



**COMMISSION MEETING MINUTES**

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Thursday, December 10, 2009

1100 San Leandro Blvd., Suite 120  
San Leandro, Ca 94577  
Conference Room A

9:00 AM – 11:30 AM

**Commissioners:** *Chair:* Pamela Simms-Mackey M.D., *Vice Chair:* Helen Mendel, CMD, Yolanda Baldovinos, Alex Briscoe, Keith Carson, Gilda Gonzales, Rosemary Obeid, Deborah Roderick Stark, Albert Wang, M.D.

Chair Simms-Mackey called the meeting to order at 9:05 AM.

**1. Public Comment**

Chair Simms-Mackey reminded the public to fill out a Public Comment card if they wished to address the Commission.

Rachel Longan from the Berkeley YMCA thanked the Commission for their commitment to the YMCA. Ms. Longan stated that the Berkeley YMCA has been part of the partnership grants program for the last 2 years and that the program has made a huge impact on the special needs community and on her life.

Ann Zhou from Herald Family Rebuilding Center thanked the Commission for their past community grants support. She stated that because her agency would not be receiving funding in the coming grant cycle that many Chinese residents of southern Alameda County would not receive needed parent education services. Ms. Zhou also stated that she hoped the agency would be refunded in the future and that there would be opportunities to partner with First 5.

Commissioner Briscoe arrived at the meeting at 9:08 AM.

**2. Approval of Minutes from September 24, 2009**

Commission Action: The Commission approved the September 24, 2009 minutes upon motion by Vice Chair Mendel, seconded by Commissioner Baldovinos and unanimously carried (9 in favor, 0 opposed).

**3. 2008-09 First 5 Alameda County Annual Report Presentation**

Teddy Milder, Director of Evaluation and Technology presented the 2008-09 First 5 Alameda County Annual Report to the Commission.

Ms. Milder stated that this is the last report from the 2005-09 Strategic Plan, results are reported by goal to show linkages of strategies and programs and that the report highlights results under each outcome and where possible on 4 year results or trends and systems change.

Ms. Milder reported results under the following goals and outcomes:

- Goal 1: Support optimal parenting social and emotional health and economic self-sufficiency of families
  - Outcome 1A: Enhanced parenting and stronger families
  - Outcome 1B: Children are free from abuse and neglect
  - Outcome 1C: Enhanced economic self-sufficiency of families
- Goal 2: Improve the development, behavioral health and school readiness of children 0 to 5 years
  - Outcome 2A: Improved child social, developmental and emotional well-being
  - Outcome 2B: Increased access to resources for children and families with special needs
  - Outcome 2C: Increased professional development and retention of ECE providers
  - Outcome 2D: Increased access to high quality early care and education
  - Outcome 2E: Increased school readiness
- Goal 3: Improve the overall health of young children
  - Outcome 3A: Increased support for breastfeeding mothers
  - Outcome 3B: Children are healthy, well nourished and receive preventive and on-going health and dental care from a primary provider

Commissioner Carson asked regarding the 57% of teen parents receiving services that remained in school or graduated (under Outcome 1C) what the breakdown is of male participation. Ms. Milder responded that there is male participation in both teen programs, but very few and a few Community Grants have specifically targeted male parents. Commissioner Stark asked what percentage of teen parents in Alameda County is enrolled in First 5 programs. Ms. Milder responded that population data is very hard to receive because First 5 is relying on 2000 Census data. Commissioner Carson suggested that moving forward each outcome and goal area should chronicle the rate of male participation, if possible. Ms. Milder stated that First 5 collects these data, but not in every program and that intentionally collecting data capturing male participation can be considered moving forward. Commissioner Carson said there may be community organizations trying to link up with men for services and would be interested if First 5 has data to support these efforts.

Commission Obeid asked if there is any information that First 5 can compare its results against for children screened with the ASQ. Ms. Milder responded that there is national data available for comparison. Commissioner Stark asked for a brief description of when

providers conduct screenings and what type of guidance is given to the family. Ms. Milder responded that the ASQ comes with a set of developmental activities for parents. Anna Gruver, First 5 Family Support Services Administrator responded that families receive home visits and are given specific feedback of ASQ results, which is part of the Healthy Steps program (modeled after the national program) and that providers also give incentive bags to families after the screenings.

Commissioner Gonzales asked how it is to be known if First 5 funds are spent efficiently and what the cost is of providing these services. Ms. Milder responded that First 5 has been building the infrastructure to calculate cost of services and outcomes. Ms. Gonzales stated that hopefully the Commission can be involved in how the next year's annual report will be presented before it is put together to ensure that it reflects this information. Ms. Burger stated that First 5's impact county wide is still trying to be determined and that with Commissioners Carson, Baldovinos and Briscoe, common county wide indicators should be developed so that data and impact can be reported more comprehensively.

Commissioner Gonzales asked what the next step is for individuals who screen positive for depression. Ms. Bremond responded that through various First 5 programs, the Harris training seminar and EPSDT funding, mothers and children are connected to treatment programs. Ms. Bremond stated that most of the mothers fall in to the early intervention mode, and that not necessarily all mothers need to receive treatment for depression. Chair Simms-Mackey stated that the ASQ is used in the hospital setting to catch children who can "slip through the cracks" and provide them with early intervention services. Ms. Burger stated that the entire SART system is set up to address early intervention needs and that providers can call the SART phone line to receive referrals for families connecting them to services.

Commissioner Baldovinos complimented Ms. Milder and the Evaluation team on compiling and analyzing a tremendous amount of data to show the impact First 5 makes on the broader community.

#### **4. 2008-09 State Annual Report Approval**

Teddy Milder, Director of Evaluation and Technology stated that the annual report to the state that quantifies First 5's work in the past fiscal year was due on October 31, 2009 and that Commission approval is needed retroactively every year. Ms. Milder stated that a narrative summary of the state annual report was emailed to Commissioners on November 11, 2009.

Vice Chair Mendel asked what the State does with the information received. Ms. Milder responded that the data from each County is compiled for a report to the State Commission.

Commission Action: The Commission approved the 2008-09 State Annual Report upon motion by Commissioner Baldovinos, seconded by Commissioner Gonzales and unanimously carried (9 in favor, 0 opposed).

#### **5. 2009-11 Community Grants Initiative Recommendations**

Janis Burger, Deputy Director introduced Malia Ramler, Community Grants Administrator to present the 2009-11 Community Grants Initiative Recommendations to the Commission.

Ms. Ramler stated that the 2009-11 Community Grants Initiative will begin in January 2010 and last 18 months through June 2011. She stated that there are 3 funding categories: Community Support, Targeted and Neighborhood Partnership, outreach was conducted to more than 3,000 contacts and presentations were made at meetings across the County. Technical assistance was made available to all applicants. A total of 92 eligible organizations applied for \$8,479,156. Ms. Ramler stated that 27 community members participated in training, read and scored grants and served on 3 review panels. In addition, 23 First 5 staff members provided internal reviews and/or served on the Neighborhood Partnership review panel. A total of 42 agencies were recommended for funding including 10 Community Support Grants, 27 Targeted Grants and 5 Neighborhood Partnership Grants. Feedback will be available to applicants not selected for funding upon request.

Commissioner Gonzales asked how conflict of interest was handled during the deliberations. Ms. Ramler responded that First 5 did not use community reviewers who were also grant applicants and before an individual was assigned applications to review, they were asked to disclose their conflicts so they did not receive that application to review. In addition, during the grants deliberations, if a reviewer had a conflict with the agency being discussed, they were asked to leave the room and recuse themselves from all conversation about that particular applicant.

Commissioner Carson asked if there were any challenges experienced by the applicants during the process. Ms. Ramler responded that appeals are entertained for administrative / procedural error only and that if an applicant believes that First 5 made an error in processing their application, the applicant can make an appeal to the CEO within 10 days. Ms. Milder stated that the administrative appeals process was also included in the RFP. Ms. Ramler stated that notification letters would be sent out after the Commission's vote to all applicants notifying them of their status.

Commissioner Stark asked for clarification regarding the appearance that three libraries were selected for funding but only two are listed. Ms. Ramler responded that one of the agencies selected is a Parks and Recreation Department that collaborates with their local library.

Commissioner Baldovinos asked if an applicant's appeal is ever brought to the Commission. Mr. Friedman responded that all appeals have been handled by First 5 staff.

Commissioner Gonzales asked for clarification about the communities served by the Neighborhood Partnership grants. Ms. Ramler responded that the information would be provided. Ms. Ramler also stated that within the 5 cities where the Neighborhood Partnership grantees are located, that each grantee has identified 5-7 sites that will be served by their programs and each grantee considered API scores and demographics of neighboring communities in selecting which sites to serve. Commissioner Gonzales asked regarding the sites to be served whether there are existing MOUs or service agreements in place. Ms. Ramler responded that the grantees are providing services at their own facilities. Ms. Burger stated that the purpose of these grants is to help these agencies build organizational capacity by receiving training and encouraging them to institutionalize these activities. Commissioner Gonzales stated that the holistic neighborhood approach should be looked at closely by First 5 because it seems like an innovative model. Mr. Friedman responded that staff would provide updates on grants activities periodically to the Commission and have grantees come and speak about their experiences. Commissioner Gonzales stated that perhaps through the

Program Committee that staff, Commissioners and the community could have more in depth conversations about this.

Commission Action: The Commission approved the following grants upon motion by Vice Chair Mendel, seconded by Commissioner Obeid and unanimously carried (9 in favor, 0 opposed)

- Alameda Recreation and Park Department
- Bay Area Children First
- Bay Area Hispano Institute for Advancement, Inc. (BAHIA)/Centro VIDA
- Bay Area Parent Leadership Action Network (PLAN)
- Berkeley-Albany YMCA
- Black Adoption Placement and Research Center
- City of Berkeley, Recreation Division
- City of Union City, Leisure Services
- Community Alliance for Special Education
- Emergency Shelter Program, Inc.
- Habitot Children's Museum
- Hayward Public Library
- Housing Rights, Inc.
- Jewish Family and Children's Services of the East Bay
- Loved Twice
- Luna Kids Dance
- Marcus A. Foster Educational Institute
- Museum of Children's Art (MOCHA)
- Oakland Based Urban Gardens
- Oakland Parents Together
- Oakland Public Library
- Our Family Coalition
- Soulciety
- St John's Childcare
- Through the Looking Glass
- Tri-Valley Haven
- Tri-Valley YMCA
- United Way of the Bay Area

Commission Action: The Commission approved the following grants upon motion by Vice Chair Mendel, seconded by Commissioner Baldovinos and unanimously carried with Commissioner Briscoe abstaining from the vote (8 in favor, 1 abstained, 0 opposed)

- Alameda Family Services
- CALICO Center (Child Abuse, Listening, Interviewing and Coordination Center)
- City of Fremont, Youth and Family Services

Commission Action: The Commission approved the following grant upon motion by Vice Chair Mendel, seconded by Commissioner Baldovinos and unanimously carried with Commissioner Obeid abstaining from the vote (8 in favor, 1 abstained, 0 opposed)

- 4C's of Alameda County

Commission Action: The Commission approved the following grant upon motion by Vice Chair Mendel, seconded by Commissioner Baldovinos and unanimously carried with Commissioner Wang abstaining from the vote (8 in favor, 1 abstained, 0 opposed)

- Friends of Children with Special Needs

Commission Action: The Commission approved the following grant upon motion by Vice Chair Mendel, seconded by Commissioner Baldovinos and unanimously carried with Commissioner Gonzales abstaining from the vote (8 in favor, 1 abstained, 0 opposed)

- Regents of the University of California

Commission Action: The Commission approved the following grant upon motion by Vice Chair Mendel, seconded by Commissioner Obeid and unanimously carried with Commissioners Carson and Briscoe abstaining from the vote (7 in favor, 2 abstained, 0 opposed)

- Building Opportunities for Self Sufficiency (B.O.S.S.)

