



AGENDA ITEM:

Financial Report/Update (discussion and possible action)

1. FY10 Year End Budget Report
 - Regional Carry Forward
 - Program Account Expenditure Shift
2. FY11 Budget Update
3. Sustainability Models
 - Fiscal Policy and Philosophy Discussion
4. FY12 Budget Setting
 - Use of Organizational Fund Balance
 - Administrative Account
 - Statewide Programs
 - Regional Allocation
 - Discretionary Allocation

FTF CONTACT:

Josh Allen
602 771 5099
jallen@azftf.gov

BACKGROUND:

At its June 2010 meeting the Board reviewed and approved a series of budget adjustments leading FTF into closing the Fiscal Year. At that meeting the Board expressed its desire to have a special work session on budgets to enable greater linkage between immediate needs and long term direction.

In addition to this request from the Board, FTF is also required by Statute to adopt a budget for the next fiscal year by November 1st. Under this process the Board is required to process and review both the previous and current fiscal year's financial activities.

Considering the relative timing of both of these items, it was determined a joint session at the September 2010 meeting would provide excellent opportunity for the Board to go through the "agenda" outlined above and meet both its fiduciary desires and responsibilities.

The materials represent a significant change in the format in which financial data is presented to the Board. It is anticipated that many of the materials presented here will become standard periodic reports to the Board. In future months additional documents containing and/or relating to FTF's finances will be updated and enhanced in an effort to continue the support of the Board's fiduciary responsibility (as well as the Regional Partnership Council's role in delivery and implementation).

Fiscal 2010 Year End Budget Report

FY10 YEAR END BUDGET REPORT:

All Fund Report

The pages in this section are intended to provide the Board a holistic view of FTF's finances across all fund sources and revenue/expenditure accounts.

The section is organized as follows: The first page provides a summary of how Tobacco and Interest Income are being used. The second page provides the same view for how Restricted Funds (gifts, grants, and other contracts) are being used.

The FY10 All Funds Report also includes information on current year collections, enabling the Board to not only see a fiscal year accrued accounting position but also a cash position. FTF ended FY10 with a Fund Balance of \$413.6 million, but a cash position of \$428.2 million when the FY10 tobacco and interest receipts collected in FY10 and budget for expense in FY11 are included in that total.

The Year End All Funds Report is designed such that the final budget approved by the Board is compared against the actual year end position. Because each account is detailed, the Board sees detail related to the Administrative Cost Account and Program Accounts supported by tobacco and interest income.

This detail provides the board several required pieces of information:

1. Collection amounts from last fiscal year and how they were distributed between Admin and Program accounts.
2. Collection amounts in the current year compared to the targeted amount – for tobacco and interest income to be used in the previous year as well as other income used in the current fiscal year.
3. Actual Expenditures by Admin and Program areas, along with resulting fund balances for the Administrative Cost Account and Regional Program Account.
4. The amount of Program Account expenditures required to be moved to the Administrative Cost Account to ensure compliance with statutory requirements related to program spending.
 - a. At the June 2010 meeting the Board authorized the necessary move and was provided a \$5.5 million estimate dependent on final FY10 invoices.
 - b. The actual shift is \$351.5 thousand.
5. The agency wide all funds summary also provides reporting about cash on hand.

FY10 Statewide Programs and Regional Expenditures and Carry Forward Balances

The next budget document provides the board with a detailed view of how funds were expended against the various allocations it made to Statewide Programs and Regional Councils. The totals from this report tie out the figures presented in the All Funds Report. In reviewing this report for FY10 it needs to be kept in mind that FY10 Regional allocations were allowed to be "pre-spent" in FY09 which is why FY09 regional expenditure data must be added to the FY10 data in order to provide a true and accurate picture of the ending position.

This is not an issue for statewide because statutory language does not allow for unspent funds from the previous year to be added to the next year's allocation.

The chart immediately following (a stacked bar chart) is simply a visual representation of the regional data contained in the immediately preceding budget document. The combined height of all three bar sections represents the total regional allocation, and each section of that bar represents what occurred with that portion of the allocation.

Actual Expenditures by Goal Area

The next two pages provide an additional layer of context and meaning to the expenditure numbers already shown. Here, expenses (particularly program expenses) are placed in the context of the Board's Goal areas.

General Discussion

As part of its year end close FTF will be undergoing an independent audit, and has already participated in the State's annual closing process with a few of our transactions having been included as part of the Auditor General's annual agency wide work. While FTF has already been working with its auditors in preparation, they are currently scheduled to be onsite at FTF September 29th through October 1st. Once completed, this annual audit will provide the Board with yet another tool with which to evaluate the organization's financial position.

It should be noted that as FTF prepares for this year's audit, it will be moving from a cash basis to a modified accrual basis for its financials.

FTF Asset and Liability Statement	
	(in Millions)
Total Cash Available @ 9/13/10	428.16
Receivables	-
Property, Plant & Equipment (Net Book Value)	0.77
TOTAL ASSETS	428.94
COMMITMENTS (Liabilities)	-
TOTAL	428.94

AZ Early Childhood Development and Health Board

FY10 Year End All Funds Report

For the 14 Months Ending June 30, 2010

UNAUDITED

	Agency			Admin			Programs			Statewide Programs			Regional Programs		
	Budget	Actual	Difference	Budget	Actual	Difference	Budget	Actual	Difference	Budget	Actual	Difference	Budget	Actual	Difference
TOBACCO TAX AND INTEREST															
Revenue															
Balance Forward															
Organizational	\$ 199,009,800	\$ 205,843,230	\$ 6,833,430	\$ 67,771,800	\$ 69,118,590	\$ 1,346,790	\$ 131,238,000	\$ 136,724,640	\$ 5,486,640						
Regional Programs															
Previous Year's Revenue (FY09)															
Allocated	\$ 121,166,469	\$ 136,817,700	\$ 15,651,231	\$ 15,669	\$ 15,666,900	\$ 15,651,231	\$ 121,150,800	\$ 121,150,800	\$ -	\$ 13,500,000	\$ 13,500,000	\$ -	\$ 107,650,758	\$ 57,258,827	\$ (50,391,931)
Unallocated	\$ 19,878,000	\$ 19,878,000					\$ 19,878,000	\$ 19,878,000	\$ -						
Total Means of Financing	\$ 340,054,269	\$ 362,538,930	\$ 22,484,661	\$ 67,787,469	\$ 84,785,490	\$ 16,998,021	\$ 272,266,800	\$ 277,753,440	\$ 5,486,640	\$ 13,500,000	\$ 13,500,000	\$ -	\$ 107,650,758	\$ 57,258,827	\$ (50,391,931)
Annual Expenditures															
Personal Services	\$ 8,166,649	\$ 8,147,862	\$ 18,786	\$ 7,966,918	\$ 7,973,034	\$ (6,116)	\$ 199,731	\$ 174,828	\$ 24,902	\$ 199,731	\$ 174,828	\$ -	\$ -	\$ -	\$ -
E.R.E	\$ 2,765,685	\$ 2,858,031	\$ (92,346)	\$ 2,701,420	\$ 2,807,234	\$ (105,814)	\$ 64,264	\$ 50,797	\$ 13,468	\$ 64,264	\$ 50,797	\$ -	\$ -	\$ -	\$ -
Prof Out-Side Svcs	\$ 4,726,921	\$ 3,027,537	\$ 1,699,384	\$ 2,000,741	\$ 2,046,302	\$ (45,560)	\$ 2,726,180	\$ 981,235	\$ 1,744,945	\$ 2,726,180	\$ 709,278	\$ (271,957)	\$ -	\$ 271,957	\$ (271,957)
Travel															
In-State	\$ 707,510	\$ 267,122	\$ 440,388	\$ 706,310	\$ 266,356	\$ 439,954	\$ 1,200	\$ 766	\$ 434	\$ 1,200	\$ -	\$ (766)	\$ -	\$ 766	\$ (766)
Out-State	\$ 63,898	\$ 15,244	\$ 48,655	\$ 63,898	\$ 14,697	\$ 49,202	\$ -	\$ 547	\$ (547)	\$ -	\$ 547	\$ -	\$ -	\$ -	\$ -
Operations	\$ -	\$ 428	\$ (428)	\$ -	\$ 428	\$ (428)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Equipment	\$ 259,026	\$ 224,339	\$ 34,687	\$ 259,026	\$ 193,435	\$ 65,591	\$ -	\$ 30,904	\$ (30,904)	\$ -	\$ 30,821	\$ (83)	\$ -	\$ 83	\$ (83)
Miscellaneous	\$ 2,315,350	\$ 2,685,020	\$ (369,670)	\$ 2,084,970	\$ 1,562,402	\$ 522,568	\$ 230,380	\$ 1,122,618	\$ (892,238)	\$ 230,380	\$ 256,898	\$ (865,720)	\$ -	\$ 865,720	\$ (865,720)
Aid to Other Organizations	\$ 117,929,003	\$ 68,397,131	\$ 49,531,872	\$ -	\$ -	\$ -	\$ 117,929,003	\$ 68,397,131	\$ 49,531,872	\$ 10,278,246	\$ 12,276,831	\$ 51,530,457	\$ 107,650,758	\$ 56,120,300	\$ 51,530,457
Sub-Total	\$ 136,934,042	\$ 85,622,715	\$ 51,311,328	\$ 15,783,285	\$ 14,863,888	\$ 919,397	\$ 121,150,758	\$ 70,758,827	\$ 50,391,931	\$ 18,999,000	\$ 13,500,000	\$ 50,391,931	\$ 107,650,758	\$ 57,258,827	\$ 50,391,931
Needs and Assets	\$ 500,000	\$ 376,822	\$ 123,178	\$ 500,000	\$ 376,822	\$ 123,178	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (18,710)	\$ 18,710
Shift of Program Exps	\$ 5,499,000	\$ 351,466	\$ 5,147,534	\$ 5,499,000	\$ 351,466	\$ 5,147,534	\$ -	\$ -	\$ -	\$ (5,499,000)	\$ (332,755)	\$ 5,166,245	\$ -	\$ (18,710)	\$ 18,710
Total Expenditures	\$ 142,933,042	\$ 86,351,002	\$ 56,582,040	\$ 21,782,285	\$ 15,592,176	\$ 6,190,109	\$ 121,150,758	\$ 70,758,827	\$ 50,391,931	\$ 13,500,000	\$ (332,755)	\$ 5,166,245	\$ -	\$ (18,710)	\$ 18,710
Ending Balance		\$ 276,187,927			\$ 69,193,314			\$ 206,994,613							
FY10 Revenue		\$ 137,443,175			\$ 13,744,818			\$ 123,698,357							
FY11 Beginning Fund Balance		\$ 413,631,103			\$ 82,938,133			\$ 330,692,970							

