



FY 2026-2027 Approved Budget



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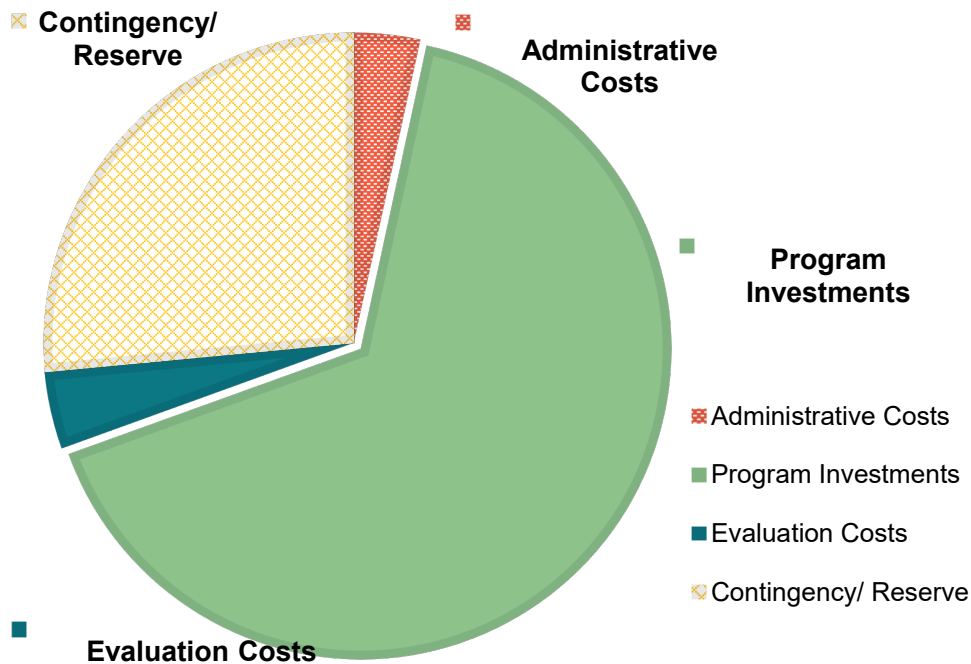
EXECUTIVE SUMMARY

First 5 Fresno County is committed to honoring and supporting families raising children throughout the county to have access to all they need to thrive. We envision a future where all children and their families are healthy, loved, and nurtured. By the age of five, 90% of a child's brain is developed. Rooted in this fact, California voters passed Proposition 10, the California Children and Families Act, in 1998. As a result, a 50-cent tax on all tobacco products was established 'to facilitate the creation and implementation of an integrated, comprehensive, and collaborative system of information and services to enhance optimal early childhood development.' Proposition 10 funds are distributed to California counties based on the county's birthrate.

FY 2026-2027 BUDGET

Priorities within the FY 2026-2027 Budget are focused on honoring the Commission's commitment to the outgoing 2020 – 2025 Strategic Plan and the incoming 2025-2030 Strategic Plan which was drawn up incorporating experiences and expertise from our community. Our efforts have been focused on incorporating what we heard as possible opportunities for the Commission to partner, advocate or invest as one piece of the early childcare system. This budget demonstrates our continued focus on supporting the early childhood system of care in Fresno County in innovative ways, while remaining nimble and flexible to new ways to approach our mission. We invite our community to envision new ways of addressing the needs of children and families – and creating the early childhood system of care of the future, today. For details on the agency's vision, mission and more, refer to the full Strategic Plan on our website www.first5fresno.org.

The breakdown of 2026-2027 Budget expenses by cost category, as detailed in the Cost Analysis, is as follows:



Cost Category	%	Budget Amounts
Administrative Costs	3.4%	\$449,306
Program Investments	66.1%	\$8,730,150
Evaluation Costs	4.0%	\$530,351
Contingency/ Reserve	26.5%	\$3,500,000
	100%	\$13,209,807

REVENUE

2026-2027 REVENUE BUDGET

TOTAL **\$9,709,807**

Proposition 10 Revenue **\$5,970,183**

The State collects the state tobacco tax revenue and distributes each proportionate share to the 58 California counties based on birth-rate, in accordance with the Children and Families Act of 1998. This also includes Back-fill from Proposition 56, the California Electronic Cigarette Excise Tax and any other-related revenue received.

External Revenue **\$2,741,686**

First 5 California IMPACT

These funds allow First 5 Fresno County (F5FC) to serve as the Lead Fiscal Agency and the Regional Hub Lead for the IMPACT Legacy project and partner with other counties in the Central Valley Region to provide ongoing coordination and focused support to neighboring counties working to raise the quality of early care and education in their communities to ensure children have the skills, knowledge, and disposition necessary to be ready for school and life.

Other Revenue **\$105,000**

This includes rents collected from Lighthouse for Children (LFC) tenants (approximately \$7,275/month) used to offset operating costs, minimal revenue from use of conference space by external partners at the LFC facility, and other outside revenue not captured above.

Interest Revenue - County Treasury **\$480,075**

Interest collected from the Proposition 10 funds held on deposit in the County of Fresno's Treasury Pool account.

Investment Earnings **\$412,863**

Anticipated unrealized, net investment income (interest, dividends, gains, and losses) from F5FC investments managed by the Commission's Investment firm for future program allocation.