Commission Action: The Commission approved the following grant upon motion by Vice Chair Mendel, seconded by Commissioner Baldovinos and unanimously carried with Commissioners Wang, Briscoe and Carson abstaining from the vote (6 in favor, 3 abstained, 0 opposed)

- Asian Community Mental Health Services

Commission Action: The Commission approved the following grants upon motion by Commissioner Gonzales, seconded by Commissioner Baldovinos and unanimously carried with Chair Simms-Mackey and Commissioner Briscoe abstaining from the vote (7 in favor, 2 abstained, 0 opposed)

- Brighter Beginnings
- Children's Hospital & Research Center at Oakland - Parent-Infant Program
- Silva Pediatric Clinic

Commission Action: The Commission approved the following grant upon motion by Commissioner Gonzales, seconded by Commissioner Baldovinos and unanimously carried with Chair Simms-Mackey, Commissioners Carson and Briscoe abstaining from the vote (6 in favor, 3 abstained, 0 opposed)

- Asian Health Services

Commission Action: The Commission approved the following grant upon motion by Commissioner Gonzales, seconded by Commissioner Baldovinos and unanimously carried with Chair Simms-Mackey and Commissioner Obeid abstaining from the vote (7 in favor, 2 abstained, 0 opposed)

- BANANAS, Inc.

Commission Action: The Commission approved the following grant upon motion by Commissioner Baldovinos, seconded by Commissioner Gonzales and unanimously carried with Chair Simms-Mackey abstaining from the vote (8 in favor, 1 abstained, 0 opposed)

- Alta Bates Summit Foundation

## 6. State Commission & Association Updates

Commissioner Carson left the meeting at 10:41 AM.

Mark Friedman, CEO presented Agenda Items 6 and 7 together.

## 7. Legislation and Public Policy Updates

Mr. Friedman stated that he met with Senator Perata regarding the tobacco initiative that would add an additional one dollar per pack tax to fund cancer research and anti-smoking programs. The initiative previously did not include a backfill for Proposition 10 programs. Mr. Friedman stated that the American Heart, Lung and Cancer Associations agreed to support adding backfill for Proposition 10 and through his discussion with Senator Perata the ballot initiative was changed to include backfill for Proposition 10 programs. Mr. Friedman stated that relationships with allies on the front end should be strengthened now and these community partners have been invited to attend the First 5 Association meeting to discuss how First 5 can help support the passage of the initiative. Mr. Friedman stated that in Alameda County, First 5 has a strong relationship with tobacco control coalition advocates and that Vice Chair Mendel and Commissioner Wang's involvement with the American Cancer and Heart Associations has also been very beneficial.

Commissioner Briscoe thanked First 5 staff for their excellent work on the new initiative thus far and that staff has provided effective coaching to assist Commissioners in speaking about it to the public.

Mr. Friedman stated that through the Building Healthy Communities collaborative: Place-Based Initiatives to Promote Healthy Child Development: Communities of Practice Project, a joint effort by the California Endowment and Nemours Foundation, First 5 staff, Commissioner Stark and Melinda Martin met with 7 other programs in the country identified as innovative child development programs. Mr. Friedman stated that through this collaborative, participants receive shared learning and discuss integrating promising practices and collaboration. Commissioner Stark stated that Mr. Friedman was invited to present and

that he made a great presentation on what can happen when communities work together to benefit children and families.

## 8. Emergency Fund Recommendation

Mr. Friedman presented the Emergency Fund Recommendation to the Commission.

Mr. Friedman stated that the Emergency Fund opportunity began several months ago with Commissioners Stark and Wang on a task force to identify agencies facing state budget cuts for 0 to 5 funded programs. Mr. Friedman stated that the Commission had approved \$500,000 for this purpose and three applications were received from Brighter Beginnings, The Regional Center of the East Bay and The Alameda County Public Health Department/Dental Health Foundation. Mr. Friedman stated that the Emergency Fund Task Force set forth restrictive criteria for programs to be eligible for the funding which explains why more applications were not received. Mr. Friedman stated that the funding approval for the three agencies is included in Agenda Item 9: Contract Authorizations.

## 9. Contract Authorizations

Ms. Patricia Zapanta, Director of Finance and Administration presented the Contract Authorizations to the Commission.

Ms. Zapanta stated that the recommendation is separated in to two parts, with the first part including the following agencies:

- Asian Community Mental Health Services (ACMHS) – contract for \$20,000 to provide community consultation services for Cultural Access Services. The aggregate contract amount for ACMHS for FY 2009-10 is \$53,600.
- Chabot College – contract increase of \$7,800 due to debit adjustment for salary vacancies and the carry-over of federal grant funds. The amended contract amount for Chabot College for FY 2009-10 is \$313,800.
- Merritt College – contract increase of \$71,500 due to the addition of the AA Professional Development Coordinator position. The amended contract amount for Merritt College for FY 2009 -10 is \$111,500.

Commissioner Stark asked if the additional funds for Merritt College were for 6 months of funding. Ms. Zapanta responded that the amount is prorated to fund the position for 9 months.

Ms. Zapanta stated that the second part of the recommendation includes the agencies being recommended to receive Emergency Grant funding:

- Brighter Beginnings – contract increase of \$125,000 to allow for continued staffing to support the transition of teen families who will no longer be served through the state de-funded Adolescent Family Life Program. The aggregate contract amount for Brighter Beginnings for FY 2009-11 is \$1,059,291.70.

- Dental Health Foundation – contract increase of \$50,000 to maintain dental health services provided at the Hayward WIC site. The aggregate contract amount for the Dental Health Foundation for FY 2009-10 is \$125,000.
- The Regional Center of the East Bay – contract for \$125,000 for FY 2009-11 to address gaps created by the state budget reductions to the Regional Center Early Start Program, develop a manual for providers and families that will facilitate the treatment funding process and support a developmental playgroup pilot to address the immediate needs of children being removed from the Regional Center’s services.

Ms. Burger stated that these agencies are in the process of finalizing their program budgets and that the final award amounts may be less than what is approved by the Commission.

Commission Action: The Commission approved the following contracts upon motion by Commissioner Baldovinos, seconded by Commissioner Gonzales and unanimously carried (8 in favor, 0 abstained, 0 opposed)

- Chabot College
- Dental Health Foundation

Commission Action: The Commission approved the following contract upon motion by Vice Chair Mendel, seconded by Commissioner Obeid and unanimously carried with Commissioner Gonzales abstaining from the vote (7 in favor, 1 abstained, 0 opposed)

- Merritt College

Commission Action: The Commission approved the following contract upon motion by Commissioner Gonzales, seconded by Vice Chair Mendel and unanimously carried with Chair Simms-Mackey and Commissioner Wang abstaining from the vote (6 in favor, 2 abstained, 0 opposed)

- Regional Center of the East Bay

Commission Action: The Commission approved the following contract upon motion by Vice Chair Mendel, seconded by Commissioner Baldovinos and unanimously carried with Commissioners Briscoe and Wang abstaining from the vote (6 in favor, 2 abstained, 0 opposed)

- Asian Community Mental Health Services

Commission Action: The Commission approved the following contract upon motion by Commissioner Baldovinos, seconded by Commissioner Obeid and unanimously carried with Chair Simms-Mackey and Commissioner Briscoe abstaining from the vote (6 in favor, 2 abstained, 0 opposed)

- Brighter Beginnings

## 9. Personnel Policies Recommendation

Ms. Zapanta stated that the Personnel Policies Recommendation had been reviewed by the Executive Committee and forwarded to the Commission for approval

Commission Action: The Commission approved the Personnel Policies Recommendation upon motion by Commissioner Gonzales, seconded by Commissioner Obeid and unanimously carried (8 in favor, 0 opposed).

## 10. Cost of Living Adjustment (COLA) Recommendation

Mr. Friedman presented the COLA Recommendation to the Commission.

Mr. Friedman stated that every year a COLA recommendation is brought to the Commission. Mr. Friedman stated that as reported by the Bureau of Labor Statistics, the CPI for the San Francisco – Oakland - San Jose metropolitan area has increased 0.8% over the last 12 months and the most prudent response is for the Commission to not grant a COLA for the upcoming year.

Commissioner Baldovinos commended Mr. Friedman for the recommendation to not grant a COLA to staff.

Mr. Friedman stated that costs saving measures are being instituted across the agency, such as eliminating the Tools and Technology benefit (as included in the Personnel Policies recommendation).

## 11. 2009-10 Financial Report (July 1, 2009 – September 30, 2009)

Ms. Zapanta presented the 2009-10 Financial Report (July 1, 2009 – September 30, 2009) to the Commission.

Ms. Zapanta stated that revenue was under budget projections for the first quarter because the tobacco tax is received two months in arrears, AB212 income is received from the Alameda County Child Care Planning Council near the end of the fiscal year, and federal grants reimbursement is in the process of being received. Ms. Zapanta stated that First 5 had received approval for two federal grants; one from the Substance Abuse and Mental Health Services Administration (SAMHSA) in the amount of \$270,480 and the second from Project Launch in the amount of \$615,000 per year for the next 5 years. Ms. Zapanta thanked Commissioners Briscoe and Carson for their support in working with BHCS to secure the SAMHSA grant.

Ms. Zapanta stated that expenses should be at approximately 25% spent for this time of year and that most line items are below 25% spent except for community grants which is at 33.9%

spent due to the 2007-09 payment cycle of the Community Grants Initiative. Expenses over 25% spent are highlighted in the document.

## 12. 2009-10 Investment Report (July 1, 2009 – September 30, 2009)

Ms. Zapanta presented the 2009-10 Investment Report (July 1, 2009 – September 30, 2009) to the Commission.