9/17/2010

AZ Early Childhood Development and Health Board

FY10 Restricted Year End Funds Report

For the 14 Months Ending June 30, 2010

UNAUDITED

	Agency- Restricted Funds			Federal Grants			Other Grants			Gifts		
	Budget	Actual	Difference	Budget	Actual	Difference	Budget	Actual	Difference	Budget	Actual	Difference
Revenue												
Balance Forward	\$ 105,000	\$ 5,884	\$ (5,884)	\$ 105,000	\$ -	\$ -	\$ -	\$ 19	\$ (19)	\$ -	\$ 5,864	\$ (5,864)
Current Year's Revenue		\$ 67,330			\$ 67,930						\$ 2,050	
Total Means of Financing		\$ 73,214			\$ 67,930			\$ 19			\$ 7,914	
Annual Expenditures												
Prof Out-Side Srvs	\$ -	\$ 50,800	\$ (50,800)	\$ -	\$ 53,267	\$ (50,800)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Travel												
Staff												
Board/Council												
Out-State	\$ -	\$ 1,322	\$ (1,322)	\$ -	\$ 1,322	\$ (1,322)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Staff												
Board/Council												
Operations	\$ -	\$ 1,849	\$ (1,849)	\$ -	\$ 0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,849	\$ (1,849)
Aid to Other Organizations	\$ 105,000	\$ 13,159	\$ 91,841	\$ 105,000	\$ 2,650	\$ 91,841	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
					\$ 13,159							
Total Expenditures	\$ 105,000	\$ 67,130	\$ 37,870	\$ 105,000	\$ 70,397	\$ 39,720	\$ -	\$ -	\$ -	\$ -	\$ 1,849	\$ (1,849)
Ending Balance		<u>\$ 6,084</u>			<u>\$ (2,467)</u>			<u>\$ 19</u>			<u>\$ 6,065</u>	

9/17/2010

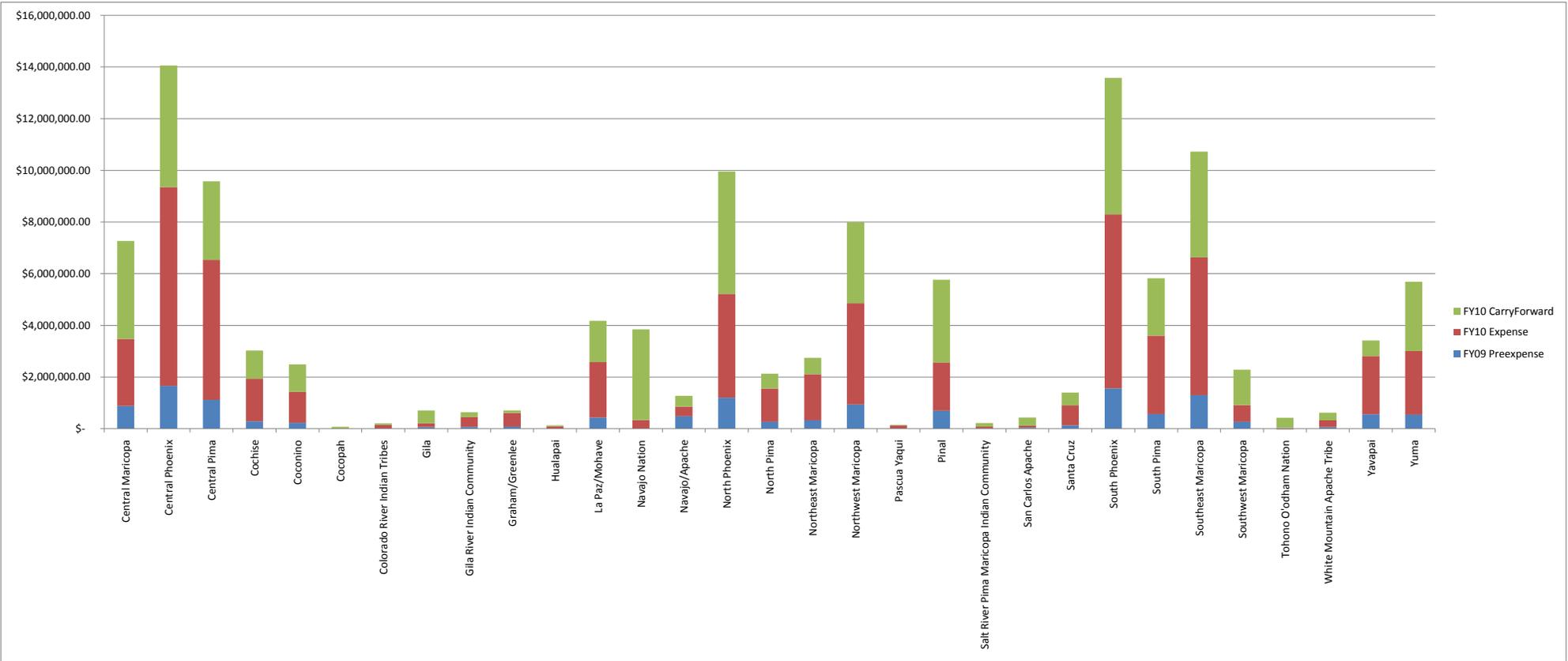
First Things First
FY09 and FY10 - Tobacco Spending Budgets
For the Months Ending June 30, 2010 (as of 09/14/10)

UNAUDITED

	Board Approved	FY09	FY10	Total	FY11
	FY10 Allocation	Expenditures			Carry Forward
ADMIN					
Operations	\$ 15,783,286.00		\$ 14,863,887.88	\$ 14,863,887.88	
Needs and Assests	\$ 500,000.00		\$ 376,822.00	\$ 376,822.00	
Program Expenditure Move*			\$ 351,465.62	\$ 351,465.62	
Admin Total	\$ 16,283,286.00		\$ 15,592,175.50	\$ 15,592,175.50	n/a
PROGRAM- STATEWIDE					
Quality First	\$ 6,170,000.00		\$ 3,323,509.27	\$ 3,323,509.27	
Communications	\$ 2,000,000.00		\$ 1,081,798.19	\$ 1,081,798.19	
Health - Oral Health	\$ 50,000.00		\$ 50,000.00	\$ 50,000.00	
Health - Physicians Outreach & Education	\$ 150,000.00		\$ 129,327.25	\$ 129,327.25	
Health - Health Workforce Support	\$ 280,000.00		\$ 275,000.00	\$ 275,000.00	
Health - Early Childhood Mental Health	\$ 230,000.00		\$ 230,000.00	\$ 230,000.00	
Parent Kits	\$ 855,000.00		\$ 955,919.77	\$ 955,919.77	
T.E.A.C.H.	\$ 1,500,000.00		\$ 373,684.33	\$ 373,684.33	
Child Care Health Consultation (CCHC)	\$ 1,000,000.00		\$ 580,678.74	\$ 580,678.74	
Statewide Competitive Grants	\$ 600,000.00		\$ 1,020,008.66	\$ 1,020,008.66	
FTF Professional REWARDS	\$ 222,000.00		\$ 133,044.00	\$ 133,044.00	
Family Support Website	\$ 200,000.00			\$ -	
Evaluation (Uni/Consortium)	\$ 7,767,949.00		\$ 5,347,029.79	\$ 5,347,029.79	
Program- Statewide SubTotal	\$ 21,024,949.00		\$ 13,500,000.00	\$ 13,500,000.00	n/a
PROGRAM- REGIONS					
Central Maricopa	\$ 7,264,205.86	\$ 884,421.19	\$ 2,590,697.36	\$ 3,475,118.55	\$ 3,789,087.31
Central Phoenix	\$ 14,059,532.00	\$ 1,662,141.68	\$ 7,689,405.03	\$ 9,351,546.71	\$ 4,707,985.29
Central Pima	\$ 9,571,194.00	\$ 1,116,149.75	\$ 5,413,632.78	\$ 6,529,782.53	\$ 3,041,411.47
Cochise	\$ 3,025,096.00	\$ 283,965.68	\$ 1,653,044.03	\$ 1,937,009.71	\$ 1,088,086.29
Cocconino	\$ 2,489,273.00	\$ 228,685.39	\$ 1,201,343.12	\$ 1,430,028.51	\$ 1,059,244.49
Cocopah	\$ 78,227.00	\$ 2,716.45	\$ 11,806.13	\$ 14,522.58	\$ 63,704.42
Colorado River Indian Tribes	\$ 208,814.00	\$ 19,533.09	\$ 127,209.76	\$ 146,742.85	\$ 62,071.15
Gila	\$ 709,343.00	\$ 63,924.08	\$ 142,866.74	\$ 206,790.82	\$ 502,552.18
Gila River Indian Community	\$ 642,041.00	\$ 71,820.93	\$ 383,701.93	\$ 455,522.86	\$ 186,518.14
Graham/Greenlee	\$ 710,382.00	\$ 80,641.26	\$ 524,957.56	\$ 605,598.82	\$ 104,783.18
Hualapai	\$ 129,226.00	\$ 5,180.81	\$ 88,114.05	\$ 93,294.86	\$ 35,931.14
La Paz/Mohave	\$ 4,179,750.00	\$ 429,774.28	\$ 2,151,489.01	\$ 2,581,263.29	\$ 1,598,486.71
Navajo Nation	\$ 3,845,234.00	\$ -	\$ 335,513.74	\$ 335,513.74	\$ 3,509,720.26
Navajo/Apache	\$ 1,267,717.00	\$ 481,767.53	\$ 368,080.53	\$ 849,848.06	\$ 417,868.94
North Phoenix	\$ 9,950,096.00	\$ 1,203,095.34	\$ 4,016,119.93	\$ 5,219,215.27	\$ 4,730,880.73
North Pima	\$ 2,128,289.00	\$ 265,698.87	\$ 1,287,885.66	\$ 1,553,584.53	\$ 574,704.47
Northeast Maricopa	\$ 2,748,080.11	\$ 328,998.30	\$ 1,784,395.57	\$ 2,113,393.87	\$ 634,686.24
Northwest Maricopa	\$ 7,997,560.58	\$ 937,394.83	\$ 3,922,624.60	\$ 4,860,019.43	\$ 3,137,541.15
Pascua Yaqui	\$ 153,449.00	\$ 14,836.10	\$ 112,579.28	\$ 127,415.38	\$ 26,033.62
Pinal	\$ 5,765,870.00	\$ 696,849.60	\$ 1,874,275.83	\$ 2,571,125.43	\$ 3,194,744.57
Salt River Pima Maricopa Indian Community	\$ 216,050.00	\$ 24,357.60	\$ 57,040.20	\$ 81,397.80	\$ 134,652.20
San Carlos Apache	\$ 438,591.00	\$ 42,788.96	\$ 65,332.85	\$ 108,121.81	\$ 330,469.19
Santa Cruz	\$ 1,395,580.00	\$ 131,048.79	\$ 769,947.02	\$ 900,995.81	\$ 494,584.19
South Phoenix	\$ 13,577,534.78	\$ 1,565,197.96	\$ 6,733,826.40	\$ 8,299,024.36	\$ 5,278,510.42
South Pima	\$ 5,819,218.00	\$ 574,749.58	\$ 3,023,787.91	\$ 3,598,537.49	\$ 2,220,680.51
Southeast Maricopa	\$ 10,719,912.79	\$ 1,305,949.90	\$ 5,324,529.47	\$ 6,630,479.37	\$ 4,089,433.42
Southwest Maricopa	\$ 2,281,777.69	\$ 265,508.92	\$ 647,123.03	\$ 912,631.95	\$ 1,369,145.74
Tohono O'odham Nation	\$ 407,384.00	\$ 39,254.22	\$ (21,068.61)	\$ 18,185.61	\$ 389,198.39
White Mountain Apache Tribe	\$ 618,550.00	\$ 60,284.78	\$ 268,534.80	\$ 328,819.58	\$ 289,730.42
Yavapai	\$ 3,419,308.00	\$ 561,706.76	\$ 2,247,827.29	\$ 2,809,534.05	\$ 609,773.95
Yuma	\$ 5,684,714.00	\$ 544,605.25	\$ 2,462,203.73	\$ 3,006,808.98	\$ 2,677,905.02
Program- Regions SubTotal	\$ 121,502,000.28	\$ 13,893,047.88	\$ 57,258,826.73	\$ 71,151,874.61	\$ 50,350,125.20
Program- SubTotal	\$ 142,526,949.28	\$ 13,893,047.88	\$ 70,758,826.73	\$ 84,651,874.61	
TOTAL	\$ 158,810,235.28	\$ 13,893,047.88	\$ 86,351,002.23	\$ 100,244,050.11	

*Program expenditure moves to Admin. include \$332,755.49 for Evaluation and \$18,710.13 for Graham/Greenlee region.