FIRST 5 FRESNO COUNTY 2026-2027 APPROVED BUDGET SUMMARY

	2026-2027 Approved Budget
Revenue	
Proposition 10 Revenue	\$5,970,183
First 5 CA IMPACT Regional Hub Program	\$2,741,686
Other Revenue	\$105,000
Interest Revenue - County Treasury	\$480,075
Investment Earnings (Unrealized)	\$412,863
Total Revenue	<u>\$9,709,807</u>
Fund Balance	
Assigned Fund Balance for Operations Contingency & Strategic Reserve	\$3,500,000
Unassigned Fund Balance*	\$0
	<u>\$3,500,000</u>
Revenue & Fund Balance	<u>\$13,209,807</u>
<small>*Once the Audit Report for period ending June 30, 2026 is completed, the budget will be revised and the Unassigned Fund Balance amount for FY2026-27 will be included for Strategic Plan Investment Areas of the Commission.</small>	
Strategic Plan Focus Area Investments	
Maternal, Child & Family Health	
Home Visitation Collaboration & Contracts	\$337,375
Patient-Centered Prenatal Care	\$186,613
Maternal, Child & Family Health Partnership Development	\$820,000
Thriving Families	
Thriving Families Contracts & Investments	\$107,500
Lighthouse for Children Community Learning Center & Convening Space	\$424,568
Help Me Grow Fresno County & Central Valley	\$348,000
Early Learning	
Child Care Workforce Quality Training & Technical Assistance	\$880,000
Lighthouse for Children Child Development Center	\$306,220
Early Learning Partnership Development	\$995,000
Early Childhood System Improvement Focused	
Strategic Plan-Driven Partnerships	\$170,000
Communications	\$230,000
Strategic Plan Focus Area Investments Total	<u>\$4,805,276</u>
Externally Funded Program Expense	
First 5 CA IMPACT Legacy	\$2,720,086
Externally Funded Programs Total	<u>\$2,720,086</u>

FIRST 5 FRESNO COUNTY 2026-2027 APPROVED BUDGET SUMMARY

**2026-2027
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Budget**

Accountability and Evaluation

Accountability Contract Management Database System	\$100,000
Evaluation Services	\$300,000
Evaluation & Database Total	\$400,000
Total Strategic Plan Programmatic Budget	\$7,925,361

Reserve

	\$1,500,000
Strategic Reserve Fund	\$2,000,000
	\$3,500,000

Operating Expenses

Salaries & Benefits

Salary Expense	\$698,757
Payroll Tax Expense	\$68,070
Retirement Expense	\$68,571
Employee Benefits Expense	\$293,133
Worker's Compensation Expense	\$4,954
Total Salaries & Benefits Expenses	\$1,133,486

Services & Supplies

Audit Expense	\$21,180
Capital Equipment Expense	\$13,000
Commissioner/Advisory Expense	\$2,800
Dues & Subscriptions Expense	\$67,688
Equipment Rental/Maintenance Expense	\$62,858
General & Administrative Expense	\$30,000
Insurance Expense	\$197,291
Local Travel Expense - Local Mileage	\$8,000
Materials & Supplies Expense	\$12,000
Overhead Expense	\$112,343
Professional Services Expense	\$81,920
Program Development/Strategic Planning Expense	\$5,000
Staff Training & Conference Expense	\$17,000
Telephone Expense	\$19,880
Total Services & Supplies Expenses	\$650,960
Total Operating Expenses	\$1,784,446

Budget Summary

Total First 5 Fresno County Budget	\$13,209,807
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Lighthouse for Children

2026-2027 FACILITY BUDGET SUMMARY

In 2015, First 5 Fresno County created the Lighthouse for Children facility, a space in the heart of downtown Fresno, where Fresno County families can access services and receive resources and information on how to support the transformative first 5 years of their child’s life. F5FC owns and manages a three-story building which houses an all-day child care facility called the Child Development Center, a Community Learning Center, tenant office space, meeting spaces, and First 5 Fresno County’s administrative offices.

This is an overview of the building's budget for the fiscal year. The expenses are included in the respective areas of the budget: Thriving Families- Lighthouse for Children CLC, Early Learning - Lighthouse for Children Child Development Center, and First 5 Operating - Overhead Expense.

LFC Facility Expenses	678,003
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Solar Contract	\$64,656
Facility Utilities	\$60,096
Regular Maintenance (landscaping, lighting, pest control, etc.)	\$79,746
Janitorial Service	\$92,868
Security Service	\$113,519
HVAC Repair	\$65,000
Facility Technician Cost	\$38,500
Facility Management Contract & Fees	\$65,250
Other Repairs	\$40,404
Misc. Costs & Contingency 15%	\$57,964
Total	\$678,003

Expense Breakdown by Building Area & Budget Line Item:

Early Learning - LFC Child Development Center	35%
Thriving Families- LFC Community Learning Center	18%
Thriving Families- LFC Partner & Conference Space	32%
First 5 Fresno County Overhead Expense	15%

Facility-Related Revenue	135,339
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Tenant Rent	\$87,339
Facility Conference Space Rental	\$48,000
Total	\$135,339

COST ANALYSIS & DETAIL

This portion of the budget, the Cost Analysis, provides the details to the numbers. The line items are itemized for easy reading.