Ms. Zapanta stated that first quarter investment income is on target and at the January Commission meeting, Chandler Asset Management will give a presentation. In addition, the Alameda County Treasurer's Office will let First 5 staff know when their annual meeting will be held in January so that Ms. Zapanta and Mr. Friedman can attend.

## MISCELLANEOUS

### 13. Staff Announcements

Mr. Friedman stated that First 5 will be making a \$7,500 contribution to the Alameda County Community Food Bank for emergency food supplies for families with children age 0 to 5. Commissioner Baldovinos stated that Alameda County Social Services Agency could possibly match First 5's contribution by leveraging funds through ARRA.

Mr. Friedman stated that on December 5, Kidango, Inc. honored 30 influential community leaders at their 30th Anniversary Celebration, *A Wishful Winter's Night!* Mr. Friedman was among the 30 individuals recognized as well as Commissioner Stark and former Commissioner Rocio de Mateo Smith.

Ms. Burger stated that the SART phone line is up and running and currently being staffed by First 5's Beatriz Dominguez.

Ms. Milder stated First 5 has finally received data from all school districts in the County to date except from Berkeley. Ms. Milder stated that Chris Hwang and Erin Freschi worked together on this effort.

Ms. Burger stated that Zeelaura Page had delivered her son and named him Zion.

Ms. Lee stated that the California Early Childhood Mentor Program had received ARRA funding by leveraging their receipt of First 5 funding.

### 14. Communication from Commissioners

Commissioner Briscoe stated that the Regional Center of the East Bay is moving to the new building next door on San Leandro Boulevard and that Alameda County Health Care Services Agency has hired a consultant to determine how the Children's Assessment Center can be developed and supported. Commissioner Briscoe stated that the Assessment Center requires resources and that supporting this program is referenced in First 5's current Strategic Plan. The Assessment Center will serve approximately 200 - 500 children per year and rent for 10,000 square feet of space is \$470,000 per year. Commissioner Briscoe stated that if the First 5 Commission prioritizes this program, that Alameda County Health Care Services Agency will play a role. Commissioner Baldovinos stated that First 5 should meet with all the

potential partners. Mr. Friedman stated that this topic would be on the agenda for discussion during future Commission meetings and that staff would begin identifying places in the budget where unspent funds exist. Vice Chair Mendel suggested that First 5 consider fundraising or capital campaign efforts. Chair Simms-Mackey stated that this is one model of SART and there are other systems that can be mobile and housed at different locations. Ms. Burger stated that the Assessment Center would be an add-on as a link for the broader SART model. Commissioner Obeid asked if it would be premature to receive a broad outline of the SART system. Commissioner Briscoe stated that it is time to disseminate a one page description of the Assessment Center and the SART system to the public.

## **15. Adjournment**

Chair Simms-Mackey adjourned the meeting at 11:15 AM.



**To:** First 5 Alameda County Commission

**From:** Patricia Zapanta, Finance and Administration Director

**Date:** January 28, 2010

**Subject:** 2009-10 and 2009-11 Contract Authorizations

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#### REQUESTED ACTION

To review and approve the following contract authorizations

#### BACKGROUND

Per our Financial Policies, Section VII, the Commission must approve contract amounts in excess of \$25,000. The following contracts require specific authorization from the Commission.

#### THE CENTER TO PROMOTE HEALTHCARE ACCESS, INC. - \$858,678.00

First 5 Alameda County is requesting approval of a contract amendment for FY2009-10 with The Center to Promote HealthCare Access, Inc. to provide enhancements to the Pathways Referral System, a web-based referral, service tracking follow up system for the Children's Screening, Assessment, Referral and Triage (SART) System of Care. (2009-13 Strategic Plan, page 20, 21). \$150,000.00 in federal funding was received through a grant to support these enhancements to the Pathways Referral System in Alameda County. The Center to Promote HealthCare Access, Inc. currently has a contract for FY2009-10 in the amount of \$708,678.00 to maintain and enhance the ECChange and ECCOnline data systems. The addition of a \$150,000.00 contract would bring the total contract amount to \$858,678.00 for which Commission approval is needed.

**FISCAL IMPACT:** None. All funds are budgeted and will be received from the Federal Grant.

**ACTION REQUESTED:** Approve an increased contract amount of \$858,678.00 for The Center to Promote HealthCare Access, Inc. for FY 2009-10.

**FAMILY RESOURCE NETWORK (FRN) – \$201,000.00**

First 5 Alameda County is requesting approval of a sole source contract with the Family Resource Network (fiscal agent Bananas) to assist with the coordination between SART and the entitlement systems for children with special needs. The funding will allow Family Resource Network to support a policy and systems coordination consultant to liaison with the entitlement systems for children with special needs (2009-13 Strategic Plan, page 13).

The justification for sole source authorization is that the Family Resource Network has expertise navigating all three entitlement systems for children with special needs: the Regional Center, the SELPA/School Districts, and California Children’s Services and currently partners with these entities in multiple capacities. Family Resource Network would be best suited for oversight of any coordination efforts with the entitlement system entities.

The Family Resource Network currently has a FY 2009-10 contract in the amount of \$181,000 for Family Navigation and community support services, and the proposed contract for Entitlement System coordination will not exceed \$20,000 for FY2009-11, for an aggregate contract amount of \$201,000.00.

**Fiscal Impact:** None. All funds are budgeted.

**Action Requested:** Approve an aggregate contract amount of \$201,000.00 for Family Resource Network (fiscal agent Bananas) for FY 2009-11.

**CENTER FOR EARLY INTERVENTION ON DEAFNESS (CEID) - \$106,250.00**

First 5 is requesting approval of a FY 2009-11 contract in the amount of \$106,250.00 with CEID to provide hearing screenings to preschool age children and newborns (2009-13 Strategic Plan, page 14). In addition to audiology screenings, CEID will train pediatric residents on early identification of hearing loss and train healthcare and Early Start providers on components of a quality early intervention program, strategies for working with children who have cochlear implants, and strengthening relationships with current participating agencies and providers.

**FISCAL IMPACT:** None. All funds are budgeted.

**ACTION REQUESTED:** Approve a contract of \$106,250.00 with CEID for FY 2009-11.

Submitted by:

Reviewed by:

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Patricia Zapanta,  
Finance and Administration Director

\_\_\_\_\_  
Mark Friedman,  
Chief Executive Officer



**To:** First 5 Alameda County Commission  
**From:** Patricia Zapanta, Finance and Administration Director  
**Date:** January 28, 2010  
**Subject:** Employee Salary Guidelines Revisions

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### REQUESTED ACTION

To review and approve the following revision to the Employee Salary Guidelines

### BACKGROUND

First 5 Alameda County's Employee Salary Guidelines, last revised in June, 2007, were developed to achieve three overall goals that are in the mutual best interests of the organization and the individual staff members. The goals are to:

1. Provide competitive market-based salaries to attract and retain high quality staff
2. Provide a fair and equitable system where compensation is commensurate with the level of responsibility and qualifications
3. Keep the compensation structure simple so it is clear, understandable and easy to administer.

### PROPOSED REVISION TO EMPLOYEE SALARY GUIDELINES

We are proposing the addition of a Senior Associate salary level. This addition is consistent with the above goals and, while it will add somewhat to the complexity of the structure, will enable First 5 to address current staffing and organizational issues by:

- Providing a vehicle to allow for retention of skilled Associates who have achieved educational goals and developed program content knowledge or management skills when no Manager position is available. The new level would allow for both an increase in responsibilities and potential salary growth.
- Enabling First 5 to better use our internal resources as we face a period of declining revenues and program contraction, proving us with flexibility to adjust the job responsibilities of our current employees as program needs change.

- Allowing for salary growth for employees that might otherwise be at the top of their salary range with no advancement potential, yet still allowing for cost control by setting a range for this position.
- Potentially realizing cost savings produced by utilizing staff currently on our payroll rather than recruiting externally for additional temporary or consultant positions to fulfill program needs.

The proposed level and salary range is shown in the tables that follow.

**First 5 Alameda County Job Levels (Not including Family Specialist levels)**

LEVEL	DESCRIPTION
<b>Director</b>	Responsible for management of an entire division or multiple major programmatic or functional areas, including resource deployment within those areas. Member of the executive team with significant duties in organizational planning and development. Three salary ranges are provided within the Director level to accommodate different levels of responsibility. May supervise any level.
<b>Division Administrator</b>	Responsible for planning, management and oversight of multiple divisions, including supervision of professional level employees. This classification differs from Directors because it does not exercise executive management duties.
<b>Administrator</b>	Responsible for overall planning, management and support of at least one program or functional area. When supervision is a responsibility of the position, strong management experience is required. May supervise Administrator, Specialist II, Manager, Specialist I, Associate and/or Assistant level positions.
<b>Manager</b>	Responsible for managing the day-to-day activities of at least one program or functional area, often involving a combination of hands-on duties and directing the activities of subordinate staff. May supervise Manager, Associate and/or Assistant level positions.
<b>Senior Associate</b>	Responsible for Manager level responsibilities of a defined, limited scope for an assigned program or functional area, generally not to exceed one-third of total duties, combined with a balance of Associate level responsibilities. Senior Associates must meet the educational requirements of the comparable Manager position. No supervisory duties.
<b>Associate</b>	Responsible for coordinating and performing the day-to-day activities within a program or functional area, requiring a moderate level of skills and prior experience. No supervisory duties.

<b>Assistant</b>	Responsible for performing day-to-day activities within a program or functional area, requiring a minimum to moderate level of skills and prior experience. No supervisory duties.
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LEVEL	SALARY RANGE
<b>Director</b>	
Chief Executive Officer	\$118,889 - \$160,849
Deputy Director	\$96,590 - \$130,681
Director	\$82,730 - \$111,929
<b>Division Administrator</b>	\$69,060 - \$93,450
<b>Administrator</b>	Base range: \$65,503 - \$88,622 Finance/Evaluation Administrator: \$63,295 - \$97,185 (varies by position)
<b>Family Service Manager II</b>	\$65,503 - \$88,622
<b>Family Service Specialist II</b>	\$61,281 - \$82,910
<b>Manager</b>	\$51,917 - \$74,181
<b>Family Service Manager I</b>	\$51,917 - \$74,181
<b>Family Service Specialist I</b>	\$48,315 - \$65,368
<b>Senior Associate</b>	<b>\$47,753 - \$61,273</b>
<b>Associate</b>	\$40,590 - \$54,916
<b>Assistant</b>	\$32,064 - \$43,381

**FISCAL IMPACT**

Modification of the Employee Salary Guidelines is not expected to result in any immediate significant fiscal impact, though there could potentially be salary increases up to 5% for 1-3 positions, the total of which would not be expected to exceed \$8100 annually plus benefits (total impact \$12,150). It is anticipated that the fiscal impact would be less than this, and would potentially be offset by eliminating the need to supplement our existing staff with additional temporary or consultant staff needed to support the programs at the level planned for in the Strategic Plan.

