment rests solely with the employee.
2. Leave of Absence: First 5 Contra Costa will continue to pay its shares of health and/or dental plan premiums for enrolled employees who are on an approved paid or unpaid leave of absence provided the employee's share of the premiums is paid by the employee.

3. Health Savings Account (HSA): Full-time and part-time employees who are enrolled in the Kaiser High Deductible Health Plan may elect to enroll in a Health Savings Account (HSA). Employees may contribute up to the maximum annual contribution rate for HSAs as set forth in the Internal Revenue Code. Funds contributed to the HSA are invested as directed by the employee. First 5 does not provide any recommendations or advice on investment or use of HSA funds. Employees are responsible for paying any HSA account management fees charged by the HSA administrator. First 5 does not manage or administer the HSA. The HSA is not available to intermittent employees or temporary employees/interns.

D. Family Member Eligibility Criteria: The following persons may be enrolled as the eligible Family Members of a medical and/or dental plan Subscriber:

1. Health Insurance

- a) Eligible Dependents:

- Employee's legal spouse
 - Employee's qualified domestic partner (State registered domestic partnership or Contra Costa County non-registered domestic partnership)
 - Employee's child to age 26
 - Employee's disabled child who is over age 26, unmarried, and incapable of sustaining employment due to a physical or mental disability that existed prior to the child attainment of age 19.
- b) "Employee's child" includes natural child, stepchild, adopted child, child of a qualified domestic partner, and a child specified in a Qualified Medical Child Support Order (QMCSO) or similar court order.

2. Dental Insurance

- a) Eligible Dependents:

- Employee's legal spouse
- Employee's qualified domestic partner (State registered domestic partnership or Contra Costa County non-registered domestic partnership)
- Employee's unmarried child who is:
 - i. Under age 19; or
 - ii. Age 19 or above, but under age 24; and
 - (a) Resides with the employee for more than 50% of the year, excluding time living at school; and
 - (b) Receives at least 50% of their support from employee; and
 - (c) Is enrolled and attends school on a full-time basis, as defined by the school, unmarried and living with you (except when away at school)
 - iii. Employee's disabled child who is over age 19, unmarried, incapable of sustaining employment due to a physical or mental

handicap that existed prior to the child's attainment of age 19 and is your dependent as defined by the Internal Revenue Service.

- b) "Employee's child" includes natural child, stepchild, adopted child, child of a qualified domestic partner, and a child specified in a Qualified Medical Child Support Order (QMCSO) or similar court order.
- E. Voluntary Vision Plan: Full-time, part-time, and intermittent employees are eligible to enroll in a voluntary vision plan. Employees will pay the full premium costs of the plan. Temporary employees/interns are not eligible to enroll in the voluntary vision plan.
- F. CalPERS Long-Term Care: Eligible employees may voluntarily elect to purchase long-term care at their expense through the CalPERS Long-Term Care Program.
- G. Premium Conversion Plan: Employees may elect to participate in the Premium Conversion Plan designed to qualify for tax savings under Section 125 of the Internal Revenue Code, but tax savings are not guaranteed. The program allows employees to use pre-tax dollars to pay health and dental premiums.

6. Health, Dental and Related Benefits for Separated or Retired Employees

For a full description of plans, rates and benefits listed below, refer to the County Employee Benefits information online at www.co.contra-costa.ca.us.

- A. Coverage Upon Separation: An employee who separates from First 5 Contra Costa is covered by their health and/or dental plan through the last day of the month in which they separate. Employees who separate from First 5 Contra Costa employment may continue group health and/or dental plan coverage to the extent provided by the COBRA laws and regulations, at the same rates as Contra Costa County Cobra plans.
- B. Coverage Upon Retirement: An employee who retires from First 5 Contra Costa may be eligible to continue their health and/or dental plan at the retiree rates as approved by the Commission. Refer to Section 10D for additional information.

7. Workers' Compensation

First 5 Contra Costa provides workers' compensation insurance to employees injured within the course and scope of their employment with medical and other benefits as prescribed in the California Labor Code.

8. Flexible Spending Accounts

Employees working 20 hours or more per week are eligible to participate in the following flexible spending accounts. Part-time employees working less than twenty (20) hours per week, intermittent employees, and temporary employees/interns are not eligible to participate.

- A. Health Care Spending Account: After six (6) months of continuous employment, employees working 20 hours or more per week may elect to participate in a Health Care Spending Account (HCSA) Program designated to qualify for tax savings under Section 125 of the Internal Revenue Code. Such savings are not guaranteed. This program allows employees to set aside a predetermined amount of before-tax dollars from their pay each calendar year for health care expenses that are not reimbursed by any other health benefit plan. HCSA dollars may be spent on any eligible medical expenses allowed by Internal Revenue Code Section 125. Unused balances are forfeited annually and cannot be recovered by the employee, check program deadlines.
- B. Dependent Care Assistance Program: The Dependent Care Assistance Program (DCAP) is designed for employees to qualify for tax savings under Section 129 of the Internal Revenue Code. Such savings are not guaranteed. Unused balances are forfeited annually and cannot be recovered by the employee, check program deadlines.

9. Life Insurance

Full-time and part-time employees working twenty (20) hours or more per week may be eligible to participate in the following life insurance programs, based on the following criteria. Part-time employees working less than twenty (20) hours per week, intermittent employees, and temporary employees/interns are not eligible to participate. Refer to plan documents for more information.

- A. Life Insurance Benefit Under Health and Dental Plans: For employees who are enrolled in First 5 Contra Costa's program of medical or dental coverage as either the primary or the dependent, term life insurance in the amount of ten thousand dollars (\$10,000) will be provided by First 5 Contra Costa.
- B. Voluntary Supplemental Life Insurance: In addition to the life insurance benefits provided by this resolution, employees may subscribe voluntarily and at their own expense for supplemental life insurance. Employees may elect from \$20,000 up to \$500,000 of coverage as provided through and administered by Contra Costa County.
- C. Non-exempt Employees: Non-exempt employees are covered by term life insurance, at First 5 Contra Costa's expense, in the amount of forty thousand dollars (\$40,000) in addition to the insurance provided under Section 7.A.

- D. Exempt Employees: Exempt employees are covered by term life insurance, at First 5 Contra Costa's expense, in the amount of fifty-seven thousand dollars (\$57,000) in addition to the insurance provided under Section 7.A.
- E. Executive Director: In lieu of the insurance provided under Section D, the Executive Director is covered by term life insurance, at First 5 Contra Costa's expense, in the amount of sixty thousand dollars (\$60,000) in addition to the insurance provided under Section 7. A.

10. Retirement

The Contra Costa County Employees' Retirement Association (CCCERA) was established by the County of Contra Costa in 1945. CCCERA is governed by the County Employees' Retirement Law of 1937 (California Government Code Section 31450 et. seq), the California Public Employees' Pension Reform Act of 2013 (PEPRA), and the regulations, procedures, and policies adopted by CCCERA's Board of Retirement.

CCCERA is a cost-sharing multiple employer public employee retirement association whose main function is to provide service retirement, disability, death and survivor benefits to members employed by First 5 Contra Costa.

Eligible First 5 Contra Costa employees are General Members. General members hired prior to January 1, 2013, are eligible to retire once they attain the age of seventy (70), regardless of service, or at age fifty (50) and have acquired ten (10) or more years of retirement service credit. A member with thirty (30) years of service is eligible to retire regardless of age. General members who are first hired on or after January 1, 2013, are eligible to retire once they have attained the age of seventy (70), regardless of service, or at age fifty-two (52) and have acquired five (5) years of retirement service credit.

Part-time employees working less than twenty (20) hours per week, intermittent employees, and temporary employees/interns are not eligible to participate.

The retirement benefit is based upon age at retirement, final average compensation, years of retirement service credit, and retirement plan and tier.

CCCERA may approve an annual cost-of-living benefit to all retirees. The cost-of-living adjustment, based upon the Consumer Price Index for the San Francisco-Oakland-San Jose Area, is capped at 3.0% for General Tier 1 and PEPRA General Tier 4. The plan also provides a post-retirement lump sum death benefit of \$5,000 to the member's beneficiary (\$31789.5) paid from the Post Retirement Death Benefit Reserve.

The program is a defined benefit retirement plan and includes mandatory deductions, as determined by CCCERA.

A. Membership in the Contra Costa County Employees' Retirement Association (CCCERA). Full-time employees and part-time employees who work twenty (20) hours or more per week are members of the Contra Costa County Employees' Retirement Association (CCCERA). Participation is automatic and cannot be waived. Employees become members of CCCERA effective on the first full pay period after employment.

B. Rates: The member and employer contribution rates are split into two sets.

1. Employees with membership dates before January 1, 2013, are Legacy Members enrolled in Tier 1 Enhanced.
2. Employees with membership dates on or after January 1, 2013, are PEPRA Members enrolled in Tier 4.

PEPRA Members are governed by the California Public Employees' Pension Reform Act of 2013 (PEPRA) (Chapters 296 and 297, Statutes of 2012). To the extent that this resolution conflicts with any provision of PEPRA, PEPRA governs.

Contribution rates for employers and employees are determined by the CCCERA Board of Directors. For more information about contribution rates contact CCCERA at 925-521-3960 or online at www.cccera.org.

C. Pre-Tax Payment of Retirement Contributions: First 5 Contra Costa follows Section 414(h) (2) of the Internal Revenue Code which allows the County Auditor-Controller to reduce the gross monthly pay of employees by an amount equal to the employee's total contribution to the County Retirement System before Federal and State income taxes are withheld and forward that amount to the Retirement system. This program of deferred retirement contribution will be universal and non-voluntary as required by statute.

D. Health and Dental Benefit Participation Upon Retirement

For a full description of plans, rates, and benefits listed below, refer to the County Employee Benefits information online at www.co.contra-costa.ca.us.

1. Upon retirement, eligible employees and their eligible family members may remain in their First 5 Contra Costa health/dental plan, but without First 5 Contra Costa-paid life insurance coverage, if immediately before their proposed retirement the employees and dependents are either active subscribers to one of the contracted health/dental plans or if while on authorized leave of absence without pay, they have retained continuous coverage during the leave period. First 5 Contra Costa will pay the health/dental plan monthly premium subsidies for eligible retirees and their

eligible family members at the same rates as Contra Costa County retirement plans.

2. Employees Hired After December 31, 2006: All employees hired after December 31, 2006, are eligible for retiree health/dental coverage pursuant to subsections D.1 above and E. below, upon completion of fifteen (15) years of service as an employee of First 5 Contra Costa. For purposes of retiree health eligibility, one year of service is defined as one thousand (1,000) hours worked within one anniversary year. The existing method of crediting service while an employee is on an approved leave of absence will continue. Upon retirement, employees (and their eligible family members) are eligible to receive a monthly premium subsidy for health and dental plans at the same rates as Contra Costa County retiree plans.
 3. Employees Hired on or after January 1, 2009: Eligible employees who retire under the Contra Costa County Employees' Retirement Association (CCCERA), and their eligible family members, may retain continuous coverage of a health and/or dental plan, however no monthly premium subsidy will be paid by First 5 Contra Costa for any health or dental plan after they retire. They will receive continuous coverage of a health and/or dental plan, provided that he or she begins to receive a monthly retirement allowance from CCCERA within 120 days of separation from First 5 Contra Costa employment and, (ii) he or she pays the full premium cost under the health and/or dental plan without any First 5 Contra Costa premium subsidy.
 4. Any person who becomes age 65 on or after January 1, 2009, and who is eligible for Medicare must immediately enroll in Medicare Parts A and B.
- E. Employees Who File For Deferred Retirement: Employees, who resign and file for a deferred retirement and their eligible family members, may continue in their First 5 Contra Costa group health and/or dental plan under the following conditions and limitations.
1. Health and dental coverage during the deferred retirement period is entirely at the expense of the employee, without any First 5 Contra Costa contributions.
 2. Life insurance coverage is not included.
 3. To continue health and dental coverage, the employee must:
 - a) be qualified for a deferred retirement under the 1937 Retirement Act provisions;
 - b) be an active member of a First 5 Contra Costa group health and/or dental plan at the time of filing their deferred retirement application and elect to continue plan benefits;

- c) be eligible for a monthly allowance from the Retirement System and direct receipt of a monthly allowance within twenty-four (24) months of application for deferred retirement; and
 - d) file an election to defer retirement and to continue health benefits hereunder with the Benefits Division within thirty (30) days before separation from First 5 Contra Costa.
4. Deferred retirees who elect continued health benefits hereunder and their eligible family members may maintain continuous membership in their health and/or dental plan group during the period of deferred retirement by paying the full premium for health and dental coverage on or before the 10th of each month, to the Contra Costa County Auditor-Controller. When the deferred retirees begin to receive retirement benefits, they will qualify for the same health and/or dental coverage pursuant to subsection D.1 above, as similarly situated retirees who did not defer retirement.
 5. Deferred retirees may elect retiree health benefits hereunder without electing to maintain participation in their First 5 Contra Costa health and/or dental plan during their deferred retirement period. When they begin to receive retirement benefits, they will qualify for the same health and/or dental coverage pursuant to subsection D.1 above, as similarly situated retirees who did not defer retirement, provided reinstatement to a Contra Costa group health and/or dental plan will only occur following a three (3) full calendar month waiting period after the month in which their retirement allowance commences.
 6. Employees who elect deferred retirement will not be eligible in any event for First 5 Contra Costa health and/or dental plan subsidy unless the member draws a monthly retirement allowance within twenty-four (24) months after separation from First 5 Contra Costa.
 7. Deferred retirees and their eligible family members are required to meet the same eligibility provisions for retiree health/dental coverage as similarly situated retirees who did not defer retirement.
- F. For purposes of Section 10 only, “eligible family members” does not include Survivors of employees or retirees.

11. Deferred Compensation

Full-time and part-time employees working twenty (20) hours or more per week are eligible to participate in the Deferred Compensation plan. Part-time employees working less than twenty (20) hours per week, intermittent employees, and temporary employees/interns are not eligible to participate.

Refer to the County Employee Benefits information online at www.co.contra-costa.ca.us.

- A. Deferred Compensation Incentive: First 5 Contra Costa will contribute eighty-five dollars (\$85) per month to each eligible employee who participates in the Deferred Compensation Plan. To be eligible for this Deferred Compensation Incentive, the employee must contribute to the deferred compensation plan as indicated below.

Employees with Current Monthly Salary of:	Qualifying Base Contribution Amount	Monthly Contribution Required to Maintain Incentive Program Eligibility
\$2,500 and below	\$250	\$50
\$2,501 – 3,334	\$500	\$50
\$3,335 – 4,167	\$750	\$50
\$4,168 – 5,000	\$1,000	\$50
\$5,001 – 5,834	\$1,500	\$100
\$5,835 – 6,667	\$2,000	\$100
\$6,668 and above	\$2,500	\$100

Employees who discontinue contributions or who contribute less than the required amount per month for a period of one (1) month or more will no longer be eligible for the eighty-five dollar (\$85) Deferred Compensation Incentive. To reestablish eligibility, employees must again make a Base Contribution Amount as set forth above based on their current monthly salary. Employees with a break in deferred compensation contributions either because of an approved medical leave or an approved financial hardship withdrawal will not be required to reestablish eligibility. Further, employees who lose eligibility due to displacement by layoff, but maintain contributions at the required level and are later employed in an eligible position, will not be required to reestablish eligibility.

The Executive Director will receive a contribution of \$106.00 per month from First 5 Contra Costa in addition to the \$85 monthly contribution all eligible employees receive for a total contribution of \$191 monthly (2292 annually). To be eligible for this deferred compensation incentive, the Executive Director must contribute the required amount stated above to the deferred compensation plan and meet all eligible criteria outlined in this section of the Employee Compensation and Benefits Resolution.

- B. Maximum Annual Contribution: All of the employee and First 5 Contra Costa contributions will be added together to ensure that the annual maximum contribution to the employee's deferred compensation account does not exceed the annual maximum contribution rate set forth in the United States Internal Revenue Code.
- C. Deferred Compensation Plan (IRC 457) Loan Provision: Employees who participate in the Deferred Compensation program are eligible to borrow funds from their Deferred Compensation account.

12. Professional Development and Training

- A. Career Development Training Reimbursement: First 5 Contra Costa provides educational assistance reimbursement up to \$500 per year for eligible employees, with Executive Director approval.
- B. Management Development Policy: First 5 Contra Costa may elect to pay the cost of employees' attendance at professional conferences or trainings as they relate to an employee's job function, with Executive Director approval.
- C. Memberships, Subscriptions, and Dues: First 5 Contra Costa may elect to pay the cost of memberships, subscriptions, etc. as they relate to an employee's job function, with Executive Director approval.

13. Mileage Reimbursement

- A. Mileage Reimbursement: First 5 Contra Costa will pay a mileage allowance for the use of personal vehicles on First 5 Contra Costa business at the rate allowed by the Internal Revenue Service (IRS) as a tax-deductible expense, adjusted to reflect changes in this rate on the date it becomes effective or the first of the month following announcement of the changed rate by the IRS, whichever is later.

14. Executive Director Automobile Allowance

First 5 Contra Costa's Executive Director receives a \$333.90 monthly car allowance.

