

BOARD MEETING
December 16, 2015

ACTION:

**Approval of Minutes
November 13, 2015**

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United Way of Pierce County

Financial

Jennifer Nino
Pete Grignon

2016 Proposed Budget

We work from the heart to unite caring people to tackle our communities toughest challenges

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Today's Agenda

- Budget Process/Timeline
- Financial State of UWPC
- Unrestricted Reserves
- Revenue Projection
- Proposed Budget Forecast - Big Picture Numbers
- Personnel and Non-Personnel Line Items
- Overhead Projection
- Decision on items for consideration

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Budget Process/Timeline

- Management team prepared and reviewed in October
- Finance Committee Reviewed – November 4th
- Executive Committee Reviewed – November 17
- Board Review – Today December 16

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Focus Areas

Strong Families: Our Goal: All families are financially stable and able to meet all their basic needs.

- **5-Year Objective:** Increase the number of families that are more financially stable by empowering families to be self-sufficient by 15% (2,047).
- **10-Year Objective:** Increase the number of families that are more financially stable by empowering families to be self-sufficient by 31% (4,095)

Strong Start for Kids: Our Goal: All children entering kindergarten are ready for success in school and life.

- **5-Year Objective:** Increase the percentage of all children starting school in our targeted school districts ready to learn from 44% to 60%.
- **10-Year Objective:** Increase the percentage of all children starting school in our targeted school districts ready to learn from 60% to 75%.
- **Early Grade Success: Our Goal:** All children reading at grade level by the end of third grade.
- **5-Year Objective:** Increase the percentage of children in our target school districts reading at grade level by the end of third grade from 67% to 80%.
- **10-Year Objective:** Increase the percentage of children in our target school districts reading at grade level by the end of third grade from 80% to 90%.

Basic Needs: Our Goal: All Pierce County residents are able to access and navigate available human service resources to meet their immediate needs.


- **5-Year and 10-Year Objective:** United Way of Pierce County will continue to be nimble and responsive to the ever-changing evolution of the basic needs' resources for individuals and families in Pierce County. We will capture data points to report our strategies on how we are responding to current needs yet we desire these data sets to decrease


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Financial State of UWPC


 **Unrestricted Reserves** – Projected year-end 2016 at \$830,000 after proposed use of \$270,000 to fund agency investments in 2016; above 3 month minimum of \$725,000 – Context to come later in this presentation


 **Community Campaign Revenues** – estimated decrease of \$400,000 in contributions from Employees Community Fund of Boeing Puget Sound, Intel and Nordstrom


 **Uncollectible rate on pledges**– 3.75%; United Ways our size avg. 7.2%

 **Impact Dollars** – Looking to grow grants. Focus on 2-1-1, Hunger and CSF

 **Unrestricted Dollars** – We are doing all the right stuff with CRM strategies

 **Building** – 100% occupancy and final year of \$102,500 payment to Boys and Girls Clubs for their Hope Centers

 **Endowment** – approximately \$3.5M. Gearing up for 100 year anniversary campaign – 2021. Goal of 100 legacy donors, current or deferred gifts

 **Leadership Donor retention** – Increased 3% from 69% to 72%; added 25; goal is to increase retention to 80%

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Financial State of UWPC

Areas at Risk

Employee Community Fund of Boeing Puget Sound and Weyerhaeuser

- Expecting further decreases in coming years, although we may be able to ameliorate as they are allowing us in the workplace again. We also need a unified strategy with all United Ways educating Boeing on the value of their investment
- Weyerhaeuser moves to downtown Seattle

CFC Campaign

- CFC campaign ends in 2016
- Loss of \$820,000 will cause costs to jump by 2%
- UWPC only receives about 2,500 directly from the campaign
- Since we don't recognize the revenue until the following year (2017) we will have until the end of 2018 to make up the loss

