

**First 5 Commission of San Diego: 10-Year Financial Plan  
Includes all Commission actions thru January 12, 2009**

**ITEM 7-2**

- \* Latest revenue forecasts from the State
- \* Program and Administration expenses adjusted for inflation by 3.5% per year starting in FY 2011 / 12
- \* Investment return at 4.15%

With Actuals for the year ended June 30, 2008

<i>Dollars in Thousands</i>													
	2005/06 Actual per Oracle	2006/07 Actual per Oracle	2007/08 Actual per Oracle	(1) 2008/09	(2) 2009/10	(3) 2010/11	(4) 2011/12	(5) 2012/13	(6) 2013/14	(7) 2014/15	(8) 2015/16	(9) 2016/17	(10) 2017/18
<b>Beginning Fund Balance</b>	177,965.1	185,428.9	188,634.8	164,142.9	102,985.7	136,070.7	127,670.0	119,552.6	112,618.6	105,913.5	96,415.5	84,039.4	68,693.2
adj to beginning fund balance 7/1/05	56.0												
<b>Revenue</b>													
Annual Projected Allocations	37,626.4	38,322.2	37,203.2	37,176.0	35,107.5	33,064.5	31,174.3	29,871.1	28,635.3	27,486.3	26,415.5	25,421.9	24,522.0
School Readiness	1,505.3	2,253.9	3,912.0	2,927.0	2,927.0	2,009.5							
SD CARES	1,108.9	116.8	327.9	400.0	600.0								
Special Needs Demo Match	761.9	165.2	228.9	250.0	125.0								
Power of PreSchool	100.0	100.0	265.1	100.0	100.0	100.0							
The California Endowment				640.0	360.0								
<b>Subtotal Revenue</b>	<b>41,102.5</b>	<b>40,958.1</b>	<b>41,937.1</b>	<b>41,493.0</b>	<b>39,219.5</b>	<b>35,174.0</b>	<b>31,174.3</b>	<b>29,871.1</b>	<b>28,635.3</b>	<b>27,486.3</b>	<b>26,415.5</b>	<b>25,421.9</b>	<b>24,522.0</b>
Contribution from Reserve Fund	0.0	0.0	0.0	69,612.8	0.0	14,506.7	13,422.6	11,895.4	11,378.8	13,893.3	16,377.4	18,833.8	21,247.6
<b>Total Revenue</b>	<b>41,102.5</b>	<b>40,958.1</b>	<b>41,937.1</b>	<b>111,105.8</b>	<b>39,219.5</b>	<b>49,680.7</b>	<b>44,596.9</b>	<b>41,766.5</b>	<b>40,014.1</b>	<b>41,379.6</b>	<b>42,792.9</b>	<b>44,255.7</b>	<b>45,769.6</b>
<b>Expenses</b>													
Projected Rate of Inflation	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
Administration	2,052.2	2,212.8	2,937.9	4,018.3	3,945.2	4,238.5	4,386.9	4,540.4	4,699.3	4,863.8	5,034.0	5,210.2	5,392.6
Evaluation	712.8	779.5	1,028.9	2,721.7	0.0	1,230.6	1,166.5	1,000.0	1,000.0	1,000.0	1,000.0	1,000.0	1,000.0
Programs	30,263.1	34,696.7	26,613.4	74,983.7	8,445.6	30,950.0	32,033.3	33,154.4	34,314.8	35,515.8	36,758.9	38,045.5	39,377.0
Prior Commission Obligations						9,242.7	7,010.3	3,071.7					
School Readiness	3,081.2	7,500.2	6,095.4	11,709.1		4,018.9							
SD CARES	1,561.7	1,684.4	1,966.9	4,500.0									
Special Needs Demo Match	734.5	540.7	564.0	1,000.0									
Power of PreSchool	0.0	3,418.1	5,050.3	12,173.0									
<b>Total Expenses</b>	<b>38,405.5</b>	<b>50,832.4</b>	<b>44,256.8</b>	<b>111,105.8</b>	<b>12,390.8</b>	<b>49,680.7</b>	<b>44,596.9</b>	<b>41,766.5</b>	<b>40,014.1</b>	<b>41,379.6</b>	<b>42,792.9</b>	<b>44,255.7</b>	<b>45,769.6</b>
	<i>2005/06 Actual per Oracle</i>	<i>2006/07 Actual per Oracle</i>	<i>2007/08</i>	<i>2008/09</i>	<i>2009/10</i>	<i>2010/11</i>	<i>2011/12</i>	<i>2012/13</i>	<i>2013/14</i>	<i>2014/15</i>	<i>2015/16</i>	<i>2016/17</i>	<i>2017/18</i>
Contribution to Service Sustainment Fund (SS Fund)	2,697.0	-9,874.3	-2,319.7	0.0	26,828.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1st Five Fund Balance subtotal	180,718.1	175,554.6	186,315.1										
Interest Earnings (actual)	4,710.8	13,080.2	8,225.3										
Prior-Yr Adjustment - Audited Financial Statements	0.0	0.0	0.0										
<b>First 5 Fund Balance End of FY</b>	<b>185,428.9</b>	<b>188,634.8</b>	<b>194,540.4</b>										
Committed (Outside Reg Expenses per yr)	(64,949.2)	(46,387.0)	(30,397.5)										
Investible Fund Balance				164,142.9	129,814.4	136,070.7	127,670.0	119,552.6	112,618.6	105,913.5	96,415.5	84,039.4	68,693.2
Contribution to Operating Fund from Sustainability Fund				(69,612.8)	0.0	(14,506.7)	(13,422.6)	(11,895.4)	(11,378.8)	(13,893.3)	(16,377.4)	(18,833.8)	(21,247.6)
Interest Earnings (projected)				6,811.9	5,387.3	5,646.9	5,298.3	4,961.4	4,673.7	4,395.4	4,001.2	3,487.6	2,850.8
Additional interest earned				1,643.7	869.0	459.1	6.9						
Investible Fund Balance	120,479.7	142,247.8	164,142.9	102,985.7	136,070.7	127,670.0	119,552.6	112,618.6	105,913.5	96,415.5	84,039.4	68,693.2	50,296.4
First 5 Commission obligations													
\$28,943,808 Encumbrances 6-30-08													
\$1,453,711 School Readiness Phase 1 Roll over: \$2,907,422 total obligated, County is 50%													
<b>\$30,397,519 Total</b>													
<b>Notes:</b>													
FY 08/09 Prop 10 Revenue has been updated, per the assumptions, and does not match budgeted Prop 10 Revenue per the approved Budget													
FY 08/09 Program Expenses do not include the \$7.6 million in Prior-Year Obligations that are included in the Budget													