**RECOMMENDATION**

To review and approve the proposed revisions to the Employee Salary Guidelines

Submitted by:

Reviewed by:

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Patricia Zapanta  
Finance and Administration Director

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Mark Friedman  
Chief Executive Officer



**To:** First 5 Alameda County Commission  
**From:** Patricia Zapanta, Finance and Administration Director  
**Date:** January 28, 2010  
**Subject:** 2009-10 Budget Modification Recommendation

**ACTION REQUESTED**

To review and approve the following Budget Modification recommendation

**BACKGROUND**

The operating budget for FY 2009-10 was first approved in May 2009 as the first year of the two-year, 2009-11 budget. It is First 5 Alameda County’s fiscal practice to adjust its budget halfway through each fiscal year to address changes in revenue that have occurred, or changes in expenditures that have been authorized by the Commission.

**REVENUE AND AVAILABLE FUNDS**

The approved 2009-10 budget projects revenue and available funding totaling \$26,449,294. The proposed budget modification changes this amount to \$27,581,298, an increase of \$1,132,004.

SOURCE OF FUNDS	ORIGINAL AMOUNT	PROPOSED AMOUNT	DESCRIPTION
Prop 10 Tobacco Tax	\$14,222,218	\$14,000,000	The Tobacco Tax projection is reduced to reflect the current year’s actual trend based on the first five months of revenue. Last year the total Tobacco Tax funds received was \$15,938,842.  The effect of this change is a decrease of \$222,218 from the original projection.

SOURCE OF FUNDS	ORIGINAL AMOUNT	PROPOSED AMOUNT	DESCRIPTION
Income from Alameda County Agencies	\$1,159,993	\$2,225,983	<p>The SAMHSA (Substance Abuse Mental Health Services Administration) Project LAUNCH federal grant for a place-based strategy designed to promote the healthy development of young children within the targeted East Oakland community from Alameda County Public Health Department (PHD) was committed for \$608,237. PHD also committed \$74,700 and \$42,573 for ECChange system hosting and maintenance services and 50% share of costs for a Children’s Screening, Assessment, Referral, Treatment (SART) triage phone line position, respectively.</p> <p>The SAMHSA Early Connections federal grant for a six-year project that creates an infrastructure for a system of care for children ages 0-5 and their families from Alameda County Behavioral Health Care Services (BHCS) was committed in the amount of \$340,480.</p> <p>These changes represent an increase to the line item of \$1,065,990.</p>
Grants	\$2,260,354	\$2,777,240	<p>The Federal Grant amount was adjusted to reflect the balance of reimbursable amount of the Early Care and Education federal earmark.</p> <p>The First 5 State Grant was increased by \$545,332 to show actual receipts from State First 5. Increases are \$232,360 for Comprehensive Approaches to Raising Educational Standards (CARES), \$297,309 for School Readiness and \$15,663 for Health Care for All.</p> <p>The effect of this line item change is an increase of \$516,886.</p>
Other Sources	\$ 0	\$ 120,568	<p>The Contra Costa Hospital Outreach Coordinator contract was confirmed from First 5 Contra Costa County.</p> <p>The total change is an increase of \$120,568.</p>

SOURCE OF FUNDS	ORIGINAL AMOUNT	PROPOSED AMOUNT	DESCRIPTION
Carry Over Restricted Funds	\$0	\$35,000	To reinstate the unspent balance of the Washington Mutual private grant which was not included in the original 2009-10 revenue budget.  The total change is an increase of \$35,000.
Sustainability Fund	\$7,331,729	\$6,947,507	If all funds are received and disbursed according to the budget, First 5 would need to use \$6,947,507 from the Sustainability Fund to cover expenses. The Sustainability Fund usage is projected to decrease due to more increases to revenues than to expenses during this Budget Modification.  The net decrease is \$384,222, which is the result of new and additional revenue despite the Emergency fund one-time support to community partners and decrease in the Tobacco Tax revenue projection.

**EXPENDITURES**

The original 2009-10 budget projected expenses was \$26,449,294. The proposed budget modification changes this amount to \$27,581,298, an increase of \$1,132,004. Please refer to the attached Proposed Expenditure Budget Modification worksheet. The notes to this narrative correspond to the letters indicated in the worksheet.

**Personnel - (Note A)**

Staff salaries are budgeted based on actual costs and unfilled positions are budgeted at the top of range. Due to the current economic condition and declining tobacco tax revenue, a Cost of Living Adjustment increase was appropriately not adopted for calendar year 2010.

The increase in Early Care and Education personnel expenses is due to the addition of the Quality Improvement Initiative manager position which was not included in the 2009-10 original budget. The Support Strategies division shows salaries increase of approximately \$193,000 due to the 1.) addition of a Local Child Wellness Coordinator (LCWC) position that will oversee all local Project LAUNCH activities and is funded by the SAMHSA federal grant and 2.) addition of 1.5 positions in the SART program funded through a combination of program budget realignment and Alameda County PHD reimbursement.

Benefits are budgeted at 50% of salaries. The Commission approved an increase to the benefits ratio due to a projected significant increase in employer retirement costs during the approval of the original budget in May. Since then, the Alameda County Employees' Retirement Association (ACERA) adopted a 5-year smoothing, 60/140 corridor resulting in lower projected retirement benefits costs. However, budgetary savings from retirement benefits is offset by the significant increase of medical and dental insurance costs which are becoming more challenging every year with all public organizations.

In an effort to reduce First 5 Alameda's expenses, the elimination of the tools and technology benefit was approved in December 2009. The financial impact of this decision will not be evident until next fiscal year as we are still incurring costs related to the 2009 calendar year.

The remaining changes are explained below.

- Note B. The Family Support Services' expenditure budget shows a net decrease of \$371,001. Aside from minor salary adjustments, the changes include:
- A decrease of \$113,116 in funds allocated for lactation contracts and consultation, based on actual expenses. Some of these funds were reallocated to other expenses
  - The inclusion of \$125,000 emergency fund one-time support to Brighter Beginnings which is funded from the Sustainability fund
  - A decrease of \$266,014 as funding shifts to Support Strategies/Child Development Strategies for 4 Early Childhood Mental Health contracts as well as training and general expenses
  - A decrease of \$25,000 as funding shifts to Support Strategies/SART federal earmark for an ABCD expansion clinic consultant
  - A decrease of funds allocated for training expenses by \$69,215, based on projected actual expenses

- Note C. The Early Care and Education (ECE) budget changes are mainly in the Program Contracts/Grants/MOUs section and they include:
- A decrease of \$395,882 in contracts line item based on projected actual expenses. Some of these funds were reallocated to other budgetary line items as indicated by the second bullet below
  - A \$522,855 increase in the grants budget line item due primarily to an increase of \$76,000 allocation for the Child Development Corps stipends and the inclusion of \$462,255 in Higher Education grants administered by the East Bay Community Foundation
  - A decrease to the ECE training budget of \$77,800 based on actual projected expenses. Some of these funds were reallocated to fund the increase in the ECE grants line item above

- Note D. The Community Grants division shows a net decrease of \$30,222 in the Program Contracts/Grants/MOUs section due to the following changes:
- An increase of \$11,000 in the contracts line item to cover the costs of the Neighborhood Partnership lead consultant which was higher than anticipated
  - A decrease \$61,222 in the grants line item due to a \$31,000 extension payment to Emergency Shelter Program that was not made because of unspent funds that the grantee retained from a facilities grant and another \$30,222 decrease to adjust award costs for the 2009-11 cycle based on projected actual expenses
  - An increase of \$20,000 to cover the costs of the contract with Center for Digital Storytelling

- Note E. Support Strategies includes the following significant budget changes:
- The inclusion of the Alameda County BHCS contract which is funded by new revenue from SAMHSA Early Connections federal grant. The new expenses include \$152,500 in contracts, \$89,980 in training expenses and \$20,000 in computer and equipment expenses
  - The inclusion of emergency fund one-time support to the Regional Center of the East Bay for \$125,000 and to the Dental Health Foundation for \$50,000 which are funded from the Sustainability fund
  - An increase of \$266,014 as funding shifts from Family Support Services/Early Childhood Mental Health to Child Development Strategies for 4 Early Childhood Mental Health contracts as well as training and general expenses
  - The inclusion of the Alameda County PHD contract which is funded by new revenue from SAMSHA Project LAUNCH federal grant. Aside from the new LCWC position mentioned in the Personnel section, the new expenses include \$461,615 in contracts to expand Your Family Counts, Child Care Mental Health, Primary Care/Day Screening and Strengthening Families programs

- Note F. The Support Strategies Training Supplies line item increases \$24,300 to cover initial costs of cultural competency and social marketing supplies for the new Early Connections program. The increase in Support Strategies General Expenses Equipment Purchase is mainly for computer and equipment costs for Early Connections.

- Note G. The Evaluation & Technology's training expenses decrease by \$5,000 as a result of decreasing professional development expenses by 50%.

It is important to note that all divisions decrease their professional development budgets by 50% as part of First 5 Alameda's cost savings measures.

Note H. The Administration General Expenses Equipment Purchase line item is increased by \$10,000 to cover costs of office space reconfiguration and Space Rental is increased by \$27,500 to cover First 5 Alameda's pro rata share of increase in operating expenses beyond the base year per our lease agreement with the landlord.

**SUSTAINABILITY FUND**

Funds from the Sustainability Fund are projected to decrease to \$6,947,507, due to increases in revenue. The Long Range Financial Plan figures approved in June 2009 will be updated to reflect these changes.

**FISCAL IMPACT**

The fiscal impact of the budget modification is an increase of \$1,132,004 to revenue/available funds and expenses, bringing both to \$27,581,298.

