

**Commission Actions 10/25/2021:**

- ⇒ Approved Consent Agenda
- ⇒ Approved a revenue contract from First 5 California and a subcontract with SCOE to implement the *Shared Services Alliance*.
- ⇒ Approved a contract with Mother's Care in the amount of \$86,800.
- ⇒ Nominated Raissa de la Rosa for Appointment & Karissa Kruse, José Morales, and Jennielynn Holmes for Re-Appointment to the First 5 Commission by the Board of Supervisors.
- ⇒ Approved FY 21-22 Q1 financial report and update to the Long-Term Financial Model.



**First 5 Sonoma County  
COMMISSION MEETING MINUTES  
October 25, 2021**

***NOTE: MEETING CONDUCTED VIRTUALLY VIA ZOOM PLATFORM***

**I. Call to Order:**

The First 5 Sonoma Commission met virtually this date in regular session via Zoom. A quorum was present, **Commissioner Bass Seibel** called the meeting of the First 5 Sonoma County Commission to order at 3:33 pm.

**Commission Members Present:** Nora Mallonee Brand, Kelly Bass Seibel, Anna-Maria Guzman, Jennielynn Holmes, Supervisor Lynda Hopkins, Anna-Maria Guzman and Denia Candela

**Absent:** Oscar Chavez, Karissa Kruse, and Dr. Jose Morales

**Staff:** Angie Dillon-Shore, Renée Alger, Natalie Kramer, Sandra Uribe, Margaret Ingold, and Kathleen Hohnstein

**II. Potential Conflicts of Interest**

**Commissioner Bass Seibel** requested that Commissioners identify potential conflicts of interest and recuse themselves from discussing or voting on the identified matter.

No conflict of interest.

**III. Public Comment on Non-Agended Items**

**Commissioner Bass Seibel** asked if there was any public comment on non-agenized items.

No public comment.

**IV. Consent Agenda**

**Commissioner Bass Seibel** invited Commissioner discussion and public comment on the consent agenda.

No discussion, and no public comment.

**ACTION: Approve Consent Agenda**

MOTION: GUZMAN/HOLMES

AYES: SEIBEL, HOLMES, GUZMAN, BRAND, HOPKINS, CANDELA

NAYS: NONE

ABSTAIN: NONE

RECUSE: NONE

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### **V. Update: First 5 Sonoma Leadership Advisory Roundtable**

**Melanie Dodson**, Executive Director for 4Cs and Chair of the First 5 Sonoma County Leadership Advisory Roundtable, presented on an update from the recent convening of the Leadership Advisory Roundtable. At the meeting on 10/8, there were eight organizations present. They leadership presented two areas of focus:

- 1) How is your organization impacted by the ongoing Covi-19 Pandemic?
- 2) As we move forward as a community to advance DEI work, what are some challenges? What is working?

Common themes related to question 1:

- Families are not returning program and services as compared to pre-covid numbers for a variety of reasons including parents working from home, vaccination status etc.
- Major challenges around recruitment and retaining staff - higher health and stress related leave-of-absences.
- Increasing cost for many organizations related to workers comp and insurance
- Delays in procuring equipment and supplies and increased costs
- Staff and leadership burnout

Common themes related to question 2:

- DEI does not seem to be “trending” anymore, and not a focus for programs.
- Making sure to avoid tokenism in DEI work, efforts to integrate into the core of the programs and staff
- Systemizing language differential compensation.

Agencies are having some success with solutions:

- Creating resilient work spaces, provide for flexibility and physical comfort
- Training employees on healing circles for retention and staff support.
- Funders can help by negotiating budget revisions to address increases in costs
- Managing expectations around initiatives and participation.
- Acknowledging limitations and respecting boundaries.

**Ms. Dillon-Shore** said at the Dec 6 Commission meeting, there will be a discussion about Commissioner assignments to committees, including the Leadership Advisory Roundtable.

**Commissioner Bass Seibel** stated she noticed that child care hours have been cut and it's becoming more difficult to find full time care for those who work full time. Is this something that 4Cs is seeing countywide?

**Ms. Dodson** responded that child care as an industry has seen a 60% reduction of programs. She is seeing a reduction to hours open because it's reduced staff and children. Preschool providers are having to make adjustments by making group sizes low and less hours. They are not seeing as many families coming back due

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to working from home polices. There is a lot of need in after school programs and not enough spaces to accommodate the need.

**Commissioner Bass-Seibel** followed up with a question regarding vaccination requirements. Is it requirement that child care facilities require everyone to be vaccinated?

**Ms. Dodson** stated no, vaccinations are not mandated because early child care is a mixed delivery service.

No public comment.

**VI. Approve Revenue Contract, Increase Allocation, and Approve Subcontract for *Shared Services Alliance***

**Natalie Wright**, Program Manager, presented on a revenue contract with First 5 California to support a child care Shared Services Alliance. First 5 Sonoma County was one of seven Counties that were awarded the Shared Services Network Pilot grant. First 5 Sonoma's model will support Spanish-speaking family child care providers to connect with each other and to culturally responsive small business support. The timeline for contract execution is slightly delayed with First 5 CA, but will be able to launch as soon as executed by the state. She recommended that the Commission accept the revenue and also to approve a subcontract to partner on the project with SCOE/Child Care Planning Council who has already built a relationship with many of the child care providers for the past 15 years.