Prepared: 9/16/2010



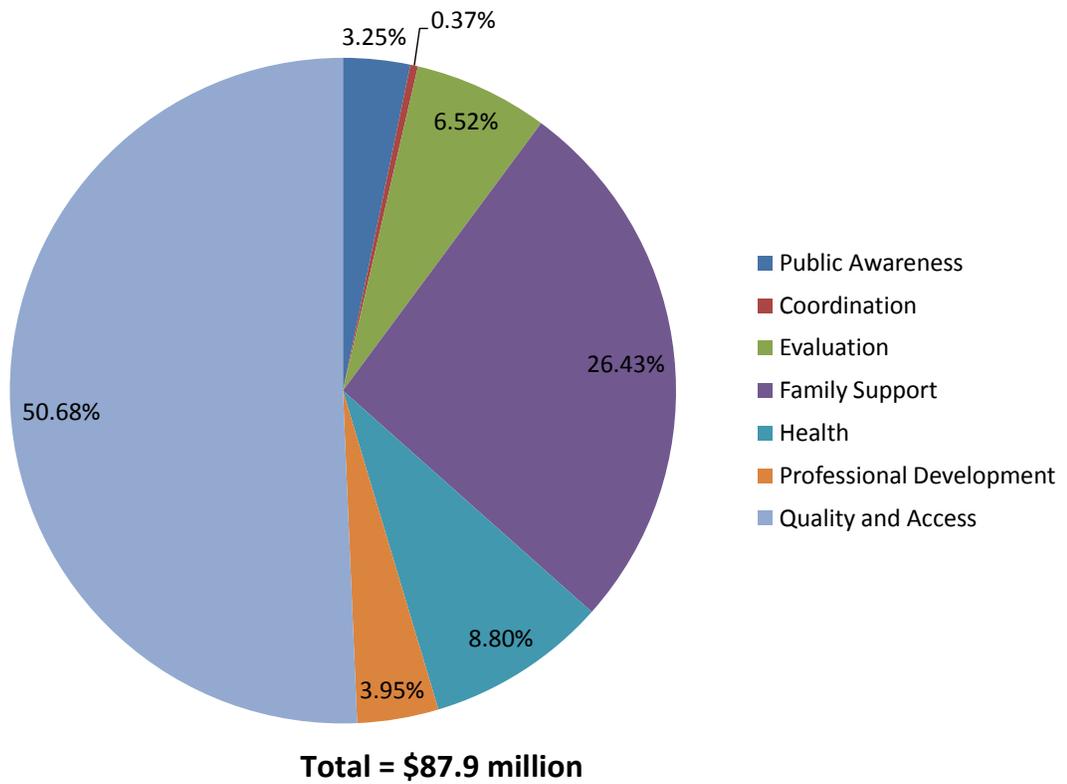
	(\$ thousands)																																Total Program	
FY09 PreExpense	884.4	1,662.1	1,116.1	284.0	228.7	02.7	19.5	63.9	71.8	80.6	05.2	429.8	00.0	481.8	1,203.1	265.7	329.0	937.4	14.8	696.8	24.4	42.8	131.0	1,565.2	574.7	1,305.9	265.5	39.3	60.3	561.7	544.6	13,893.0		
FY10 Expense	2,590.7	7,689.4	5,413.6	1,653.0	1,201.3	11.8	127.2	142.9	383.7	525.0	88.1	2,151.5	335.5	368.1	4,016.1	1,287.9	1,784.4	3,922.6	112.6	1,874.3	57.0	65.3	769.9	6,733.8	3,023.8	5,324.5	647.1	-21.1	268.5	2,247.8	2,462.2	57,258.8		
FY10 CarryForward	3,789.1	4,708.0	3,041.4	1,088.1	1,059.2	63.7	62.1	502.6	186.5	104.8	35.9	1,598.5	3,509.7	417.9	4,730.9	574.7	634.7	3,137.5	26.0	3,194.7	134.7	330.5	494.6	5,278.5	2,220.7	4,089.4	1,369.1	389.2	289.7	609.8	2,677.9	50,350.1		
	7,264.2	14,059.5	9,571.2	3,025.1	2,489.3	78.2	208.8	709.3	642.0	710.4	129.2	4,179.8	3,845.2	1,267.7	9,950.1	2,128.3	2,748.1	7,997.6	153.4	5,765.9	216.1	438.6	1,395.6	13,577.5	5,819.2	10,719.9	2,281.8	407.4	618.6	3,419.3	5,684.7	121,502.0		

FTF Expenditures
(Year End -- FY10 Unaudited at Time of Publishing)

	FY09	FY10	Grand Total
Administration Account			
Direct Administration Expenditures	14,214,094	\$14,863,888	29,077,982
Needs And Assets		\$376,822	376,822
Program Expenditures Shifted to Admin Cost Ctr.		\$351,466	351,466
Sub-Total	<u>14,214,094</u>	<u>\$15,592,176</u>	<u>29,806,270</u>
 Program Account by Goal Area			
Public Awareness	856,140	\$1,997,846	2,853,986
Coordination		\$326,608	326,608
Evaluation	201,478	\$5,533,566	5,735,044
Family Support	510,856	\$22,723,334	23,234,190
Health	8,533	\$7,723,329	7,731,862
Professional Development	96,997	\$3,372,097	3,469,093
Quality and Access	15,466,870	\$29,082,047	44,548,917
Sub-Total	<u>17,140,874</u>	<u>\$70,758,827</u>	<u>87,899,701</u>
 Grand Total	 31,354,968	 \$86,351,002	 117,705,970

9/17/2010

FY09 & FY10 Program Expenditures by Goal Area



9/17/2010

Fiscal 2011 Budget Update

FY11 BUDGET UPDATE:

All Fund Budget Update

This report mirrors that which was provided for FY10, however, it compares the approved budget from the June 2010 meeting to the current budget showing any changes.

There are a couple of minor changes to report. The Administrative Cost Account Adjustments are simply shifts between line item categories as the bottom line remains the same. The only real change of note is the reflection of the FY10 Regional Carry Forward Balances which are reflected in the Balance Forward and were detailed as part of the FY10 Year End report and the FY11 Regional allocations update presented later in this section.

Statewide Funding Plan Summary

The next document is one which represents a standard reporting tool used by staff as they monitor budgets. This is a “live” report view in the system which is continuously updated based on most recent financial data. This report provides the Board several pieces of information including the strategy/program allotment amounts and award information. In the future this report will also show expenditures by strategy.

FY11 Regional Allocations Updated for Real Carry Forward Amounts

This document is a one page summary listing all regions, and showing how total means of financing within a region is impacted by FY10 Carry Forward.

The Board does not need to take specific action at this time as it relates to incorporating these balances, because at the June meeting it did approve use of fund balance as part of the total means of financing available to a region. However, they did ask to see the final individual balances.

Recommended Board Action

Staff Recommends for Approval the updated FY2011 Sept. Budget as presented in the All Funds budget document. This update includes a final FY10 carry forward total.

AZ Early Childhood Development and Health Board

FY11 All Funds Report

For the 2 Months Ending August, 2010

UNAUDITED

	Agency					Admin					Programs				
	June Budget (rv1)	Adj	Sept Budget (rv2)	YTD	Difference	June Budget (rv1)	Adj	Sept Budget (rv2)	YTD	Difference	June Budget (rv1)	Adj	Sept Budget (rv2)	YTD	Difference
Revenue															
Balance Forward				\$ 276,187,927					\$ 69,193,314					\$ 206,994,613	
Previous Year's Revenue (FY10)				\$ 137,443,175					\$ 13,744,818					\$ 123,698,357	
Total Means of Financing	\$ -		\$ -	\$ 413,631,102	\$ -			\$ -	\$ 82,938,132					\$ 330,692,970	
Annual Expenditures															
Personal Services	\$ 13,515,011	\$ 5,749,817	\$ 7,765,193	\$ 1,080,600	\$ 6,684,593	\$ 13,515,011	\$ 6,195,893	\$ 7,319,118	\$ 1,006,741	\$ 6,312,377	\$ -	\$ (446,075)	\$ 446,075	\$ 73,859	\$ 372,216
E.R.E	\$ -	\$ (2,796,183)	\$ 2,796,183	\$ 393,733	\$ 2,402,451	\$ -	\$ (2,634,863)	\$ 2,634,863	\$ 370,050	\$ 2,264,813	\$ -	\$ (161,321)	\$ 161,321	\$ 23,683	\$ 137,638
Prof Out-Side Svcs	\$ -	\$ (978,346)	\$ 978,346	\$ 825,764	\$ 152,582	\$ -	\$ (977,336)	\$ 977,336	\$ 37,132	\$ 940,204	\$ -	\$ (1,010)	\$ 1,010	\$ 788,632	\$ (787,622)
Travel															
In-State	\$ -	\$ (490,705)	\$ 490,705	\$ 26,299	\$ 464,406	\$ -	\$ (485,850)	\$ 485,850	\$ 26,299	\$ 459,550	\$ -	\$ (4,855)	\$ 4,855	\$ -	\$ 4,855
Staff															
Board/Council															
Out-State	\$ -	\$ (59,615)	\$ 59,615	\$ 933	\$ 58,682	\$ -	\$ (49,210)	\$ 49,210	\$ 184	\$ 49,025	\$ -	\$ (10,405)	\$ 10,405	\$ 748	\$ 9,657
Staff															
Board/Council															
Equipment	\$ -	\$ (172,241)	\$ 172,241	\$ 32,384	\$ 139,857	\$ -	\$ (172,241)	\$ 172,241	\$ 2,859	\$ 169,381	\$ -	\$ -	\$ -	\$ 29,524	\$ (29,524)
Miscellaneous	\$ -	\$ (1,934,668)	\$ 1,934,668	\$ 234,925	\$ 1,699,744	\$ -	\$ (1,878,894)	\$ 1,878,894	\$ 220,285	\$ 1,658,610	\$ -	\$ (55,774)	\$ 55,774	\$ 14,640	\$ 41,134
Aid to Other Organizations	\$ 141,635,097	\$ 679,441	\$ 140,955,656	\$ 3,086,853	\$ 137,868,803	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 141,635,097	\$ 679,441	\$ 140,955,656	\$ 3,086,853	\$ 137,868,803
Sub-Total	\$ 155,150,108	\$ (2,500)	\$ 155,152,608	\$ 5,681,490	\$ 149,471,117	\$ 13,515,011	\$ (2,500)	\$ 13,517,511	\$ 1,663,551	\$ 11,853,960	\$ 141,635,097	\$ (0)	\$ 141,635,097	\$ 4,017,940	\$ 137,617,157
One-Time Exps	\$ 1,946,594	\$ 2,500	\$ 1,944,094	\$ 236,569	\$ 1,707,525	\$ 1,946,594	\$ 2,500	\$ 1,944,094	\$ 236,569	\$ 1,707,525	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ 157,096,702	\$ 0	\$ 157,096,702	\$ 5,918,060	\$ 151,178,642	\$ 15,461,605	\$ -	\$ 15,461,605	\$ 1,900,120	\$ 13,561,485	\$ 141,635,097	\$ (0)	\$ 141,635,097	\$ 4,017,940	\$ 137,617,157