First 5 Contra Costa
Employee Compensation and Benefits Resolution 20265/01

Attachment A
Salary Schedule
Effective Date 7/1/20265

Title	Salary Schedule				
	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5
Accountant	96,131.33	100,937.90	105,984.79	111,284.03	116,848.23
Administrative Analyst I	89,267.31	93,730.67	98,417.21	103,338.07	108,504.97
Administrative Analyst II	96,131.33	100,937.90	105,984.79	111,284.03	116,848.23
Administrative Assistant I	69,735.08	73,224.83	76,882.92	80,727.07	84,763.42
Administrative Assistant II	73,265.75	76,929.04	80,775.49	84,814.27	89,054.98
Communications Specialist I	84,965.36	89,213.63	93,674.31	98,358.02	103,275.93
Communications Specialist II	91,498.38	96,073.30	100,876.97	105,876.97	111,216.85
Communications Manager	117,126.54	122,982.87	129,132.01	135,588.61	142,368.04
Community Engagement Coordinator	100,997.68	106,047.56	111,349.94	116,917.44	122,763.31
Community Organizer	75,096.87	78,851.71	82,794.30	86,934.01	91,280.71
Community Engagement Program Assistant II	75,096.87	78,851.71	82,794.30	86,934.01	91,280.71
Data and Policy Analyst I	106,110.16	111,415.66	116,986.45	122,835.77	128,977.56
Data and Policy Analyst II	114,269.54	119,983.02	125,982.17	132,281.28	138,895.34
Deputy Director	153,679.85	161,363.84	169,432.04	177,903.64	186,798.82
Early Childhood Program Officer	129,285.52	135,749.79	142,537.28	149,664.15	157,147.35
Early Childhood Education Program Assistant II	75,096.87	78,851.71	82,794.30	86,934.01	91,280.71
Early Intervention Program Assistant II	75,096.87	78,851.71	82,794.30	86,934.01	91,280.71
Executive Assistant	80,871.35	84,914.91	89,160.66	93,618.69	98,299.63
Family Support Program Assistant II	75,096.87	78,851.71	82,794.30	86,934.01	91,280.71
Finance and Operations Director	146,274.77	153,588.51	161,267.93	169,331.33	177,797.90
Grants and Contracts Manager	120,054.63	126,057.36	132,360.23	138,978.24	145,927.15
Grants and Contracts Program Assistant II	75,096.87	78,851.71	82,794.30	86,934.01	91,280.71
Help Me Grow Program Coordinator	100,997.68	106,047.56	111,349.94	116,917.44	122,763.31
Human Resources Manager	120,054.63	126,057.36	132,360.23	138,978.24	145,927.15
Office and Facilities Coordinator	91,498.38	96,073.30	10,876.97	105,920.81	111,216.85
Program Assistant II	75,096.87	78,851.71	82,794.30	86,934.01	91,280.71
Program Coordinator	100,997.68	106,047.56	111,349.94	116,917.44	122,763.31
Policy Strategy and Evaluation Program Assistant II	75,096.87	78,851.71	82,794.30	86,934.01	91,280.71
Policy Strategy and Evaluation Director	146,274.77	153,588.51	161,267.93	169,331.33	177,797.90
Quality Improvement Coach	98,534.27	103,460.98	108,634.03	114,065.73	119,769.02
Quality Improvement Coach Coordinator	100,997.68	106,047.56	111,349.94	116,917.44	122,763.31
Ready Kids East County Initiative Coordinator	100,997.68	106,047.56	111,349.94	116,917.44	122,763.31
Special Projects Coordinator	100,997.68	106,047.56	111,349.94	116,917.44	122,763.31
Trauma and Resiliency Coordinator	100,997.68	106,047.56	111,349.94	116,917.44	122,763.31
Title	Salary Schedule				

Accountant	99,015.27	103,966.04	109,164.34	114,622.55	120,353.68
Administrative Analyst I	91,945.33	96,542.59	101,369.72	106,438.21	111,760.12
Administrative Analyst II	99,015.27	103,966.04	109,164.34	114,622.55	120,353.68
Administrative Assistant I	71,827.13	75,418.49	79,189.41	83,148.88	87,306.33

Administrative Assistant II	75,463.73	79,236.91	83,198.76	87,358.70	91,726.63
Communications Specialist I	87,514.32	91,890.04	96,484.54	101,308.76	106,374.20
Communications Specialist II	94,243.33	98,955.50	103,903.27	109,098.44	114,553.36
Communications Manager	120,640.34	126,672.36	133,005.97	139,656.27	146,639.09
Community Engagement Coordinator	104,027.61	109,228.99	114,690.44	120,424.96	126,446.21
Community Organizer	77,349.77	81,217.26	85,278.13	89,542.03	94,019.13
Community Engagement Program Assistant II	77,349.77	81,217.26	85,278.13	89,542.03	94,019.13
Data and Policy Manager	123,656.27	129,839.08	136,331.04	143,147.59	150,304.97
Data and Policy Analyst I	109,293.46	114,758.13	120,496.04	126,520.84	132,846.89
Data and Policy Analyst II	117,697.63	123,582.51	129,761.63	136,249.71	143,062.20
Deputy Director	158,290.25	166,204.76	174,515.00	183,240.75	192,402.79
Early Childhood Program Officer	133,164.08	139,822.29	146,813.40	154,154.07	161,861.78
Early Childhood Education Program Assistant II	77,349.77	81,217.26	85,278.13	89,542.03	94,019.13
Early Intervention Program Assistant II	77,349.77	81,217.26	85,278.13	89,542.03	94,019.13
Executive Assistant	83,297.49	87,462.36	91,835.48	96,427.25	101,248.62
Family Support Program Assistant II	77,349.77	81,217.26	85,278.13	89,542.03	94,019.13
Finance and Operations Director	150,663.01	158,196.16	166,105.97	174,411.27	183,131.83
Grants and Contracts Manager	123,656.27	129,839.08	136,331.03	143,147.58	150,304.96
Grants and Contracts Program Assistant II	77,349.77	81,217.26	85,278.13	89,542.03	94,019.13
Help Me Grow Program Coordinator	104,027.61	109,228.99	114,690.44	120,424.96	126,446.21
Human Resources Manager	123,656.27	129,839.08	136,331.03	143,147.58	150,304.96
Office and Facilities Coordinator	94,243.33	98,955.50	103,903.27	109,098.44	114,553.36
Program Assistant II	77,349.77	81,217.26	85,278.13	89,542.03	94,019.13
Program Coordinator	104,027.61	109,228.99	114,690.44	120,424.96	126,446.21
Policy Strategy and Evaluation Program Assistant II	77,349.77	81,217.26	85,278.13	89,542.03	94,019.13
Policy, Strategy and Evaluation Director	150,663.01	158,196.16	166,105.97	174,411.27	183,131.83
Quality Improvement Coach	101,490.30	106,564.81	111,893.05	117,487.71	123,362.09
Quality Improvement Coach Coordinator	104,027.61	109,228.99	114,690.44	120,424.96	126,446.21
Ready Kids East County Initiative Coordinator	104,027.61	109,228.99	114,690.44	120,424.96	126,446.21

Special Projects Coordinator	104,027.61	109,228.99	114,690.44	120,424.96	126,446.21
Trauma and Resiliency Coordinator	104,027.61	109,228.99	114,690.44	120,424.96	126,446.21



Strategic Plan & Long-Term Financial Plan

2027 – 2032

July 1, 2027 – June 30, 2032

DRAFT – FOR REVIEW ONLY

Table of Contents

Acknowledgements	3
A Message to the Community	4
Our Strategic Framework At-a-Glance	5
The Origin & Role of First 5 Commissions.....	6
Our Purpose	7
Our Approach	8
Our Strategic Framework.....	12
Measuring Impact	21
Our Long-Term Financial Plan & Sustainability Framework.....	23
Organizational Priorities	28
Appendix A: Our Planning Process.....	30
Appendix B: The Changing Landscape	31
Endnotes.....	34

Acknowledgements

This 5-year strategic plan is the product of many months of shared work, summarized in **Appendix A**. First 5 Contra Costa is grateful to all the Commissioners, staff, and community partners who contributed their time and expertise to help chart the organization’s course for the next five years.

Commissioners

	<u>Commissioners</u>	<u>Alternates</u>
District I	Susanna Marshland	Dr. Rocio Hernández
District II	Marilyn Cachola Lucey	Vidya Iyengar
District III	Mary Rocha, Secretary/ Treasurer	Bella Merrill
District IV	Alex Khalfin	Gareth Ashley
District V	John Jones, Chair	LaTrena Robinson
County Board of Supervisors	Supervisor Shanelle Scales- Preston	Supervisor Candace Anderson
Health Services Department	Dr. Ori Tzvieli	Dr. Sefanit F. Mekuria
Employment & Human Services	Dr. Marla Stuart, Vice Chair	Sarah Reich
Children & Family Services	Roslyn Gentry	Vicky Quinto

First 5 Contra Costa Strategic Planning Design Team

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Sandra Naughton, Deputy Director
Kelly Sessions, Finance & Operations Director

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Emily Hampshire	Vanessa Miller	Elida Treanor
Tammy Henry	Daryn Nabeta	Mackenzie Whipps

Strategic Planning Consultant

Nicole M. Young, MSW, Optimal Solutions Consulting

A Message to the Community

Since 1998, First 5 Contra Costa has championed the belief that every child in our county deserves a healthy start, a chance to learn, and a family and community strong enough to support them. This belief has not changed.

And yet, this strategic plan update comes at a challenging time. The tobacco tax revenue that has funded our work for nearly three decades continues to decline, and there is no imminent statewide, sustainable solution. Since our inception, we have been known primarily as a funder. We identified needs, funded programs, and measured results service-by-service. That approach and our investments helped build meaningful infrastructure across the county: First 5 Family Resource Centers, developmental screening and referral systems, and a stronger early care and education system. But we know the barriers that prevent children and families from thriving can't be solved by any one program or agency on its own. They are solved by working together to strengthen relationships, policies and practices, workforce, and sustainability within and across the systems that serve children and families.

This strategic plan represents a shift in our emphasis and primary role, not a break from who we have always been. Funding will remain one of the tools we use to achieve our strategic goals, but it will no longer be our primary purpose as an organization. We are expanding more fully into our role as a system builder, an organization that brings people and data together, advocates for policies that put children first, and helps the many parts of our early childhood system work as one. This is not a retreat from our commitment to young children and their families. It is how we believe we can make the greatest, most lasting difference with the resources we have.

This shift asks something of all of us: for our community partners to build with us, not simply report to us; for our public systems to make room for young children and their families in decisions that were not designed with them in mind; for families to keep telling us what is and is not working, because their voices continue to shape everything we do. And it asks us, at First 5 Contra Costa, to continuously listen, learn, and adapt our approach to fulfilling our mission and vision.

The years ahead will require us to be more focused, more collaborative, and more resourceful than ever. Our optimism is an intentional strategy that keeps us moving forward even as our resources shift and the future feels uncertain. What has not changed, and will not change, is our belief in what is possible for Contra Costa's children. We are committed to keep working, in partnership with you, to make sure every young child and their family in Contra Costa has what they need to thrive.

In partnership,

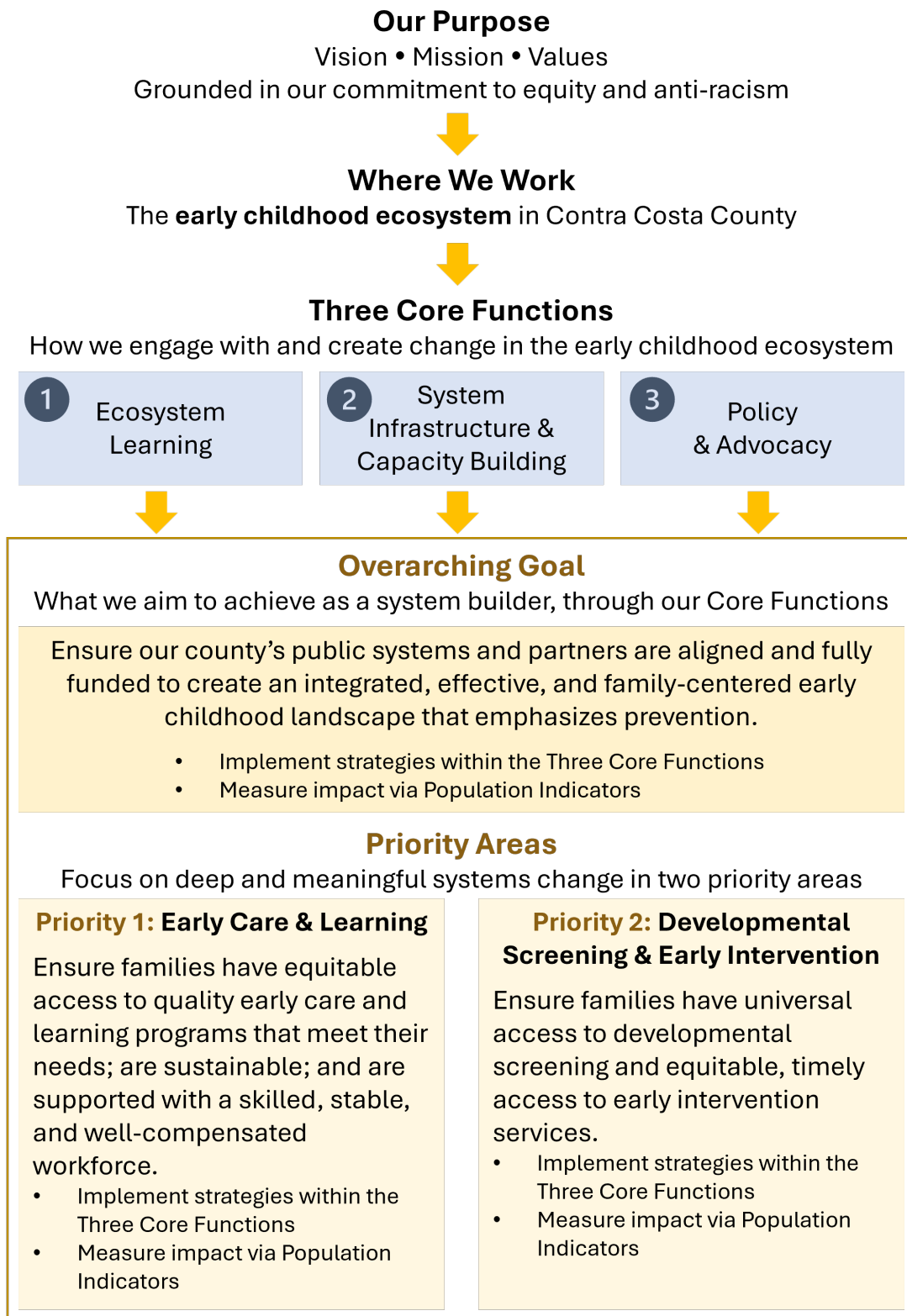
Dr. Ruth Fernández

Executive Director, First 5 Contra Costa

John Jones

Chair, First 5 Contra Costa Commission

Our Strategic Framework At-a-Glance



The Origin & Role of First 5 Commissions

In November 1998, California voters passed the California Children and Families First Act (Proposition 10, or Prop 10). This legislation added a 50-cent tax on all tobacco products, with the intent to “facilitate the creation and implementation of an integrated, comprehensive, and collaborative system of information and services to enhance optimal early childhood development and to ensure that children are ready to enter school.”¹

The State Children and Families Commission (First 5 California) receives 20 percent of the revenues for statewide initiatives, media communications, public education, and research and evaluation. The remaining funds are distributed to the First 5 Commissions in each county, based on the number of births in that county. Local First 5 Commissions must include a representative from the Board of Supervisors, the County Health Office, and other County departments serving children and families, and may include parents and representatives from community-based organizations, education, health care, and other sectors.

Locally, the First 5 Contra Costa Commission has 18 members (9 Commissioners, plus 9 alternates) who provide strategic direction and guidance to staff; approve the launch, continuation, and divestment of resources, programs, services, and initiatives based on community needs and available funding; and administer and allocate the funds from Proposition 10 and other sources. The Commission fulfills this responsibility by adopting policies and plans that guide decision-making, including strategic plans, long-term financial plans and sustainability plans, and annual budgets.

First 5 Contra Costa is part of the First 5 Network, a statewide alliance that includes First 5 California, 58 local First 5 Commissions, and the First 5 Association (a membership and advocacy organization). Our local investments, partnerships, and impacts in Contra Costa are an important part of a statewide movement to enhance the well-being of all young children and families in California.

Each county’s First 5 Commission is required to develop a strategic plan that guides decisions on how to meet local needs and priorities, consistent with the goals of Prop 10:

- All children ages 0-5 are healthy and developing optimally.
- Early learning opportunities are diverse and high quality.
- Parents and caregivers are resilient and nurturing.
- Systems of care are integrated and coordinated.

First 5 Contra Costa’s 2027-2032 Strategic Plan fulfills this requirement and articulates our priorities and strategies for the next five years. Our updated Strategic Framework and Long-Term Financial Plan reflect our fiscal reality and external forces that impact our work (described in **Appendix B: The Changing Landscape**).

Our Purpose

Our Vision

Contra Costa’s young children are healthy, ready to learn, and supported in safe, nurturing families and communities.

Our Mission

To foster the development of our community's children, prenatal through five years of age.

Our Values

Our everyday work is grounded in our commitment to:

- **Diversity & Inclusion** – We work to ensure the diverse values, voices, and perspectives of our staff, partners, and community members are heard, represented, and reflected throughout our work.
- **Equity** – We work to eliminate systemic and structural barriers that cause or contribute to inequities so that all children and families in our community succeed.
- **Cultural Humility** – We continuously reflect on the ways in which our beliefs, cultural identities, power, and privilege influence our actions and interactions. We maintain curiosity and openness to learn from others’ lived experiences and to adapt our approaches.
- **Community Partnership** – We listen to and learn from families, organizations, and policymakers. We build relationships based on shared values, shared power, trust, respect, and a collective commitment to ensuring the health and well-being of all children.

Our Commitment to Racial Equity and Anti-Racism

Historic patterns of racial and economic exclusion are embedded in the policies and systems that young children and families interact with every day, contributing to persistent differences in well-being due to discrimination and oppression based on race, ethnicity, gender identity & expression, socioeconomic status, and other social identities. This is why First 5 Contra Costa is committed to centering racial equity, diversity, and inclusion (REDI) in everything we do. That includes an ongoing commitment to becoming an anti-racist organization, one that actively identifies and works to dismantle racist policies, practices, and systems that continue to hold back children and families of color in our county.

We prioritize racial equity because young children and families in communities of color continue to be affected by policies and systems that were designed to exclude people based on their racial and ethnic heritage. This work is not new for us. It builds on our participation in the First 5 Network’s REDI journey,² which began in 2021 and continues to shape how we approach our internal culture, our partnerships, and our systems change work. As an organization, we are committed to normalizing conversations about race, embedding equity into our structures and practices, and ensuring that families, especially families of color, have real voice and influence in the decisions that affect them.