STRATEGIC PLAN INVESTMENTS	
Strategic Plan Focus Area Investments	2026-2027 Approved Budget
Maternal, Child, and Family Health	
Home Visitation Collaboration & Contracts	
<p>In fiscal year 2025-26, the Commission committed \$120,000 to support 12 community-based organizations to off-set administrative costs associated with reporting deidentified data into the Fresno County Home Visitation Network's data system which was developed to understand and track the impact of home visiting services for families, increasing opportunities to scale and leverage funding for these services, and serve as an initial step toward the broader Fresno County Information Exchange. To supplement this investment, an additional \$15,000 was committed to Fresno County Cradle to Career to support the facilitation of the Home Visitation Network of approximately 30 unique home visiting programs, and provide technical support to Early Matters Fresno activities. This is an example of the Commission's role as investor and partner, using Prop 10 dollars to leverage existing efforts to improve community outcomes through intentional collaboration.</p> <p>Renewed in fiscal year 2025-26 for an additional year, the Commission committed \$1.5 million dollars to leverage approximately \$925,000 federal funds in two contract for Home Visitation with the Fresno County Department of Public Health. Expenses associated with Commission staff (0.7 FTE) managing these contracts and working with the Fresno County Home Visitation Network are reflected below.</p>	
Leveraging Dollars for Collaboration on Home Visitation	\$224,000
FUSE Fellow Expenses	\$10,000
Commission Staff Salaries (0.7 FTE)	\$64,268
Commission Staff Benefits & Payroll Taxes	\$39,107
Total	\$337,375
	Home Visitation Collaboration & Contracts _____ \$337,375

Strategic Plan Investments Cont'd 2

Patient-Centered Prenatal Care

The Commission has long been a funder and a collaborator in Patient-Centered Prenatal Care in Fresno. An outcome of the African American Infant Mortality Needs Assessment in 2017, group prenatal care, coined locally as Glow! was launched. After the project's pilot phase (2017-2020) the program's partner, University of California, San Francisco's Preterm Birth Initiative-California (UCSF-PTBi) was awarded a grant for the EMBRACE Study.

The Study was a four-year, \$5.6 million grant awarded to UCSF-PTBi from the Patient-Centered Outcomes Research Institute (PCORI). The grant allowed UCSF-PTBi to research two enhanced prenatal care models Glow! and comprehensive prenatal services program (CPSP)) in the Central Valley. With the EMBRACE Study completed, the Commission is in the process of maintaining and developing partnerships with clinics and pregnancy care settings to continue to implement group prenatal care in the Central Valley as we band together with our partners to advocate for policy change to center the patient in prenatal care. The newest phase of Glow! Group Prenatal Care launched at the United Health Center clinic in May 2026. Additionally, in 2025, the Commission entered into a partnership with Black Wellness & Prosperity Center to deliver group pregnancy care and to review and tailor the curriculum used in Glow! to be culturally appropriate to the African American Community.

Glow! requires partnerships with Community-Based Organizations (CBOs) and contractors to facilitate the Glow! group session in tandem with physicians to administer the program. This portion of the budget is to fund the Network, host proper trainings, Commission staff coordination (0.7 FTE) to hold the integrity of the program, and program expansion efforts.

Glow! Facilitation Expense	Glow! CBOs Contracted Network Contracts	\$80,000
Glow! Coordination Expense	Group Prenatal Care - First 5 Fresno Staff Liason (0.7 FTE)	\$82,913
	Programmatic Materials (Curriculum Materials, Site Licenses, etc.)	\$13,800
	Trainings: CenteringPregnancy Curriculum, Respectful Care Trainings, Materials	\$9,900
	Total	\$186,613

Patient-Centered Prenatal Care _____ \$186,613

Maternal, Child & Family Health Partnership Development

This portion of the budget under the Maternal, Child & Family Health focus area, includes development dollars for the Commission to explore ways to leverage public dollars to change the system. The Commission is regularly in conversation with community members and leaders about how it might leverage its expertise and available funds to bring more revenue to Fresno County. A couple of examples: the community is exploring a Fresno chapter of the Abundant Birth Projec, The Packard Foundation is set to publish their next round of funding in the Maternal/ Child Health sector which would be a chance to leverage alongside philanthropy, etc.

Maternal, Child & Family Health Partnership Development _____ \$820,000

Strategic Plan Investments Cont'd 3

Thriving Families

Thriving Families Contracts & Investments

The Commission, while narrow in its focus on system's change, recognizes the gaps in the system. Long-standing systemic inequities create barriers to the critical services and supports every family deserves. The Commission, within the Investor role, relies on the hardworking Community- Based Organizations who are the experts of and are the trusted source within our community. Under this area, contracts with local Community-Based Organizations directly serve families to fill gaps in the early childhood system of care. In June 2026, the Commission awarded 13 organizations under the Strengthening Protective Factors for Families Procurement. The \$3,790,000 for two years, with the option to renew for an additional year, was committed within this line item of the FY 2025-26 budget. These organizations represent a range of focus populations, agency sizes, and program models – with proposals uniquely tailored to the needs and goals of families in the specific communities they serve.

Included in this line item are minimal funds to support and convening these organizations as they serve our young children and their families. These dollars are available for things like trainings or Learning Circles to bring together these partners for information sharing and collaboration.