Ending Balance	<u>\$ 407,713,042</u>	<u>\$ 81,038,012</u>	<u>\$ 326,675,030</u>
FY11 YTD Collections	\$ 21,888,944	\$ 2,188,895	\$ 19,700,050
FY11 YTD Fund Balance	<u>\$ 429,601,987</u>	<u>\$ 83,226,907</u>	<u>\$ 346,375,080</u>
FY11 Revenue Collection Estimate	\$ 135,000,000		

	Statewide Programs					Regional Programs				
	June Budget (rv1)	Adj	Sept Budget (rv2)	YTD	Difference	June Budget (rv1)	Adj	Sept Budget (rv2)	YTD	Difference
Annual Expenditures										
Personal Services	\$ -	\$ (446,075)	\$ 446,075	\$ 69,436	\$ 376,639	\$ -	\$ 4,423	\$ -	\$ 4,423	\$ (4,423)
E.R.E	\$ -	\$ (161,321)	\$ 161,321	\$ 22,729	\$ 138,592	\$ -	\$ 954	\$ -	\$ 954	\$ (954)
Prof Out-Side Svcs	\$ -	\$ (1,010)	\$ 1,010	\$ 100,761	\$ (99,751)	\$ -	\$ 687,871	\$ -	\$ 687,871	\$ (687,871)
Travel										
In-State	\$ -	\$ (4,855)	\$ 4,855	\$ -	\$ 4,855	\$ -	\$ -	\$ -	\$ -	\$ -
Staff										
Board/Council										
Out-State	\$ -	\$ (10,405)	\$ 10,405	\$ -	\$ 10,405	\$ -	\$ 748	\$ -	\$ 748	\$ (748)
Staff										
Board/Council										
Equipment	\$ -	\$ -	\$ -	\$ 29,524	\$ (29,524)	\$ -	\$ -	\$ -	\$ -	\$ -
Miscellaneous	\$ -	\$ (55,774)	\$ 55,774	\$ 12,796	\$ 42,978	\$ -	\$ 1,844	\$ -	\$ 1,844	\$ (1,844)
Aid to Other Organizations	\$ 14,163,510	\$ 679,441	\$ 13,484,069	\$ 464,890	\$ 13,019,179	\$ 127,471,587	\$ 2,621,963	\$ 127,471,587	\$ 2,621,963	\$ 124,849,624
Total Expenditures	\$ 14,163,510	\$ (0)	\$ 14,163,510	\$ 700,136	\$ 13,463,374	\$ 127,471,587	\$ 3,317,804	\$ 127,471,587	\$ 3,317,804	\$ 124,153,783

AZ Early Childhood Development and Health Board

FY11 Restricted Funds Report

For the 2 Months Ending August, 2010

UNAUDITED

	Agency- Restrictive Funds					Federal Grants					Other Grants					Gifts					
	June Budget		Sept Budget			June Budget		Sept Budget			June Budget		Sept Budget			June Budget		Sept Budget			
	(rv1)	Adj	(rv2)	August	Difference	(rv1)	Adj	(rv2)	August	Difference	(rv1)	Adj	(rv2)	August	Difference	(rv1)	Adj	(rv2)	August	Difference	
Annual Expenditures																					
Travel																					
Staff																					
Board/Council																					
Staff																					
Board/Council																					
Aid to Other Organizations	\$ 132,000	\$ (2,492,469)	\$ 2,624,469	\$ -	\$ 2,624,469	\$ 132,000	\$ (2,492,469)	\$ 2,624,469	\$ -	\$ 2,624,469	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ 132,000	\$ (2,492,469)	\$ 2,624,469	\$ -	\$ 2,624,469	\$ 132,000	\$ (2,492,469)	\$ 2,624,469	\$ -	\$ 2,624,469	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

9/17/2010

Statewide Funding Plan Summary

Updated 9.20.10

Report Date and Time: 9/16/2010 5:59:56 PM
Statewide Funding
Year: FY2011

Strategies	Original Amount	Current Total	Awarded	Unawarded
Child Care Health Consultation	\$1,200,000.00	\$1,200,000.00	\$941,264.68	\$258,735.32
Community Awareness	\$150,000.00	\$150,000.00	\$0.00	\$150,000.00
Community Outreach	\$700,900.00	\$700,900.00	\$0.00	\$700,900.00
Evaluation	\$1,366,291.06	\$1,366,291.06	\$984,815.99	\$381,475.07
Family, Friends & Neighbors	\$462,687.00	\$462,687.00	\$462,687.00	\$0.00
FTF Professional REWARD\$	\$380,000.00	\$380,000.00	\$323,203.00	\$56,797.00
Health Professionals Education and Outreach	\$350,000.00	\$350,000.00	\$350,000.00	\$0.00
Helpline	\$90,000.00	\$90,000.00	\$90,000.00	\$0.00
Media	\$149,100.00	\$149,100.00	\$0.00	\$149,100.00
Mental Health Education & Credentials	\$288,356.74	\$288,356.74	\$288,356.74	\$0.00
Needs and Assets	\$0.00	\$130,000.00	\$31,029.23	\$98,970.77
Parent Kits - statewide	\$700,000.00	\$700,000.00	\$642,924.50	\$57,075.50
Physician Education & Outreach	\$390,000.00	\$390,000.00	\$390,000.00	\$0.00
Quality First	\$6,129,830.00	\$6,129,830.00	\$5,231,480.38	\$898,349.62
Reach Out and Read	\$369,116.00	\$369,313.00	\$369,116.00	\$197.00
Scholarships TEACH	\$1,307,032.00	\$1,307,032.00	\$1,307,032.00	\$0.00
Total	\$14,033,312.80	\$14,163,509.80	\$11,411,909.52	\$3,389,733.02

Total Means of Financing by Region

2011 Regional Partnership Council Funding Plans					
	Allocation (Base + FundBalance Draw)	Carry Forward from 2010	Total Means of Financing	Allotted	Unallotted
Central Maricopa	\$7,706,438	\$3,789,086	\$11,495,524	\$8,442,216	\$3,053,308
Central Phoenix	\$15,406,094	\$4,707,985	\$20,114,079	\$16,310,775	\$3,803,304
Central Pima	\$9,429,239	\$3,041,411	\$12,470,651	\$9,594,612	\$2,876,039
Cochise	\$2,713,271	\$1,088,085	\$3,801,356	\$2,998,182	\$803,174
Coconino	\$1,981,980	\$1,059,244	\$3,041,225	\$2,398,121	\$643,104
Cocopah	\$82,731	\$63,705	\$146,436	\$98,671	\$47,765
Colorado River Indian Tribes	\$233,170	\$62,071	\$295,242	\$236,304	\$58,938
Gila	\$617,575	\$502,553	\$1,120,129	\$897,288	\$222,841
Gila River Indian Community	\$922,370	\$186,519	\$1,108,889	\$895,936	\$212,953
Graham/Greenlee	\$748,581	\$104,783	\$853,364	\$846,647	\$6,717
Hualapai	\$123,607	\$35,931	\$159,538	\$133,593	\$25,945
La Paz/Mohave	\$4,021,295	\$1,598,487	\$5,619,782	\$4,446,285	\$1,173,497
Navajo Nation	\$4,466,374	\$3,509,720	\$7,976,094	\$6,163,593	\$1,812,501
Navajo/Apache	\$1,229,368	\$417,869	\$1,647,237	\$1,330,681	\$316,556
North Phoenix	\$10,629,011	\$4,730,880	\$15,359,891	\$11,608,998	\$3,750,893
North Pima	\$2,151,100	\$574,704	\$2,725,805	\$2,150,933	\$574,872
Northeast Maricopa	\$3,328,144	\$634,686	\$3,962,830	\$3,447,124	\$515,706
Northwest Maricopa	\$8,561,377	\$3,137,542	\$11,698,919	\$9,052,897	\$2,646,022
Pascua Yaqui	\$249,136	\$26,035	\$275,170	\$269,557	\$5,613
Pinal	\$5,553,051	\$3,194,745	\$8,747,795	\$5,731,126	\$3,016,669
Salt River Pima Maricopa Indian Community	\$314,928	\$134,652	\$449,580	\$310,908	\$138,672
San Carlos Apache	\$577,197	\$330,469	\$907,666	\$606,693	\$300,973
Santa Cruz	\$1,367,951	\$494,584	\$1,862,535	\$1,547,737	\$314,798
South Phoenix	\$14,820,124	\$5,278,510	\$20,098,634	\$16,244,367	\$3,854,267
South Pima	\$5,578,320	\$2,220,680	\$7,798,999	\$5,791,561	\$2,007,438
Southeast Maricopa	\$11,369,272	\$4,089,433	\$15,458,705	\$12,295,098	\$3,163,607
Southwest Maricopa	\$2,464,060	\$1,369,146	\$3,833,206	\$2,535,104	\$1,298,102
Tohono O'odham Nation	\$649,105	\$389,199	\$1,038,305	\$671,351	\$366,954
White Mountain Apache Tribe	\$747,808	\$289,730	\$1,037,539	\$780,607	\$256,932
Yavapai	\$3,972,837	\$609,774	\$4,582,611	\$4,118,240	\$464,371
Yuma	\$5,456,073	\$2,677,905	\$8,133,978	\$5,771,134	\$2,362,844
Total	\$127,471,587	\$50,350,125	\$177,821,712	\$137,726,339	\$40,095,373

Sustainability Models

SUSTAINABILTY, CARRYFORWARD and DISCRETIONARY FUNDING:

Tobacco and Interest Income Revenue Chart

This graphic provides the actual monthly revenues received by FTF since its inception.

With the major economic and demographic changes that have hit the state since the initiative was passed, staff will propose at the January Board meeting that the Board consider a formal economic analysis of tobacco revenues be conducted. The purpose of this work will be to validate and correct current projections which simply rely on gross historic trends.

Current projections assume about a 4% decline each year with the revenue never falling below \$90 million.

General Discussion

The data contained in the charts noted above, clearly shows that the primary funding source for FTF is both volatile and declining in nature. This reality requires prudent fiscal management to ensure the programmatic goals of the organization can be met over time.

Assisting in this effort is the statutory language itself. A vast majority of expenditures (81%) within FTF are directed by statute to relate to regional programs. Since statute required regional program spending to first occur in FY10, this meant the organization was able to develop an organizational fund balance that can now be used to dampen the erratic downward nature of tobacco revenues.

Fund balance represents a one-time source of funds so long term sustainability planning must include a planned fund balance draw down.

With this in mind the following questions become relevant:

1. How should the organizational fund balance be drawn down to mitigate the effects of an erratic fund source? Is the goal to:
 - a. Maximize the number of years fund balance is available?
 - b. Provide an absolutely consistent funding stream for the system until the money runs out?
 - c. Provide an ever increasing budget based on an inflation factor until such point fund balance is exhausted and the Program budget is severely adjusted down so that it now meets revenues.
 - d. Other alternatives?
2. Is there a fund balance threshold which the organization should not fall below?
3. Are there alternatives which will allow funding to remain constant despite declining revenue and fund balance being one-time in nature? For example:
 - a. Grants
 - b. Fundraising
 - c. Revenue generation
 - d. Appropriation
 - e. Identification and the securing of an additional revenue source.