Our Approach

Why the First 5 Years Matter

Investing in the health and well-being of children in the first five years of life remains as critical as ever. Numerous scientists and economists, including Nobel Laureate James Heckman, have proven that investing in early childhood pays off, and the earlier the investment, the greater the return. High-quality early childhood programs can deliver as much as a 13% annual return on investment for underserved families.³

This evidence is consistent with decades of neuroscience research showing that 90% of a child's brain develops by age 5. This means a child's relationships, experiences, and environments in the earliest years matter profoundly. When children experience safe, nurturing relationships and positive daily interactions, they build a strong foundation for lifelong health, learning, and behavior.⁴

The notion that “the first 5 years affect us all” is especially important, given the reality that not all young children have the same opportunities that put them on a trajectory to future health and well-being. Chronic exposure to adverse childhood experiences or ACEs, such as abuse and neglect, parental mental illness and substance abuse, or family violence can disrupt healthy brain development, creating lifelong negative impacts on learning, behavior and health. As the number of adverse experiences in a child's life increases, so does the risk for developmental delays, behavioral problems, low educational attainment, lower wages in adulthood, and poor health outcomes later in life, such as heart disease, diabetes, substance abuse and depression.⁵ The cumulative effects of adversity, stress, and trauma are even greater for children who lack stable, nurturing relationships with their parents and primary caregivers. Conversely, positive childhood experiences (PCEs) enabled by a holistic, comprehensive early childhood system serve as powerful buffering supports to protect and facilitate healthy child development and long-term family well-being.⁶

Guiding Frameworks

First 5 Contra Costa's work is guided by frameworks that are grounded in the science of early childhood development, including a [Life Course perspective](#),⁷ which holds that risks and protective factors accumulate over time, and that early, preventive investment shapes outcomes across a lifetime. These frameworks often overlap or intersect with frameworks and approaches used by other system and community partners. We see these as complementary frameworks that use different words to make the same point: children and families thrive when communities and systems create the conditions for them to do so.

We apply a **Whole Child, Whole Family** lens to our work because a child’s optimal development is inseparable from their family’s stability, and a family’s stability is inseparable from the health of the community and systems that surround them.⁸

Strengthening the systems that support the whole health – developmental, physical, social, emotional, behavioral, cognitive – of young children while simultaneously supporting their families increases the presence of the **Five Protective Factors** that help children be safe, healthy, and resilient: Parental resilience; Social connections; Concrete support in times of need; Knowledge of parenting and child development; and Social-emotional competence in children.⁹

Targeted Universalism allows us to set well-being goals for all children and families while tailoring our resources and strategies to address the specific barriers that different communities face.¹⁰ This approach is aligned with our ongoing commitment to racial equity, diversity, inclusion, cultural humility, and community partnership.

We see similar thinking reflected in the County Health System’s adoption of the **Vital Conditions for Health and Well-being**, which provides a framework to understand the interdependent conditions that all people need to reach their full potential: Basic Needs for Health + Safety; Humane Housing; Meaningful Work + Wealth; Lifelong Learning; Reliable Transportation; Thriving Natural World; and Belonging + Civic Muscle.¹¹ Investing in **vital conditions** supports families’ stability and shapes children’s opportunities to thrive.

Each of these frameworks uses different words to describe similar concepts. However, they all put relationships at the center of children’s healthy development, knowing that consistent, responsive relationships are what buffer children and families from adversity. Vital Conditions describe what communities and systems need. The Protective Factors describe what that looks like day to day in a family’s life. All of these frameworks are built on the same “it takes a village” philosophy, that no child or family thrives in isolation, and no single organization can provide all the vital conditions on its own.

Our History of Investing in Early Childhood

Over more than 25 years, we have invested \$204 million in Contra Costa County's early childhood system through competitive contracts, grants, resources, educational materials, professional development, and public awareness campaigns. These investments strengthen the local ecosystem of organizations, families, providers, and advocates. Examples of our historical investments include:

- **\$43+ million:** Non-profit operated First 5 Centers across the county, our primary prevention strategy for holistically supporting families with young children

- **\$22.5 million:** Strength-based Home Visitation services for expectant parents and families with children birth to age three
- **\$17 million:** Early childhood mental health services and supports
- **\$12 million:** Educational advising for early childhood education careers at Contra Costa County's three community colleges (Contra Costa College, Los Medanos College, Diablo Valley College)
- **\$2.5 million:** Developmental Playgroups at our five First 5 Centers

While we began primarily as a funder of programs, we have evolved to take on many other roles, including convener, advocate, researcher, and early childhood system builder. Through many years of collaboration and financial investments in partnership with philanthropic funders and public partners, we have helped build infrastructure that is now embedded in the county's early childhood system, and our impact extends beyond the children and families directly served. First 5 has helped strengthen the capacity, coordination, and resources of the broader early childhood system. Key examples include:

- Building a network of **First 5 Centers that has served families for more than two decades**. The Centers are accessible community hubs for early learning, parenting support, developmental screening, referrals, and family connection.
- Implementing the **Help Me Grow Model** in Contra Costa and strengthening developmental screening and referral pathways across pediatric, child care, and social service settings.
- Strengthening the **quality of early care and education** through Quality Matters, coaching, professional development, community college advising and student supports, and workforce investments.
- Launching **Ready Kids East County**, a multi-layered systems change effort focused on improving school readiness and family well-being among Black and African American children and families in East County.
- **Gathering data and engaging partners** in understanding the strengths and needs of families with young children and identifying opportunities to strengthen the early childhood system.
- Creating **opportunities and structures for family voice** to help shape early childhood programs and policies, including the Regional Groups, Community Advisory Councils, Parent Advisory Group, focus groups, listening sessions, and other community-engagement processes.
- Using our research, convening, and advocacy role to **leverage resources and influence public investment**, including helping secure ongoing Measure X funding for early childhood.

- Building **shared knowledge** about resources, strengths, challenges, and opportunities in the early childhood ecosystem and **engaging families and community partners in meaning-making and action planning**.

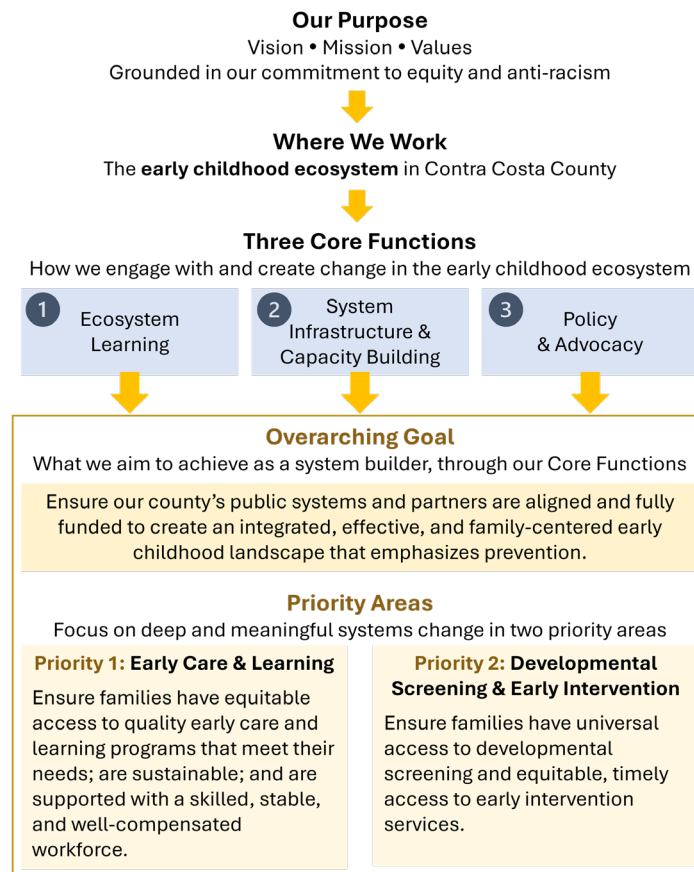
These are just a few of many examples that illustrate our purpose and legacy. First 5 Contra Costa’s role, as mandated by Prop 10, is not simply to fund services, but to help make early childhood a countywide priority and to work with partners to build the capacity of the broader system to improve outcomes for young children.

Our Strategic Framework

For more than two decades, First 5 Contra Costa built its work around a funder's role identifying needs, investing in programs, and measuring results service by service. That approach served us and the community well. It also taught us something essential: **the most persistent barriers facing young children and their families are not solved by any single program or provider.** They are solved by changing the systems those programs operate within.

Our strategic framework in this 5-year plan reflects that lesson. As our resources have changed and our understanding of systems work has deepened, we have made a deliberate choice to operate as a **system builder**: an organization whose primary contribution is not the services we fund directly, but the strength, coordination, and equity of the early childhood ecosystem as a whole.

Everything in this framework flows from that identity. The ecosystem we are working to strengthen, the functions through which we engage, and the outcomes we are working toward are all expressions of our core commitment to our vision that Contra Costa's young children will be healthy, ready to learn, and supported in safe, nurturing families and communities. The graphic below shows the elements of our strategic framework, followed by more detailed descriptions of each element.



The Early Childhood Ecosystem: Where We Work

First 5 Contra Costa works within and on behalf of the local **early childhood ecosystem:** *the interconnected system of people, organizations, and community-based entities whose work shapes how young children grow, learn, and thrive in Contra Costa County.*

This ecosystem includes the public systems with the greatest reach and longest-lasting presence in the lives of children and families: county health and social services departments, the county office of education, school districts, child care resource and referral agencies, hospitals, libraries, early care and education providers, and the network of community-based organizations that serve families across the county. These are the institutions and networks that will remain long after any single grant or initiative ends. Strengthening the connections and impact of the ecosystem is where First 5 Contra Costa can make its most enduring contribution.

We focus our system-building work where we have the deepest knowledge and relationships, and where we believe intentional investment can produce the most lasting change: in the policies, practices, workforce, and infrastructure that determine whether this ecosystem truly works for all children and families, especially those who have been most underserved. First 5 Contra Costa focuses the most on the public systems responsible for serving those children and families most in need and struggling the most to thrive.

Our Work in Practice: Three Core Functions

Our three core functions describe how First 5 Contra Costa creates change. They are not programs or initiatives. Instead, they are the fundamental ways we engage with the early childhood ecosystem. Every partnership we cultivate, every initiative we support, and every action we take can be understood through one or more of these functions.

Ecosystem Learning

We generate, curate, and share knowledge so families, partners in the local early childhood system, and decision-makers can see how systems are impacting early childhood and families clearly, learn continuously, and take action for improvement. This includes research, data analysis, evaluation, needs assessment, and facilitated learning across partners, always centering the experiences of children and families who have been most underserved. Ecosystem learning is the foundation of our other functions: it surfaces what the system needs, reveals what is and isn't working, and ensures our work stays grounded in evidence and community voice.

System Infrastructure and Capacity Building

We invest in the people, organizations, and structures the early childhood system depends on. This means supporting the professional development of the early childhood workforce, helping providers and partners adopt effective practices, and building a shared

infrastructure for coordinated networks, cross-sector partnerships, and common tools and approaches that allow the system to function as a whole. Capacity building is how we grow what works, sustain it over time, and ensure it reaches the families who need it most.

Policy and Advocacy

We use our knowledge, relationships, and credibility to shape policies, practices, protocols, and public investments that determine what early childhood systems look like and who they serve. This means advocating at the local, regional, and state levels; building the power of families and providers to advocate for themselves; and ensuring that the voices of Contra Costa's communities are present and influential in the decisions that affect them. Policy and advocacy are how we create the conditions for lasting, equitable change, and how we ensure that the system we are building can sustain itself beyond First 5 Contra Costa's direct involvement.

Our Role as an Early Childhood System Builder with an Emphasis on Upstream Prevention¹²

Young children and families thrive when they have access to the environments, relationships, services, and resources they need to be healthy, secure, and successful. Research on early childhood development and the economic benefits of investing in young children has reinforced what we know: the first five years of life are a particularly important period of development and a critical window of opportunity to influence a child's trajectory and long-term well-being. Yet, despite the importance of this period, public investments and systems are not always designed or aligned to meet the unique needs of young children and their families.

Most public systems are designed to serve broad populations across the lifespan and are often organized around specific areas of need, such as health, education, housing, or basic needs, rather than the comprehensive needs of a young child and their family. When systems have a mandate to focus on all children and youth, often the specific needs of young children are overshadowed by the needs and issues of children ages 6 years and older.

In addition, many of our public systems focus on acute needs, or challenges or issues that have already arisen, rather than upstream prevention. As a result, these systems may miss opportunities to prevent problems before they occur, and to connect families early enough to supports that ensure a child's development resumes on track. There is an opportunity to deepen the focus on early childhood and on upstream prevention in our public systems, and to help our public systems adopt a more holistic, whole child, and whole family approach to meeting the unique needs of families with young children.

Our focus on upstream prevention is fundamentally about preventing avoidable challenges from becoming more significant or having lasting consequences for children and families. This includes helping families access information, resources, relationships, and services

early, before a concern becomes a crisis, a developmental concern becomes more difficult and costly to address, or a family’s circumstances become more difficult to stabilize. It also means strengthening systems so that families can more easily recognize and respond to emerging needs, rather than having to navigate fragmented systems only after a problem has become acute. By investing earlier and addressing the conditions that contribute to children’s and families’ well-being, we can help prevent children from experiencing poorer outcomes simply because they did not have timely access to the support they needed.

For families with young children in Contra Costa County, fragmentation of services can make accessing support difficult. Families may need to navigate multiple systems and programs to access the health, education, economic, and social supports they need to thrive. Each program may have its own eligibility criteria, application process, service parameters, and requirements for continued enrollment. Services may be limited to particular developmental stages, operating hours may not align with families’ work schedules, and programs may vary in their ability to provide services in families’ preferred languages or in ways that are culturally responsive. At the same time, many programs face waitlists, workforce shortages, or insufficient capacity to meet the level of need in the community.

The early childhood workforce (which encompasses clinicians, home visitors, early learning educators, social workers, and many more) is an essential part of this system. Low compensation and challenging working conditions contribute to high turnover across many early childhood programs, which can disrupt continuity of care and relationships and make it more difficult for families to consistently access the resources they need. These challenges can be particularly consequential for families who already face barriers to accessing services. Too many children and families continue to fall through the gaps in a patchwork of publicly funded early childhood services.

A more integrated, equitable, and navigable system of support can help ensure that children and families receive the right services at the right time that enable them to thrive. Achieving this vision will require more than individual programs working together. It will require sustained collaboration among state and local elected officials, public systems, community-based organizations, early childhood providers, families, and residents.

First 5 Contra Costa will work as a facilitator and builder, helping systems and organizations align their efforts around the well-being of young children and families. That means influencing the structural side of these systems, such as policies, practices, decisions, and how money flows, while intentionally tending to the relational side, such as trust, collaboration, and the influence of those holding power. These changes shift how systems operate and respond to the needs of young children and families.

Our Overarching Goal: Ensure our county’s public systems and partners are aligned and fully funded to create an integrated, effective, and family-centered early childhood landscape that emphasizes upstream prevention.

We will work in collaboration with local system and community partners to implement the following strategies within our Three Core Functions:

Ecosystem Learning

- Analyze and interpret multiple data sources and areas of children’s and families’ lives, including health, development, learning, family well-being, economic security, and access to services.
- Engage system and community partners in making meaning of ecosystem data, in order to deepen our collective understanding of specific issues; develop a more comprehensive, whole-family understanding of strengths and needs within the system; identify gaps and disparities for underserved or under-resourced communities; and inform priorities, investments, and strategies.
- Over time, build and maintain a dynamic, holistic inventory of the early childhood service landscape to inform system building efforts and to enhance family navigation of resources
- Elevate community voice in guiding policy, advocacy, capacity building and systems infrastructure

System Infrastructure and Capacity Building

- Foster stronger connections between service providers and public systems that lead to a more integrated, multi-sector system for families and better outcomes for children.
- Drive efforts that strengthen the capacity of public systems and the workforce of community partners to effectively address early childhood needs and to enhance the stability and cross-sector collaboration of the early childhood workforce.
- Provide information on local early childhood resources, leadership development and advocacy opportunities to parents with young children

Policy and Advocacy

- Advocate to local, state and federal decision makers to enhance long-term investment in services and systems that have an intentional early childhood focus with an emphasis on prevention.

- Help public systems in our county and their partners adapt existing and design new efforts to have a more intentional early childhood approach that meets families’ dynamic needs with an emphasis on prevention.
- Elevate the needs and voices of our youngest residents and their families and build political will so that the well-being and success of young children are a shared community priority.
- Advocate for the continuation of prevention-focused, early childhood-centered family resource centers, family supports, and home visiting services to meet the needs of families in communities with long-standing underinvestment.

Building on these overarching strategies, First 5 Contra Costa has prioritized two specific areas within the early childhood landscape to focus on deep and meaningful systems change. Using the Three Core Functions of our new identity, we will draw on our decades of experience to facilitate long-term, meaningful systems change that will positively impact children and families.

Priority 1: Early Care & Learning

Ensure families have equitable access to quality early care and learning programs that meet their needs; are sustainable; and are supported with a skilled, stable, and well-compensated workforce.

We will collaborate with local system and community partners to implement the following strategies within our Three Core Functions:

Ecosystem Learning

- This core function informs the strategies below. Ongoing research and evaluation about the early childhood system, policy and economic analysis, as well as monitoring evolving best practices, will shape how First 5 operates and carries out the work described below.

System Infrastructure and Capacity Building

- Increase community partners’ knowledge of available early care and education options to support families’ ability to navigate and access child care more readily.
- Provide coaching, training, and other supports to enhance the quality of early care and education programs and support retention of skilled, licensed educators.
- Provide training and other supports to sustain new and existing early care and education programs and providers and respond to changes in the early learning marketplace (e.g. the current shortage of infant/toddler programs).

Policy and Advocacy

- Advocate for local and state investments and other policy changes to enhance income-eligible families’ access to child care subsidies to expand the number of families served.
- Advocate for local and state investments in early care and education workforce supports, including making the case for fair compensation for educators, sustainable career pathways and advancement opportunities, and state-level reimbursement rates that reflect the true cost of providing care in publicly funded programs.

Why This Matters

Many families with children ages 0 to 5 rely on child care so they can work and provide their children with a safe, nurturing place to learn. In Contra Costa County, child care is expensive: annual tuition can range from \$17,000 to more than \$24,000 per child, a cost that can keep families from enrolling their child in a program or push a parent out of the workforce to provide care at home.¹³ For families with low incomes, tuition can consume as much as 20 percent of household income per child.¹⁴ The supply of child care, meaning the number of licensed slots that can serve young children, is what makes it possible for families to work and contribute to our local economy.