**RECOMMENDATION**

To review and approve the Budget Modification recommendation

Submitted by:

Reviewed by:

\_\_\_\_\_  
Patricia Zapanta, Finance and  
Administration Director

\_\_\_\_\_  
Mark Friedman,  
Chief Executive Officer

**First 5 Alameda County  
Proposed Revenue and Available Funds  
Budget Modification  
For the Period July 1, 2009 - June 30, 2010**

Agenda Item 10

Revenues	Approved FY 2009-10	Proposed FY 2009-10	Variance
<b>Prop 10 Tobacco Tax</b>	14,222,218	14,000,000	(222,218)
<b>Income from Alameda Co. Agencies</b>	1,159,993	2,225,983	1,065,990
<b>Grants</b>			
Federal	626,000	597,554	28,446
State	1,634,354	2,179,686	545,332
Private	0	0	0
	2,260,354	2,777,240	516,886
<b>Fiscal Leveraging</b>			
MAA	350,000	350,000	0
Title IV-E	0	0	0
	350,000	350,000	0
<b>Investment Revenue</b>	1,125,000	1,125,000	0
<b>Other Sources</b>	0	120,568	120,568
<b>TOTAL</b>	<b>19,117,565</b>	<b>20,598,791</b>	<b>1,481,226</b>

Available Funds			
<b>Sustainability Fund</b>	7,331,729	6,947,507	(384,222)
<b>Carry Over Restricted Funds</b>			
Washington Mutual	0	35,000	35,000
Total Carry Over Restricted Funds	0	35,000	35,000
<b>Total Available Funds</b>	<b>7,331,729</b>	<b>6,982,507</b>	<b>(349,222)</b>

<b>TOTAL REVENUES &amp; AVAILABLE FUNDS</b>	<b>26,449,294</b>	<b>27,581,298</b>	<b>1,132,004</b>
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**First 5 Alameda County  
Proposed Expenditure Budget Modification**

	Family Support Services		Early Care & Education		Community Grants		Support Strategies		Evaluation & Technology		Administration		T o t a l		Variance
	Approved FY 2009-10	Proposed FY 2009-10	Approved FY 2009-10	Proposed FY 2009-10	Approved FY 2009-10	Proposed FY 2009-	Approved FY 2009-10	Proposed FY 2009-10	Approved FY 2009-	Proposed FY 2009-10	Approved FY 2009-10	Proposed FY 2009-10	Approved FY 2009-10	Proposed FY 2009-10	
<b>Personnel</b>															
Personnel	485,807	482,838	768,160	853,735	352,060	352,061	525,735	718,705	624,526	631,534	979,447	958,772	3,735,735	3,997,644	261,909
Service Delivery Personnel	1,149,221	1,162,877	0	0	0	0	0	0	0	0	0	0	1,149,221	1,162,877	13,656
Benefits	817,514	822,857	384,080	404,712	176,030	176,030	262,868	335,703	312,263	315,767	489,724	472,386	2,442,478	2,580,260	137,782
<b>Sub-total Personnel</b>	<b>2,452,542</b>	<b>2,468,572</b>	<b>1,152,240</b>	<b>1,258,447</b>	<b>528,090</b>	<b>528,091</b>	<b>788,603</b>	<b>1,054,408</b>	<b>936,789</b>	<b>947,300</b>	<b>1,469,171</b>	<b>1,431,157</b>	<b>7,327,434</b>	<b>7,687,975</b>	<b>360,541 A</b>
<b>Program Contracts/Grants/MOUs</b>															
Contracts	5,840,290	5,584,738	4,372,518	3,976,636	103,718	114,718	2,349,021	3,375,022	294,388	294,388	33,400	33,400	12,993,335	13,378,902	385,567
Grants	0	0	947,885	1,470,740	2,661,222	2,600,000	0	0	0	0	0	0	3,609,107	4,070,740	461,633
Professional Services Contracts	61,914	28,664	65,854	65,854	80,000	100,000	232,840	228,090	5,000	5,000	7,000	7,000	452,608	434,608	(18,000)
<b>Sub-total Program Contracts/ Grants/MOUs</b>	<b>5,902,204</b>	<b>5,613,402</b>	<b>5,386,257</b>	<b>5,513,230 C</b>	<b>2,844,940</b>	<b>2,814,718 D</b>	<b>2,581,861</b>	<b>3,603,112</b>	<b>299,388</b>	<b>299,388</b>	<b>40,400</b>	<b>40,400</b>	<b>17,055,050</b>	<b>17,884,250</b>	<b>829,200</b>
<b>Training Expenses</b>															
Copying/Printing	49,000	40,400	21,500	17,300	1,500	1,500	24,000	26,000	1,500	1,500	2,000	2,000	99,500	88,700	(10,800)
Equipment Rental	2,500	1,000	0	0	500	500	3,400	3,400	400	400	250	250	7,050	5,550	(1,500)
Food/Hospitality	29,000	17,500	21,650	8,150	7,000	7,000	47,500	72,250	1,500	1,500	8,500	8,500	115,150	114,900	(250)
Honoraria	13,500	7,500	8,000	4,000	1,000	1,000	46,000	43,480	500	500	0	0	69,000	56,480	(12,520)
Postage	7,250	2,850	5,150	6,550	1,000	1,000	3,630	4,030	2,900	2,900	3,300	3,300	23,230	20,630	(2,600)
Professional Services	30,000	43,500	0	0	500	500	61,000	53,500	1,500	1,500	11,000	11,000	104,000	110,000	6,000
Space Rental	2,000	1,000	1,500	3,700	1,000	1,000	2,250	2,250	0	0	1,000	1,000	7,750	8,950	1,200
Supplies	100,000	56,000	110,300	58,600	5,000	5,000	164,350	188,650 F	12,600	12,600	58,700	58,700	450,950	379,550	(71,400)
Travel	38,790	23,700	10,500	9,000	3,000	3,000	9,400	34,900	9,500	9,500	1,500	1,500	72,690	81,600	8,910
Staff Development/Training	21,550	12,775 G	13,000	6,500 G	4,500	2,000 G	8,000	4,000 G	9,000	4,500 G	12,000	6,000 G	68,050	35,775	(32,275)
<b>Sub-total Training Expenses</b>	<b>293,590</b>	<b>206,225</b>	<b>191,600</b>	<b>113,800</b>	<b>25,000</b>	<b>22,500</b>	<b>369,530</b>	<b>432,460</b>	<b>39,400</b>	<b>34,900</b>	<b>98,250</b>	<b>92,250</b>	<b>1,017,370</b>	<b>902,135</b>	<b>(115,235)</b>
<b>General Expenses</b>															
Communications	18,262	17,894	9,880	9,880	3,272	3,272	5,450	5,818	2,836	2,836	3,782	3,782	43,482	43,482	0
Copying/Printing	2,161	2,051	1,524	1,524	802	802	914	1,024	311	311	415	415	6,127	6,127	0
Equipment Leases/Rentals/Maint.	13,861	13,118	10,261	10,261	5,397	5,397	6,161	6,904	2,093	2,093	2,794	2,794	40,567	40,567	0
Equipment Purchase	8,647	8,187	6,351	6,351	3,340	3,340	3,814	24,274 F	1,296	1,296	1,728	11,728 H	25,176	55,176	30,000
Insurance	27,541	26,069	20,320	20,320	10,688	10,688	12,200	13,672	4,144	4,144	5,528	5,528	80,421	80,421	0
Membership and Dues	8,543	8,083	6,351	6,351	3,340	3,340	3,814	4,274	1,296	1,296	1,728	1,728	25,072	25,072	0
Postage	533	505	381	381	200	200	228	256	78	78	103	103	1,523	1,523	0
Professional Services	69,392	65,638	51,816	51,816	27,254	27,254	31,111	34,865	10,567	10,567	14,096	14,096	204,236	204,236	0
Space Rental	97,687	94,402	60,139	60,139	25,030	25,030	297,533	300,818	42,120	42,120	86,021	113,521 H	608,530	636,030	27,500
Travel	0	0	0	0	0	0	0	0	0	0	4,000	4,000	4,000	4,000	0
Depreciation	3,423	3,239	2,540	2,540	1,336	1,336	1,525	1,709	518	518	963	963	10,305	10,305	0
<b>Sub-total General Expenses</b>	<b>250,050</b>	<b>239,186</b>	<b>169,563</b>	<b>169,563</b>	<b>80,659</b>	<b>80,659</b>	<b>362,750</b>	<b>393,614</b>	<b>65,259</b>	<b>65,259</b>	<b>121,158</b>	<b>158,658</b>	<b>1,049,439</b>	<b>1,106,939</b>	<b>57,500</b>
<b>TOTAL</b>	<b>8,898,386</b>	<b>8,527,385 B</b>	<b>6,899,660</b>	<b>7,055,040</b>	<b>3,478,689</b>	<b>3,445,968</b>	<b>4,102,744</b>	<b>5,483,593 E</b>	<b>1,340,836</b>	<b>1,346,847</b>	<b>1,728,979</b>	<b>1,722,465</b>	<b>26,449,294</b>	<b>27,581,298</b>	<b>1,132,004</b>

Notes:

- A - Salaries were adjusted to reflect actual amounts and unfilled positions were projected at the top of range. Support Strategies division expenses increased due to the inclusion of a new position funded by a Federal grant and addition of 1.5 positions in the Children's Screening, Assessment, Referral and Treatment (SART) program
- B - A net decrease of expenses is due to funding shifts to Support Strategies/Child Development Strategies and SART federal earmark and decrease of training expenses based on projected actual expenses despite the inclusion of an emergency fund one-time support to a community partner
- C - The net increase of expenses in this section is a result of an increase in stipends allocation and inclusion of Higher Education grants being funded from decreases in contracts and professional services contracts expenses being budgeted based on projected actual expenses
- D - The net decrease in this category is a result of budget realignment based on projected actual expenses
- E - Support Strategies budget increased significantly due to the inclusion of expenses related to 2 Federal grants, funding shifts from Family Support Services Early Childhood Mental Health and emergency fund one-time support to 2 community partners
- F - The increases to these two line items are due to increased supplies & equipment costs, respectively for the Early Connections Federal grant
- G - All divisions decreased their Training Staff Development budgets by 50% as a result of agency wide cost savings measures
- H - Increases in Administration Equipment Purchase and Space Rental line items are due to office reconfiguration and pro rata share of increase in operating expenses beyond the base year, respectively



**To:** First 5 Alameda County Commission

**From:** Patricia Zapanta, Finance and Administration Director

**Date:** January 28, 2010

**Subject:** 2009-10 Financial Report (July 1, 2009 – December 31, 2009)

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#### REQUESTED ACTION

To review the Financial Report for the first six months of FY2009-10

#### BACKGROUND

The following is a narrative report of Revenue and Expenses for the period of July 1 – December 31, 2009. Spreadsheets with Revenue and Expense information are attached. If all expenses and revenue were equally received and spent throughout the year, the revenue and expenses would be at 50% of the budget projection.

#### Revenue

As of December 31, revenue was \$8,233,627, or 31.1% of the revenue projection, for the reasons outlined below. Being below the budget projection at this time of year is not unusual; last year the revenue at this point was at 29.2% of the budget.