Sustainability Discussion

The next 4 pages provide a visual look at four (4) potential ways of approaching sustainability.

The first graph is the most recent sustainability chart provided to the Board. The model assumes an increasing budget and decreasing revenue stream with the gap being filled by Balance Forward. Because the two lines are moving in opposite directions the final decline is much more rapid and fund balance would be gone in 2017 and gross expenditures (90% of which are on the program side) would have to immediately be reduced to \$90 million, representing a one year decline of \$74.8 million.

The next two graphs take slightly different approaches– with one maintaining a constant trajectory for as long as possible as revenues decline. The second mirrors the decline thus minimizing the gap at the end, but creates the reality that budgets have to be adjusted down every year.

The fourth and final graph attempts to manage declining fund balance and program consistency. The gap at the end is minimized through the use of a downward stair step financing model. In addition, a constant systems level of funding is identified to provide a target for what some other source of funds could pick up in order to provide continuity. And finally, it shows evaluation being accounted for in regional budgets for the next two years (offset by a fund balance draw down). FY12 budget recommendations are based on this and staff recommends this model as the most optimal.

Revenue Distribution and Allocation Detail (for 4th Chart)

The chart shown on the bottom of the final graph in this section simply provides an accounting of how and where the dollars would hit if the Board decides on the current basis (until new revenue assumptions can be tested) for long term planning based on that graph.

Carry Forward Discussion

Once funding has been allocated to regions, statute and board policy requires that it stays with regions. It does not revert back to an overall agency fund balance. At this point, the board has no formal policy or direction to regions regarding fund balance. As presented in the budget charts, there is a wide range of carry forward and thus wide ranging budgets. The significant regional carry forward from FY10 was a result of a variety of factors:

1. Regionally planned carry forward.
2. The amount of effort required on the part of grantees to initiate new programs.
3. The ability to quickly serve large targeted service numbers.
4. No responders to various RFGAs.
5. No qualified responders to various RFGAs.
6. Protracted contract negotiations with other governmental agencies.

At this point the staff is not recommending the board adopt a formal policy related to spending carry forward. However, there are a variety of philosophical questions to consider for the future:

1. What is the board's overall sentiment regarding carry forward?
2. What responsibility does FTF have to build the capacity of potential responders so they are more competitive in the RFGA process?
3. How can FTF help rural communities in building their overall community capacity?
4. Would the board like to consider a directive to the regions that requires no more than a certain percentage of planned carry forward be included in regional funding plans presented to the board?
5. What type of reporting and monitoring would the board like to see related to carry forward?

Discretionary Funds Discussion

Board discretionary funding allocations are determined each year by the Board. In FY09 the board directed this funding to be used for emergency scholarships. In FY10, the board formula allocated this spending to regions and added a baseline adjustment for two tribal regions and a frontier adjustment for more rural regions. As you will see in the FY12 budget presentation, the staff is recommending for FY12 that discretionary funding be formula funded to regions, weighted for poverty. It is further recommended that the board maintain the baseline and frontier adjustments.

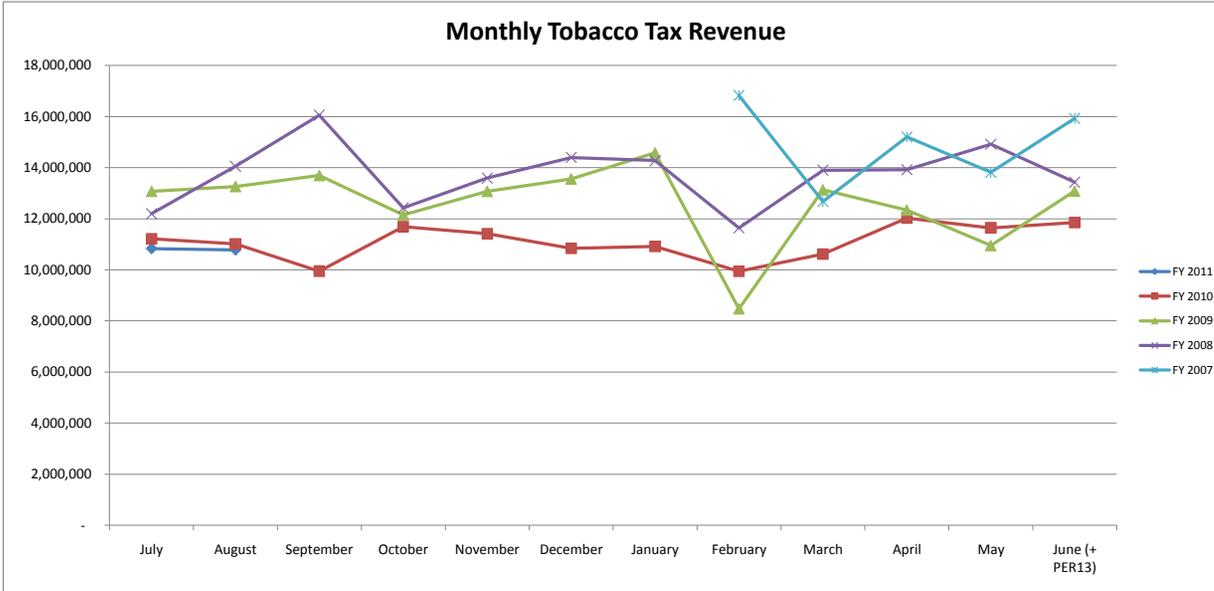
However, long-term, it is important the board consider the flexibility it has to use discretionary funding for specific purposes. Some philosophical questions should be considered. Is there a role for discretionary funding to:

1. Mitigate issues related to specific geographic regions?
2. Match or collaborate with other potential funding streams?
3. Highlight innovation?
4. Fund statewide priority areas?
5. Incentivize programmatic outcomes?
6. Reward regions that have met or exceeded their benchmarks?
7. Other potential priorities?

Recommended Board Action

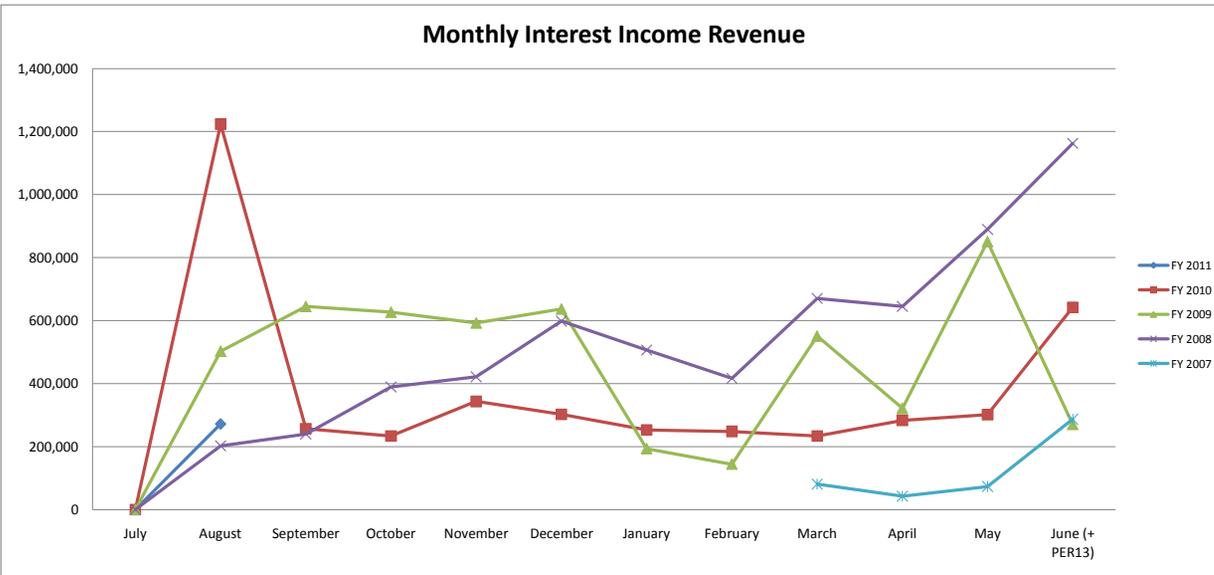
Board will engage in a philosophical conversation of the questions described above. Staff recommends that the board provide guidance on their sentiment of ongoing sustainability, carry forward and discretionary funding models.

FTF Revenue (through 9/09/2010)



Tobacco Tax Revenue
 Current Budget = \$131,000,000

	FY 2011	FY 2010	FY 2009	FY 2008	FY 2007
July	10,833,907	11,211,514	13,072,609	12,193,815	
August	10,783,204	11,013,597	13,259,701	14,051,158	
September		9,948,588	13,692,552	16,055,097	
October		11,688,368	12,153,319	12,429,446	
November		11,413,943	13,071,452	13,590,137	
December		10,837,151	13,559,444	14,398,196	
January		10,919,518	14,579,373	14,275,133	
February		9,940,779	8,474,104	11,643,437	16,821,613
March		10,620,639	13,132,772	13,900,273	12,677,711
April		12,030,877	12,334,970	13,923,595	15,207,513
May		11,643,476	10,951,777	14,917,645	13,813,602
June (+ PER13)		11,850,451	13,081,742	13,427,181	15,924,807
Total	21,617,112	133,118,902	151,363,814	164,805,113	74,445,246



Interest Income Revenue
 Current Budget = \$4,000,000

	FY 2011	FY 2010	FY 2009	FY 2008	FY 2007
July	-	-	-	-	-
August	271,833	1,223,591	502,912	202,360	
September		257,294	644,892	240,268	
October		234,062	626,736	389,377	
November		343,513	592,399	421,934	
December		302,624	636,611	598,144	
January		252,949	193,422	506,930	
February		248,407	144,280	416,711	
March		233,651	550,854	670,193	81,181
April		283,812	321,359	644,756	42,514
May		301,562	851,027	889,538	73,504
June (+ PER13)		642,251	270,413	1,162,859	286,932
Total	271,833	4,323,717	5,334,904	6,143,070	484,131

Note: August '09 FY10 Interest Income spike is related to an accounting adjustment associated with FY09 and made by the Treasurer's office.