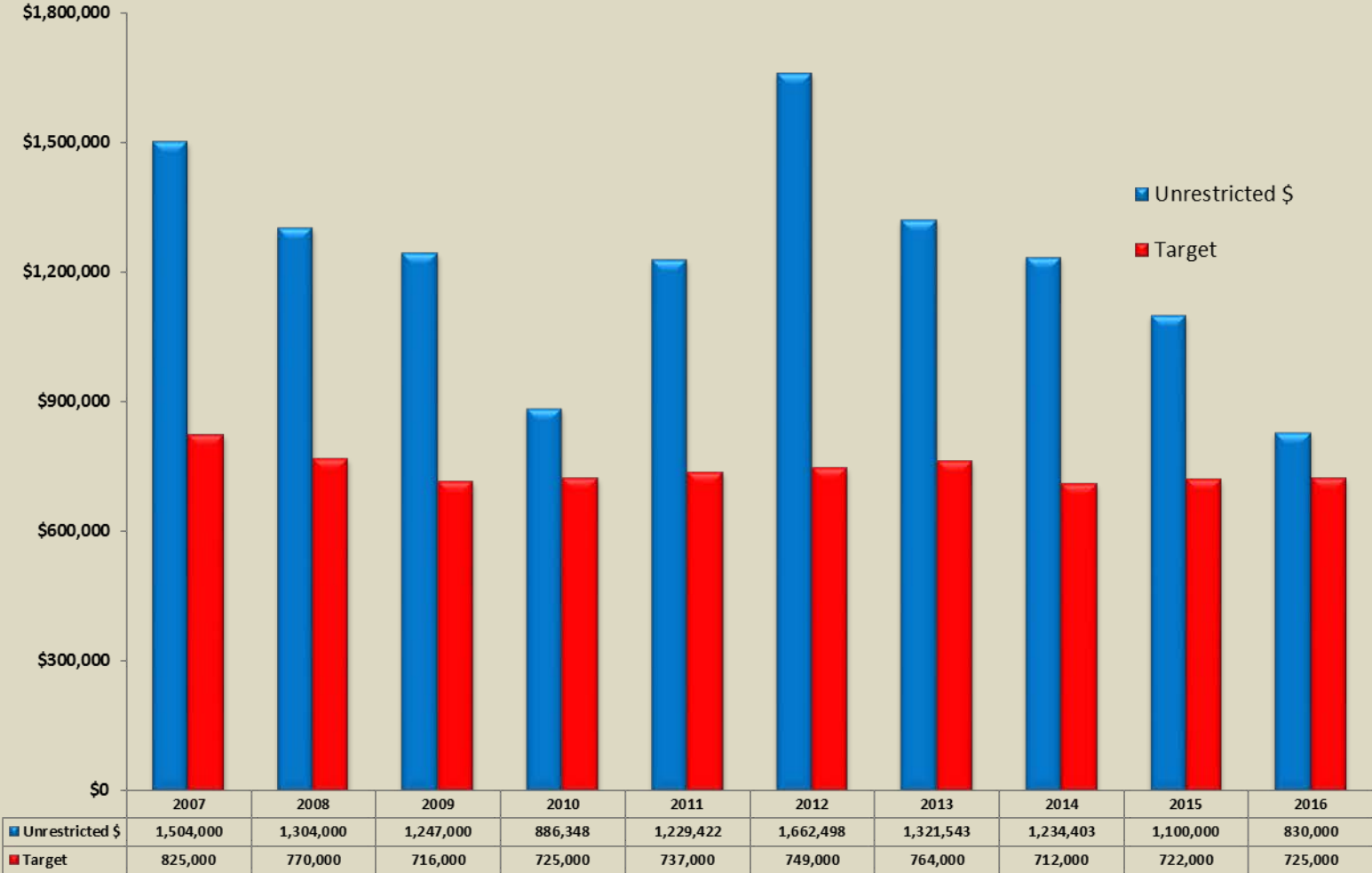
Unrestricted Reserves

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Unrestricted Reserves(undesignated) with Minimum Reserve Target - Est 2015-16