- First, the receipt of the monthly tobacco tax allocation is two months in arrear. \$5,326,978 was received for the first four months of the year, representing 37.5% of the budget projection. The November allocation has not yet been received but the amount (\$589,729) has been posted on the First 5 California website. If the trend of the first five months of tobacco tax revenue continues, the tobacco tax allocation at year end will be \$14,200,097, which is lower than our current budget projection of \$14,222,218. We will adjust the tobacco tax revenue projection to align with the actual revenue and the adjustment will be reflected in the proposed Budget Modification.
- With regard to Income from Alameda County agencies, currently only \$1,159,993 is budgeted which consists of \$986,320 from Alameda County Child Care Planning Council for AB212 funding for professional development and stipends for school-age providers and \$173,673 from Alameda County Behavioral Health Care Services (BHCS)

for the Children's SART (Screening, Assessment, Referral and Treatment) Pathways system. However, we have received confirmation from both BHCS and Alameda County Public Health Department (PHD) regarding the approval of 2 Substance Abuse Mental Health Administration (SAMSHA) federal grants. Changes to the revenue budget are included in the 2009-10 Budget Modification documents.

- As of December 31, there are no revenues to report for the 2 federal earmarks that we have budgeted for. The Federal Grants budget consists of a \$476,000 appropriation for the SART program and a \$150,000 earmark for the Early Care and Education division. Revenues were reported in 2008-09 and the budget will be adjusted to reflect actual reimbursable amounts for federal grants.
- For State Grants, we received payments from First 5 California for the School Readiness grant, in the amount of \$1,831,663, the last payment for the CARES program in the amount of \$232,360 and a \$15,663 reimbursement for Health Care for All program. The budget for State Grants will be updated to include these changes.
- There is a timing issue with regards to Fiscal Leveraging revenues. The revenue for Medi-Cal Administrative Activities (MAA) reported as of December 31 reflects income for FY 2008-09 which was not received at the time of fiscal closing. The \$350,000 budget is for 2009-10. We will prepare invoices for MAA in February 2010. It is quite challenging to project the timing of the MAA revenues which mainly depends on the situation at the State Department of Health Care Services which administers the MAA program for the State of California.
- Investment revenue is \$362,853 or 32.3% of the budget projection. This projection tends to run behind all year due to the reversal of the year-end accrual, and then will catch up at year-end.
- Other Sources of revenue reported for \$33,972 is revenue from First 5 Contra Costa for reimbursement of Hospital Outreach Coordinator expenses. There is no budget indicated for this line item due to pending contract negotiations at the time of the original budget approval. This budget change will be included in the Budget Modification.
- Sustainability funds are used at year-end to close the gap between revenue and expenses and are from the First 5 Alameda County Sustainability Fund reserve. The amount authorized by the Commission for use in 2009-10 is \$7,331,729.

## Expenses

Total Expenses are \$9,482,053, which is 35.85% of the budget amount of \$26,449,293. This amount is consistent with spending patterns from prior years; at this point last year Expenses were \$9,658,306 on a total budget of \$26,395,320, or 36.59% spent.

In most line items, the percentage spent is under 50%. Those that are not are explained below.

- Grant funds are 69.15% spent, primarily due to the payment schedules of the 2007-09 and 2009-11 grant cycles of the Community Grants Initiative.

It is important to note that General Expenses that are allocated to all programs are posted throughout the year to the Administration budget (which then appears to be going “over budget”.) However, costs are allocated across programs at year-end.

- General Expenses, Membership and Dues are 53.05% spent primarily due to the payment of the annual First 5 Association dues (\$12,911).
- General Expenses, Professional Services are 53.40% spent due to the Strategic Planning consultation final payment and fees associated with the preparation of the annual audit.

**SUMMARY**

The Revenue and Expenses are appropriate for this time in the fiscal year.

**FISCAL IMPACT**

The Revenue and Expenses are appropriate for this time of year; there is no additional fiscal impact.

**REQUESTED ACTION**

To review the Financial Report for the first six months of FY2009-10

Submitted by:

Reviewed by:

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Patricia Zapanta, Finance and  
Administration Director

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Mark Friedman, Chief Executive Officer

**First 5 Alameda County  
Revenue and Available Funds  
For the Period July 1 - December 31, 2009**

Revenues	Budget	Actual	Variance	Percentage Received
<b>Prop 10 Tobacco Tax</b>	14,222,218	5,326,978	(8,895,240)	37.5% <b>A</b>
<b>Income from Alameda Co. Agencies</b>	1,159,993	36,422	(1,123,572)	3.1% <b>B</b>
<b>Grants</b>				
Federal	626,000	0	(626,000)	0.0% <b>C</b>
State	1,634,354	2,079,686	445,332	127.2% <b>D</b>
	2,260,354	2,079,686	(180,668)	92.0%
<b>Fiscal Leveraging</b>				
Medi-Cal Administrative Activities (MAA)	350,000	384,491	34,491	109.9% <b>E</b>
Title IV-E Child Welfare Education	0	0	0	0.0%
	350,000	384,491	34,491	109.9%
<b>Investment Revenue</b>	1,125,000	362,853	(762,147)	32.3%
<b>Other Sources</b>	0	33,972	33,972	-100.0% <b>F</b>
<b>Miscellaneous Income</b>	0	9,224	9,224	-100.0%
<b>Total Revenues</b>	<b>19,117,565</b>	<b>8,233,627</b>	<b>(10,883,938)</b>	<b>43.1%</b>

Available Funds				
<b>Sustainability Fund</b>	7,331,729	0	(7,331,729)	0.0%
<b>Carry Over Restricted Funds</b>				
Washington Mutual	0	0	0	0.0%
Total Carry Over Restricted Funds	0	0	0	0.0%
<b>Total Available Funds</b>	<b>7,331,729</b>	<b>0</b>	<b>(7,331,729)</b>	<b>0.0%</b>

<b>TOTAL REVENUES &amp; AVAILABLE FUNDS</b>	<b>26,449,294</b>	<b>8,233,627</b>	<b>(18,215,667)</b>	<b>31.1%</b>
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**Notes:**

- A - Tobacco tax revenues received include allocations up to October 2009.  
Tobacco tax revenues from the State are 2 months in arrears.
- B - A major portion of the budget is for AB212 funds from Alameda Co. General Services Agency Childcare Planning Council. This revenue is typically received at the end of the fiscal year.
- C - The budget includes federal earmarks for SART and ECE higher education. There are no revenues to report as of 12/31/09.
- D - Actual revenues consist of receipts from State First 5 for School Readiness, CARES and Health Care for All (please refer to details in the narrative).
- E - MAA revenues are reimbursements for invoices submitted in FY 2008-09.
- F - Indicates revenue from First 5 Contra Costa for Hospital Outreach Coordinator services

**First 5 Alameda County  
Budget vs. Actual Expenditures  
July 1 - December 31, 2009**

	Family Support Services		Early Care & Education		Community Grants		Support Strategies		Evaluation & Technology		Administration		T o t a l		Variance	Percentage Spent
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual		
<b>Personnel</b>																
Personnel	310,655	157,210	768,160	328,379	352,060	165,685	525,735	256,177	624,526	283,632	979,447	390,796	3,560,584	1,581,879	1,978,705	44.43%
Service Delivery Personnel	1,324,373	559,117							0	0	0	0	1,324,373	559,117	765,256	42.22%
Benefits	817,514	335,364	384,080	149,295	176,030	56,623	262,868	83,230	312,263	120,535	489,723	156,836	2,442,478	901,882	1,540,596	36.92%
<b>Sub-total Personnel</b>	<b>2,452,542</b>	<b>1,051,691</b>	<b>1,152,241</b>	<b>477,674</b>	<b>528,091</b>	<b>222,308</b>	<b>788,603</b>	<b>339,407</b>	<b>936,789</b>	<b>404,167</b>	<b>1,469,170</b>	<b>547,631</b>	<b>7,327,435</b>	<b>3,042,878</b>	<b>4,284,557</b>	<b>41.53%</b>
<b>Program Contracts/Grants/MOUs</b>																
Contracts	5,840,290	1,655,621	4,372,518	799,959	103,718	59,751	2,349,021	427,129	294,388	66,934	33,400	20,739	12,993,335	3,030,132	9,963,203	23.32%
Grants		185	947,885	791,401	2,661,222	1,840,292		0	0	0	0	0	3,609,107	2,631,877	977,229	72.92%
Professional Services Contracts	61,914	(2,625)	65,854	0	80,000	37,939	232,840	11,020	5,000	0	7,000	0	452,608	46,334	406,274	10.24%
<b>Sub-total Program Contracts/ Grants/MOUs</b>	<b>5,902,204</b>	<b>1,653,181</b>	<b>5,386,257</b>	<b>1,591,360</b>	<b>2,844,940</b>	<b>1,937,981</b>	<b>2,581,861</b>	<b>438,149</b>	<b>299,388</b>	<b>66,934</b>	<b>40,400</b>	<b>20,739</b>	<b>17,055,049</b>	<b>5,708,343</b>	<b>11,346,707</b>	<b>33.47%</b>
<b>Training Expenses</b>																
Copying/Printing	49,000	17,857	21,500	0	1,500	185	24,000	5,456	1,500	0	2,000	0	99,500	23,497	76,003	23.62%
Equipment Rental	2,500	0	0	0	500	0	3,400	276	400	0	250	0	7,050	276	6,774	3.92%
Food/Hospitality	29,000	9,540	21,650	2,701	7,000	3,388	47,500	7,064	1,500	414	8,500	1,930	115,150	25,037	90,113	21.74%
Honoraria	13,500	750	8,000	900	1,000	0	46,000	15,713	500	0	0	0	69,000	17,363	51,638	25.16%
Postage	7,250	554	5,150	2,001	1,000	814	3,630	267	2,900	265	3,300	380	23,230	4,280	18,950	18.43%
Professional Services	30,000	0	0	0	500	800	61,000	6,753	1,500	0	11,000	3,960	104,000	11,513	92,487	11.07%
Space Rental	2,000	(200)	1,500	0	1,000	0	2,250	416	0	0	1,000	148	7,750	364	7,386	4.70%
Supplies	100,000	14,878	110,300	20,068	5,000	1,475	164,350	41,366	12,600	6,038	58,700	20,306	450,950	104,131	346,819	23.09%
Travel	38,790	8,860	10,500	3,198	3,000	0	9,400	558	9,500	100	1,500	270	72,690	12,986	59,704	17.86%
Staff Development/Training	21,550	4,381	13,000	2,308	4,500	0	8,000	295	9,000	650	12,000	2,058	68,050	9,692	58,358	14.24%
<b>Sub-total Training Expenses</b>	<b>293,590</b>	<b>56,620</b>	<b>191,600</b>	<b>31,176</b>	<b>25,000</b>	<b>6,662</b>	<b>369,530</b>	<b>78,163</b>	<b>39,400</b>	<b>7,466</b>	<b>98,250</b>	<b>29,053</b>	<b>1,017,370</b>	<b>209,140</b>	<b>808,230</b>	<b>20.56%</b>
<b>General Expenses</b>																
Communications	18,262	4,731	9,880	1,150	3,272	187	5,450	1,405	2,836	466	3,782	9,144	43,482	17,084	26,398	39.29%
Copying/Printing	2,161	0	1,524	0	802	0	914	0	311	0	415	0	6,127	0	6,127	0.00%
Equipment Leases/Rentals/Maint.	13,861	11	10,261	0	5,397	0	6,161	0	2,093	0	2,794	20,375	40,567	20,386	20,181	50.25%
Equipment Purchase	8,647	0	6,351	0	3,340	0	3,814	0	1,296	0	1,728	1,926	25,176	1,926	23,250	7.65%
Insurance	27,541	0	20,320	0	10,688	0	12,200	0	4,144	0	5,528	38,129	80,421	38,129	42,292	47.41%
Membership and Dues	8,543	0	6,351	30	3,340	0	3,814	0	1,296	0	1,728	13,271	25,072	13,301	11,771	53.05%
Postage	533	7	381	0	200	0	228	28	78	6	103	107	1,523	147	1,376	9.67%
Professional Services	69,392	681	51,816	0	27,254	1,704	31,111	0	10,567	0	14,096	82,523	204,236	84,908	119,328	41.57%
Space Rental	97,687	54,119	60,139	32,631	25,030	13,581	297,533	160,907	42,120	23,136	86,021	46,083	608,530	330,457	278,072	54.30%
Travel	0	0	0	0	0	0	0	0	0	0	4,000	0	4,000	0	4,000	0.00%
Depreciation	3,423	0	2,540	0	1,336	0	1,525	0	518	0	963	0	10,305	0	10,305	0.00%
Short term gain or loss	0	0	0	0	0	0	0	0	0	0	0	15,354	0	15,354	(15,354)	-100.00%
<b>Sub-total General Expenses</b>	<b>250,050</b>	<b>59,550</b>	<b>169,563</b>	<b>33,812</b>	<b>80,659</b>	<b>15,472</b>	<b>362,750</b>	<b>162,339</b>	<b>65,259</b>	<b>23,609</b>	<b>121,158</b>	<b>226,911</b>	<b>1,049,439</b>	<b>521,692</b>	<b>527,746</b>	<b>49.71%</b>
<b>TOTAL</b>	<b>8,898,386</b>	<b>2,821,041</b>	<b>6,899,660</b>	<b>2,134,022</b>	<b>3,478,690</b>	<b>2,182,423</b>	<b>4,102,744</b>	<b>1,018,058</b>	<b>1,340,835</b>	<b>502,175</b>	<b>1,728,978</b>	<b>824,334</b>	<b>26,449,293</b>	<b>9,482,053</b>	<b>16,967,239</b>	<b>35.85%</b>