SUSTAINABILITY ANALYSIS

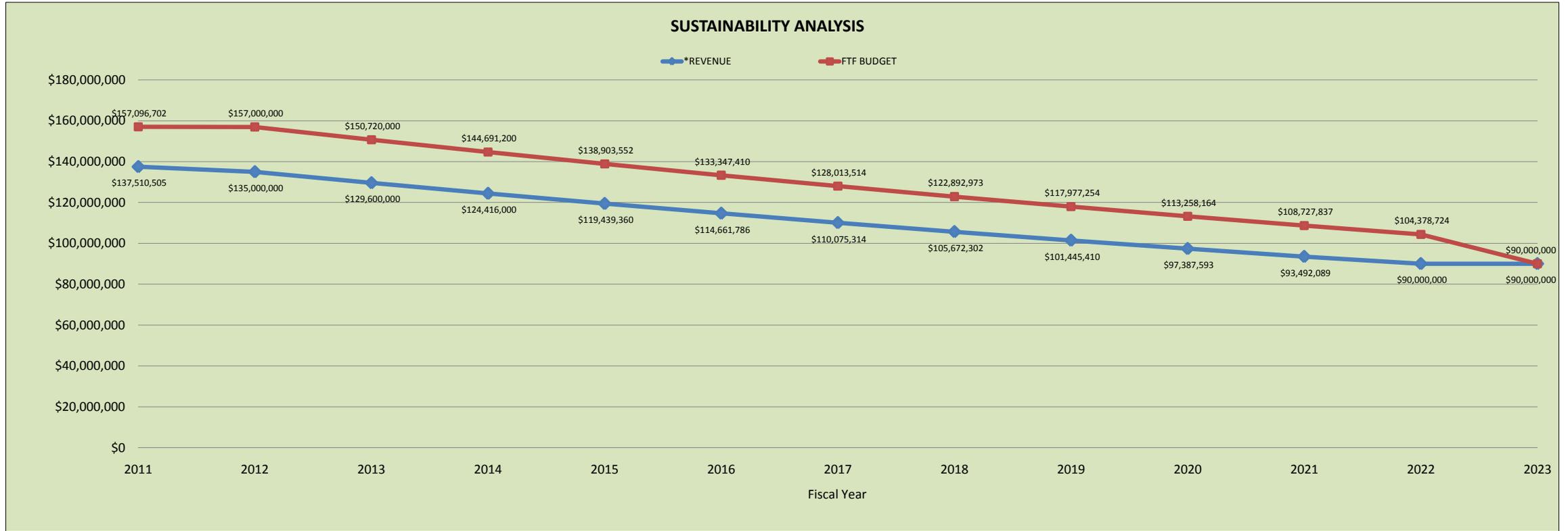


Year	REVENUE	EXPENSES	REVISED FUND BALANCE
2008	\$ 171,024,119	\$ 8,376,470	\$ 237,254,760
2009	\$ 156,865,761	\$ 38,417,400	\$ 355,703,120
2010	\$ 137,510,505	\$ 138,055,476	\$ 355,158,150
2011	\$ 131,202,090	\$ 156,521,624	\$ 329,838,616
2012	\$ 125,781,989	\$ 162,437,858	\$ 293,227,522
2013	\$ 120,499,117	\$ 159,423,847	\$ 254,302,792
2014	\$ 115,331,716	\$ 168,142,863	\$ 201,491,644
2015	\$ 110,276,163	\$ 164,595,969	\$ 147,171,838
2016	\$ 105,354,162	\$ 167,682,674	\$ 84,843,325
2017	\$ 100,541,530	\$ 167,785,246	\$ 17,599,609
2018	\$ 96,030,589	\$ 170,903,844	\$ (57,273,646)
2019	\$ 92,189,365	\$ 171,038,628	\$ (136,122,909)
2020	\$ 88,501,791	\$ 174,189,759	\$ (221,810,877)
2021	\$ 84,961,719	\$ 174,357,402	\$ (311,206,560)
	\$ 1,636,070,617	\$ 2,021,929,062	



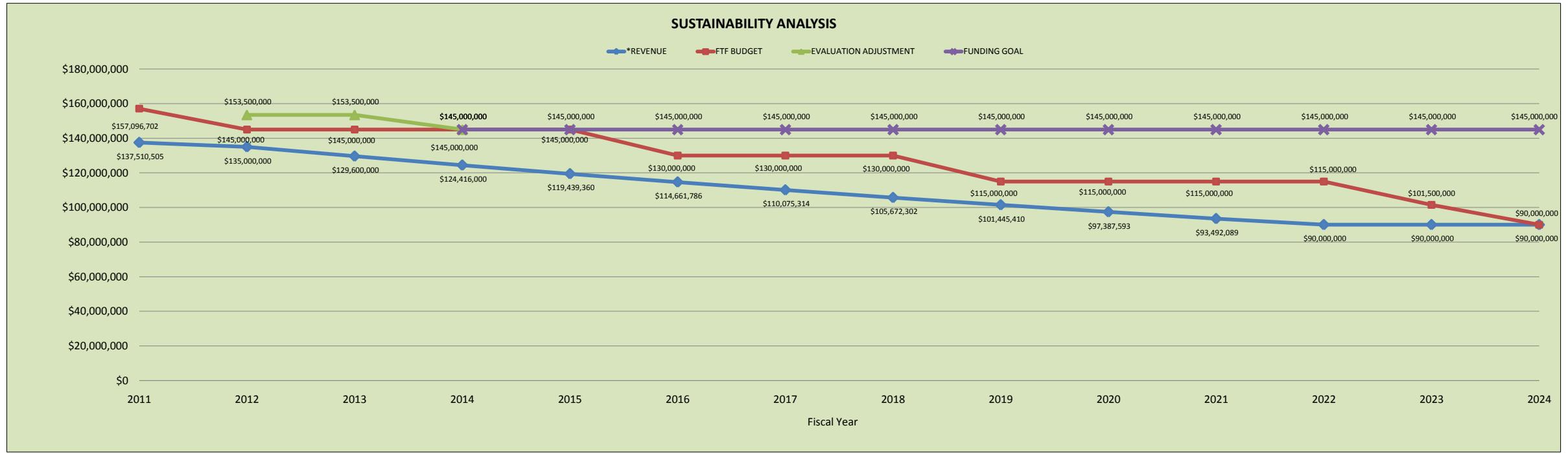
Fiscal Year	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Annual Revenue Shortfall:	\$19,586,196	\$0	\$5,400,000	\$10,584,000	\$15,560,640	\$20,338,214	\$24,924,686	\$29,327,698	\$33,554,590	\$37,612,407	(\$0)
Admin. Fund Balance:	\$67,158,377	\$67,158,377	\$66,618,377	\$65,559,977	\$64,003,913	\$61,970,092	\$59,477,623	\$56,544,853	\$53,189,394	\$49,428,154	\$49,428,154
Program Fund Balance:	\$136,730,635	\$136,730,635	\$131,870,635	\$122,345,035	\$108,340,459	\$90,036,066	\$67,603,848	\$41,208,920	\$11,009,788	(\$22,841,378)	(\$22,841,377)
Ending Fund Balance:	\$256,538,018	\$256,538,018	\$251,138,018	\$240,554,018	\$224,993,378	\$204,655,164	\$179,730,478	\$150,402,779	\$116,848,189	\$79,235,782	\$79,235,783

*Revenue presented is the prior fiscal year's total revenue.



Fiscal Year	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Annual Revenue Shortfall:	\$19,586,196	\$22,000,000	\$21,120,000	\$20,275,200	\$19,464,192	\$18,685,624	\$17,938,199	\$17,220,671	\$16,531,845	\$15,870,571	\$15,235,748	\$14,378,724	\$0
Admin. Fund Balance:	\$67,158,377	\$64,958,377	\$62,846,377	\$60,818,857	\$58,872,438	\$57,003,876	\$55,210,056	\$53,487,989	\$51,834,804	\$50,247,747	\$48,724,172	\$47,286,300	\$47,646,300
Program Fund Balance:	\$136,730,635	\$116,930,635	\$97,922,635	\$79,674,955	\$62,157,182	\$45,340,120	\$29,195,740	\$13,697,136	(\$1,181,524)	(\$15,465,038)	(\$29,177,211)	(\$42,118,062)	(\$42,118,062)
Ending Fund Balance:	\$256,538,018	\$234,538,018	\$213,418,018	\$193,142,818	\$173,678,626	\$154,993,002	\$137,054,802	\$119,834,131	\$103,302,286	\$87,431,716	\$72,195,968	\$57,817,244	\$57,817,244

*Revenue presented is the prior fiscal year's total revenue.



Fiscal Year	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Annual Revenue Shortfall:	\$19,586,196	\$10,000,000	\$15,400,000	\$20,584,000	\$25,560,640	\$15,338,214	\$19,924,686	\$24,327,698	\$13,554,590	\$17,612,407	\$21,507,911	\$ 25,000,000	\$ 11,500,000	\$ -
Admin. Fund Balance:	\$67,158,377	\$67,158,377	\$ 67,158,377	\$67,158,377	\$67,158,377	\$67,158,377	\$67,158,377	\$67,158,377	\$67,158,377	\$67,158,377	\$67,158,377	\$67,158,377	\$ 67,158,377	\$ 67,158,377
Program Fund Balance**:	\$136,730,635	\$109,730,635	\$ 77,330,635	\$56,746,635	\$31,185,995	\$15,847,780	(\$4,076,906)	(\$28,404,604)	(\$41,959,195)	(\$59,571,601)	(\$81,079,512)	(\$106,079,512)	(\$117,579,512)	(\$117,579,512)
Ending Fund Balance***:	\$256,538,018	\$238,038,018	\$214,138,018	\$193,554,018	\$167,993,378	\$152,655,164	\$132,730,478	\$108,402,779	\$94,848,189	\$77,235,782	\$55,727,872	\$ 30,727,872	\$ 19,227,872	\$ 19,227,872
Funding Goal Gap:				\$ -	\$ -	\$ 15,000,000	\$ 15,000,000	\$ 15,000,000	\$ 30,000,000	\$ 30,000,000	\$ 30,000,000	\$ 30,000,000	\$ 43,500,000	\$ 55,000,000

*Revenue presented is the prior fiscal year's total revenue.
 **Includes \$7,000,000 evaluation budget adjustment in FY 2012 & FY 2013.
 ***FY2011 ending Fund Balance is projected (yet to be finalized)

Fiscal 2012 Budget Setting

FY12 BUDGET SETTING:

All Funds Initial Budget

The first three pages of this section mirror that described in the FY10 Year End Update. The Initial Budget compares the most recent budget from the previous year to the proposed starting budget. In doing so the board is provided context for how the new year's budget relates to what are current priorities.

Four key points are contained in this document:

1. The revenue assumptions presented as part of the last sustainability model in the preceding section are the basis for the figures presented here.
2. Line item detail for each account area is reported as a matter of course in this report format.
3. The currently unallotted FY11 funds are being reflected as regional carry forward. This is a business rule within the system that helps ensure regions are planning appropriately for carry forward funds when they are constructing year FY12 funding plans.
4. If the FY12 All Funds Budget is approved as presented, the Board is drawing down Organizational Fund Balance in addition to the revenues collected in the previous fiscal year. The draw down is addressing two distinctly different things:
 - a. Dampening the decline in the base allocation as a result of the fall in tobacco revenues.
 - b. Covering of the allotment that that is assigned to each region in relation to evaluation.

Statewide Programs Detail

The second table in this section provides the Board with a detailed look at how the proposed Statewide Programs allocation be allotted to strategy/program areas for FY12. For greater context this FY12 proposal is compared to the current FY11 allocation and allotments.

First Things First statewide grant funding is used to support targeted key strategies that promote development of the early childhood system. The First Things First statewide funding account receives 9% of the total tax and interest revenue, but the annual statewide allocation is based on the premise that the amount may not exceed 10% of total regional expenses in any fiscal year. FY 2012 marks the fourth year of statewide funding plan development. The statewide allocation from FY 2011 to 2012 was decreased by \$163,500 (1%). Depending on Board considerations of FTF fiscal policy recommendations and proposed future baseline allocations, it is anticipated that statewide funding will remain stable in FY 2013.

FY 2010 was the first complete year of implementation that reflected strategies in the First Things First Strategic Plan Roadmap. FY 2010 also represents the first complete year of expenditure data, and the \$6,500,000 that was not expended primarily represents the slower ramp up during the first half of the fiscal year of Quality First, and the associated strategies of TEACH and Child Care Health Consultants, as well as the University Consortium longitudinal evaluation activities.