Revenue Projection

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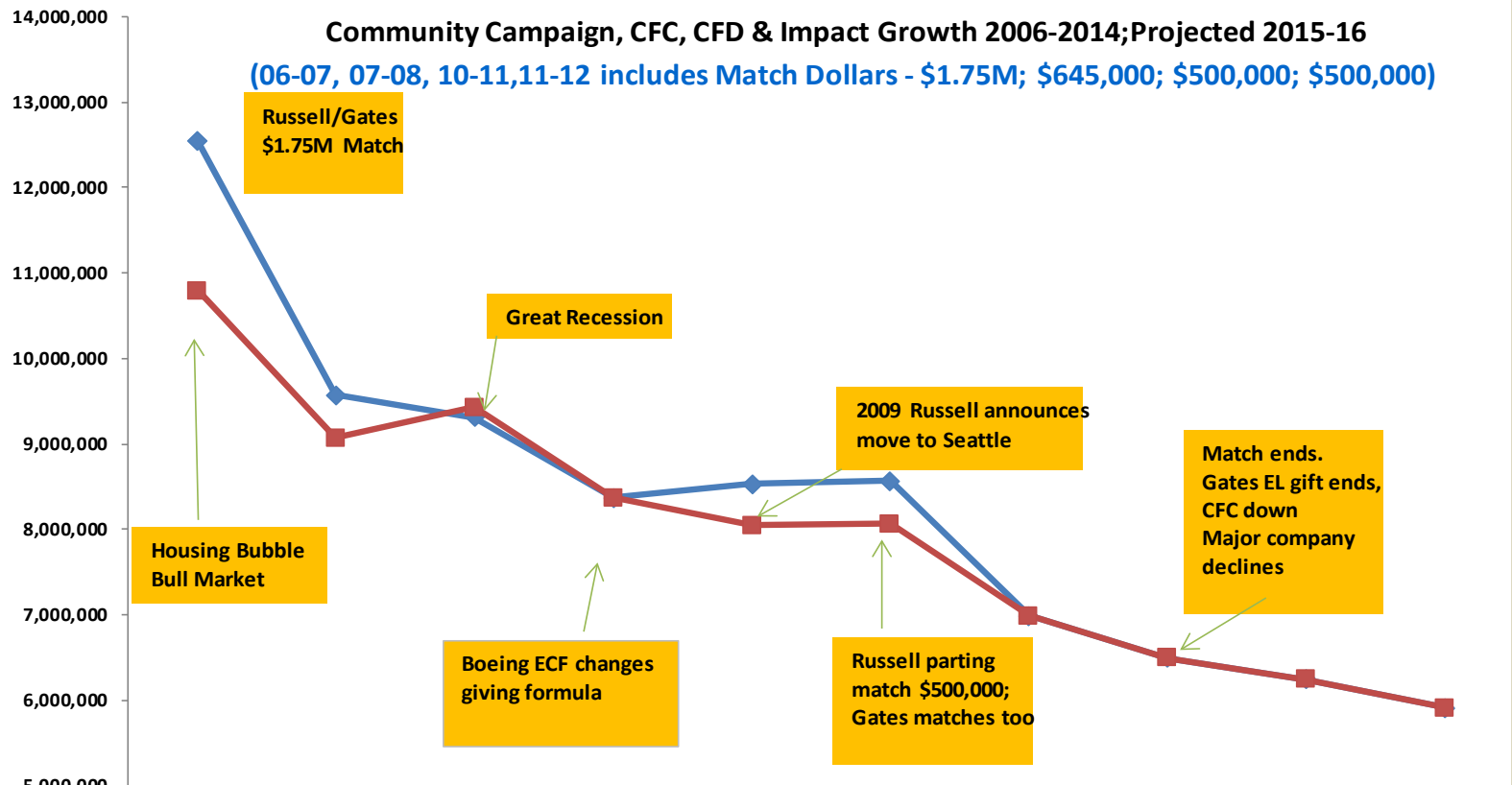
Revenue Forecast

Forecasting 8.0% decrease of (\$400,000) in 2015-16 community campaign

Anticipating growth of 24% in grants, or \$82,000. We could realize more as Center for Strong Families takes off

Decreases in program income; (\$93,650) Mainly Gifts in Kind program donations which are expected to decrease due to losing some space to the new child care center in our building

Community Campaign, CFC, CFD & Impact Growth 2006-2014; Projected 2015-16
 (06-07, 07-08, 10-11, 11-12 includes Match Dollars - \$1.75M; \$645,000; \$500,000; \$500,000)



	06-07	07-08	08-09	09-10	10-11	11-12	12-13	13-14	14-15	15-16
◆ Total Raised	12,539,947	9,567,253	9,314,653	8,365,065	8,532,810	8,568,275	6,991,621	6,497,793	6,244,262	5,913,785
■ Without Match	10,792,204	9,067,253	9,429,881	8,365,315	8,049,809	8,064,299	6,991,621	6,497,793	6,244,262	5,913,785

Review 2016 Proposed Budget Forecast

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Resources

Decrease of **(\$604,665)**

Net campaign resources and grants			(\$380,966)
Program/Event Support:			
Event Income	10,000		
Program/Contracts	(3,650)		
GIK (non cash)	<u>(100,000)</u>		(93,650)
Other Support:			
Investment Income	4,000		
*Carryover grants	(189,049)		
Board designated impact carryover	50,000		
Other	<u>5,000</u>		(130,049)
TOTAL RESOURCES			(\$604,665)

*Carryover grants from 2014 to 2015. \$139,000 is early learning which will now go directly to First Five Fundamentals; Cheney technology grant of \$50,000 not renewable until 2016

Community Investments

Decrease of (\$470,958)

* Community Impact Fund	(\$ 79,831)
GIK – smaller space when daycare moves in	(100,000)
Donor Designations	(279,007)
CFC, CFD, UWPC Community Programs	(12,120)
TOTAL COMMUNITY INVESTMENTS	(\$470,958)

* We will be spending a smaller amount of our flexible impact reserve in 2016; less money directed from donors to our focus areas; three agency programs no longer receiving funding

