

### INTEROFFICE MEMORANDUM

June 2, 2014

**MEMO TO:** Ruffin Hall  
City Manager

**FROM:** Kirsten Larson, Operating Budget Manager

**SUBJECT:** Budget Note 11 – Homeless Support Circles

#### Introduction

A Council Member expressed interest in increasing funding in the FY15 budget for Homeless Support Circles. This memorandum provides information regarding the history of the City's funding of this program and its expenditure experience.

#### Background

Homeless Support Circles is a program coordinated by Raleigh Catholic Charities to provide employment assistance, housing assistance, furniture and clothing, and connections to social services to families working toward self-sufficiency. The program is funded through a shared match process in which 1/3 comes from local government contributions, 1/3 comes from private donations, and 1/3 comes from faith organizations.

In each of FY07, FY08, and FY09 the City appropriated \$100,000 to support the Homeless Support Circles program. However, in each of these years the program spent significantly less than the funded amount. See Table 1 below for a full history of the City's funding of this program and its expenditure. As previously noted, funding for the program relies on two-thirds of the contributions coming from sources other than the City and funding from these other sources has typically lagged behind the amount provided by the City, thereby slowing the pace at which the City's contribution can be spent.

**Table 1: Homeless Support Circles Funding and Expenditure History**

	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15 proposed
Annual Appropriation	100,000	100,000	100,000	-	60,000	-	44,000	44,000	44,000
Roll Forward	-	95,915	56,680	114,736	68,138	60,000	16,717	15,997	8,997
<b>Adjusted Budget</b>	<b>100,000</b>	<b>195,915</b>	<b>156,680</b>	<b>114,736</b>	<b>128,138</b>	<b>60,000</b>	<b>60,717</b>	<b>59,997</b>	<b>52,997</b>
<b>Actual</b>	<b>4,085</b>	<b>39,236</b>	<b>41,944</b>	<b>46,599</b>	<b>48,831</b>	<b>43,284</b>	<b>44,720</b>	<b>51,000</b>	<b>(estimated)</b>
<b>Unspent at Year End</b>	<b>95,915</b>	<b>156,679</b>	<b>114,736</b>	<b>68,137</b>	<b>79,307</b>	<b>16,716</b>	<b>15,997</b>	<b>8,997</b>	

In the current year (FY14), the City's funding for this program totals \$60,000 and is comprised of a \$44,000 FY14 budget appropriation and \$16,000 which was carried forward from a prior year appropriation. By year end, the program is expected to have spent \$51,000 (the most ever spent in one year), which means the program will have approximately \$9,000 in remaining funds that will be rolled forward for their use in FY15. When this \$9,000 is added to the \$44,000 currently proposed in the FY15 budget, the program will have \$53,000 in FY15 to spend. Based on past expenditure history, this amount appears sufficient for their needs.

**Summary**

The City Council could choose to fund the Homeless Support Circles program at \$100,000 in FY15. However, unless changes are made to the structure of the program, the entirety of these funds are unlikely to be spent in FY15. Staff recommends appropriating funds at a level in line with the program's ability to expend. Based on this program's expenditure history, staff believes the current funding recommendation of \$44,000 proposed for FY15 plus the carrying forward of approximately \$9,000 from unspent, current year funding (a total of \$53,000) is sufficient to support Homeless Support Circles program needs in FY15.