**Commissioner Bass Seibel** opened up to public comment.

No public comment.

**ACTION:** Approve the revenue contract from First 5 California and contract with SCOE to implement the *Shared Services Alliance*

**MOTION:** HOLMES/GUZMAN

**AYES:** SEIBEL, HOLMES, GUZMAN, BRAND, HOPKINS, CANDELA

**NAYS:** NONE

**ABSTAIN:** NONE

**RECUSE:** NONE

**VII. Approve Contract for Early Relational Health-MHSA Innovation Project**

**Renee Alger**, Program Director, presented on a request to approve a contract to support implementation of the New Parent TLC project, funded through MHSA-Innovation funding from Sonoma County Department of Health Services. The expenses will cover the development of curriculum and consulting for training for about a year. The New Parent TLC program will be implemented by First 5 staff to train child care providers, salon professionals and workers in large organizations to identify mental health issues with mothers/caregivers. Mothers Care Marriage and Family Therapist and Clinical Social Worker will help develop the curriculum with

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an advisory group ensuring cultural responsiveness and then will assist in providing training for the following year.

**Commissioner Bass Seibel** opened it up to public comment.

No public comment.

**ACTION:** Approve the Contract with Mother's Care Contract for \$86,800

MOTION: BRAND/HOLMES

AYES: SEIBEL, HOLMES, GUZMAN, BRAND, HOPKINS, CANDELA

NAYS: NONE

ABSTAIN: NONE

RECUSE: NONE

**VIII. Nomination of Raissa de la Rosa for Appointment & Nomination of Karissa Kruse, José Morales and Jennielynn Holmes for Re-Appointment to the First 5 Sonoma Commission by the Board of Supervisors**

**Angie Dillon-Shore** presented on the nomination of Raissa de la Rosa for appointment to the Commission for a two-year term starting January 1, 2022 and re-appointment of Karissa Kruse, Dr. Jose Morales, and Jennielynn Holmes to the Commission for additional two-year terms. As discussed at the August meeting, First 5 has an upcoming vacancy on the Commission due to Commissioner Bass Seibel terming out at the end of this calendar year. Three Commissioners, Morales, Holmes and Kruse, are all eligible and interested in reappointment for an additional term. Staff conducted a recruitment targeting three of the mandated categories: representative of a city or town, representative of a child care coordinating entity and post-secondary child development educator. Commissioners Chavez, Bass Seibel and Ms. Dillon-Shore interviewed three qualified candidates and are recommending that the Commission formally nominate Raissa de la Rosa to the Board of Supervisors for appointment to the Commission.

Raissa is the Economic Development Division Director for the City of Santa Rosa and would be the Commission's first representative of a City or Town to sit on the Commission as this is a new category that was added with the Board of Supervisor amendment of First 5 Sonoma County's ordinance in 2019. Raissa has worked in the public and nonprofit sectors for several decades, she is a strong proponent of social equity and inclusion. Raissa has worked closely with the Santa Rosa City Council to advance a number of policies that directly support families with young children and child care providers, including the Child Care Resiliency Fund a collaboration with First 5 during the past year.

**Ms. Dillon-Shore** recommended that the Commission nominate Raissa de la Rosa to be appointed for a two-year term, as well as nominate for reappointment for another two-year term Commissioners Holmes, Kruse and Morales. This would be Commissioner Holmes' last term and Commissioner Kruse and Morales' second term.

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**Raissa de la Rossa** commented on her nomination, expressing her commitment to fulfilling the role of First 5 Commissioner.

**Commissioner Bass Seibel** expressed confidence in Ms. De la Rossa's nomination for appointment.

A public comment was expressing support for representation of the City of Santa Rosa and Ms. De la Rosa in particular, on the Commission.

**ACTION:** Nominate Raissa de la Rosa for appointment and Karissa Kruse, José Morales and Jennielynn Holmes by the Board of Supervisors to the First 5 Commission

MOTION: GUZMAN/BRAND

AYES: SEIBEL, HOLMES, GUZMAN, BRAND, HOPKINS, CANDELA

NAYS: NONE

ABSTAIN: NONE

RECUSE: NONE

## **IX. Financial Report**

**Margaret Ingold**, Finance Director, reported on the first quarter financials and noted that the Finance Committee convened in advance of the Commission meeting. Revenue in the first quarter is low because Prop 10 funding for the current fiscal year is delayed due to the state's delay in closing the books on the previous FY. Salary expenditures are in line with the annual budget. Community investments are behind due to agencies starting up new contracts and delayed invoicing.

**Angie Dillon-Shore** presented on the FY 2020-2021 final budget-to-actuals for the year, the variance between what was budgeted and actual revenue and expenditures, as well as the adopted budget for this year, FY 2021-2022.

She first pointed out the variances in revenue for last fiscal year, Prop. 10 was 260k higher than what was budgeted based on the state projections. This was partially because First 5 got a fairly large amount of backfill from Prop. 56.