**To:** First 5 Alameda County Commission  
**From:** Patricia Zapanta, Finance and Administration Director  
**Date:** January 28, 2010  
**Subject:** 2009-10 Investment Report (July 1, 2009 – December 31, 2009)

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#### REQUESTED ACTION

To review the Investment report for the first six months of FY 2009-10

#### BACKGROUND OF ACTIVITIES

In 2005-06, First 5 Alameda County transferred \$34,000,000 from the Sustainability Fund held by the Alameda County Treasurer's investment pool to outside money managers. This report is a summary of the activity and status of the investment portfolio as of December 31, 2009.

#### PORTFOLIO HIGHLIGHTS

The Investment Report shows the performance of funds that are invested in the Alameda County pool and with two money managers, MBIA Asset Management and Chandler Asset Management. At 2008-09 year end, the market value of the funds with MBIA and Chandler was \$ 40,283,900. At the end of the second quarter of 2009-10, the market value of the portfolio was \$40,927,147, an increase of \$643,247.

As the year came to an end, the strength of the economic recovery is still being debated. Going forward, interest rates are likely to remain volatile as market participants debate the strength of the economic recovery. The Federal Reserve continues to maintain its federal funds target range between zero and 0.25%. This uniquely challenging economic environment may affect the future performance of the portfolio. It is important to be aware of the possible economic risks and to be willing and able to react quickly if unexpected events occur.

## **INVESTMENT REPORT**

### **Investment Income**

The first section reports on Investment Income, which is primarily determined by the interest or yield payments. For each asset, the payments are received every six months. Our money managers are purchasing assets that generate the highest possible yield, based on our Investment Policy.

The report represents six months (July 1, 2008 – December 31, 2009) of the money managers' investment earnings (\$784,005) and one quarter of the Alameda County Treasurer's Office earnings (\$16,750).

The reversal of the accrual occurs each year. These are funds received in the first quarter that were actually earned, and thus credited, to the prior quarter. They were recognized as revenue in 2008-09 (\$437,901) so must be deducted from the funds recognized for the first quarter. This makes the report look very low in this period, but this is a typical occurrence. It is important to note that the 2009-10 earnings will include much of the first quarter's earnings for 2010-11.

The total Investment income after the reversal of the accrual was \$362,853.

### **Investment Fees**

Fees include two quarters' worth of fees of the money managers (MBIA and Chandler) and the fees of the account custodian (Union Bank of California). The total fees paid during this period were \$25,513.

### **Investment Activity**

The Investment Activity shows all transactions affecting our portfolio. When a money manager purchases assets, it increases the value of the portfolio. When a money manager sells an asset, it decreases the total portfolio value and increases or decreases investment earnings depending on the value of the asset at the time of the sale.

### **Market Value and Unrealized Gains and Losses**

This section reports on Market Value. It shows the value of the portfolio at the beginning of the period, and the value of the portfolio at the end of the period. It is a snapshot of portfolio value, if the portfolio was liquidated. Since the portfolio is not being liquidated, this section is of limited value. However, showing unrealized gains and losses on investment reports is a legal requirement for government agencies.

### **Yield Benchmarks**

The Yield section shows the Yield of the investment earnings, and compares those amounts to several benchmarks. In addition, the Yield helps to evaluate the money manager

performance compared to each other. MBIA and Chandler's yields (3.130% and 3.670%, respectively) have exceeded the LAIF benchmark (.608%).

Only the Alameda County Treasury Investment Pool is net of fees.

**FISCAL IMPACT**

The total investment earnings at the end of the 2<sup>nd</sup> quarter are \$362,853.

**REQUESTED ACTION**

To review the Investment report for the first six months of FY 2009-10

Submitted by:

Reviewed by:

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Patricia Zapanta, Director  
Finance & Administration

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Mark Friedman,  
Chief Executive Officer

**First 5 Alameda County  
Investment Report  
For the Period July 1 - December 31, 2009**

	<u>Union Bank</u>	<u>MBIA Municipal Investors</u>	<u>Chandler Asset Management</u>	<u>Total</u>
<b>INVESTMENT INCOME:</b>				
Interest Received	0	453,724	330,280	784,005
Income from Alameda County Treasurer				16,750
Reversal of 2008-09 Accrual				(437,901)
Total Investment Earnings				<u>362,853</u>
Investment Fees Paid	(3,006)	(12,045)	(10,462)	(25,513)
Net Investment Income (Net of Fees)				<u>337,340</u>
<b>INVESTMENT ACTIVITY:</b>				
Portfolios at 7/01/09		22,779,375	16,815,211	39,594,586
Purchases		7,785,492	2,291,691	10,077,183
Sales		0	(848,252)	(848,252)
Maturities		(2,999,473)	(1,067,549)	(4,067,022)
Full Call		(3,520,805)	0	(3,520,805)
Principal Pay Down		0	(17,369)	(17,369)
Gain (Loss) on Disposal		(20,278)	1,865	(18,413)
Net Cash Management		(813,239)	(39,959)	(853,196)
Portfolios at 12/31/09		<u>23,211,071</u>	<u>17,135,639</u>	<u>40,346,711</u>
<b>COST VS. MARKET VALUE:</b>				
Portfolios at Market 12/31/09		23,533,518	17,393,629	40,927,147
Portfolios at Cost 12/31/09		23,211,071	17,135,639	40,346,711
Unrealized Gain (Loss) at 12/31/09		<u>322,447</u>	<u>257,990</u>	<u>580,437</u>
<b>YIELD AND BENCHMARKS:</b>				
MBIA Municipal Investors (current yield)				3.310%
Chandler Asset Management ( current yield)				3.670%
Local Agency Investment Fund (LAIF)				0.608%
1-5 Government Index (total rate of return)				3.260%
Alameda County Treasurer (net of fees) as of 9/30/09				1.030%