State- and federally funded early learning programs, such as the California Alternative Payment Program, Head Start, and the California State Preschool Program, primarily serve families with low incomes. Transitional Kindergarten (TK), which has no income eligibility requirements, reaches less than half of the children in our county who are eligible.¹⁵ The early learning marketplace is also hard for families to navigate: program type, location, and availability may not meet a family’s needs, and some programs are not a good cultural or linguistic fit or cannot support children with delays or disabilities. These access problems are closely tied to workforce needs, since staffing and retention directly affect how many programs are open, how many children they can enroll, and how well they can serve each child.

The early care and education workforce provides essential services yet works long hours for low wages with minimal benefits. Educators are asked to maintain high-quality classrooms, meet each child’s individual needs, and keep up with new policies and best practices, all with limited resources. Juggling these demands leads to burnout and high turnover, which reduces the availability and quality of care.

A quality early learning program can shape a child’s entire life. It is where young children take their first steps, speak their first words, learn to get along with others, and build the skills that carry them into school and beyond. Research shows that these programs can deliver a high return on investment for underserved families.¹⁶ The more we invest in

educators’ ability to teach and care for children, the higher the quality of the program, and the better the outcomes for our youngest residents.

Therefore, First 5 Contra Costa seeks to ensure that all families can access early learning programs that meet their needs and preferences so they can participate in the workforce and sustain our local economy. We also seek to ensure that our “workforce behind the workforce” has the training, resources and compensation to lead diverse, high-quality early learning programs so our County’s young children can thrive and be well-prepared for entry into Transitional Kindergarten or Kindergarten.

Priority 2: Developmental Screening & Early Intervention

Ensure families have universal access to developmental screening and equitable, timely access to early intervention services.

We will collaborate with local system and community partners to implement the following strategies within our Three Core Functions:

Ecosystem Learning

- This core function informs the strategies below. Ongoing research and evaluation about the early childhood system, policy and economic analysis, as well as monitoring evolving best practices, will shape how First 5 operates and carries out the work described below.

System Infrastructure and Capacity Building

- Provide training and technical assistance on developmental screening to a wide array of service providers who interact with young children, including best practices such as universal screening.
- Provide training and technical assistance on referral pathways to a wide array of service providers who interact with young children, to increase provider knowledge of the service landscape and improve navigation of and connection to prevention and early intervention services for families.

Policy and Advocacy

- Advocate for universal developmental screening practices and policies to increase access for all children in primary health care, early care and education, school district, home visiting, and family support settings.
- Advocate for county and state investments and reforms, including but not limited to increased funding for care coordination and expanded developmental services for young children.

Why This Matters

A cornerstone of preventative care is early identification and timely connection to early intervention services to address identified developmental delays and disabilities.

Children’s early cognitive, social and behavioral development profoundly influence their overall health and future academic success. When developmental needs are identified and addressed early, children are more likely to make significant gains and less likely to need life-long intervention or special education services.¹⁷

A variety of early childhood-focused programs support early identification by conducting developmental screening, including those in health care and early care and education programs. The American Academy of Pediatrics recommends that physicians screen all children at 9 months, 18 months, and 30 months.¹⁸ Yet in Contra Costa, only approximately half of children enrolled in MediCal were screened at least once by their health provider before their 3rd birthday, which means providers are missing key opportunities for early identification of possible developmental concerns.¹⁹

Some early care and education programs generally screen when children enroll, and state- and federally funded early care and education programs are required to screen annually. However, other early care and education programs report only screening children when staff raise a concern. Unfortunately, screening data from early care and education programs is limited, and many providers are unsure where to refer when concerns arise. More can be done to ensure all children in our county, particularly those with risk factors, are routinely screened by increasing opportunities for parents to screen their children and increasing provider capacity to screen and refer to support services.

Furthermore, not all children with an identified disability or delay are receiving the services they need. Based on national estimates, about 30% of children in Contra Costa with a delay/disability under the age of three may not be receiving early intervention services.²⁰ Once a child is formally evaluated and identified as having a delay or disability, parents can face a variety of challenges accessing services including language barriers, limited resources, and long wait times. Families report feeling isolated and experiencing difficulty navigating the service landscape, eligibility, and enrollment processes.²¹ It is not enough to identify developmental concerns if a family is unable to access responsive services. Care coordination and case management supports can ensure that children receive not only early identification but also timely, effective intervention.

First 5 Contra Costa has long prioritized the wellness and development of children in our county. Over the next five years, we aim to improve access to early identification and early intervention services. Cross-system collaboration is critical given components of early identification and intervention services exist across public health, education, and social service systems.

Measuring Impact

First 5 Contra Costa has been using [Results-Based Accountability™](#) (RBA) as a framework for monitoring and improving our work for the last few years. RBA includes two major components:

- Performance accountability: tracks program-level results (how much was done, how well it was done, and whether anyone is better off). This helps us understand whether individual programs are beneficial and functioning as intended.
- Population accountability: tracks whether overall conditions for children and families countywide are improving. This helps us answer questions about whether the system is behaving differently and whether those changes are improving outcomes for families.²²

As our work centers more on systems change, we are placing growing weight on population accountability. This refocusing supports our shift away from funding direct services and evaluating individual programs in isolation, and toward monitoring changes in systems, policies, and environments that influence county-wide outcomes.

In systems change work, population indicators act as guideposts. They help us describe the conditions we want for children and families, determine how to measure those conditions, understand the baseline trends, identify partners, and consider what actions could help move the measures in the right direction. The responsibility for improving population indicators does not belong to First 5 alone; they reflect a shared responsibility among many county, state, and local partners.

In addition, systems are complex, which means we usually cannot measure systems change with a single indicator. Instead, we must track multiple measures over time. We have selected a set of seven population indicators that correspond with our strategic priorities and goals. We have chosen measures that are updated regularly and where data are accessible, with reasonable reporting lags. Reliability and accuracy are important, as is alignment with our strategic priorities. Indicators should also be meaningful enough to inform action. Additional considerations include whether historical data are available so we can understand baseline trends, whether data exist across state, county, district, or municipal levels, and whether the measure aligns with partner agencies' priorities. Because equity remains a central part of First 5's mission, we also consider whether indicators can be disaggregated to reveal differences across populations and across various dimensions of identity and equity.

The population indicators we selected will serve as markers for whether our system building work, in partnership with others in the early childhood ecosystem, is making an impact over time. For each, we are identifying data sources, geographic levels of reporting, timing requirements, and relevant equity considerations.

Strategic Priorities	Population Indicators
Overarching Goal: Ensure our county’s public systems and partners are aligned and fully funded to create an integrated, effective, and family-centered early childhood landscape that emphasizes prevention.	1. Substantiated child maltreatment rate for young children
Priority 1: Early Care & Learning Ensure families have equitable access to quality early care and learning programs that meet their needs; are sustainable; and are supported with a skilled, stable workforce that is well-compensated.	2. Percent of income-eligible children not enrolled in publicly funded early care and education 3. Child care supply alignment with family needs 4. Percentage of third graders demonstrating reading proficiency
Priority 2: Developmental Screening & Early Intervention Ensure families have universal access to developmental screening and equitable access to early intervention services in a timely way.	5. Percentage of Medi-Cal infants and toddlers who receive a developmental screen 6. Percent of children meeting developmental progress at conclusion of publicly funded early intervention services 7. Rate of third graders with an identified disability

Considerations for Future Indicators

First 5 Contra Costa has also identified potential future indicators that would deepen our understanding of system-level progress, including countywide kindergarten readiness scores, a workforce well-being measure for the early childhood education workforce, and expanded child care supply and demand measures. These would likely require ongoing studies or surveys, or involve significant coordination with partners such as school districts, our county’s child care resource and referral agency, or local research entities.

The selected indicators will become part of our shared accountability structure and will help track whether multi-agency systems work is contributing to improved outcomes for young children and families in Contra Costa County. While they cannot provide the full story on their own, they will offer a consistent, data-driven way to assess whether we are moving in the direction of our vision.

Our Long-Term Financial Plan & Sustainability Framework

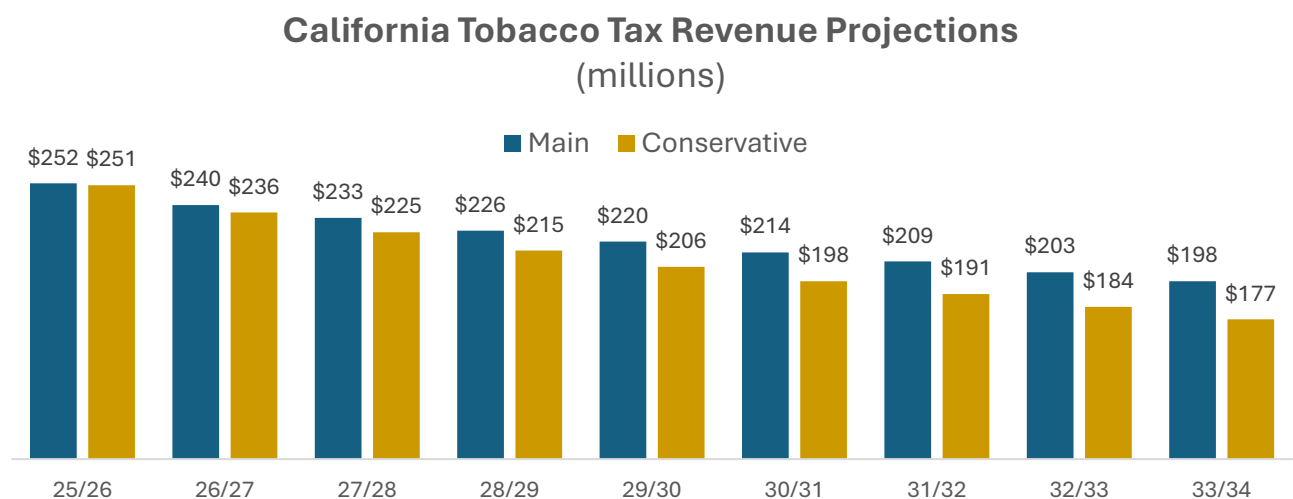
Our Long-Term Financial Plan (LTFP) is incorporated into this strategic plan, since it describes the broader context, working assumptions, and fiscal projections that impact our priorities and direction for the next five years. The LTFP is a companion document to the Sustainability Plan and will be updated to reflect current projections during the Commission’s annual reviews of the strategic plan.

The Statewide Fiscal Context

When voters approved Prop 10, it was known that tobacco tax revenue was likely to decline as smoking rates dropped. In 1998, California taxed approximately 1.5 billion packs of cigarettes annually; by 2022, that number fell to fewer than 550 million packs.²³ This is a successful story from a public health perspective.

However, as smoking rates have decreased sharply — accelerated further by Proposition 31, which banned sales of flavored tobacco products²⁴ — First 5 California and local First 5 Commissions have faced millions in declining revenue. In November 2016, California voters approved Proposition 56, which placed an additional \$2 per pack tax on cigarettes.²⁵ While this proposition required that funds be provided to First 5 Commissions to backfill lost Prop 10 revenues, the amount of the “Prop 56 backfill” has not kept pace with the overall decline in tobacco sales. The combined revenue from both propositions, collectively referred to as “tobacco tax revenues,” continues to drop.

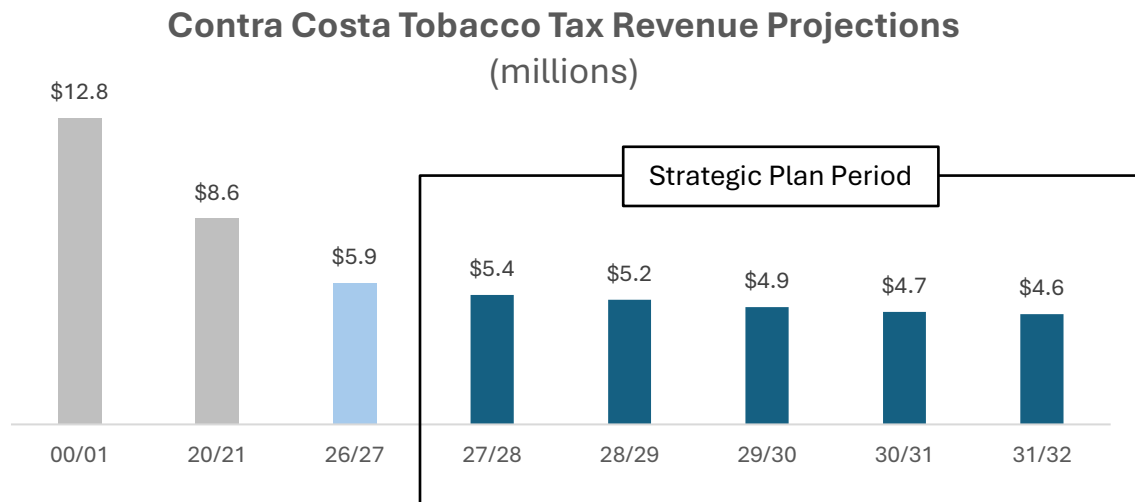
As of July 2026, fiscal projections provided by Capitol Matrix Consulting show Prop 10 revenue will decline statewide by about 3% — or roughly \$6 million — per year, falling from \$252 million in FY 25/26 to \$198 million by FY 33/34. More conservative estimates show a steeper decline from \$251 million to \$177 million over the same time period.²⁶



Source: Capitol Matrix Consulting Prop 10 Forecast Update, July 1, 2026. Totals include net backfills.

Local Tobacco Tax Revenue Projections

This anticipated decline in revenue has been acknowledged and addressed in First 5 Contra Costa’s strategic plans over the last decade. However, the magnitude of the decline is staggering. By FY 31/32, the last year of this strategic plan, Contra Costa’s share of tobacco tax revenues is expected to be \$4.6 million. This is 64% lower than FY 00/01 when our Prop 10 revenue was at its highest, at \$12.8 million.

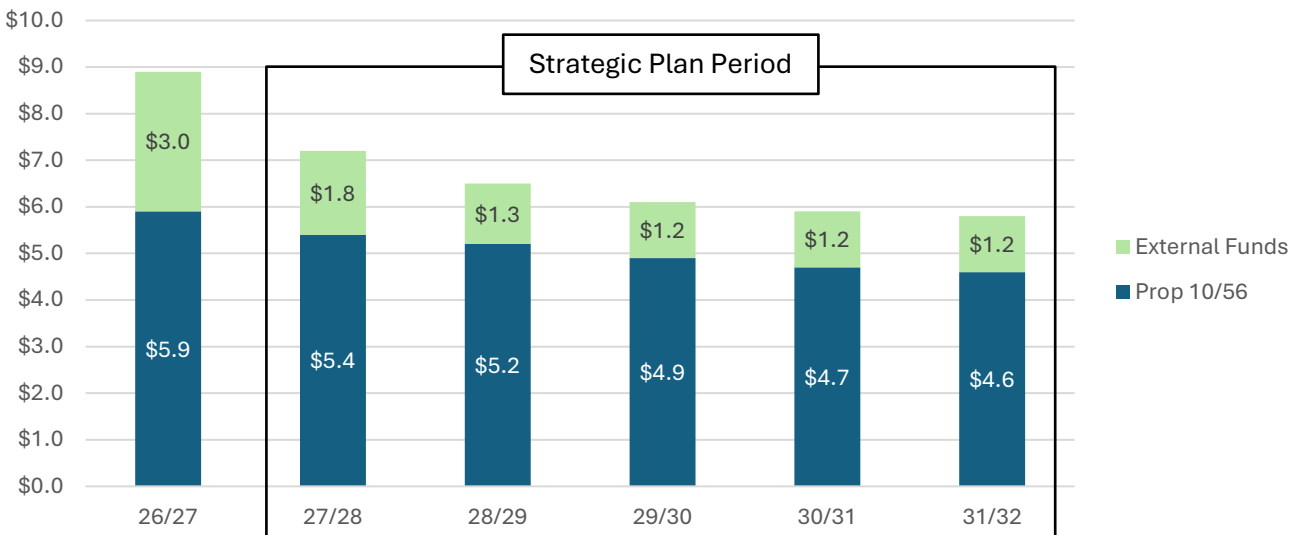


External Revenue Projections

Over the last decade, First 5 Contra Costa has been able to extend the life of its Fund Balance (reserves) far beyond the expectations laid out in the previous three strategic plans. This was possible through a combination of strong fiscal stewardship, lower-than-expected expenditures during the pandemic, cost-cutting measures taken over the last three fiscal years and as directed by the Sustainability Plan, and success in securing external funds (multi-year state grants and philanthropic funding).

However, during this strategic plan period, the remaining Fund Balance will be allocated to reserves with specific purposes, and our external revenue will also change. Some grants from First 5 California are scheduled to end since First 5 California is also facing declining revenue. Other long-term philanthropic grants are also scheduled to end, with no possibility of renewal. The greatest change will occur in the first year of the strategic plan (FY 27/28), as shown in the chart below, when our revenue from external sources decreases by \$1.2 million.

Projected Revenue by Funding Source, by Fiscal Year (millions)



Our Approach to Sustainability

Given this fiscal reality, it is imperative that we ensure the sustainability of the organization in order to achieve targeted outcomes in the community. Our 2023-2026 Strategic Plan called for the development of a five-year Sustainability Plan to address the long-term decline in tobacco tax revenues. That plan, [The Next 25 Years: Building Sustainability for First 5 Contra Costa County](#),²⁷ was adopted in December 2025 and informed the fiscal planning and strategic framework reflected in this strategic plan.

Looking into the future, our 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.

Our Sustainability Plan lays out an array of short-, medium-, and long-term strategies to achieve stability in four pillars: financial, organizational, programmatic, and policy and community. Some of the sustainability strategies are already underway or have been completed. Implementing the remaining sustainability strategies is one of our Organizational Priorities, described in a later section of this plan.

Our Sustainability Plan states our commitment to “live within our means,” or ensure expenses do not exceed revenue. This means our revenue projections shown in the previous chart only include known amounts and sources (or reasonable assumptions). They do not reflect aspirational fundraising targets or our fund balance, as they have in

previous strategic plans. This ensures that our projected expenses are grounded in realistic revenue projections. As we develop our annual budgets, the 5-year fiscal projections will be updated to reflect any increases or decreases in revenue and expenses.