Thriving Families Investments _____ \$107,500

Lighthouse for Children Community Learning Center & Convening Space

The Commission-owned Lighthouse for Children facility houses the Community Learning Center (CLC) and conferencing space that hosts meeting and trainings related to the Commission's mission. The CLC is available space designed for a network of community partners that work together to provide classes and workshops that encourage and foster healthy relationships between young children and their caregivers and even care providers, all while increasing early literacy, language, and school readiness. Staff facilitated a Family-Centered Design program to assess and further refine the use of the space including the services provided by local agencies to families with young children. This has lead to the exploration of options for the use of the space. This section of the budget contains the overhead costs (which are partially off-set by rent revenue and hourly rental of conference space) along with the 0.1 FTE for a First 5 Fresno staff who are the liaison for the CLC and the budget includes the overhead and operating costs (phones, internet, utilities, program supplies, etc.) of the CLC space and the other partner and conference space at the Lighthouse for Children.

CLC & Other Partner Convening Space Overhead & Operating Expense	127,812
LFC Partner & Convening Space Overhead	218,333
CLC Space & Contract Development	65,000
CLC Staff Time Expense (0.1 FTE Salaries, Benefits, etc.)	13,423
Total	\$424,568

LFC Community Learning Center & Convening Space _____ \$424,568

Help Me Grow Fresno County & Central Valley

Help Me Grow is a national, evidenced-based system model that promotes cross-sector collaboration to build efficient and effective early childhood systems that support the healthiest development of young children. In August 2024, the Commission approved a contract with Valley Children's Healthcare to act as the organizing entity of Help Me Grow Central Valley (HMG-CV), made up of partners in Madera, Merced & Kings Counties. In late 2025, HMG-CV began its three-year pilot program, implementing at both a regional and county-level to ensure cross-county coordination and individualized care coordination through local early intervention partners. The Commission is also currently in contract with Exceptional Parents Unlimited as the operator of the local Help Me Grow Fresno County Centralized Access Point. As work with local and regional Help Me Grow partners continues, recommendations for any local care coordination/county-level Help Me Grow investments will be brought to the Commission for approval, as applicable.

The amount allocated in this section of the budget is for the future of this investment in the early childhood system of care work including contract amendments (as approved by the Commission). As system change work continues to be the work that the Commission is leading, staff continue to have conversations about collaboration to work together to make systems work for our Fresno families.

Help Me Grow Fresno County _____ \$348,000

Strategic Plan Investments Cont'd 4

Early Learning

Child Care Workforce Quality Training & Technical Assistance

The Commission's investments like the [Child Care] Quality Rating and Improvement System (QRIS) leverages dollars received from First 5 California's IMPACT project to increase technical assistance and training opportunities for early childhood providers throughout the county. In FY2025-26, the Commission renewed a \$950,000 contract with the Office of the Fresno County Superintendent of Schools to provide local training and provide technical assistance to childcare providers for one year. The future of this contract will go before the Commission prior to the end of the fiscal year.

Child Care Workforce Quality Training & Technical Assistance \$880,000

Lighthouse for Children Child Development Center

A key component of the Lighthouse for Children (LFC) Facility Child Development Center, a high-quality demonstration childcare site that stands as a model for center-based childcare operated by the Office of the Fresno County Superintendent of Schools Early Care and Education Department. This portion of the budget also includes the overhead expense for the LFC Child Development Center. The Commission provides the space to serve approximately 90 children ages six weeks through age five. Additionally, in June 2026, the Commission renewed a contract for the operation of the Center. This contract includes a scholarship to ensure that families who cannot pay full tuition, but do not qualify for state-subsidized child care, can attend the Center.

LFC Child Development Center Overhead \$238,801

LFC Child Development Center First 5 Scholarship & Like Partnerships \$67,419

LFC Child Development Center **306,220**

Early Learning Partnership Development

This portion of the budget under the Early Learning focus area, includes development dollars for the Commission to explore ways to change the complex childcare system. The Commission is regularly in conversation with community members and leaders about how it might leverage its expertise to improve factors like affordability, accessibility and workforce development. With dollars available to leverage, the Commission can draw external investments or otherwise, as a posture of readiness to effect change. Commission Staff is leading an 18 month learning cohort on cost- modeling to find the true cost of child care in Fresno. The results or learnings from this participation could help inform the community's funding needs and the Commission could chose to leverage these funds.

Early Learning Partnership Development \$995,000

Early Learning Total **\$2,181,220**

Strategic Plan Investments Cont'd 5

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Early Childhood System Improvement Focused

Strategic Plan-Driven Partnerships

Lasting improvements to the health and development of the county's youngest residents are possible when community organizations, business, policy makers, families and the Commission find innovative ways to collaborate and create a more integrated and comprehensive support system for young children and their families. The Commission will invest in emerging, innovative partnerships that directly align with the Strategic Plan and the agency's mission along with communication strategies to further convey the importance of early childhood development.