Revenue from interest on the fund balance was significantly lower than budgeted, this is directly related to interest rates dropping because of the pandemic, both on First 5's savings at Poppy Bank and the account at the County Treasury, causing a negative variance of \$37,656. Other revenue, non-prop. 10, was overall much higher than budgeted, a variance of about 600k. This is primarily the increased revenue from the collaborative funding of the Child Care Resilience Fund that First 5 administered which included large contributions from the City of Santa Rosa and the Community Foundation. Several state contracts were not fully expended due to pandemic impacts and were rolled over into this year's budget.

Under-expenditures overall totaled approximately 100k including 42k in savings in personnel costs due to periods of time where First 5 had an open position. In Services and supplies, First 5's actual cost for consulting

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services was lower than budgeted. In community investments, First 5 did have some unspent contracted amounts across contracts, but considering the total amount of almost \$6m, the underspending was not that significant. The end result is a lower net cost than originally budgeted, meaning less use of the fund balance, which carries over into the future and supports an adjustment to the long term financial model: instead of the planned \$1.7 million from the fund balance as planned, the Commission only used 829k.

**Ms. Dillon-Shore** then referred to the current fiscal year adopted budget and noted that the Commission will likely make some adjustments at mid-year. Budgeted cost for personnel line for FY 21-22 is significantly higher than FY 20-21 because of adding the Finance Director position, as well as acting as the “employer of record: for two of the Sonoma Connect backbone team, so this does make the administrative cost ratio higher than what is typical. She reminded the Commission that the Sonoma Connect staff costs will be 100% reimbursed by Providence and that First 5 also collects an indirect charge to offset admin costs related to processing their payroll.

**Ms. Dillon-Shore** presented an update to the long-term financial model and reminded the Commission that the main driver of the model is the fund balance, also referred to as reserves. First 5 spent less of the fund balance in FY 20-21 than what was originally planned, so this changes the ending fund balance for last year. That amount is brought forward for the beginning fund balance for this year: \$7,347,547. The Commission approved some changes to the funding allocations since they were approved in May, which is reflected in the Community Investments line. Another adjustment is the impact of the state ban on flavored tobacco on Prop. 10 – the ban is projected to pass as a statewide voter initiative and will take effect in FY 22/23. This assumption has been included in the state’s new projections for Prop. 10 starting next year. The Governor did sign the bill mandating the new vape tax and First 5 is included in that to ensure whatever negative impact on Prop. 10 is backfilled. It is unclear how the vape tax will impact the Prop. 10 projections, but the assumption is that Prop. 10 revenue will remain pretty stable in a predictable and gradual decline.

As per the update to the long-term financial model, First 5 is on track with additional funds to potentially allocate toward the Commission’s community investments in the last year of this strategic plan. The majority of contracts for programs and services have a three year term, with an option to extend and add funds for some of those contracts in the fourth year, FY 2024-2025, if the fund balance allows. This discussion will happen at some point in the future and First 5 will need to implement a systematic process to prioritize and determine recommendations for contract extensions, looking at contract performance, impact and need.

**Ms. Dillon-Shore** also noted that the fund balance is still on track to fully expend, less a prudent reserve, by FY 24/25, and annual revenue and expenditures will then be fairly even going forward.

**Commissioner Bass Seibel** commented on a discussion at the Finance Committee meeting regarding interest earned on the fund balance, comparing it to other financial institutions. In January, staff will come back to the Commission with a recommendation related to this issue

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No public comment.

**ACTION:** Approve the financial reports and update to the Long Term Financial Model.

MOTION: BRAND/GUZMAN

AYES: SEIBEL, HOLMES, GUZMAN, BRAND, HOPKINS, CANDELA

NAYS: NONE

ABSTAIN: NONE

RECUSE: NONE

**X. Presentation: First 5 Association Strategic Focus & First 5 Sonoma Alignment**

**Ms. Angie Dillon-Shore**, presented on the First 5 Association's Strategic Focus and First 5 Sonoma alignment. The First 5 Association is a very critical organization that supports all 58 Commissions in a number of ways. They are a separate organization from First 5 CA, which is the state level commission and actually part of the state government. The Association, by contrast, is a membership organization, operating as a nonprofit and supported by dues from all of the local commissions. The Association engages in a lot of policy research, advocacy, particularly with our state legislature, and provides the local Commissions and staff with lots of technical assistance and training.

First 5 Sonoma County is very actively involved with the Association, Ms. Dillon-Shore has been on the statewide policy and advocacy committee for several years. She will also be presenting to the State Commission, First 5 CA, on Thursday with Melissa Stafford Jones, the Association's ED and two other local First 5 EDs. The presentation will be on local work around race, equity, diversity and inclusion. The Association just finished a strategic plan and Ms. Dillon-Shore was very involved in the process to develop it. She noted the close alignment between First 5 Sonoma's work at the local level and the Association's plan. She then shared a video from the Association outlining their new strategic plan.

No public comment or questions.

**XI. Adjourn**

**Commissioner Bass Seibel** adjourned the meeting at 4:35 PM.