CRITERIA FOR STATEWIDE FUNDING DECISIONS

Decisions to use statewide funding for strategies are based on the following criteria:

- Is the strategy a bold priority of the Board? (The strategy must be reflected in the FTF Strategic Roadmap or future strategic planning document that reflects Board priorities.)
- Is the strategy more efficiently implemented if administered through a statewide structure and funded with statewide dollars?
- Does statewide funding provide an incentive to move a priority strategy, or initially seed a strategy infrastructure and service delivery mechanism, or afford an opportunity to scale up a strategy that achieves desired outcomes?
- Can statewide funding provide the cost of administration of a strategy, with direct services funded with regional funding?
- Does regular examination of performance data show continuous improvement in the outcomes achieved?

The proposed FY 2012 funding plan was developed in alignment with proposed fiscal policy and recommended strategic priorities, and evaluated using the criteria for statewide funding decisions described earlier in this document. The total allocation in FY 2012 is decreased by \$163,500 from FY 2011 and the attachments detail the line item adjustments, with additional explanation for some strategies provided below.

No new strategies are proposed; however, strategy allotments are increased for two strategies, Quality First and Parent Kits:

Quality First Improvement and Rating - The number of early care and education providers enrolled in QF Improvement and supported with statewide funding will remain stable in FY 2012, as most of these providers (n=250) will be entering their third and final year of the improvement phase. After this cadre of providers transition from the improvement phase, First Things First will continue to use statewide funds to support the QF infrastructure and administration, but will also begin shifting the statewide funding from supporting improvement to incentivizing participation in QF Rating, which begins initial rollout in FY 2012. Regional funding may still be used to support providers that enroll in QF Improvement.

Parent Kits – The First Things First Parent Kit strategy has been generously supported through a three-year grant agreement with the Virginia C. Piper Charitable Trust. The agreement and funding support ends in FY 2011 and the additional \$900,000 cost will be allotted from the statewide funding plan.

The additional costs described above necessitate a funding reduction or elimination for other strategies:

Early Childhood Mental Health and FTF Professional REWARD\$ – Statewide funding was provided in FY 2010 and 2011 to initially incentivize these two strategies. Administrative structures are now in place, and accurate per unit service costs are established. Beginning in FY

2012, administrative and service delivery funding for these strategies will be provided by Regional Councils that desire to make these services available.

Statewide Competitive Grants: Kith and Kin, and Reach Out and Read – These two programs were awarded competitive funding in FY09, FY10 and FY11 to expand services in targeted areas of the state. As intended when statewide competitive funding was originally awarded, both strategies have expanded and can be maintained with regional funding if services are desired in a community.

The Birth to Five Helpline is a strategy originally funded in FY09 through a statewide competitive grant. This strategy is included as a resource in the First Things First Parent Kit, and the current year funding of \$90,000 will be maintained in FY 2012.

OTHER SYSTEM BUILDING APPROACHES

First Things First uses several other approaches in conjunction with and complementary to the statewide funding plan to promote system building and coordination of strategies.

Signature Initiatives – defined as programs created by and funded entirely by First Things First, such as Quality First and Professional REWARD\$; or these programs may be funded significantly by statewide funds, such as T.E.A.C.H and Arizona Parent Kit; or they are programs where the infrastructure and service delivery is funded nearly entirely by Regional funds, such as Mental Health Consultation or Child Care Health Consultation. Signature Initiatives carry the distinct brand of First Things First and are typically implemented throughout the state.

Multi-Region Strategies – defined as strategies implemented by more than one region with targeted efforts to work across the regions to impact efficiency, avoid duplication, build capacity and usually leverage one administrative home infrastructure. Examples of multi-region strategies include Pre-K Expansion and Child Care Scholarships.

System Strategy Development – defined as strategies that are primarily funded through regional funding plans and are implemented using varied program models, but have significant implementation and availability across regions in the state. These strategies provide an opportunity to work across the regions to impact efficiency, avoid duplication, build capacity and collectively and collaboratively address system coordination and practice issues. Examples of this type of strategy development include Home Visiting and the convening of a state Home Visiting Task Force; and Oral Health and the role of First Things First in promoting a policy direction that potentially allows registered nurses to apply fluoride varnish to the teeth of young children.

Regional Council Detail

The final table in the materials provides the Board with a detailed look at how the overall regional funds can be distributed between the regions. Funds flowing to the regions are distributed based on a formula outlined in statute. This formula allows the Board to decide how 25% of the dollars going to regions are distributed independent of any other

considerations, as these are board discretionary funds. The other 75% is outside the Board's purview for allocation once they decide to make the dollars available.

The table assumes the dollars in the base discretionary pool will be distributed as follows:

1. A baseline adjustment is made for the two smallest regions, providing them enough funds to be able to actually implement programs.
2. A share of the discretionary total (almost \$5.7 million) is distributed out among regions which meet the federal definition of being a frontier community. This sub-set of dollars is divided between these regions based on their proportion of children birth to five as compared to the total birth to five population. This funding is requested in response to the more expensive cost of service delivery in more geographically rural and isolated regions.
3. The remaining discretionary money (some \$27.3 million) is divided proportionately between regions based on their share of children 0-5 in poverty.

As with FY11, the regional allocation proposal contained in the final chart assumes that Fund Balance is distributed in a manner that mirrors exactly the formula required for the other 75% of funds.

The table provides several comparisons for additional context on how this proposed allocation impacts the regions.

Of particular note is the evaluation allotment which is provided for each region, and if this proposal is accepted, these allotments will become part of the original funding plans presented to the Board in January.

General Discussion

The FY12 document package is intended to provide the board with a statement and picture of commitments, reserves, and anticipated obligations across all accounts as the councils prepare to go about their business of developing funding plans for Board consideration.

Recommended Board Action

Staff recommends the Board approve the FY12 all funds budget and resulting allocations as presented in the attached documentation.

FTF Budget FY 2012 - 2023

Fiscal Year:	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Budget	157,096,702	153,500,000	153,500,000	145,000,000	145,000,000	130,000,000	130,000,000	130,000,000	115,000,000	115,000,000	115,000,000	115,000,000	101,500,000	90,000,000
Revenue (Previous year's)	137,510,505	135,000,000	129,600,000	124,416,000	119,439,360	114,661,786	110,075,314	105,672,302	101,445,410	97,387,593	93,492,089	90,000,000	90,000,000	90,000,000
Fund Balance (Year end)	256,538,018	238,038,018	214,138,018	193,554,018	167,993,378	152,655,164	132,730,478	108,402,779	94,848,189	77,235,782	55,727,872	30,727,872	19,227,872	19,227,872
Total Budget	157,096,702	153,500,000	153,500,000	145,000,000	145,000,000	130,000,000	130,000,000	130,000,000	115,000,000	115,000,000	115,000,000	115,000,000	101,500,000	90,000,000
Admin Budget	15,461,605	13,500,000	12,960,000	12,441,600	11,943,936	11,466,179	11,007,531	10,567,230	10,144,541	9,738,759	9,349,209	9,000,000	9,000,000	9,000,000
Program Budget	141,635,097	140,000,000	140,540,000	132,558,400	133,056,064	118,533,821	118,992,469	119,432,770	104,855,459	105,261,241	105,650,791	106,000,000	92,500,000	81,000,000
Statewide	14,163,510	14,000,000	14,054,000	13,255,840	13,305,606	11,853,382	11,899,247	11,943,277	10,485,546	10,526,124	10,565,079	10,600,000	9,250,000	8,100,000
Regional	127,471,587	126,000,000	126,486,000	119,302,560	119,750,458	106,680,439	107,093,222	107,489,493	94,369,913	94,735,117	95,085,712	95,400,000	83,250,000	72,900,000
Population	82,103,691	94,500,000	94,864,500	89,476,920	89,812,843	80,010,329	80,319,916	80,617,120	70,777,435	71,051,337	71,314,284	71,550,000	62,437,500	54,675,000
Discretionary	27,367,869	31,500,000	31,621,500	29,825,640	29,937,614	26,670,110	26,773,305	26,872,373	23,592,478	23,683,779	23,771,428	23,850,000	20,812,500	18,225,000
Other	18,000,027													
Other - Pop.	13,500,020													
Other - Disc.	4,500,007													

FYI -- Summary for Comparison of FY11 "total" Po & Disc to FY12 and beyond figures

Population	95,603,711
Discretionary	31,867,876

AZ Early Childhood Development and Health Board
FY12 Year End All Funds Report

UNAUDITED

	Agency			Admin			Programs			Statewide Programs			Regional Programs		
	Sept FY11 Budget (rv2)	Adj	Sept FY12 Budget (org)	Sept FY11 Budget (rv2)	Adj	Sept FY12 Budget (org)	Sept FY11 Budget (rv2)	Adj	Sept FY12 Budget (org)	Sept FY11 Budget (rv2)	Adj	Sept FY12 Budget (org)	Sept FY11 Budget (rv2)	Adj	Sept FY12 Budget (org)
Annual Expenditures															
Personel Services	\$ 7,765,193	\$ (145,734,807)	\$ 153,500,000	\$ 7,319,118	\$ (6,180,882)	\$ 13,500,000	\$ 446,075	\$ (139,553,925)	\$ 140,000,000	\$ 446,075	\$ (13,553,925)	\$ 14,000,000	\$ -	\$ (126,000,000)	\$ 126,000,000
E.R.E	\$ 2,796,183	\$ 2,796,183	\$ -	\$ 2,634,863	\$ 2,634,863	\$ -	\$ 161,321	\$ 161,321	\$ -	\$ 161,321	\$ 161,321	\$ -	\$ -	\$ -	\$ -
Prof Out-Side Srvs	\$ 978,346	\$ 978,346	\$ -	\$ 977,336	\$ 977,336	\$ -	\$ 1,010	\$ 1,010	\$ -	\$ 1,010	\$ 1,010	\$ -	\$ -	\$ -	\$ -
Travel															
In-State	\$ 490,705	\$ 490,705	\$ -	\$ 485,850	\$ 485,850	\$ -	\$ 4,855	\$ 4,855	\$ -	\$ 4,855	\$ 4,855	\$ -	\$ -	\$ -	\$ -
Staff															
Board/Council															
Out-State	\$ 59,615	\$ 59,615	\$ -	\$ 49,210	\$ 49,210	\$ -	\$ 10,405	\$ 10,405	\$ -	\$ 10,405	\$ 10,405	\$ -	\$ -	\$ -	\$ -
Staff															
Board/Council															
Equipment	\$ 172,241	\$ 172,241	\$ -	\$ 172,241	\$ 172,241	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Miscellaneous	\$ 1,934,668	\$ 1,934,668	\$ -	\$ 1,878,894	\$ 1,878,894	\$ -	\$ 55,774	\$ 55,774	\$ -	\$ 55,774	\$ 55,774	\$ -	\$ -	\$ -	\$ -
Aid to Other Organizations	\$ 140,955,656	\$ 140,955,656	\$ -	\$ -	\$ -	\$ -	\$ 140,955,656	\$ 140,955,656	\$ -	\$ 13,484,069	\$ 13,484,069	\$ -	\$ 127,471,587	\$ 127,471,587	\$ -
Sub-Total	\$ 155,152,608	\$ 1,652,608	\$ 153,500,000	\$ 13,517,511	\$ 17,511	\$ 13,500,000	\$ 141,635,097	\$ 1,635,097	\$ 140,000,000	\$ 14,163,510	\$ 163,510	\$ 14,000,000	\$ 127,471,587	\$ 1,471,587	\$ 126,000,000
One-Time Exps	\$ 1,944,094	\$ 1,944,094	\$ -	\$ 1,944,094	\$ 1,944,094	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ 157,096,702	\$ 3,596,702	\$ 153,500,000	\$ 15,461,605	\$ 1,961,605	\$ 13,500,000	\$ 141,635,097	\$ 1,635,097	\$ 140,000,000	\$ 14,163,510	\$ 163,510	\$ 14,000,000	\$ 127,471,587	\$ 1,471,587	\$ 126,000,000