Innovation & Learning Partnerships	\$95,000
Early Matters Fresno Policy, Administration & Leveraging	\$75,000
Strategic Plan- Driven Partnerships Total	\$170,000

Communications

Original Justification:

The Commission engages in communication and community relations efforts to connect with community leaders, stakeholders, businesses, elected officials, and the broader Fresno County audience. By engaging with Fresno County residents and leaders alike, the Commission has the opportunity to promote and enhance our message and advocacy of the importance of the first 5 years of life. To this end, the Commission will invest in the following:

Child Friendly Business of the Year Award	\$50,000
Community Event Sponsorship Program	\$20,000
Communications Materials	\$30,000
Website Maintenance, Domain Hosting & Procurement	\$80,000
Community Communications & Relations Efforts (Photos, Graphics, sponsored post, etc.)	\$50,000
Communications Total	\$230,000

Strategic Plan Investments Budget Total **\$4,805,276**

Total Evaluation Expense	4,805,276	x	0%	0
Total Program Expense	4,805,276	x	100%	4,805,276
Total Administration Expense	4,805,276	x	0%	0

Externally Funded Initiatives

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First 5 CA IMPACT Legacy - Regional Hub Expense

The IMPACT Legacy grant from First 5 California provides resources for training and technical assistance for childcare providers in order to increase quality of care. First 5 Fresno County is the IMPACT coordinator for the region (Region 5) and fiscal agent for the grant. The Region 5 Hub's goal is to strengthen the early learning and care system across the region by providing regional coordination, professional development, and high-quality trainings to child care providers across seven counties in the Central Valley. F5FC serves as the coordinator to fulfill reporting requirements and ensure First 5 CA's grant goals for the program are being met and administers the Hub partner organizations' reimbursements. Additionally, the Commission receives funding to cover some employee costs related to reporting at approximately 0.84 FTE. Fiscal year 2026-27 is the last grant year.

First 5 CA - IMPACT Regional Hub Subtotal	\$2,720,086
Externally Funded Initiatives Total	\$2,720,086

Total Evaluation Expense	2,720,086	x	0%	0
Total Program Expense	2,720,086	x	100%	2,720,086
Total Administration Expense	2,720,086	x	0%	0

Accountability and Evaluation					2026-2027 Approved Budget
Accountability Contract Management System					
Organizations that receive Commission funds report financial, programmatic, and evaluation data to ensure compliance with the agency's reporting obligations. The fiscal reporting structure of the Commission is modeled after the First 5 Financial Management Guide. Due to the outcome of the most recent database system procurement, the Commission will transition out of its contract with Bonterra (formerly known as Social Solutions, Inc.), for data management system & services, for use of their system Apricot 360 and start up with Vertical Change. The system collects programmatic data and allows for fiscal reporting for required reporting to the state each year.					
					Contract Management Data System _____ \$100,000
Evaluation Services					
The effectiveness of the Commission's investments is monitored regularly by staff along with a contracted evaluation firm. With evaluation being mandatory, the contracted evaluator, Learning for Action, works with the Commission, staff, and grantees to inform ongoing program practices and to evaluate progress towards the Commission's desired outcomes in line with the strategic plan. The Commission uses evaluation data to inform its decision-making; ensuring that funds are used as efficiently and effectively as possible.					
					Evaluation Services _____ \$300,000
					Accountability and Evaluation Total _____ \$400,000
Total Evaluation Expense	400,000	x	100%	400,000	
Total Program Expense	400,000	x	0%	0	
Total Administration Expense	400,000	x	0%	0	

RESERVE

Operations Contingency Fund					2026-2027 Approved Budget
					\$1,500,000
The Operations Contingency Fund was established to guard against possible losses and meet unforeseen and unavoidable requirements that may arise during the budget year. Parameters of usage are outlined in the agency's Accounting Policies and Procedures Manual. This fund will remain at \$1,000,000, being deobligated and then reobligated at the start of each fiscal year.					
Total Evaluation Expense	1,500,000	x	0%	0	
Total Program Expense	1,500,000	x	0%	0	
Total Administration Expense	1,500,000	x	100%	1,500,000	

Strategic Reserve Fund					2026-2027 Approved Budget
					\$2,000,000
The Strategic Reserve Fund is a separate fund to guard against any future immediate and unanticipated Proposition 10 revenue deficits or shortfalls that may arise during the budget year. Parameters of usage are outlined in the agency's Accounting Policies and Procedures Manual. This fund will remain at \$2,000,000, being deobligated and then reobligated at the start of each fiscal year.					
Total Evaluation Expense	2,000,000	x	0%	0	
Total Program Expense	2,000,000	x	100%	2,000,000	
Total Administration Expense	2,000,000	x	0%	0	

OPERATING EXPENSES

Salary Expense

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\$698,757

Salaries for a total of 7.16 FTE operating positions for the administration of Commission business. Salary expense for the remaining 3.84 program staff FTE (shown below in grey) are accounted for in the Strategic Plan Investments portion of the budget for a total of 11 FTE. All vacant positions are captured within this budget document. If the Commission requires additional or different staffing, this would be noted in the budget revision that occurs mid-year. Any potential salary increases are budgeted, recommended by supervisors, and are based on First 5 Fresno County's Employee Compensation Policy. Additionally, the budgeted amount includes compensated absences, the liability of employee banked Personal Time Off (PTO), potential overtime budget, and a portion for potential future salary increases are included here.