**First 5 Alameda County  
Investment Holdings  
As of December 31, 2009**

<u>Holder</u>	<u>Asset Name</u>	<u>Shares / Units</u>	<u>Cost Basis</u>	<u>Market Value</u>	<u>Asset Type</u>	<u>S&amp;P Rating</u>	<u>Moody's Rating</u>
CHANDLER	BERKSHIRE HATHAWAY 5.000% 8/15/13	110,000.0000	\$117,065.85	\$118,283.00	Corporate Obligations	AAA	AA2
CHANDLER	BK OF AMERICA BDS 3.125% 6/15/12	335,000.0000	\$347,518.95	\$347,127.00	Corporate Obligations	AAA	AAA
MBIA	BOFA CORP NTS 7.400% 1/15/11	300,000.0000	\$321,864.00	\$317,556.00	Corporate Obligations	A-	A3
CHANDLER	CHEVRON CORP NTS 3.950% 3/03/14	35,000.0000	\$36,425.90	\$36,540.70	Corporate Obligations	AA	AA1
MBIA	FFCB BDS 1.625% 3/23/12	1,000,000.0000	\$1,000,000.00	\$998,130.00	Government Obligations		
MBIA	FFCB BDS 2.250% 1/12/12	1,000,000.0000	\$1,002,500.00	\$1,000,310.00	Government Obligations	AAA	AAA
CHANDLER	FFCB BDS 3.000% 9/22/14	240,000.0000	\$247,451.20	\$240,751.20	Government Obligations		
MBIA	FFCB BDS 3.150% 5/19/11	1,000,000.0000	\$1,035,960.00	\$1,030,940.00	Government Obligations	AAA	AAA
CHANDLER	FFCB BDS 4.500% 10/17/12	150,000.0000	\$154,407.00	\$160,734.00	Government Obligations	AAA	AAA
CHANDLER	FFCB BDS 4.875% 2/18/11	300,000.0000	\$320,016.90	\$313,968.00	Government Obligations	AAA	AAA
MBIA	FFCB BDS 4.875% 4/04/12	1,000,000.0000	\$1,027,780.00	\$1,075,000.00	Government Obligations	AAA	AAA
MBIA	FFCB BDS 5.000% 8/16/10	1,000,000.0000	\$1,033,580.00	\$1,027,500.00	Government Obligations	AAA	AAA
CHANDLER	FFCB BDS 5.375% 7/18/11	450,000.0000	\$488,335.95	\$479,812.50	Government Obligations	AAA	AAA
MBIA	FFCB GLBL BDS 2.000% 1/17/12	1,000,000.0000	\$1,003,310.00	\$1,013,440.00	Government Obligations	AAA	AAA
CHANDLER	FHLB 3.875% 6/14/13	250,000.0000	\$247,290.00	\$264,375.00	Government Obligations	AAA	AAA
MBIA	FHLB BDS 1.125% 6/03/11	1,000,000.0000	\$992,656.20	\$1,003,130.00	Government Obligations	AAA	AAA
MBIA	FHLB BDS 2.000% 7/27/12	1,000,000.0000	\$1,000,000.00	\$1,001,880.00	Government Obligations		
MBIA	FHLB BDS 3.250% 3/11/11	2,000,000.0000	\$2,001,040.00	\$2,059,380.00	Government Obligations	AAA	AAA
CHANDLER	FHLB BDS 3.625% 5/29/13	350,000.0000	\$342,595.40	\$367,062.50	Government Obligations	AAA	AAA
CHANDLER	FHLB BDS 3.625% 10/18/13	175,000.0000	\$184,985.33	\$183,312.50	Government Obligations	AAA	AAA
MBIA	FHLB BDS 3.875% 1/15/10	1,500,000.0000	\$1,513,860.00	\$1,501,875.00	Government Obligations	AAA	AAA
CHANDLER	FHLB BDS 4.625% 2/18/11	500,000.0000	\$531,331.00	\$522,030.00	Government Obligations	AAA	AAA
CHANDLER	FHLB BDS 4.875% 11/18/11	325,000.0000	\$350,857.65	\$347,142.25	Government Obligations	AAA	AAA
MBIA	FHLB BDS S/U 1.000% 10/28/11	1,000,000.0000	\$999,250.00	\$998,440.00	Government Obligations		
MBIA	FHLB BDS S/U 1.500% 8/24/12	500,000.0000	\$500,000.00	\$501,720.00	Government Obligations		
CHANDLER	FHLMC 4.500% 7/15/13	675,000.0000	\$711,770.50	\$728,581.50	Government Obligations	AAA	AAA
MBIA	FHLMC NTS 2.000% 9/25/12	500,000.0000	\$499,950.00	\$500,495.00	Government Obligations	AAA	AAA
CHANDLER	FHLMC NTS 2.500% 1/07/14	600,000.0000	\$593,947.20	\$600,678.00	Government Obligations	AAA	AAA
CHANDLER	FHLMC NTS 3.000% 7/28/14	300,000.0000	\$303,872.70	\$304,032.00	Government Obligations	AAA	AAA
CHANDLER	FHLMC NTS 3.250% 2/25/11	150,000.0000	\$151,762.50	\$154,125.00	Government Obligations	AAA	AAA
MBIA	FHLMC NTS 4.375% 3/01/10	1,000,000.0000	\$1,011,030.00	\$1,006,490.00	Government Obligations	AAA	AAA
CHANDLER	FHLMC NTS 4.500% 1/15/13	395,000.0000	\$402,816.49	\$424,253.70	Government Obligations	AAA	AAA
CHANDLER	FHLMC NTS 4.750% 3/05/12	275,000.0000	\$298,979.45	\$294,937.50	Government Obligations	AAA	AAA
CHANDLER	FHLMC NTS 5.125% 4/18/11	200,000.0000	\$210,335.20	\$211,062.00	Government Obligations	AAA	AAA
MBIA	FHLMC NTS S/U 2.000% 4/01/14	1,000,000.0000	\$990,000.00	\$1,003,860.00	Government Obligations	AAA	AAA
CHANDLER	FNMA NOTES 3.875% 7/12/13	425,000.0000	\$427,212.95	\$451,830.25	Government Obligations	AAA	AAA
CHANDLER	FNMA NTS 2.500% 5/15/14	450,000.0000	\$442,457.55	\$449,158.50	Government Obligations	AAA	AAA
CHANDLER	FNMA NTS 2.875% 12/11/13	650,000.0000	\$654,949.75	\$663,000.00	Government Obligations	AAA	AAA
CHANDLER	FNMA NTS 3.625% 2/12/13	150,000.0000	\$148,160.85	\$157,312.50	Government Obligations	AAA	AAA
CHANDLER	FNMA NTS 3.625% 8/15/11	400,000.0000	\$419,114.80	\$416,752.00	Government Obligations	AAA	AAA
CHANDLER	FNMA NTS 5.000% 2/16/12	150,000.0000	\$163,994.25	\$161,437.50	Government Obligations	AAA	AAA
CHANDLER	FNMA NTS 6.000% 5/15/11	235,000.0000	\$241,803.25	\$251,598.05	Government Obligations	AAA	AAA
MBIA	FNMA NTS 6.000% 5/15/11	850,000.0000	\$895,636.50	\$910,035.50	Government Obligations	AAA	AAA
MBIA	G E CAP CORP MTN 5.250% 10/19/12	1,000,000.0000	\$1,029,100.00	\$1,064,220.00	Corporate Obligations	AA+	AA2

**First 5 Alameda County  
Investment Holdings  
As of December 31, 2009**

<u>Holder</u>	<u>Asset Name</u>	<u>Shares / Units</u>	<u>Cost Basis</u>	<u>Market Value</u>	<u>Asset Type</u>	<u>S&amp;P Rating</u>	<u>Moody's Rating</u>
CHANDLER	GECC FDIC TLGP 2.125% 12/21/12	520,000.0000	\$520,494.00	\$520,483.60	Corporate Obligations	AAA	AAA
CHANDLER	GECC NTS 5.900% 5/13/14	240,000.0000	\$254,571.10	\$259,456.80	Corporate Obligations	AA+	AA2
CHANDLER	GENL DYNAMICS CORP 4.500% 8/15/10	160,000.0000	\$163,561.60	\$164,129.60	Corporate Obligations	A	A2
CHANDLER	GNR 2004-61-VA 5.000% 5/16/10	13,315.5200	\$13,157.39	\$13,403.14	Government Obligations	N/A	N/A
MBIA	GOLDMAN SACHS 6.875% 1/15/11	120,000.0000	\$125,967.60	\$127,251.60	Corporate Obligations	A	A1
CHANDLER	GOLDMAN SACHS GR BDS 3.250% 6/15/12	490,000.0000	\$498,407.98	\$509,075.70	Corporate Obligations	AAA	AAA
CHANDLER	GOLDMAN SACHS GR NTS 6.000% 5/01/14	165,000.0000	\$181,843.20	\$180,472.05	Corporate Obligations	A	A1
CHANDLER	HIGHMARK 100% US TREASURY MONEY MKT	515,859.3500	\$515,859.35	\$515,859.35	Cash & Cash Equivalents		
MBIA	HIGHMARK 100% US TREASURY MONEY MKT	298,934.8100	\$298,934.81	\$298,934.81	Cash & Cash Equivalents		
MBIA	HOUSEHOLD FIN NT 6.375% 10/15/11	175,000.0000	\$182,155.75	\$186,116.00	Corporate Obligations	A	A3
CHANDLER	JPMORGAN CHASE & CO 2.125% 12/26/12	515,000.0000	\$507,922.36	\$517,271.15	Corporate Obligations	AAA	AAA
CHANDLER	JPMORGAN CHASE & CO 4.750% 5/01/13	170,000.0000	\$171,691.50	\$179,438.40	Corporate Obligations	A+	AA3
MBIA	NATL CTY BK KEN NTS 6.300% 2/15/11	125,000.0000	\$128,517.50	\$129,167.50	Corporate Obligations	A	A2
CHANDLER	PHILLIPS PETE 8.750% 5/25/10	145,000.0000	\$159,990.10	\$149,831.40	Corporate Obligations	A	A1
CHANDLER	PNC FDG CORP NTS 2.300% 6/22/12	515,000.0000	\$523,018.55	\$523,703.50	Corporate Obligations	AAA	AAA
CHANDLER	TENN VY AUTH SER A 6.790% 5/23/12	640,000.0000	\$700,943.70	\$716,998.40	Government Obligations	AAA	AAA
CHANDLER	TOYOTA MTR CR CORP 5.450% 5/18/11	160,000.0000	\$167,360.00	\$168,846.40	Corporate Obligations	AA	AA1
CHANDLER	TVA SER C 4.750% 8/01/13	600,000.0000	\$638,422.85	\$645,708.00	Government Obligations	AAA	AAA
CHANDLER	U S TREAS NTS 3.375% 11/30/12	450,000.0000	\$451,371.09	\$472,639.50	Government Obligations	AAA	AAA
CHANDLER	U S TREAS NTS 3.500% 2/15/10	450,000.0000	\$453,128.91	\$451,723.50	Government Obligations	AAA	AAA
CHANDLER	U S TREAS NTS 4.750% 3/31/11	200,000.0000	\$197,492.19	\$209,812.00	Government Obligations	AAA	AAA
MBIA	U S TREAS NTS 4.750% 3/31/11	1,370,000.0000	\$1,358,147.67	\$1,437,212.20	Government Obligations	AAA	AAA
CHANDLER	US BANCORP MTN 2.250% 3/13/12	510,000.0000	\$516,846.75	\$518,486.40	Corporate Obligations	AAA	AAA
MBIA	US TREAS NTS 1.000% 7/31/11	750,000.0000	\$746,894.53	\$751,140.00	Government Obligations	AAA	AAA
CHANDLER	US TREAS NTS 4.375% 12/15/10	300,000.0000	\$310,417.97	\$310,980.00	Government Obligations	AAA	AAA
CHANDLER	US TREAS NTS 4.500% 4/30/12	300,000.0000	\$298,804.69	\$321,633.00	Government Obligations	AAA	AAA
MBIA	US TREAS NTS 4.500% 11/15/10	925,000.0000	\$931,250.97	\$957,190.00	Government Obligations	AAA	AAA
CHANDLER	US TREAS NTS 4.750% 5/31/12	400,000.0000	\$395,937.51	\$431,968.00	Government Obligations	AAA	AAA
MBIA	US TREAS NTS 4.875% 7/31/11	550,000.0000	\$556,412.10	\$584,094.50	Government Obligations	AAA	AAA
MBIA	US TREAS NTS 5.000% 2/15/11	1,000,000.0000	\$1,025,273.44	\$1,048,010.00	Government Obligations	AAA	AAA
CHANDLER	WACHOVIA CORP BDS 5.500% 5/01/13	175,000.0000	\$183,659.00	\$185,907.75	Corporate Obligations	AA-	A1
CHANDLER	WAL-MART STORES 4.125% 7/01/10	250,000.0000	\$252,412.50	\$254,915.00	Corporate Obligations	AA	AA2
CHANDLER	WELLS FARGO & CO 2.125% 6/15/12	515,000.0000	\$518,866.62	\$520,989.45	Corporate Obligations	AAA	AAA