

June 15, 2003

MEMO

To: CAO Board of Directors

From: Leroy Bentley, Board Treasurer

Subject: Adoption of 2003-2004 Community Action Budget

The Finance Committee has reviewed CAO's proposed budget for fiscal year 2003-2004 and recommends adoption by the full Board. This is the strongest budget document that CAO has been able to produce in several years. It now incorporates monthly budgeting for all funds. The organization had good historical information to work from and excellent systems in place to process complex financial information. We are continuing our practice of zero based budgeting, balancing confirmed revenue with expenses. Key highlights of this budget include:

1. CAO's 2003-2004 budget totals \$12,951,208; a 10% increase over last years approved budget of 11,709,537 and a \$46,000 decrease over last year's revised budget of \$12,997,114
2. Notations in the budget are:
 - Head Start Deficit -\$17,446; It is our belief that this will be zeroed after the Federal funding source issues the normal grant enhancements which are currently not part of this budget.
 - CCRR Deficit -11,005; This is deferred revenue from 2001-2002 fiscal year and will be covered by program fund balance.
 - Opening Doors Deficit -18,349; This is a planned deficit covered by the programs \$391,000 reserve.
 - Resource Development Surplus \$148,392; This can be used to cover the above deficits if needed and also reduce the corporation deficit.
3. Budget decreases are Head Start State funding, AKD, CCRR, Opening Doors, I&R and Emergency Needs. Increases are in Energy, Weatherization, Homeless Services and Transitional Housing.
4. The administrative budget is 9.07% of the agency budget.
5. A 1.5-% cost of living increase has been budgeted for all employees.
6. The Community Services Block Grant of \$296,637 is available to the organization to use where it is most needed. This budget allocates it in the following manner:
 - Volunteer coordination and community relations, and education - \$130,490
 - Homeless Services - \$10,000
 - Emergency Needs \$10,087
 - A Kid's Domain - \$36,218
 - Information and Referral - \$28,989
 - Administration - \$74,000
7. Resource Development has a stretch fundraising goal of \$1 million in private contributions. Of that \$1 million, \$572,292 is required to support the 2003-2004 operations budget. According to board mandate, unrestricted contributions will be applied in the following order:
 - To pay for Resource Development.
 - To pay for program shortfalls.
 - To reduce deficit.

Program Codes	Department Program	2003-2004 Contract Revenue
362	City of Hillsboro	\$8,000.00
362	City of Cornelius	\$1,000.00
362	United Way	\$24,184.00
362	City of Beaverton	\$4,000.00
362	Metropolitan Family Services GEARS	\$0.00
410	CSBG	\$28,989.00
	Total	\$66,173.00
Homeless Services		
330	Emergency Housing Account EHA	\$222,321.00
331	State Homeless Assist. Program SHAP	\$72,836.00
332	Emergency Shelter Grant ESG	\$59,271.00
333	Fema Shelter Home	\$21,821.00
334	CNTY General Funds	\$0.00
335	Hillsboro School Dist McKinney Homeless	\$49,000.00
337	WA CNTY Safety Levy	\$145,762.00
338	CDBG Homeless CC	\$80,000.00
410	CSBG	\$10,000.00
	Total	\$661,011.00
Transitional Housing		
336	HSP	\$36,651.00
343	UW	\$32,312.00
339/344	LIRHF	\$35,867.00
340	City of Beaverton	\$10,000.00
341	Hope Spring	\$5,000.00
342	SAFAH HUD	\$175,000.00
410	CSBG	\$0.00
	Total	\$294,830.00
Energy Assistance		
390	Low Income Energy Assistance	\$706,615.00
391	OR Energy Assistance	\$1,562,940.00
371	LIEAP Weatherization	\$349,499.00
372	PGE/NW Rebates	\$18,000.00
373	Department of Energy	\$135,173.00
374	Bonneville Power Administration	\$40,150.00
375	CDBG Weatherization	\$25,000.00
376	CDBG Weatherization	\$20,000.00
410	CSBG	\$0.00
377	Weatherization SB1149	\$639,370.00
378	PVE Wex	\$3,546.00
	Total	\$3,500,293.00
Emergency Needs		
350	WA CNTY General Funds	\$15,000.00
351	FEMA	\$152,053.00
351	FEMA Program	\$0.00
352	WESTCO	\$16,200.00
353	City of Tigard	\$15,000.00
353	City of Tualatin	\$1,792.00
353	City of Forest Grove	\$3,700.00
353	Neighborshare Emergency Fund	\$18,000.00
355	United Way	\$0.00
357	Hillsboro Emergency Fund	\$3,000.00
359	WA CNTY CDBG Emergency Needs	\$50,000.00
410	CSBG	\$10,087.00
	Total	\$284,832.00
	Double Counted Revenue Offset	\$500,909.00
	Grand Total	\$12,951,208.00
	CSBG Total	\$289,784.00
	United Way Total	\$190,904.00