<u>Operating FTE</u>	<u>Program FTE</u>	<u>Position</u>	<u>Operating Budget</u>	<u>Program Budget</u>
1.0	<i>0.0</i>	Executive Director	\$151,000	\$0
0.95	<i>0.05</i>	Director	\$95,573	\$5,030
0.92	<i>0.08</i>	Director	\$89,063	\$7,745
1.0	<i>0.0</i>	Manager	\$77,031	\$0
0.10	<i>0.90</i>	Manager	\$7,609	\$68,485
0.09	<i>0.91</i>	Manager	\$6,489	\$65,606
0.10	<i>0.90</i>	Manager	\$7,210	\$64,886
1.0	<i>0.0</i>	Manager	\$71,500	\$0
1.0	<i>0.0</i>	Manager	\$73,500	\$0
0.90	<i>0.10</i>	Manager - Vacant	\$67,500	\$7,500
0.10	<i>0.90</i>	Manager - Vacant	\$7,500	\$67,500
7.16	<i>3.84</i>		\$653,975	\$286,751 **
Salaries Total			\$653,975	
Compensated Absences & Salary Increase			\$44,783	
Total Operating			\$698,757	

Some approved positions in the Commission structure are not /may not be utilized currently and therefore not reflected in the current budget. This budget does not include two of those position levels (italicized). Future budget iterations and Commission needs may consider unused position levels based on evolving work of the Commission. Positions: Executive Director | *Deputy Director* | Director | Manager | *Specialist*

**Represents the total amount of salaries for FTE associated with program work, funded by external revenue or program dollars.

Total Evaluation Expense	698,757	x	3%	20,963
Total Program Expense	698,757	x	73%	510,093
Total Administration Expense	698,757	x	24%	167,702

Payroll Tax Expense					2026-2027 Approved Budget			
Original Justification:					\$68,070			
Federal Unemployment Tax Act (FUTA). Estimated 6% on first \$7,000 earned by each employee at 7.16 FTE. The remaining 3.84 FTE is accounted for in Externally Funded Programs and in Strategic Plan Investments (captured in the program portion of the budget) to total 11 FTE.								
A.	FTE	7.16	x	\$7,000	x	6%	=	\$3,007
B.	Medicare Employer Tax. The employer's share is set by the federal government at 1.45% of each gross salary.					\$10,132		
		\$698,757	x	1.45%	=			\$10,132
C.	Social Security Employer Tax. The employer's share is set by the federal government at 6.2% of each gross salary.					\$43,323		
		\$698,757	x	6.2%	=			\$43,323
D.	CA State Unemployment Insurance (CASUI) - Estimated 6.2% on first \$7,000 earned by each employee at 7.16 FTE. The remaining 3.84 FTE is accounted for in Externally Funded Programs and Strategic Plan Investments (captured in the program portion of the budget) to total 11 FTE. (Rates subject to change)					\$3,107		
	FTE	7.16	x	\$7,000	x	6.2%	=	\$3,107
						Other Taxes		\$8,500
						Total		\$68,070
Total Evaluation Expense		68,070			x	3%		2,042
Total Program Expense		68,070			x	73%		49,691
Total Administration Expense		68,070			x	24%		16,337

Retirement Expense					2026-2027 Approved Budget			
Original Justification:					\$68,571			
The cost of retirement benefits for full-time, permanent employees is calculated at 8.74% of each gross salary. With cost fluctuations within this line item from the vacant staff position at the start of the fiscal year, this amount also reflects the Years of Service Benefit for staff members who are with the Commission for 10, 15, 20+ years.								
	\$698,757	x	8.74%	+	\$7,500	=	\$68,571	
	Salaries Amount		Percentage		Years of Service Benefit		Total Amount	
Total Evaluation Expense		68,571			x	3%		2,057
Total Program Expense		68,571			x	73%		50,057
Total Administration Expense		68,571			x	24%		16,457

Employee Benefits Expense					2026-2027 Approved Budget			
Original Justification:					\$293,133			
The Commission's contracted insurance benefits broker recommended a conservative 15% increase to the projected actuals assuming no large plan changes are made. The calculation shows the cost breakdown and includes the deduction of the benefits expense for Strategic Plan Investments & Externally Funded program staff FTE. Benefits for full time, permanent staff include dental, life, medical, and vision insurance and a health savings account and health reimbursement account. This line item also includes the auto allowance, up to \$400/month, for the Executive Director for the wear-and-tear and other travel-related expenses of their personal vehicle for business use in lieu of mileage reimbursement based on the County of Fresno's policy of use.								
	\$249,681	x	15%	+	\$6,000	=	\$293,133	
	FY 2025-26 Projected Actuals		Rate Increase		Auto Allowance		Budget Amount	
Total Evaluation Expense		293,133			x	3%		8,794
Total Program Expense		293,133			x	73%		213,987
Total Administration Expense		293,133			x	24%		70,352

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Worker's Compensation Expense

Original Justification: \$4,954
 The budgeted amount for worker's compensation is based on the prior year amount provided by the Commission's contracted insurance firm which defines staff within the salesman category for contract managers' responsibility to execute county-wide site visits and in-person annual contract reviews. The Commission's insurance firm included a conservative increase of 10% to the prior full-year actual amount each fiscal year in their estimate.

$$\begin{array}{rcccl}
 \$4,308 & \times & 15\% & = & \$4,954 \\
 \text{FY26-27 Premium} & & \text{Est. Annual Rate} & & \text{Budgeted Amount} \\
 & & \text{Increase} & &
 \end{array}$$

Total Evaluation Expense	4,954	x	3%	149
Total Program Expense	4,954	x	73%	3,617
Total Administration Expense	4,954	x	24%	1,189

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Audit Expense

Original Justification: \$21,180
 Expenses for mandatory independent audit services for the Commission are projected to be \$19,680 for the fiscal year with a small \$1,500 contingency. The estimate is based on the proposal provided by the awarded auditing firm in their submission resulting from the Commission's Request for Quotations (RFQ) procurement in April 2026 for auditing services. We are aware of pricing for audit services for the review of FY25-26 thru 2030-31 as a result of the most recent RFQ process.