Transition Reserve

In May 2026, First 5 Contra Costa established a Transition Reserve to allow for a phased reduction of investments in select community-facing services over a defined timeframe. This reserve reflects the agency's deliberate pivot from its historical role as a primary funder of early childhood services to its increasing role as a systems builder, while honoring its commitment to the community and the many families who currently rely on these services.

The Transition Reserve will use a set-aside of Prop 10 funds to sustain and attract investment from other sources for certain services for the next four years. During this period, we will continue to actively engage public, private, and community partners to identify long-term investment and stewardship for these services beyond First 5's direct funding role.

Objectives

1. Use the transition period to identify new funding stewards as First 5 Contra Costa transitions out of its role as primary funder for these services.
2. Provide contractors and community partners with substantial time to pursue alternative funding sources, adapt program models, engage prospective investors, and develop long-term sustainability strategies, maximizing the likelihood that these services remain available to families beyond the period of First 5 Contra Costa funding.

Funding Plan

In FY 27/28, the first year of this strategic plan, the starting balance of the Transition Reserve will be \$7.7 million. The funds will be allocated as follows:

Service	Total Amount	Duration	Final Year of Funding
First 5 Centers	\$6.7M	4 years	FY 2030–31
Developmental Playgroups	\$1M	4 years	FY 2030–31

First 5 Centers

For more than 20 years, First 5 Contra Costa has operated a Family Resource Center model called the First 5 Centers, which have served approximately 40,000 families countywide since their inception. The Centers are a trusted, prevention-focused resource open to all families in the county, regardless of income. Historically, these centers have been funded primarily with Prop 10 revenue, but in recent years, First 5 Contra Costa has successfully blended additional funding streams to reduce reliance on Prop 10 support.

The proposed approach to these investments in the Transition Reserve includes a **revised service model** for our Family Resource Center investments, **reducing the number of First 5-funded sites** from five to three, beginning FY 28/29, and eventually ending direct financial support for all First 5 Centers after FY 30/31.

First 5 Contra Costa will conduct a public procurement to support three Family Resource Centers; one each in East, West, and Central County for three fiscal years beginning in FY 28/29, at a declining contract amount each year. Fiscal Year 27/28 will be the final year of First 5 Contra Costa fiscal support for the current First 5 Centers in Antioch and Brentwood. Fiscal Year 30/31 will be the final year of First 5 Contra Costa fiscal support for the centers in East, West, and Central County.

Under the revised model, First 5-funded services at the remaining three Family Resource Centers will focus specifically on the needs of children prenatal through age 5, while allowing those services to be integrated within broader, intergenerational family resource centers to support long-term sustainability. New contracts will begin in FY 28/29, providing operators and community members nearly a full year to prepare for these changes. We will partner with contracted operators to strategize on their long-term sustainability beyond First 5 Contra Costa funding.

Developmental Playgroups

A growing number of children under age 5, particularly toddlers and preschoolers, experience mild-to-moderate developmental delays that affect social-emotional development and future school readiness. These delays are often not addressed through accessible, low-intensity early intervention. Without support, these delays can intensify over time, potentially resulting in the need for special education services, which is a costly outcome for families, school districts, and the broader system.

In 2013, First 5 Contra Costa partnered with local experts to establish the Help Me Grow Developmental Playgroups, which serve parents and young children with identified developmental concerns who have not yet received, or do not meet severity thresholds for, state or federally funded intervention services. Through a series of sessions led by specialized staff, parents learn strategies to support their child's development and how to access additional services as needed.

Developmental Playgroups remain the only free service of their kind currently available in the county. In the last 13 years, approximately 2,200 children have participated in the playgroups. Given their role in supporting both parents and children and their potential to prevent the need for more intensive intervention services, First 5 Contra Costa will continue to fund this service through FY 30/31 while identifying and cultivating new investors to sustain it beyond that period.

Organizational Priorities

Our fiscal reality is the biggest driver of our organizational shifts. Every decision we make starts and ends with one question: does this make us more effective for the children and families we exist to serve? We are committed to living within our means, and that means making intentional choices about how we are structured, what we fund, and where we invest our energy. As we step more fully into our role as a system builder, we will continue to adapt and strengthen our organization by prioritizing these actions over the next five years.

- 1) Put our Sustainability Plan into action to build long-term financial stability.

Over the next five years, we will right-size our internal structure, adjust workflows, and align spending with declining Prop 10 revenue. This includes using technology and automation to work more efficiently, streamlining internal processes to reduce duplication, and decreasing layers of management in decision-making so we stay nimble as the organization and economy change.

Intended Outcomes:

- Build a stable organizational structure that supports our system-builder role yet is adaptable to changing needs.
- Create records retention policies and adopt technology tools that help staff plan and prioritize their work, increase efficiency across HR, facilities, operations, fiscal, and evaluation.
- Develop succession plans for every role in the organization.

- 2) Streamline fiscal stewardship so First 5 Contra Costa remains a nimble investor and system builder.

We will update internal fiscal policies and adopt contracting models that reduce administrative burden for us and our partners, while still following Commission policies and meeting all federal, state, and local accountability standards.

Intended Outcomes:

- Deliver regular, timely financial reports that flag revenue and spending trends early.
- Identify emerging fiscal models and best practices for small public agency operations.
- Adopt fiscal and contracting practices to simplify reporting requirements for contractors and build equitable, sustainable public-community partnerships.
- Explore shared services and cost sharing models with First 5 Network partners (Bay Area First 5 commissions and the First 5 Association) to reduce administrative costs.

- 3) Identify sustainable funding to grow investment in early childhood education and services across Contra Costa County.

We will research long-term funding models to sustainably fund early childhood services countywide. We will also convene and facilitate a strategic advisory group of local government decision-makers, funders, and system partners to design a local young children's endowment.

Intended Outcomes:

- Map current spending and funding streams for early childhood to guide equity- and prevention-focused budget decisions.
- Design the governance structure for a young children's endowment.
- Identify seed funding to launch a county-level young children's endowment.

- 4) Model our values of Equity, Diversity, Cultural Humility, Inclusion, and Community Partnership in how we work internally.

We will continue updating internal policies so they align with and model First 5's commitment to anti-racism. We will support our team in living our values every day.

Intended Outcomes:

- Foster a learning culture where staff have space to name growth areas, blind spots, and biases, and model our core values.
- Update the Employee Handbook to reflect family-friendly workplace principles developed by First 5 staff.
- Create more opportunities for shared celebration and connection that build a sense of belonging among staff, Commissioners, and community partners.

Appendix A: Our Planning Process

In August 2025, First 5 Contra Costa began a collaborative strategic planning process. The process was designed in collaboration with Optimal Solutions Consulting, with opportunities for staff, Commissioners, and community partners to engage in thoughtful discussions about the future direction of our organization.

Key activities during the strategic planning process included:



Appendix B: The Changing Landscape

Making sound, strategic decisions that benefit children and families in Contra Costa requires us to understand the strengths, challenges, and opportunities, not only within our organization, but across the early childhood ecosystem. To do this, we collect information from public data sources, community partners, service providers, and families, and then we bring people together to make sense of what we learn. This is not a one-time exercise that only happens during strategic planning. This is a continuous cycle of learning, meaning making, and community engagement that helps all of us to see the early childhood system clearly enough to help change it.

One of our newest and most comprehensive efforts to understand the early childhood landscape is presented in the [Contra Costa Early Childhood System Map](#) (System Map).²⁸ Released in 2025, the System Map combines public data with the voices of families and providers, gathered through focus groups and interviews. It is organized into six sections, covering Community Context, Healthy Beginnings, Strong and Supported Families, Quality Early Childhood Programs, the Early Childhood Workforce, and Funding and Governance. First 5 Contra Costa created this System Map as a tool for community leaders across the county to plan, allocate resources, and track whether our shared efforts are improving outcomes for young children.

Highlights from the System Map and other sources are summarized below, providing a “snapshot” of key factors and context in the early childhood landscape that informed this strategic plan.

Contra Costa County is home to about 1.16 million people, including roughly 72,000 children between birth and age five. Our county’s population is incredibly diverse: more than three-quarters of children under 18 are children of color, and nearly 40 percent of county residents ages 5 and older speak a language other than English at home.

Overall, the data tell a story of real strengths alongside real gaps. Contra Costa outperforms the state average in the number of licensed child care slots, developmental screening rates, health insurance coverage for young children, food security, and child safety. These are not small achievements. They reflect decades of investment and collaboration by First 5 and partners across public health, education, and social services.

At the same time, the data point to where families are still struggling. Even when a licensed child care slot exists, the cost of care can consume a third or more of a family’s income, and fewer than one in five income-eligible children receive a subsidy. Waitlists and delays are common in early intervention services, and only about half of Medi-Cal-enrolled children in Contra Costa receive at least one developmental screening before their third birthday. The early childhood workforce — the educators, home visitors, and other professionals who serve young children and their families — is stretched thin by low wages and high turnover, often earning well below a living wage in our county. Families in West

and East County, along with Black, Latino, and immigrant families across the county, continue to experience these gaps most acutely. For additional insights, see the [System Map key takeaways](#).²⁹

These findings echo the [Key Learnings from First 5 Contra Costa Listening Tour](#),³⁰ conducted in 2025 by researchers from Stanford’s Continuous Improvement Rapid Cycle Learning & Evaluation (CIRCLE) team. Families in the county reported both positive experiences with services and unmet needs related to raising young children. Many families expressed difficulties paying for basic needs. Parents also described a system that can be hard to navigate. As one parent put it, “You may qualify for one thing with one agency and then [not for] another agency... So just navigating that can be a little bit hard.” Families learned about supports through a variety of sources, both informal (like family and friends) and more formal connections (like pediatricians and libraries).

Interviews with our system and community partners point to some of the same root causes. Partners described a fragmented funding and data landscape, which can make it difficult for families to know what resources are available to them and for service providers to help families navigate complex systems. These themes reinforce what our data show: individual programs are working hard, but the system that connects them is not yet strong enough to serve every family.

Shifts in the Fiscal and Policy Landscape

Changes in the early childhood landscape are also happening at the federal and state levels, which have direct impacts on funding and resources in Contra Costa County. The federal budget law known as H.R. 1, signed in July 2025, is projected to bring significant new costs and coverage losses to California and Contra Costa County. The county estimates that roughly 93,000 residents could lose Medi-Cal coverage and 17,600 could lose food assistance as new eligibility and work requirements take effect between 2026 and 2027.³¹ Medi-Cal is the largest funding source in our county’s home visiting system, so reductions in this funding stream put pressure on programs that many families with young children rely on.³² California’s state budget is also absorbing more than a billion dollars in new costs tied to H.R. 1, which increases competition for the state dollars that support the early childhood ecosystem.³³

The federal Head Start program is also facing proposed changes. In 2026, the federal administration proposed new rules that would roll back requirements for Head Start staff wages and benefits and shift more program decisions, such as group sizes, staff qualifications, and background checks, to individual states.³⁴ Early childhood advocates have raised concerns that removing wage and benefit standards could deepen the staffing shortages that already threaten access to Head Start classrooms nationwide.

Locally, Contra Costa voters approved Measure X, a half-cent sales tax, in November 2020. The tax took effect in April 2021 and will generate an estimated \$120 million annually

through March 2041.³⁵ The Board of Supervisors sets priorities and allocates Measure X funding to meet essential service needs, such as keeping the regional hospital open, funding community health centers, providing timely fire and emergency response, supporting crucial safety net services, investing in early childhood services, protecting vulnerable populations, and other essential county services.

First 5 Contra Costa used its advocacy and convening role to help secure about \$6 million a year in Measure X dollars for early childhood efforts, out of more than \$120 million allocated annually. Examples include funding for mental health consultation for infants and young children, mental health services for children ages 0 to 5, and capacity building and professional development supports focused on creating more inclusive early care and education programs for children with disabilities, developmental concerns, and social-emotional delays. While Measure X is an invaluable local revenue stream that is helping to fill gaps, the funding allocations are revisited each year by the Board of Supervisors. This means that the share of Measure X funding for early childhood services is not guaranteed. Maintaining, or even increasing, funding allocations for early childhood will require ongoing advocacy and partnership.

More recently, Contra Costa voters have shown reluctance to approve new local taxes. In June 2026, the Board of Supervisors placed Measure B on the ballot, proposing a temporary sales tax meant to raise about \$150 million a year to backfill federal cuts to health care and other essential services.³⁶ The measure did not pass; only 43 percent voted in favor.³⁷ This outcome suggests that Contra Costa voters may be experiencing tax fatigue, which is an important signal for First 5 Contra Costa to consider as we explore long-term sustainability strategies.

These are just a few examples of shifts in the policy and funding environments that are placing greater responsibility and pressure onto states, counties, and local organizations like First 5s. This is why it is essential that the people and organizations, including First 5 Contra Costa, work together instead of alone.

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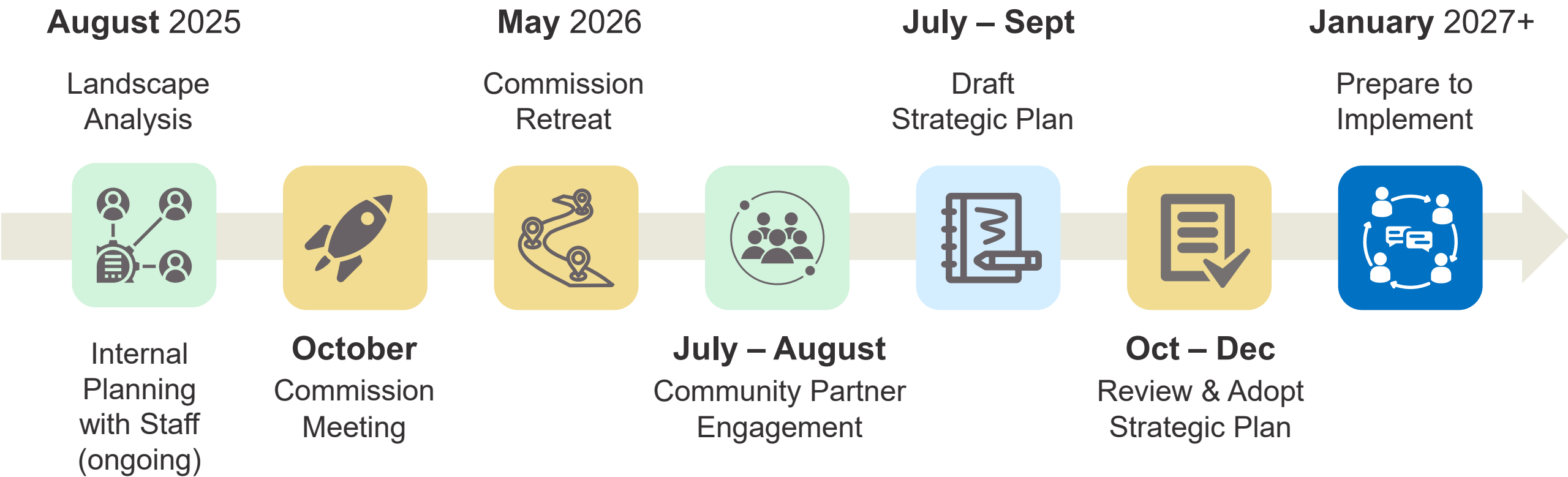
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First 5 Contra Costa Strategic Plan 2027-2032

October 12, 2026



Strategic Planning Process



Overview of Strategic Plan 2027-2032



Our Foundation

The intent of **Proposition 10** is to:

“Facilitate the creation and implementation of an integrated, comprehensive, and collaborative system of information and services to enhance optimal early childhood development and to ensure that children are ready to enter school.”

Celebrating Our History of Investing in Early Childhood

25+
Years

First 5 Contra Costa
was established in 1998

\$204
Million

Direct investment in
Contra Costa County's
early childhood system

**Collaboration &
Partnerships**

Helped strengthen capacity,
coordination & resources of the
broader early childhood system

The Changing Landscape

- Declining Prop 10 revenue (steeper, faster)
- Impacts of federal policy and budget changes on state and local policies and budgets
- Constantly evolving relationships, roles, and resources within the early childhood ecosystem in Contra Costa County

Our Purpose



Our Commitment to Racial Equity and Anti-Racism

We center racial equity, diversity, and inclusion (REDI) in everything we do and commit to becoming an anti-racist organization.



Vision

Contra Costa's young children are healthy, ready to learn, and supported in safe, nurturing families and communities.



Mission

To foster the development of our community's children, prenatal through 5 years of age.