STATEWIDE PROGRAMS
FY12 Allocation and Proposed Strategy Allotment

	<u>FY11</u> <u>Current</u>	<u>FY12</u> <u>Proposed</u>	<u>Year-to-Year</u> <u>Change</u>
Board Allocation	14,163,500	14,000,000	(163,500)
Strategy Allotments			
Quality First			
Administration (FTF Direct)	\$ 486,490	\$ 325,000	(161,490)
Quality Improvement	\$ 5,643,310	\$ 5,707,700	64,390
Quality Rating		\$ 1,350,000	1,350,000
Communications	\$ 1,000,000	\$ 700,000	(300,000)
Health - Physicians Outreach & Education	\$ 390,000	\$ 390,000	-
Health - Health Workforce Support	\$ 350,000	\$ 275,000	(75,000)
Health - Early Childhood Mental Health	\$ 288,400	\$ -	(288,400)
Parent Kits	\$ 700,000	\$ 1,600,000	900,000
T.E.A.C.H.	\$ 1,307,000	\$ 908,300	(398,700)
Child Care Health Consultation (CCHC)	\$ 1,200,000	\$ 999,000	(201,000)
Statewide Competitive Grants			
Kith and Kin	\$ 462,800	\$ -	(462,800)
ROR	\$ 369,200	\$ -	(369,200)
Helpline	\$ 90,000	\$ 90,000	-
FTF Professional REWARD\$	\$ 380,000	\$ -	(380,000)
Evaluation Department	\$ 679,400	\$ 680,000	600
Evaluation Program	\$ 816,900	\$ 850,000	33,100
<i>SubTotal</i>	<u>\$ 14,163,500</u>	<u>\$ 13,875,000</u>	<u>\$ (288,500)</u>
Unallotted	\$ -	\$ 125,000	\$ 125,000

Proposed FY 2012 Program Allocations
(Discretionary -- \$21 mill Distributed Based on Poverty Population)

	Population/Formula Funding	DISCRETIONARY FUNDING				Sub-Total Base Allocation	Fund Balance Draw for Evaluation	Fund Balance Draw to Hit Budget/Expend Target	Total Allocation	Evaluation Allotment (Studies and Department)	FY11 Base Allocation	Change from FY11 to FY12	FY11 Total Allocation (excluding CF)	Change from FY11 to FY12	FYI -- FY10 into FY11 CF Balance
		Baseline Adjustment	Frontier Community	Other Discretionary (proportion based on pov pop)	Sub Total Discretionary										
Central Maricopa	\$ 5,246,912			995,370	995,370	6,242,282	644,718	575,793	\$ 7,462,792	\$ 644,718	6,554,853 (312,571)	7,706,438 (243,645)	3,789,087		
Central Phoenix	\$ 10,490,810			3,516,188	3,516,188	14,006,998	669,613	1,151,255	\$ 15,827,866	\$ 669,613	13,104,584 902,414	15,406,094 421,772	4,707,985		
Central Pima	\$ 6,240,596			1,771,813	1,771,813	8,012,409	528,159	684,839	\$ 9,225,407	\$ 528,159	8,059,560 (47,151)	9,429,239 (203,832)	3,041,411		
Cochise	\$ 1,471,951		472,931	401,653	874,584	2,346,535	131,175	161,531	\$ 2,639,241	\$ 131,175	2,390,210 (43,675)	2,713,271 (74,030)	1,088,086		
Coconino	\$ 1,089,083		464,020	219,214	683,234	1,772,317	128,704	119,515	\$ 2,020,536	\$ 128,704	1,742,949 29,368	1,981,980 38,556	1,059,244		
Cocopah Tribe	\$ 19,915	50,500	2,999	7,757	61,256	81,171	832	2,185	\$ 84,189	\$ 832	78,360 2,811	82,731 1,458	63,704		
Colorado River Indian Tribes	\$ 131,158		36,073	39,935	76,008	207,167	10,005	14,393	\$ 231,565	\$ 10,005	204,383 2,783	233,170 (1,605)	62,071		
Gila	\$ 347,148		126,341	84,611	210,952	558,100	35,043	38,096	\$ 631,238	\$ 35,043	541,383 16,716	617,575 13,663	502,552		
Gila River Indian Community	\$ 628,063			234,441	234,441	862,504	30,373	68,923	\$ 961,800	\$ 30,373	784,523 77,981	922,370 39,430	186,518		
Graham/Greenlee	\$ 434,818		154,830	108,314	263,145	697,962	42,945	47,717	\$ 788,624	\$ 42,945	653,148 44,814	748,581 40,403	104,783		
Hualapai Tribe	\$ 30,360	65,000	7,583	9,768	82,351	112,712	2,103	3,332	\$ 118,147	\$ 2,103	116,943 (4,231)	123,607 (5,460)	35,931		
La Paz/Mohave	\$ 2,238,390		672,274	642,846	1,315,120	3,553,511	186,466	245,640	\$ 3,985,616	\$ 186,466	3,530,016 23,495	4,021,295 (35,678)	1,598,487		
Navajo Nation	\$ 2,460,474		543,663	840,081	1,383,744	3,844,219	150,794	270,011	\$ 4,265,023	\$ 150,794	3,926,353 (82,134)	4,466,374 (201,351)	3,509,720		
Navajo/Apache RPC	\$ 716,196		260,264	174,825	435,090	1,151,285	72,189	78,595	\$ 1,302,069	\$ 72,189	1,072,179 79,106	1,229,368 72,700	417,869		
North Phoenix	\$ 7,236,876			1,599,142	1,599,142	8,836,019	797,389	794,170	\$ 10,427,578	\$ 797,389	9,040,671 (204,653)	10,629,011 (201,433)	4,730,881		
North Pima	\$ 1,449,552			175,113	175,113	1,624,665	218,657	159,073	\$ 2,002,395	\$ 218,657	1,832,955 (208,291)	2,151,100 (148,706)	574,704		
Northeast Maricopa	\$ 2,265,865			272,366	272,366	2,538,230	342,346	248,655	\$ 3,129,231	\$ 342,346	2,830,835 (292,605)	3,328,144 (198,913)	634,686		
Northwest Maricopa	\$ 5,829,139			1,344,446	1,344,446	7,173,585	619,395	639,686	\$ 8,432,667	\$ 619,395	7,282,005 (108,420)	8,561,377 (128,710)	3,137,541		
Pascua Yaqui	\$ 136,373		27,847	48,124	75,971	212,344	7,724	14,965	\$ 235,033	\$ 7,724	219,205 (6,861)	249,136 (14,102)	26,034		
Pinal	\$ 3,630,479			835,915	835,915	4,466,394	386,348	398,406	\$ 5,251,149	\$ 386,348	4,756,238 (289,843)	5,553,051 (301,902)	3,194,745		
Salt River Pima Maricopa Indian Community	\$ 214,435			69,672	69,672	284,107	14,580	23,532	\$ 322,219	\$ 14,580	267,864 16,243	314,928 7,292	134,652		
San Carlos Apache	\$ 314,970		61,735	112,911	174,646	489,616	17,123	34,565	\$ 541,304	\$ 17,123	508,068 (18,452)	577,197 (35,893)	330,469		
Santa Cruz	\$ 752,787		208,426	228,264	436,690	1,189,477	57,810	82,610	\$ 1,329,897	\$ 57,810	1,202,730 (13,253)	1,367,951 (38,054)	494,584		
South Phoenix	\$ 10,091,030			3,205,898	3,205,898	13,296,929	715,659	1,107,383	\$ 15,119,971	\$ 715,659	12,605,357 691,572	14,820,124 299,847	5,278,510		
South Pima	\$ 3,093,579		939,779	881,166	1,820,945	4,914,524	260,663	339,487	\$ 5,514,674	\$ 260,663	4,899,345 15,179	5,578,320 (63,645)	2,220,681		
Southeast Maricopa	\$ 7,740,737			1,455,921	1,455,921	9,196,657	956,240	849,464	\$ 11,002,360	\$ 956,240	9,670,345 (473,688)	11,369,272 (366,912)	4,089,433		
Southwest Maricopa	\$ 1,677,734			456,672	456,672	2,134,406	149,974	184,113	\$ 2,468,493	\$ 149,974	2,095,833 38,573	2,464,060 4,433	1,369,146		
Tohono O'odham Nation	\$ 357,474		78,700	122,248	200,949	558,423	21,829	39,229	\$ 619,481	\$ 21,829	570,646 (12,223)	649,105 (29,624)	389,198		
White Mountain Apache	\$ 408,599		81,485	145,520	227,005	635,605	22,601	44,839	\$ 703,046	\$ 22,601	658,129 (22,524)	747,808 (44,763)	289,730		
Yavapai	\$ 2,244,317		641,857	178,029	819,886	3,552,723	178,029	246,290	\$ 3,977,042	\$ 178,029	3,480,257 72,466	3,972,837 4,205	609,774		
Yuma	\$ 3,022,680		903,192	871,254	1,774,446	4,797,126	250,515	331,707	\$ 5,379,348	\$ 250,515	4,791,660 5,466	5,456,073 (76,725)	2,677,905		
Unallocated					-	-			\$ -						
Regional Partnership Council TOTALS	\$ 82,012,500	\$ 115,500	\$ 5,684,000	\$ 21,538,000	\$ 27,337,500	\$ 109,350,000	\$ 7,650,000	\$ 9,000,000	\$ 126,000,000	\$ 7,650,000	\$ 109,471,587	\$ (121,587)	\$ 127,471,587	\$ (1,471,587)	\$ 50,350,125
State Program TOTALS		\$ 12,150,000			\$ 12,150,000	\$ 12,150,000	\$ 850,000	\$ 1,000,000	\$ 14,000,000	\$ 850,000	\$ 12,163,510	\$ (13,510)	\$ 14,163,510	\$ (163,510)	n/a
Grand TOTAL	\$ 82,012,500	\$ 12,265,500	\$ 5,684,000	\$ 21,538,000	\$ 39,487,500	\$ 121,500,000	\$ 8,500,000	\$ 10,000,000	\$ 140,000,000	\$ 8,500,000	\$ 121,635,097	\$ (135,097)	\$ 141,635,097	\$ (1,635,097)	\$ 50,350,125

Frontier Community Adjustment is calculated based on multiplying a flat amount (bucket) by the proportion at each individual Frontier Communities 0-5 population is in relation to the total 0-5 population for all Frontier RPCs.

FYI: FY12 formula is a uniform 0.11% decline compared to FY10 figures. Noting, total drop of combined/aggregate Pop figure from FY11 to 12 is more like 0.22 as seen in workbook with Sustainability graph

FYI: Allocation of peach color columns (P&Q) are based on ratio of Population/Formula base allocation.

-0.11%

-1.35%