Total Evaluation Expense	21,180	x	0%	0
Total Program Expense	21,180	x	0%	0
Total Administration Expense	21,180	x	100%	21,180

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Capital Equipment Expense

Original Justification: \$13,000
 Currently, the Commission owns 12 staff workstations (computer, monitors, keyboard, etc.). Staff recommends setting aside \$8,000 for possible replacement of four computers (estimated at \$2,000 per computer with taxes included) that are reaching their useful life which were not replaced in the prior fiscal year and an additional \$5,000 for unforeseen replacement or repairs of other equipment and/or furniture.

Total Evaluation Expense	13,000	x	3%	390
Total Program Expense	13,000	x	73%	9,490
Total Administration Expense	13,000	x	24%	3,120

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Commissioner/Advisory Expense

Original Justification: \$2,800
 This line item is budgeted for a maximum of seven Commissioners for potential meeting-related equipment or expenses, trainings/workshops, etc., associated with the agency's business. Examples include but are not limited to the F5 State Annual Conference attendance, F5 Advocacy Day, mileage reimbursement, etc. The estimated annual amount is budgeted at \$150 per Commissioner, maximum seven with \$1,750 contingency.

Total Evaluation Expense	2,800	x	0%	0
Total Program Expense	2,800	x	0%	0
Total Administration Expense	2,800	x	100%	2,800

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Dues and Subscriptions Expense

Original Justification: \$67,688
 The cost associated with dues and subscriptions for the twelve-month period comprises required dues to the First 5 Association (each county pays a proportionate share of the cost of maintaining the Association) plus the allotment for the cost of miscellaneous subscriptions, publications, and dues (i.e. Adobe Acrobat Pro, Microsoft 365 Suite, Amazon, Canva, Fresno Bee, Zoom Video Conferencing, etc.).

FY26-27 F5 Assoc. Dues	\$45,088		
Technology- Related Subscription Fees	\$12,600		
Miscellaneous Subscriptions	\$10,000		
Total	\$67,688		

Total Evaluation Expense	67,688	x	3%	2,031
Total Program Expense	67,688	x	73%	49,412
Total Administration Expense	67,688	x	24%	16,245

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Equipment Rental/Maintenance Expense

Original Justification: \$62,858
 Equipment Maintenance: The Commission's equipment maintenance for their copier/scanner. The estimated cost breakdown is:

<u>Monthly</u>				<u>Annual Total</u>			
\$200	x	12	=	\$2,400		Copier/Scanner Maintenance	
\$440	x	12	=	\$5,280		Copier/Scanner Rental/Lease	
						Equipment Maintenance Sub-total	\$7,680

Computer & Information Technology Maintenance: The Commission contracts out Information Technology (IT) support for workstation/desktop management, server management, anti-virus software, support for Adobe products and supports and deploys hosted email and storage via Office365.

<u>Monthly</u>				<u>Annual Total</u>			
\$1,930	x	12	=	\$23,160		IT Support	
\$95	x	12	=	\$1,140		Hosted Email & Storage	
						Computer Maintenance Sub-total	\$24,300

Software Maintenance: Monthly and annual estimated costs for each software type as quoted by the Commission's IT contractor and are based on actuals from the prior budget year. The Commission is under a contract rate for its accounting system software and brings any changes to the annual amount to the Commission. Lastly, staff recommends allocating budget for unforeseen costs associated with this line.

<u>Monthly</u>				<u>Annual Total</u>			
\$150	x	12	=	\$1,800		Accounting System- FE NXT	
						IT Management Associated Costs	\$1,800
						Software Sub-total	\$15,878
						Unforeseen Expense	\$15,000
						Equipment Rental/ Maintenance Expense Total	\$62,858

Total Evaluation Expense	62,858	x	3%	1,886
Total Program Expense	62,858	x	73%	45,886
Total Administration Expense	62,858	x	24%	15,086

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General and Administrative Expense

Original Justification: \$30,000

Costs associated with management, finances, and other expenses which are incurred by or allocated to the Commission for general management and administration of the Commission that cannot be assigned to a specific line item. Costs include bank charges, operational advertising costs, dependent care plan, etc. Bank charges average \$1,000 per month. This expense line item is based on prior year expenses.

Total Evaluation Expense	30,000	x	0%	0
Total Program Expense	30,000	x	0%	0
Total Administration Expense	30,000	x	100%	30,000

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Insurance Expense

Original Justification: \$197,291

The Commission is required to carry liability insurance types described below. Insurance costs typically increase year-over-year; therefore, staff is recommending the following based on actuals from the prior year and on the maximum estimated increases provided by brokers.