Core Values

Diversity and Inclusion ♦ Equity ♦
Cultural Humility ♦ Community Partnership



Our Strategic Framework

Our Strategic Framework

Our Purpose

Vision • Mission • Values • Grounded in our commitment to equity and anti-racism



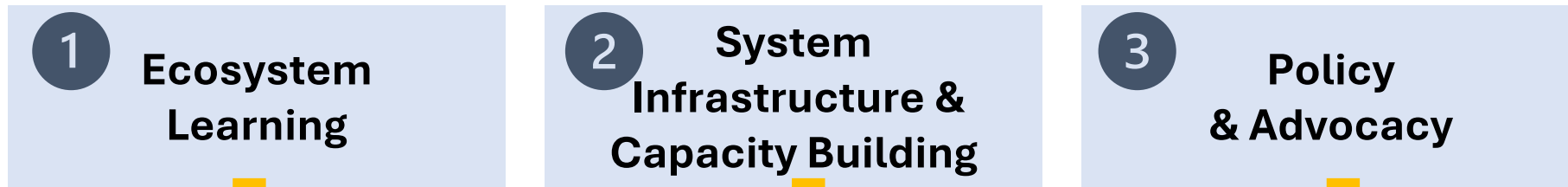
Where We Work

The **early childhood ecosystem** in Contra Costa County



Three Core Functions

How we engage with and create change in the early childhood ecosystem



Overarching Goal

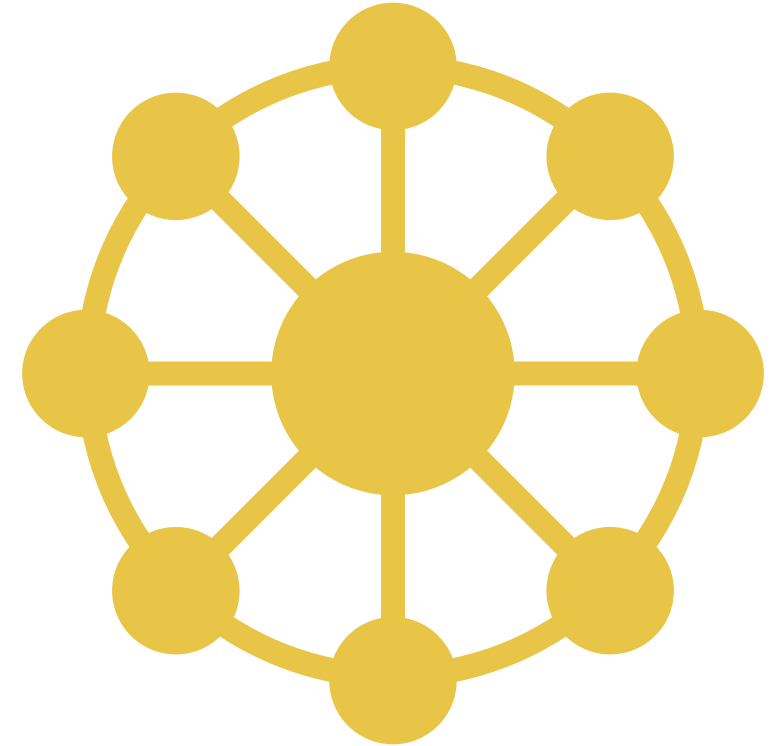
What we aim to achieve as a system builder, through our Core Functions

Priority Areas

Focus on deep and meaningful systems change in two priority areas

Where We Work

First 5 Contra Costa works within and on behalf of **the early childhood ecosystem**: the interconnected system of **people, organizations, and community-based entities** whose work shapes how young children grow, learn, and thrive in Contra Costa County.



Three Core Functions

1

Ecosystem Learning

Generate, curate & share knowledge with families, system partners, and decision-makers; Take action for improvement

Includes: research, data analysis, evaluation, needs assessment, facilitated learning

2

System Infrastructure & Capacity Building

Invest in the people, organizations, and structures the early childhood system depends on

Includes: professional development, shared infrastructure for coordinated networks, cross-sector partnerships, common tools and approaches

3

Policy & Advocacy

Shape policies, practices, protocols, and public investments that determine what early childhood systems look like and who they serve

Includes: advocating at local, regional, state levels, building advocacy power of families and providers, elevating community voice in decision-making

Overarching Goal

Ensure our county's public systems and partners are aligned and fully funded to create an integrated, effective, and family-centered early childhood landscape that emphasizes prevention.

Examples of strategies we'll implement within our **Three Core Functions**

1

Ecosystem Learning

- ▶ Analyze and interpret data on children's and families' lives
- ▶ Engage system and community partners in making meaning of ecosystem data
- ▶ Elevate community voice

2

System Infrastructure & Capacity Building

- ▶ Foster stronger connections between service providers and public systems
- ▶ Drive efforts that strengthen the capacity of public systems and the workforce of community partners

3

Policy & Advocacy

- ▶ Advocate to local, state, and federal decision-makers to enhance policies and long-term investment in services and systems that have an intentional early childhood focus with an emphasis on prevention

Priority Areas

Overarching Goal: Ensure our county's public systems and partners are aligned and fully funded to create an integrated, effective, and family-centered early childhood landscape that emphasizes prevention.

PRIORITY 1: Early Care & Learning

Ensure families have equitable access to quality early care and learning programs that meet their needs; are sustainable; and are supported with a skilled, stable, and well-compensated workforce.

- 1

Ecosystem Learning
- 2

System Infrastructure & Capacity Building
- 3

Policy & Advocacy

PRIORITY 2: Developmental Screening & Early Intervention

Ensure families have universal access to developmental screening and equitable, timely access to early intervention services.

- 1

Ecosystem Learning
- 2

System Infrastructure & Capacity Building
- 3

Policy & Advocacy

Measuring Impact with Population Indicators

Overarching Goal

- Substantiated child maltreatment rate for young children

Priority 1: Early Care & Learning

- Enrollment in publicly funded early care and education
- Child care supply alignment with family needs
- Percentage of third graders demonstrating reading proficiency

Priority 2: Developmental Screening & Early Intervention

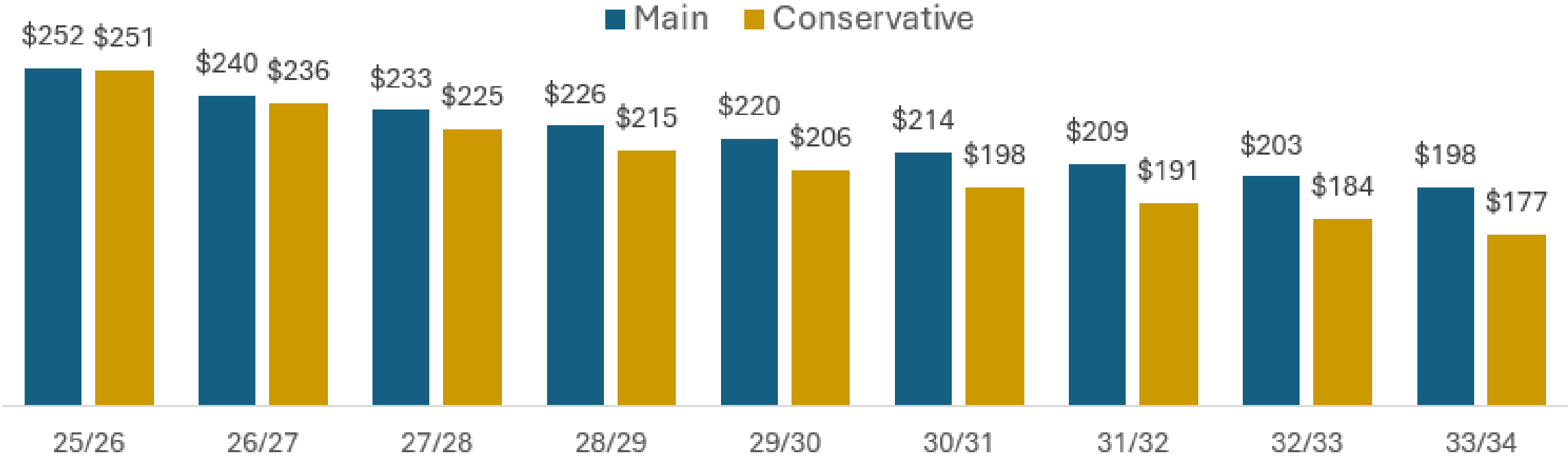
- Percentage of Medi-Cal infants and toddlers who receive a developmental screen
- Developmental progress at conclusion of publicly funded early intervention services
- Percentage of third graders with an identified disability



Long-Term Financial Plan & Transition Reserve

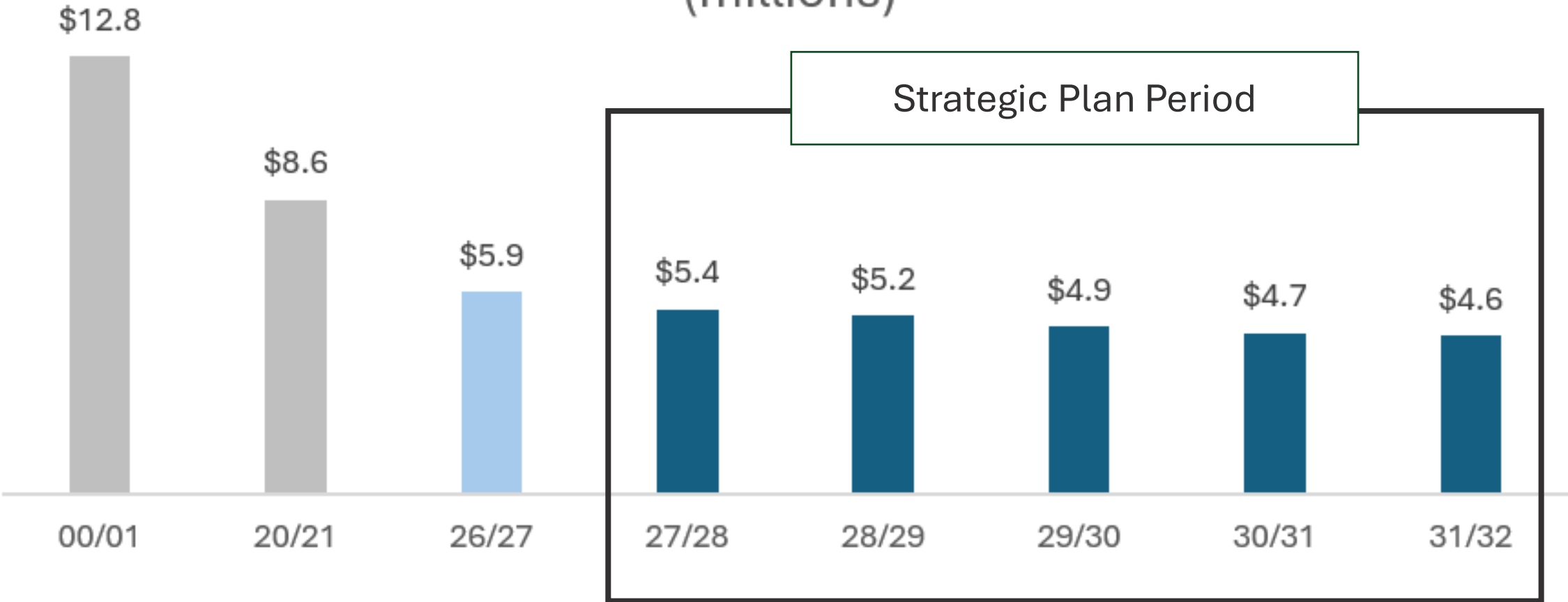
Statewide Fiscal Context

California Tobacco Tax Revenue Projections
(millions)



Local Tobacco Tax Revenue Projections

Contra Costa Tobacco Tax Revenue Projections
(millions)



External Revenue Projections

Projected Revenue by Funding Source, by Fiscal Year
(millions)



Transition Reserve: Objectives

1. Use the transition period to identify new funding stewards as First 5 Contra Costa transitions out of its role as primary funder for these services.
2. Provide contractors and community partners with substantial time to pursue alternative funding sources, adapt program models, engage prospective investors, and develop long-term sustainability strategies, maximizing the likelihood that these services remain available to families beyond the period of First 5 Contra Costa funding.

Transition Reserve: Spending Plan

In FY 27/28, the first year of this strategic plan, the starting balance of the Transition Reserve will be \$7.7 Million. The funds will be allocated as follows:

Service	Total Amount	Duration	Final Year of Funding
First 5 Centers	\$6.7M	4 years	FY 2030–31
Developmental Playgroups	\$1M	4 years	FY 2030–31

Organizational Priorities



Organizational Priorities

- 1) Put our Sustainability Plan into action to build long-term financial stability.
- 2) Streamline fiscal stewardship so First 5 Contra Costa remains a nimble investor and system builder.
- 3) Identify sustainable funding to grow investment in early childhood education and services across Contra Costa County.
- 4) Model our values of Equity, Diversity, Cultural Humility, Inclusion, and Community Partnership in how we work internally.

Questions & Discussion

- Clarifying questions?
- What do you like?
- Is there anything that is unclear?





Making CalAIM Work for Community Providers:

Lessons and
Strategies from
California's
First 5 Network

FIRST 5 CENTER FOR
CHILDREN'S POLICY

BRIEF

March 2026

Executive Summary

THE OPPORTUNITY: NEW MEDI-CAL BENEFITS FOR EARLY CHILDHOOD

California has created a historic opportunity to transform care for young children through two new Medi-Cal benefits that leverage trusted community organizations. The community health worker (CHW) services benefit (June 2022) provides Medi-Cal reimbursement for community health workers to deliver health education, navigation, advocacy support, and screening – preventative services addressing social determinants of health with broad eligibility criteria. The enhanced care management (ECM) benefit offers community-based, high-touch care coordination for populations with complex needs, including certain children (July 2023) and pregnant/postpartum individuals (January 2024).

Yet without addressing critical implementation barriers, California risks squandering this opportunity. Data from 2025 indicate only 1 percent of children under 21 have received CHW services. Meanwhile, children birth to five account for just 6 percent of ECM recipients even though they make up 26 percent of the under 21 Medi-Cal population.

If the state fails to remove barriers preventing trusted community providers from participating, hundreds of thousands of young children will miss out on preventative health support and care navigation. California will forgo millions in Medi-Cal revenue that could flow to community organizations and sustain critical early childhood services. And the state will undermine its own transformation goals of equitable, community-integrated care.

FIRST 5 ENGAGEMENT AND PROGRESS

California has a unique asset to close this gap: First 5 county commissions, voter-mandated public agencies established by [Proposition 10](#) (1998) to support early childhood development. This network of 58 commissions has deep early childhood expertise, community connections, and established trust with families. The CHW and ECM benefits align directly with First 5 core investments, including home visiting, parenting education, and care coordination, and offer a pathway to braid Medi-Cal funds with First 5 Proposition 10 funds to expand reach and sustain services.

To date, eight First 5s have contracted with Medi-Cal managed care plans (MCPs) to deliver CHW and/or ECM services, with six more actively engaged in the contracting process. In this work, First 5s have identified four models for engagement:

- » **Direct Service Providers:** First 5 contracts with MCP and First 5 staff deliver services directly to families.
- » **Hubs:** First 5 contracts with MCP on behalf of community partners working directly with families.
- » **Administrative Partners:** First 5 supports partner organizations with administrative aspects of the partner's contract with the MCP.

- » **Champions:** First 5 provides strategic leadership to ensure early childhood providers participate in new benefits.

CRITICAL BARRIERS REMAIN

Despite this progress, contracting with MCPs and beginning Medi-Cal billing has taken years for most First 5s. Several key barriers persist:

- » Policy guidance and requirements designed for clinical providers, not community organizations like First 5s.
- » Limited technical assistance available for capacity building, with existing resources via the Department of Health Care Services' (DHCS) [Providing Access and Transforming Health \(PATH\)](#) initiative sunset after 2026.
- » Inconsistent MCP implementation approaches and readiness to support community partners with contracting.
- » Reimbursement rates inadequate to cover true cost of service delivery.
- » Substantial organizational change requirements to become a Medi-Cal provider including [HIPAA](#) compliance and new privacy/security infrastructure.
- » Federal policy uncertainty making organizations hesitant to invest without guaranteed sustainability.

POLICY RECOMMENDATIONS

The experience of First 5s that have successfully become Medi-Cal providers reveals a clear path forward. Their multi-year journey, from initial conversations with MCPs to billing for services, demonstrates both the feasibility of community provider participation and the specific policy changes needed to enable it at scale. The following recommendations are grounded in First 5 implementation experience and address the barriers that prevent broader community provider engagement:

- 1. Standardize implementation across MCPs:** Create consistency in contracts, requirements, and expectations across MCPs statewide. Current flexibility has created confusion at the community level. Standardization will improve equitable access and reduce administrative burdens.
- 2. Sustain technical assistance:** Create ongoing TA infrastructure beyond PATH's 2026 sunset, including group-based learning cohorts modeled on the First 5 Medi-Cal Learning Community, accessible materials documenting field successes and challenges, and support that moves beyond time-limited 1:1 grants.

3. **Clarify hub roles:** DHCS recently published a Hub Toolkit to define hub roles, but it is written for healthcare and managed care audiences. Translate this guidance into accessible language for non-healthcare organizations that could serve as critical cross-sector hub partners.
4. **Increase CHW rates:** Raise base reimbursement to at least 87.5 percent of Medicare rates (\$53.35 per 30 minutes). Current rates are inadequate to cover true service costs, forcing organizations to blend and braid funding from other sources to sustain CHW services.
5. **Ensure dedicated community provider support staff:** Establish liaisons specific to community providers at DHCS and MCPs to triage questions and provide clear points of contact. Community providers face roadblocks navigating complex systems like enrolling as a Medi-Cal provider with the state.

First 5s and their community partners are not peripheral to Medi-Cal transformation – they are foundational to reaching California’s most vulnerable families. They bring cultural relevance, trust, community embeddedness, and the ability to bridge clinical systems to populations that have historically experienced barriers to healthcare access. Without their intentional involvement, there is a risk of rebuilding systems outside the trusted networks First 5s have cultivated for over two decades. DHCS must stay committed to supporting community organizations through this journey to fully realize Medi-Cal transformation goals for young children and families.



Table of Contents

ACKNOWLEDGMENTS

Many thanks to the following organizations who contributed their time, expertise, and helpful insights:

First 5 Alameda

First 5 Humboldt

First 5 Marin

First 5 Merced

First 5 Monterey

First 5 Orange

First 5 Yolo

- 2** First 5 Investments and the Alignment with New Medi-Cal Benefits
 - 3 Figure 1. New Medi-Cal Benefit Details
- 3** First 5s as Essential Medi-Cal Implementation Partners
- 5** First 5s' Approach to Contracting with Medi-Cal MCPs
 - 5 Figure 2. Model 1 – Direct Service Provider
 - 6 Figure 3. Model 2 – Hub
 - 6 Figure 4. Model 3 – Administrative Partner
 - 7 Figure 5. Model 4 – Champion
 - 8 Examples: First 5 Roles in Medi-Cal Contracting
- 13** Key Challenges Faced by First 5s and Other Community Partners
- 16** Policy Opportunities
- 18** Call to Action

Writing, research, and policy analysis for this brief was conducted by Oscar Flores – Respond Mindfully LLC, Jaren Gaither – First 5 Center for Children's Policy, and Alexandra Parma – First 5 Center for Children's Policy. This brief was produced with generous support from the UCLA-UCSF ACEs Aware Family Resilience Network (UCAAN).

Over the last several years, California has taken major steps to transform the Medi-Cal program and strengthen its commitment to young children. Many of the state's efforts in this space are under the [California Advancing and Innovating Medi-Cal \(CalAIM\) initiative](#), a long-term plan to transform Medi-Cal into a more equitable, coordinated, and person-centered program. An important aspect of Medi-Cal transformation is a slate of recently added Medi-Cal benefits that leverage community-based providers, such as the [community health worker services \(CHW\) benefit](#) and the [enhanced care management \(ECM\) benefit](#).

