

Summary of Commission Actions

Meeting of January 8, 2015

Welcome Baby and Baby-Friendly Hospital Update

Program Development Officer Leticia Sanchez updated the Commission on the status of the [Welcome Baby](#) and [Baby-Friendly Hospital](#) initiatives. Welcome Baby's goal is to work with families to enhance the parent-child relationship and maximize the health, safety and security of the baby, while linking families to support services as needed. A personal Parent Coach is provided to new and expectant moms during pregnancy and through the baby's first nine months. The Baby-Friendly Hospital program is designed to increase the practice and duration of breastfeeding by improving policies and staff skills at birthing hospitals through a pathway established by Baby Friendly USA, the national representative for the international breastfeeding initiative backed by UNICEF and the World Health Organization.

Consistent with Board direction in November 2014, staff was returning to the Commission on the following three issues. Sanchez's presentation included these staff recommendations:

1. Enter into a Strategic Partnership with [Martin Luther King, Jr. Community Hospital](#) to integrate both the Welcome Baby program and the Baby-Friendly Hospital projects into its operations;
2. Continue to postpone the Welcome Baby Letter of Intent (LOI); and
3. Integrate the Welcome Baby and Baby-Friendly Hospital projects with each other and align them to the new Strategic Plan.

Upon full implementation, Executive Director Kim Belshé said that Welcome Baby will be reaching 25 to 30 percent of all births in Los Angeles County and close to 60 percent in *Best Start Communities*.

The Board is expected to vote on the three recommendations at the February 19 Commission meeting.

Long Term Financial Projections Provided

With deliberations and decisions for the Fiscal Year (FY) 15-16 First 5 LA budget scheduled to begin in [April](#), Interim Finance Manager Alison Mendes provided a [Long-Term Financial Projection](#) (LTFP) to the Commission.

The Commission's primary source of revenue, Proposition 10 tobacco tax revenue, has been steadily decreasing since FY 2004-05 and is projected to decline an additional 15 percent by FY 2019-20, from the \$90.3 million in FY 2013-14 to an estimated \$76.9 million in FY 2019-20. At the same time, expenditures have been steadily increasing, exceeding incoming revenue for the first time in FY 2008-09. By FY 2013-14, annual expenditures increased to \$205.8 million — more than double the Proposition 10 tax revenue for that year.

In FY 2014-15, spending is budgeted at \$240.6 million, nearly 170 percent above the estimated tobacco tax revenue for the year. This variance between projected revenue and expenditures results in a dramatic 81 percent decrease in fund balance from the July 1, 2014, beginning fund balance of \$625.9 million, to \$117.2 million by June 30, 2020.

HIGHLIGHTS

- Welcome Baby and Baby Friendly Hospital Update
- Long Term Financial Projections Provided
- Commission Changes/Chair's Comments
- Executive Director Provides Grateful Goodbye to Commissioner Kaufman

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CHIEF OPERATING OFFICER

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Of the \$117.2 million, roughly \$35.4 million would be set aside for subsequent fiscal year operating costs and the fund balance reserve (calculated as 25 percent of the projected annual fiscal year budget).

Thus, the LTFP continues to demonstrate that the Commission cannot maintain the current rate of spending in the long run, and that the organization must take steps to transition to a more sustainable spending approach. In that light, the Commission adopted a “live within our means” approach to expenditures going forward as part the new 2015-20 Strategic Plan. Although the LTFP shows that resources are adequate in the short term to cover existing obligations and projected spending, these declining resources must be considered carefully in the long term.

Commission Changes/Chair’s Comments

[Los Angeles County Supervisor and L.A. County Mayor Michael Antonovich](#) was appointed Commission Chair for the 2015 calendar year, and he was welcomed by the Board with incoming Commissioner [Judy Abdo](#), who was appointed by new County Supervisor Sheila Kuehl, Third District. Commissioner [Philip Browning](#) was appointed Vice Chair. Commissioner [Marvin Southard](#) became a voting member and Commissioner [Cynthia Harding](#) became a non-voting member.

New Committee assignments for 2015 include:

Executive Committee: Philip Browning (Chair), [Nancy Au](#) (Vice-Chair), [Duane Dennis](#) and [Jane Boeckmann](#).

Program and Planning Committee: Duane Dennis (Chair), Cynthia Harding (Vice-Chair), [Patricia Curry](#), [Arturo Delgado](#), [Karla Pleitéz Howell](#), [Deanne Tilton Durfee](#) and Judy Abdo.

Budget and Finance Committee: Marvin Southard (Chair), [Sandra Figueroa-Villa](#) (Vice-Chair), Jane Boeckmann and Judy Abdo.

In his Chairman’s speech before the First 5 LA Commission, Mayor Antonovich identified oral health and nutrition, and prevention of child abuse and neglect as priorities he brings to the Commission this coming year.

“As Chair, I will work with the Commission to support countywide investments that will impact a greater number of children and families to support our goal to keep kids safe from abuse and neglect, and provide for the overall oral health and well-being of our County’s children, who represent our future,” Mayor Antonovich said.

Poor oral health is the most common chronic childhood disease, and can lead to learning difficulties, self-esteem issues, and eating problems, in addition to more dangerous conditions caused by bacteria and infection.

Mayor Antonovich highlighted the importance of public/private partnerships, and engaging with the faith-based community, local leaders and child advocates to establish effective service delivery systems for young children and families. Mayor Antonovich also called upon First 5 LA to establish a foster youth career development internship program, similar to one he initiated last year within the County, to provide much-needed workforce training and experience to help emancipated foster youth transition to self-sufficient adulthood.

Executive Director Report

Executive Director Kim Belshé began by acknowledging the New Year and welcoming returning Commission Chair Antonovich and new Commissioner Judy Abdo.

Belshé also praised former founding Commissioner Neal Kaufman for his 15 years of service, thanking him for his remarkable investment of time, energy, passion and intelligence on behalf of young children throughout L.A. County’s very diverse communities.

“You’ve brought not only your good thinking and deep knowledge, but a really helpful way of thinking about how the issues that impact and influence outcomes for young children are very much interrelated,” Belshé told Kaufman. “You often talk about simple rules. But I often found your comments – yes, they might be simple rules to you – but they always complicated my thinking. And I think it’s good to complicate thinking. And you really helped drive us and push us to be the best organization we can be because of the important mission we seek to advance.”

The Commission then presented Kaufman with a plaque honoring him for his service. Kaufman thanked his colleagues on the Commission and called his service an “amazing” 15 years and sees an equally “amazing” future for First 5 LA (read Kaufman’s [“Grateful Goodbye”](#)).

Other highlights of the Executive Director report:

- Belshé shared several new staffing announcements: Raoul Ortega as director of finance, Alison Mendes as interim finance manager and Gala Collins as interim human resources director.
- Given Mayor Antonovich’s role in spearheading the Harvey Rose audit four years ago, Belshé said it was time for an [update](#) on where First 5 LA is on the implementation of those recommendations. Commissioners will find First 5 LA to be a much stronger, more disciplined, transparent, accountable organization as a result of the recommendations made and that staff implemented, Belshé said.
- Belshé also commented on First 5 LA’s staff’s move to action on multiple strands of activity around the implementation of the new [Strategic Plan for 2015-2020](#). An updated timeline will be presented to the Commission in the near future, Belshé said.