	<u>FY25-26 Amount</u>	<u>Anticipated Increase</u>	<u>Budget Amount</u>	
Special Property Insurance Policy	\$155,569	12%	\$174,237	
Special Liability Insurance Policy	\$10,278	12%	\$11,512	
Cyber Crime Insurance	\$3,609	12%	\$4,042	
Contingency			\$7,500	
Total			\$197,291	

Total Evaluation Expense	197,291	x	3%	5,919
Total Program Expense	197,291	x	73%	144,022
Total Administration Expense	197,291	x	24%	47,350

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Local Travel Expense - Local Mileage

Original Justification: \$8,000

Annually, Commission Staff who are contract managers are required to administer Annual Contract Reviews to all funded Service Providers which may require traveling locally on behalf of the Commission throughout Fresno County. Additionally, staff occasionally travels for the Commission for various reasons including off-site technical assistance to Service Providers and various Community Partner convenings. Estimated costs are projected based on past expense trends. Currently, the GSA mileage rate is 0.70¢ per mile.

Total Evaluation Expense	8,000	x	3%	240
Total Program Expense	8,000	x	73%	5,840
Total Administration Expense	8,000	x	24%	1,920

2026-2027 Approved Budget				
Materials and Supplies Expense				
Original Justification:				\$12,000
This line item includes costs associated with general office supplies, postage costs, in-house and outside printing, and other expenses required for operating the Commission's business anticipating increased costs associated with increased fuel prices. Cost break down includes \$500 per quarter x four quarters for a total of \$2,000 per year. Staff recommends setting aside an additional \$10,000 for any unexpected materials costs, such as mandatory document printing, signage, etc.				
Total Evaluation Expense	12,000	x	3%	360
Total Program Expense	12,000	x	73%	8,760
Total Administration Expense	12,000	x	24%	2,880

2026-2027 Approved Budget				
Overhead Expense				
Original Justification:				\$112,343
The Commission occupies 15% of the leasable space within the Lighthouse for Children facility and so is responsible to pay its proportionate share of the overhead costs. Overhead costs include utilities (water, waste, gas & electricity, etc.), facility contracted services (security, janitorial, landscaping, etc.), insurance and taxes and a facility management services contract. The remaining amount for the facility is budgeted within the Strategic Plan Investments for the Child Development Center and Community Learning Center.				
Total Evaluation Expense	112,343	x	3%	3,370
Total Program Expense	112,343	x	73%	82,010
Total Administration Expense	112,343	x	24%	26,962

2026-2027 Approved Budget				
Professional Services Expense				
Original Justification:				\$81,920
The Commission utilizes this line item to obtain specific, technical or unique functions performed by independent contractors or consultants whose occupations are not fulfilled by Commission staff. Examples include attorneys, human resources, payroll services, investment custodial services, and other specialized administrative supports. Budget amounts are based on past trends, average monthly rates and quotes multiplied by 12 months. Staff recommends including budget for other miscellaneous professional services to include services for consultants, translators (services when needed), human resources coaching, and other short-term consultants.				
	<u>Monthly</u>		<u>Add'l Services</u>	
Legal Services	\$2,393	x 12 =	\$28,716	+ \$5,000 = \$33,716
H.R. Services	\$667	x 12 =	\$8,004	+ \$9,000 = \$17,004
Investment Services	\$1,055	x 12 =	\$12,660	= \$12,660
Custodial Services	\$292	x 12 =	\$3,500	= \$3,500
Payroll Services	\$170	x 12 =	\$2,040	+ \$2,500 = \$4,540
Misc. Professional Services				\$10,500
			Professional Services Total	\$81,920
Total Evaluation Expense	81,920	x	0%	0
Total Program Expense	81,920	x	0%	0
Total Administration Expense	81,920	x	100%	81,920

				2026-2027 Approved Budget
Program Development Expense/Strategic Planning Implementation				
Original Justification:				\$5,000
This line item exists for additional or unforeseen costs for program development and the continued implementation of the Strategic Plan, and/or printing materials associated with it. Various potential costs may arise such as printing, translation, presentation, etc.				
Total Evaluation Expense	5,000	x	0%	0
Total Program Expense	5,000	x	100%	5,000
Total Administration Expense	5,000	x	0%	0

				2026-2027 Approved Budget
Staff Training, Travel & Conference Expense				
Original Justification:				\$17,000
Estimated cost for Commission staff to attend local and out of town trainings/conferences on behalf of the Commission. All trainings & conferences attended are required to be aligned with the Strategic Plan per the Commission's Travel Policy and Procedures Manual. Trainings/conferences include, but are not limited to, collaborative meetings, the First 5 State annual conference, First 5 Association quarterly meetings and summits, annual planning days, Government Finance Officer Association trainings, Early Care & Education meetings/conferences, legislative visits, State Conferences, etc. Average cost of travel for one staff on one trip is \$500 which includes transportation, lodging, registration, per diem, etc.				
Total Evaluation Expense	17,000	x	3%	510
Total Program Expense	17,000	x	73%	12,410
Total Administration Expense	17,000	x	24%	4,080

				2026-2027 Approved Budget
Telephone Expense				
Original Justification:				\$19,880
Telephone expenses include the Commission's phone landlines and data lines (internet) for accessibility are necessary for the operations of the agency. Staff recommends budgeting for unforeseen expenses as we navigate the contract for the phone lines.				
	<u>Monthly Amount</u>		<u>Months</u>	<u>Annual Amount</u>
Landlines lines	\$470	x	12	= \$5,640
Phone Data Contract	\$770	x	12	= \$9,240
Unforeseen Related Expenses				\$5,000
			Telephone Expense Total	\$19,880
Total Evaluation Expense	19,880	x	3%	596
Total Program Expense	19,880	x	73%	14,512
Total Administration Expense	19,880	x	24%	4,771