[More than half](#) of California's children ages birth to five depend on Medi-Cal for their health coverage. Therefore, CalAIM, and the broader Medi-Cal transformation initiative, presents a powerful opportunity for organizations serving young children and their families.

The success of Medi-Cal transformation and implementation of new Medi-Cal benefits depends on the integration of trusted community partners as Medi-Cal providers. First 5s' expertise in early childhood development and child-serving county systems, their connections to families with young children, and their relationships and contracts with family-serving community organizations, make them a key implementation partner. The experiences of First 5s in this work provide critical information to state leaders and other community partners working towards this shared goal.

This brief highlights First 5s' journey to engage in new Medi-Cal benefits, outlines the critical barriers that remain for community providers in becoming Medi-Cal providers, and uplifts the advocacy needed to improve implementation.

FIRST 5s: A VOTER-MANDATED, EARLY CHILDHOOD INFRASTRUCTURE IN CALIFORNIA

In 1998, California voters passed Proposition 10, the "Children and Families Act of 1998" initiative. The act levies a tax on tobacco products to fund early childhood development programs. Eighty percent of these funds are allocated to the 58 First 5 county commissions, according to annual birth rates. As public agencies governed by county-appointed commissions, First 5s hold a distinctive position in California's early childhood landscape. This public infrastructure combines the accountability and cross-sector convening power of government with the flexibility and community-rootedness of local organizations, making First 5s uniquely positioned to bridge families, providers, and systems.

First 5 Investments and the Alignment With New Medi-Cal Benefits



The CHW benefit was added to the Medi-Cal program in June 2022. The benefit offers Medi-Cal reimbursement for community health workers and other similar community providers to deliver health education, health navigation, screening and assessment, and individual support or advocacy services. The benefit focuses on preventative services to support addressing the social determinants of health needs of Medi-Cal members and has broad eligibility criteria.

The ECM benefit provides community-based, interdisciplinary, high-touch, and person-centered care coordination for members with complex health and social determinant of health needs. In July 2023, ECM went live for certain child populations of focus, and in January 2024 for the birth equity population of focus, aimed at supporting Black, American Indian and Alaska Native, and Pacific Islander pregnant and postpartum individuals.

CHW and ECM Implementation Update

Despite the CHW benefit's broad eligibility criteria, as of May 2025, only one percent of children under the age of 21 who are eligible for Medi-Cal had received CHW services.¹ Similarly, in the first quarter of 2025, children ages birth to five accounted for only six percent of the total number of Medi-Cal members who had received ECM services, despite accounting for 26 percent of the under 21 Medi-Cal population. Although ECM's eligibility criteria are much narrower compared to the CHW benefit, stakeholders widely acknowledge the slow rollout of ECM for kids and that there is room for additional trusted community providers to become Medi-Cal providers.

¹. Data received from the Department of Health Care Services via email on 5/8/2025. Excludes FQHC and RHC providers.

There are three core services in particular that align closely with the CHW and ECM benefits: home visiting, parenting education programs, and care coordination.

Figure 1. New Medi-Cal Benefit Details

BENEFIT	ELIGIBILITY CRITERIA	PROVIDER DETAILS	SERVICES
<u>Community Health Worker Services</u>	Broad including members who face barriers in meeting their health or health-related social needs, and/or who would benefit from preventive services	Community-based providers with shared lived experience and work experience and/or certification	Health education, health navigation, screening and assessment, individual support or advocacy
<u>Enhanced Care Management</u>	Medi-Cal members with complex health and social determinant of health needs as outlined in priority populations of focus	Community-based care managers	1. Outreach and Engagement 2. Comprehensive Assessment and Care Management Planning 3. Enhanced Coordination of Care 4. Health Promotion 5. Comprehensive Transitional Care 6. Member and Family Supports 7. Coordination of and Referral to Community and Social Support Services

While CHW and ECM do not fund specific programs like home visiting, much of First 5s' programming meets these benefits' requirements. Crucially, First 5s that bill Medi-Cal can braid these funds with Proposition 10 revenue to sustain investments during a period of declining tobacco tax revenue.

First 5s as Essential Medi-Cal Implementation Partners

As public agencies, First 5s already partner, understand, and support early childhood providers in each county. All First 5s invest in or coordinate critical services, and some even provide them directly.

Given their long-standing leadership in early childhood systems and services, **First 5s represent a natural network to support Medi-Cal transformation.**

Their contributions include:

- » **Specialized early childhood expertise:** First 5s have dedicated infrastructure and staff who understand the unique developmental needs of young children and the importance of dyadic, evidence-based approaches that serve both the child and their caregivers.
- » **A whole-family perspective:** First 5s recognize that child health and well-being are inseparable from the health and stability of parents and caregivers.
- » **Cross-system leadership:** First 5s have deep relationships with local providers and leaders across health, early learning, family support, behavioral health, and other systems that serve young children and their families.
- » **Flexible operational models:** Some First 5s deliver services directly, while others work closely with subcontracted community partners. Both models provide pathways for supporting Medi-Cal transformation.
- » **The ability to strategically braid funding:** First 5s can leverage Proposition 10 dollars alongside Medi-Cal. For example, Proposition 10 funds can help fill gaps when Medi-Cal reimbursement rates do not fully cover the cost of delivering high-quality services.
- » **Public accountability and transparent governance:** As public agencies governed by county-appointed commissions, First 5s operate with built-in accountability mechanisms including public meetings, transparent budgeting, and rigorous financial oversight.

Together, these strengths position First 5s as critical partners in new benefit implementation and in ensuring that Medi-Cal transformation reaches young children and families effectively and equitably. Furthermore, without intentional First 5 involvement, CalAIM risks rebuilding systems outside the trusted networks these agencies have cultivated for over two decades.

A MEDI-CAL LEARNING COMMUNITY FOR FIRST 5S

To support First 5 network engagement in Medi-Cal transformation, the First 5 Center for Children's Policy (the Center) has provided technical assistance (TA) since 2021. In 2023, the Center formalized this body of work and launched the Medi-Cal Learning Community (MCLC). The MCLC was shaped to:

- » Build First 5 knowledge of Medi-Cal
- » Provide peer learning on Medi-Cal and partnering with Medi-Cal MCPs
- » Support local and regional partnerships with MCPs
- » Provide guidance on the organizational structures necessary to be a contracted partner with Medi-Cal MCPs for new Medi-Cal benefits

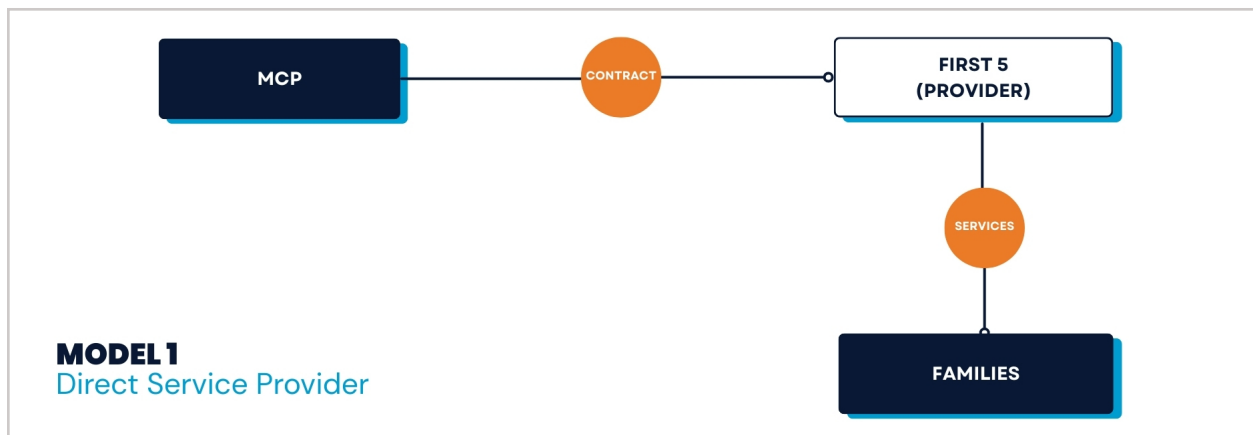
As part of this work, the Center has created feedback loops to key DHCS staff on questions the network has, resources communities need, or challenges First 5s are facing. The team supports counties in getting their implementation questions answered, while simultaneously promoting important policy changes based on First 5 experience.

First 5s' Approach to Contracting with Medi-Cal MCPs

To date, eight First 5s are contracted with MCPs to deliver CHW and/or ECM services. Additionally, six more First 5s are actively in the process of contracting with their local MCPs and many more are exploring their role. There is not one way to engage in implementation work for CHW and ECM benefits. First 5s have assessed their capacity, leadership support, and local context to determine their best-fit role. Four main approaches have emerged:

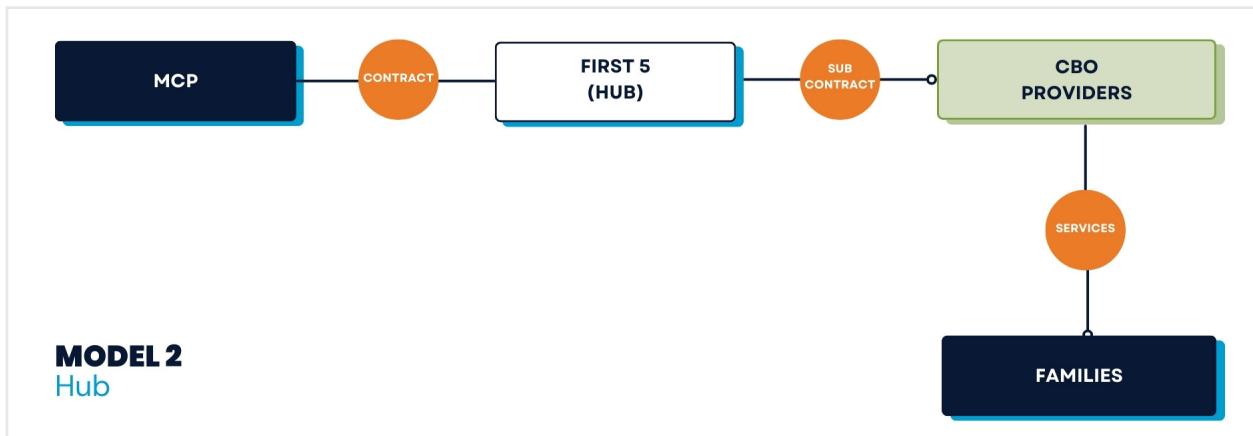
1. **Direct Service Providers** – First 5 employs staff that deliver services to children and/or families and contracts with local MCPs. This role is best suited for First 5s who are able to take on administrative, billing, and compliance responsibilities of becoming a Medi-Cal provider.

Figure 2. Model 1 – Direct Service Provider



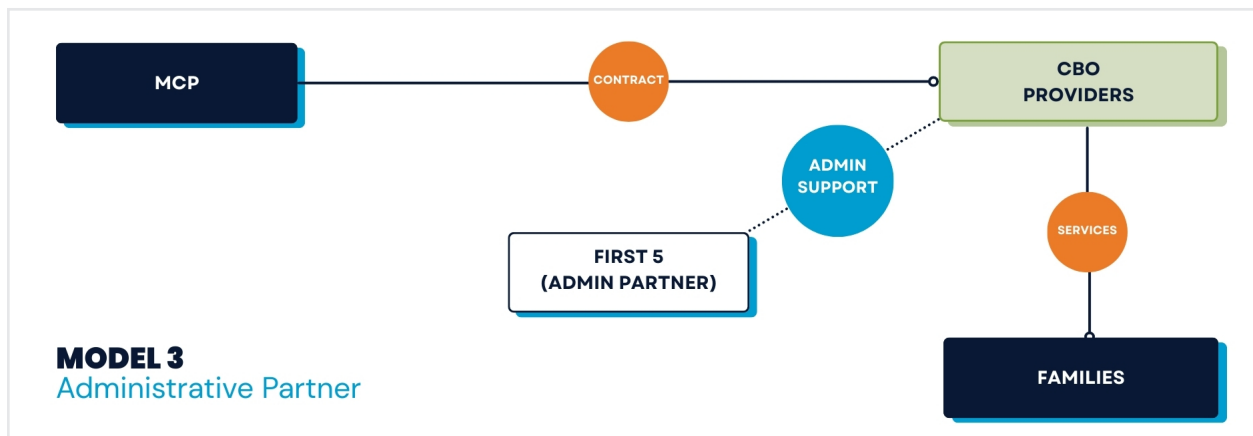
2. **Hubs** – First 5 contracts with their local MCPs on behalf of partners that deliver services directly to children and/or families. In this role, the First 5 directly holds the contract with the MCP and then subcontracts to their partners who are responsible for delivering services directly to children and their families. The First 5 operates as a hub and takes on administrative, billing, and compliance responsibilities on behalf of their direct service partners. As a hub, First 5s are able to facilitate connections between MCPs and their direct service partners who otherwise would be unable to take on the administrative burden of becoming contracted with the MCP themselves. Additionally, the hub model enables First 5s to braid funding for and oversee the administration of programs like home visiting that can leverage new benefits, but cannot be fully financed by them. This role makes sense when First 5s do not directly deliver services to families via First 5 staff.

Figure 3. Model 2 – Hub



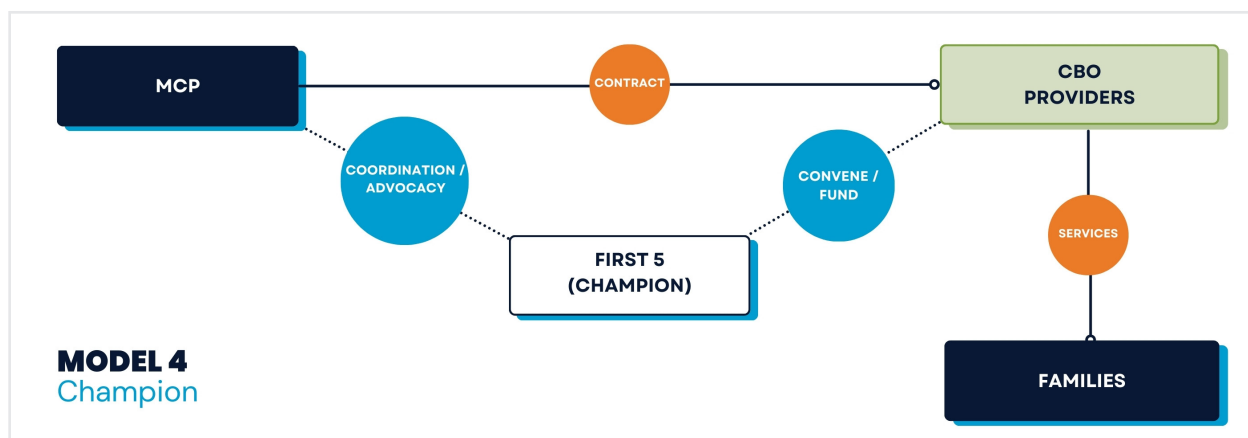
3. **Administrative Partners** – First 5 operates as an administrative partner to direct service providers, assuming administrative responsibilities. In this role, the First 5 is not directly contracted with the MCP. Instead, the MCP is directly contracted with the organization providing services. Meanwhile, the First 5 holds a contract with the direct service provider, assuming administrative responsibilities such as provider training and licensing and claims support, much like a management services organization (MSO). This role makes sense for First 5s who cannot contract with the MCP directly, or in cases where an MCP is not working with hubs.

Figure 4. Model 3 – Administrative Partner



4. **Champions** – In this role, the First 5 does not hold a contract with either the MCP or direct service provider. First 5 provides strategic leadership, convenes partners, leverages contracts, and/or deploys funding to ensure trusted early childhood providers are included as Medi-Cal providers. This is either through the partners' direct contracting with an MCP, or through the identification of a non-First 5 hub. This role makes sense for First 5s who cannot contract with the MCP directly/act as a hub, who notice a gap in early childhood CalAIM leadership, and who are interested in ensuring Medi-Cal is leveraged to scale and sustain aligned programs supported by First 5.

Figure 5. Model 4 – Champion



Many First 5s have leveraged grants from MCPs and the DHCS to support their efforts in this space. This includes [MCP Incentive Payment Program grants \(IPP\)](#) and DHCS Providing Access and Transforming Health [\(PATH\) initiative resources](#). Both of these funding sources were set up to support community providers to ready their organizations for Medi-Cal billing. First 5s have used these funds to become compliant with the Health Insurance Portability and Accountability Act (HIPAA), build new data systems, and hire staff to take on the new responsibilities of being a Medi-Cal provider.



Examples: First 5 Roles in Medi-Cal Contracting

FIRST 5 ALAMEDA – CHW DIRECT SERVICE PROVIDER

First 5 Alameda's transition to billing the Medi-Cal CHW benefit in late 2024 to sustain its [Help Me Grow \(HMG\) program](#) was the culmination of a multi-year partnership with MCP Alameda Alliance for Health (the Alliance) grounded in trust, shared leadership, and demonstrated quality impact. Historically, First 5 Alameda delivered HMG services with support from a \$1.5 million grant from the Alliance to support pediatric preventative care, care management, and quality improvement. In spring 2024, after several years of operating under grant funding, the Alliance communicated that future support for these services would shift to a reimbursement model under the CHW benefit.

In response, First 5 Alameda negotiated a six-month service contract to allow for continued service delivery while preparing for full Medi-Cal provider certification and reimbursement readiness. One of the most significant challenges First 5 Alameda faced while transitioning its HMG program from grant funding to Medi-Cal billing was having to navigate the rapidly evolving CalAIM landscape, marked by ongoing policy and implementation updates. Additionally, entering into a CHW contract with the Alliance presented a steep learning curve, as both parties were interpreting and adapting to new guidance in real time.

To manage this uncertainty and maintain momentum, First 5 Alameda and the Alliance established weekly coordination meetings to share updates, resolve operational issues, and align on implementation milestones. First 5 Alameda also attended informational webinars, consulted with peers from other First 5s, and participated in the First 5 Medi-Cal Learning Community and the Alameda CalAIM PATH Collaborative to support their capacity building efforts.

In FY24/25 First 5 Alameda served over 9,000 families through its Pediatric Care Coordination division, which includes HMG. Over 90 percent of children served were enrolled in Medi-Cal. Building on this experience, First 5 Alameda is exploring becoming an ECM provider. In November 2025, First 5 Alameda was awarded a \$1.1 million PATH CITED grant to support this goal. This funding will provide critical startup and infrastructure support.

FIRST 5 HUMBOLDT– CHW AND ECM DIRECT SERVICE PROVIDER

In 2024, First 5 Humboldt signed a contract with MCP Partnership Health Plan to become a direct service provider for the ECM benefit. First 5 Humboldt plans to serve the birth equity and children with a history of involvement in child welfare services/programs populations

of focus through its ECM program. In addition to being an ECM provider, First 5 Humboldt is also exploring becoming a CHW provider to help stand up [Help Me Grow](#). To support their journey to become contracted for the CHW benefit, First 5 Humboldt received an IPP grant from Partnership Health Plan. They used this grant funding to support the creation of a new data system, develop interoperability between their existing data system and the Community Information Exchange, and hire a full-time staff person to launch their HMG program.

First 5 Humboldt credits part of their success in contracting with Partnership Health Plan to their focus on strategic relationship building. By building a strong relationship with Partnership Health Plan, they have been able to have critical conversations about the core services First 5 Humboldt delivers and areas where they are aligned. Additionally, First 5 Humboldt has been invited to attend Partnership Health Plan's quarterly quality improvement meetings. Although these meetings are not always relevant to First 5 Humboldt's work, they have learned from the challenges of other organizations and even served as a thought partner to the MCP's contracted partners.

FIRST 5 MARIN – ECM AND CHW DIRECT SERVICE PROVIDER

First 5 Marin is leveraging the ECM and CHW benefits to provide direct services through [Help Me Grow Marin \(HMGM\)](#). HMGM provides a central access point for information, support and resources on early child development to Marin County families, early childhood education providers, physicians, and community-based organizations. When families reach out to HMGM, they are connected to case coordinators and child development specialists who can respond to developmental or behavioral concerns or questions, provide information regarding typical developmental milestones, make referrals to community-based supports, assist and empower families to overcome barriers to services, and follow up to ensure that linkages are successful.

First 5 Marin began their journey to becoming contracted in 2022. In 2023, they signed a contract with MCP Partnership Health Plan to deliver ECM services and, most recently, became a CHW provider in 2025. To support their Medi-Cal contracting journey, First 5 Marin utilized IPP grant funding from Partnership Health Plan and a PATH CITED intergovernmental transfer grant for organizational capacity building activities. This included leveraging funds to develop a CHW training cohort in Marin County focused on serving children from prenatal to age five and their families. The first CHW cohort is comprised of 15 bilingual Spanish-speaking providers. First 5 Marin plans to grow the cohort over time.

As part of becoming contracted with Partnership Health Plan, First 5 Marin also partnered with [Aliados Health](#) to support with Medi-Cal billing. Through HMGM, First 5 Marin has been able to receive reimbursement for supporting families to navigate the various behavioral and developmental resources needed to support their child.

FIRST 5 MERCED – CHAMPION

In January 2026, after identifying a need for local leadership to promote CalAIM implementation for young children and families, First 5 Merced launched an effort to identify a well-suited billing hub in the county for CHW and ECM benefits. The hub will provide capacity to smaller community organizations, including First 5 Merced funded partners, to engage with Medi-Cal and receive reimbursement for eligible services. First 5 Merced is part of the County of Merced health department and assessed that a third party with more flexible staffing and organization structures would be better suited to operate as a hub. As a trusted convener, First 5 Merced will catalyze progress for CalAIM in Merced and facilitate TA support for county and CBO partners.

FIRST 5 MONTEREY – CHW AND ECM HUB

For two decades, First 5 Monterey has worked closely with its funded partners to develop a coordinated approach to delivering parent and child development services. Starting in 2022, First 5 Monterey began the journey to become a Medi-Cal provider to bill for ECM and CHW benefits. In this effort First 5 Monterey leveraged its coordinated approach, including its work as a centralized hub for the Monterey County [CalWORKs Home Visiting Program](#). This strategy allows them to leverage First 5 Proposition 10 funding for areas that Medi-Cal could not cover, provide oversight and support to CBOs who otherwise do not have in-house capacity to engage in Medi-Cal, and strategically lead efforts to focus services on families furthest from opportunities.

First 5 Monterey pursued all opportunities available to develop the infrastructure necessary to transition into a health care provider. In early 2023, they partnered with the County of Monterey to access PATH CITED Round 3 funds. These funds enabled them to hire key staff to begin the internal change process necessary to meet contract requirements as a health care provider. First 5 Monterey also engaged in four PATH TA projects and, in 2025, received IPP funds from the MCP Central California Alliance for Health (the Alliance). First 5 Monterey is now contracted with the Alliance to deliver ECM and CHW services. First 5 Monterey leads efforts and coordinates across three funded partners to manage the program, including credentialing, billing, referrals, training, and quality assurance and improvement.

First 5 Monterey is committed to working with partners at the speed of trust, which requires time, patience, listening, and authentic engagement. For that reason, they found that developing and implementing the hub model took longer than initially anticipated. This allowed for mindful engagement as First 5 Monterey and partners underwent significant changes to internal infrastructure and processes to meet Medi-Cal requirements. Another key insight First 5 Monterey gleaned from this process is that billing ECM and CHW services is only a supplemental source of funding. It will not fully fund the quality services being provided as not all parts of the work are reimbursable under those benefits. First 5 Monterey

is excited about the promise of partnership with the Alliance and is committed to serving families in the early childhood period.

FIRST 5 ORANGE COUNTY – CHW AND ECM HUB

First 5 Orange County serves as both a direct service provider and supervising provider for the CHW benefit. In 2024, First 5 Orange County was accepted into MCP CalOptima's CHW capacity building academy (an IPP grant opportunity). The academy supports organizations looking to deliver CHW services by training staff to partner with an MCP and preparing organizations to hold a Medi-Cal contract. By the summer of 2026, First 5 Orange County will have supported the training of 19 CHWs throughout their prenatal-to-three network. CHWs trained through the CHW academy have gone on to lead prenatal classes and developmental playgroups for families with new babies. Additionally, the academy has enabled the CHW trained resident leaders within [First 5 Orange County's Engaged Neighborhood Initiative](#) to expand their service delivery to families, and in 2025, First 5 Orange County expanded its internal staffing to include a perinatal CHW staff member who triages and assists families with navigation and access to resources postnatally.

First 5 Orange County is also planning to leverage CHW and ECM benefits to support its home visiting program. [Strong Start Index](#) data show that many more families would benefit from home visiting than current funding supports. First 5 Orange County is using the expanded Medi-Cal benefits to reach these families. By blending and braiding existing funding with Medi-Cal revenue, First 5 Orange County can continue supporting families in receiving trusted, culturally responsive services, even as Proposition 10 revenue gradually declines. First 5 Orange County's role as a hub and direct service provider has been critical to the success of this partnership by taking on oversight of contractual obligations, relieving administrative burden, and creating streamlined workflows. This partnership has led to improved care coordination for families.

In addition to delivering CHW services and operating as a CHW supervising provider, First 5 Orange County is in the contracting stage with Full Circle Health Network, one of three network lead entities (NLE – or "hubs") for Kaiser Permanente, to bill for ECM, CHW, and Community Support (another new Medi-Cal benefit under CalAIM) services.

FIRST 5 YOLO – CHW AND ECM HUB

In 2022, First 5 Yolo began exploring becoming contracted with Partnership Health Plan to leverage the CHW benefit to support its [Welcome Baby: Road to Resilience \(Welcome Baby\)](#) program. Welcome Baby is a maternal/child health equity home visiting program that offers all Medi-Cal or uninsured birthing families the opportunity to receive physical health assessments, lactation consultation, mental health screenings, parenting information, and connections to community resources from two providers. First, a Welcome Baby Nurse Home Visitor makes a home visit within one to two weeks postpartum. Then, for those

families who are eligible for more intensive services, a community health worker provides longer-term home visiting services. Welcome Baby is supported by nine different medical systems across the county, with birthing hospitals serving as the entry point for families, creating a seamless transition to home visiting services.

First 5 Yolo began billing for the CHW benefit as a supervising provider for the Welcome Baby program in 2024. More recently, First 5 Yolo also received a contract with MCP Partnership Health Plan to serve as an ECM hub and continue supporting its Welcome Baby program for Medi-Cal members with more complex care needs. With PATH TA assistance, First 5 Yolo secured an IPP grant from Partnership Health Plan, which enabled them to hire fiscal support and project management staff to help develop internal processes and procedures for implementing their new contract with Partnership Health Plan for the CHW benefit.

As a supervising provider and hub, First 5 Yolo works closely with funded partners to take on the administrative, coordination, and billing responsibilities for its contracted community organization partners that deliver the Welcome Baby program. While the CHW and ECM benefits do not pay for the full cost of the Welcome Baby program, First 5 Yolo is actively billing the Medi-Cal CHW and ECM benefits as a way to braid funding to support their Welcome Baby program.



Key Challenges Faced by First 5s and Other Community Partners

Despite measurable success, contracting with MCPs for new benefits has taken years for many First 5s, from initial conversations, to submitting the first claim for reimbursement. The journey requires organizational change management, leadership and board buy-in, readying internal systems, and contract negotiation.² Some of the key challenges First 5s encountered are:



AMBIGUOUS POLICY GUIDANCE – First 5s and community partners need clear guidance from the State and MCPs to implement new benefits, contract with managed care plans, and prepare their organizations for Medi-Cal participation. However, policy documents, such as contracts, are often written with clinical providers in mind and lack clarity for organizations like First 5s navigating these requirements for the first time. The high stakes of Medi-Cal compliance make First 5s understandably cautious. Without clear guidance, organizations cannot move forward confidently. For example, there is ongoing confusion about whether CHW and ECM services are considered “health services” for regulatory and operational purposes even though they are delivered by non-licensed providers. This ambiguity affects everything from how organizations structure their programs to which compliance frameworks apply, creating additional hesitation and complexity for community providers.



REQUIREMENTS THAT DO NOT ALIGN WITH HOW COMMUNITY PROVIDERS OPERATE – Many Medi-Cal credentialing and compliance requirements assume a traditional clinical setting and organizational structure. For example, requiring Social Security numbers from board members and management teams as part of the process to become a Medi-Cal provider creates significant barriers for community organizations. While these requirements are in place to combat Medicaid fraud, these requirements often do not account for the governance models and operational realities of community organizations.



LIMITED ACCESS TO TECHNICAL ASSISTANCE – First 5 experience demonstrates that organizations need sustained support to navigate the complex process of becoming a Medi-Cal provider. While the PATH CITED initiative and IPP grants have provided valuable assistance to First 5s, they are time-limited and ending. Without ongoing, accessible technical assistance infrastructure, community providers who are just starting to think about leveraging Medi-Cal will lack the support needed to successfully implement and sustain these new benefits.



VARIABLE MCP READINESS TO SUPPORT COMMUNITY PARTNERS – MCPs offer different levels of support to community organizations attempting to contract with them. Often no single MCP representative can answer all the questions that a community provider has as it moves along the internal readiness and contracting process. This can create an environment of unclear answers and implementation delays.



INCONSISTENT APPROACHES ACROSS MCPS CREATING CONFUSION – MCPs have adopted dramatically different strategies for working with community providers, creating confusion in the field. For example, Kaiser Permanente exclusively works through hub organizations, “lead care entities,” for ECM and CHW implementation, while Partnership Health Plan prefers direct contracts with frontline service providers. This lack of standardization forces organizations to develop entirely different approaches depending on which plan serves their community.



LOW REIMBURSEMENT RATES RELATIVE TO ADMINISTRATIVE BURDEN – CHW reimbursement rates in particular do not adequately cover the true cost of service delivery when accounting for the administrative requirements of Medi-Cal billing. With significant barriers to successful claims submission and payment, some providers are questioning whether the financial sustainability of these benefits justifies the effort required to participate.



ISSUES WITH REFERRALS AND BILLING AFTER BECOMING CONTRACTED – Community providers can face various issues after contracting. This includes billing issues (i.e.: learning how to correctly submit claims and having claims denied). First 5s also report challenges in getting well-suited referrals for their programs. For example, a teenager referred to an early childhood program.

Beyond external barriers, First 5s looking to become Medi-Cal providers also had to navigate significant internal organizational changes. These change management challenges require substantial investment in new infrastructure, expertise, and organizational culture shifts that many organizations are not equipped to undertake without support or a long-time horizon.



SUCCESS DEPENDS ON ORGANIZATIONAL LEADERSHIP AND RISK TOLERANCE – Becoming a medical provider requires some level of tolerance with “building the plane while flying it.” Executive directors and boards must see the opportunity through uncertainty, secure stakeholder buy-in and commit organizational resources to pilot Medi-Cal billing without exactly knowing how it is going to work for their programs or organization.



UNCERTAINTY ABOUT THE FUTURE OF MEDI-CAL BENEFITS – Community providers are hesitant to make significant investments in infrastructure, staffing, and systems changes when federal policy changes could alter or eliminate these benefits. Although DHCS has expressed commitment to the benefits, uncertainty makes it difficult for organizations when startup costs and administrative burdens of the work are substantial.



LACK OF SPECIALIZED HEALTH CARE EXPERTISE ON STAFF – Most community organizations do not have health policy experts or lawyers on staff who can review complex Medi-Cal provider agreements, interpret regulatory requirements, or navigate health care contracting. These specialized skills are essential for understanding contracts with MCPs, ensuring compliance with state and federal regulations, and advocating effectively when contract terms do not fit community provider models. Without this expertise, organizations must either hire expensive consultants or proceed with an incomplete understanding of their obligations and risks.



INSUFFICIENT PRIVACY AND SECURITY INFRASTRUCTURE – Becoming a Medi-Cal provider requires HIPAA compliance, which demands dedicated security and privacy infrastructure that most community organizations lack. Community organizations must implement technical safeguards (encrypted systems, secure data storage, access controls), administrative safeguards (policies, training, risk assessments), and physical safeguards (secure facilities, locked file storage) that represent significant operational and financial investments. Many organizations do not have IT staff, let alone staff with expertise in health information security, yet HIPAA violations can result in substantial penalties. Again, without this expertise, organizations must hire expensive consultants to support their internal readiness.



ABSENCE OF HEALTH CARE-COMPLIANT ELECTRONIC HEALTH RECORDS – Community organizations typically track their work using systems designed for social services, not health care. Becoming a Medi-Cal provider requires **electronic health record (EHR)** systems that meet health care standards, support claims billing, enable data exchange with MCPs, ensure HIPAA compliance, and document services according to Medi-Cal requirements. Transitioning to or implementing new EHR systems requires substantial financial investment, staff training, workflow redesign, and often painful transitions away from familiar systems. For smaller organizations, annual EHR costs can represent a significant percentage of their operating budget.

Policy Opportunities

From the First 5 experience, there are clear opportunities to improve the process for other community providers and additional First 5s.

1. Standardize implementation of CalAIM Across MCPs

DHCS has provided MCPs with significant flexibility in how they implement various services and benefits. This has led to confusion at the community level. Streamlining implementation by creating greater standardization (contracts, expectations, requirements) across MCPs will improve equitable access, reduce administrative burdens, and ultimately save money for MCPs and the state.

2. Continued TA with a focus on community provider needs

With PATH sunseting at the end of 2026, the state must rethink how it provides TA for community providers. If DHCS wants trusted, local community providers to join and stay as Medi-Cal providers, it must support their capacity to do so. Moving beyond 1:1 TA grants, DHCS should consider group-based learning opportunities focused on cohorts of new Medi-Cal providers – similar to the First 5 Medi-Cal Learning Community. Supplementing TA, DHCS should also develop accessible materials documenting successes, challenges, and questions from the field on implementation.

3. Continue to clarify the role of hubs

Local hubs are a critical catalyst to the success of new benefits, providing capacity to contract with MCPs and holding the administrative burdens of being a Medi-Cal provider for smaller community-based organizations whose services are Medi-Cal billable. DHCS recently published a [Hub Toolkit](#) to further define and clarify the role of hubs. However, the guidance is written for a health care and managed care audience in mind, full of complex and undefined technical terms (e.g., claims adjudication, Medical Loss Ratio (MLR), etc.) that are confusing for community providers new to Medi-Cal who lack staff with the necessary technical expertise to make sense of the guidance. For non-healthcare organizations that could serve as critical cross-sector hub partners, this healthcare-centric guidance may create more confusion than clarity and inadvertently discourage participation.

4. Increase provider rates

The current reimbursement rate for CHW services is inadequate to sustain the true cost of providing services. While some organizations have successfully negotiated higher rates, many MCPs have been unwilling to pay more. This requires organizations to blend and braid funding from other sources to sustain their CHW services. Increasing the base reimbursement rate for CHW services to at least 87.5 percent of the Medicare rate, or \$53.35 per 30 minutes, would increase the financial viability of the benefit.

5. Dedicated community provider support staff

Across both the local MCPs and DHCS, First 5s and other community providers face challenges navigating complex systems to bill Medi-Cal. Whether attempting to navigate the [Provider Application and Validation for Enrollment \(PAVE\) portal](#) or reviewing contracts, many community providers encounter roadblocks along the way with no clear resource or point of contact to support them. Having liaisons specific to community providers at both the local MCPs and DHCS to triage questions would work to foster an inclusive environment, lowering the barrier to entry for trusted community providers to leverage these new Medi-Cal benefits.

Call to Action

First 5s and community providers occupy a critical position in our Medi-Cal service delivery infrastructure, especially in the implementation of the CHW and ECM benefits. They are essential bridges between clinical health systems and the communities they serve. They can also quickly pivot to address the unique needs and challenges their communities face in the current moment. They bring deep community embeddedness, cultural relevancy, and established relationships with populations that have historically experienced barriers to healthcare access.

The successful implementation of CalAIM's vision, and the broader Medi-Cal transformation, is **dependent on the ability of community providers to build capacity** and move through organizational change to begin billing for new Medi-Cal benefits.

This process takes time and the field is just starting to see success and collect lessons learned that can improve the process for MCPs, providers, and hubs, and improve care for children and their families. It is important that DHCS stay committed to community organizations on this journey to fully realize its goals.