Personnel and Non Personnel Departmental Expenditure Budget (E)

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Personnel Line Items – Salaries and Benefits

Increase of \$8,220

- This area includes \$72,000 of grant reserve funding from a prior year Boeing grant for an evaluator position. Without the addition, this area would have a **decrease of \$63,780**

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Non Personnel Highlights

Increase of \$7,402

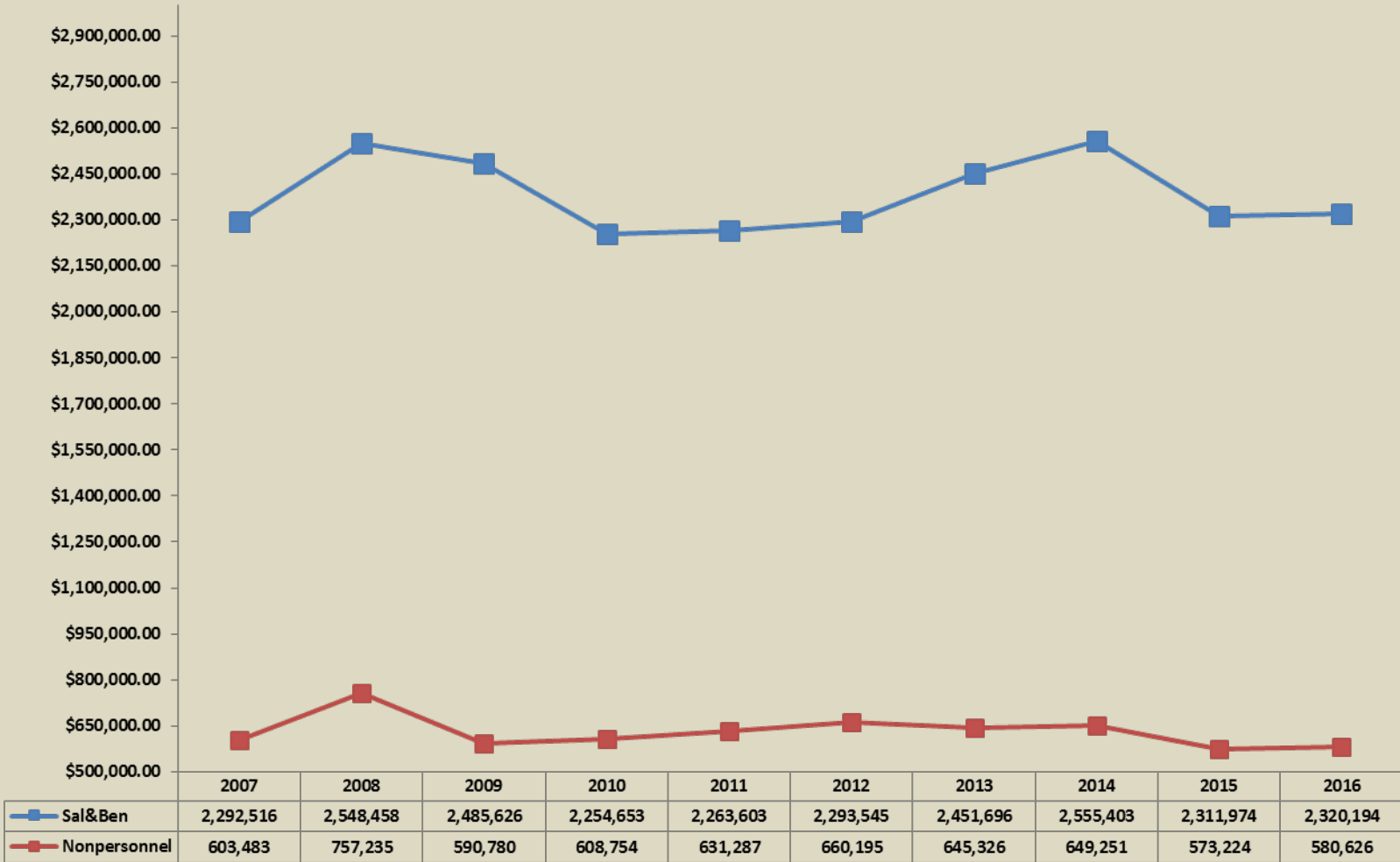
- Reduction in most line items.
- Increases in supplies of 7,000 for a small federal grant (40% match requirement) awarded for volunteer engagement and \$22,000 in volunteer travel reimbursement for RSVP (Federal Retired Senior Volunteer Program)
- Taking the above into consideration, non personnel line items decreased for the second year in a row

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Costs Trends 2007 to 2016 Personnel and Non-Personnel



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Overhead Projection

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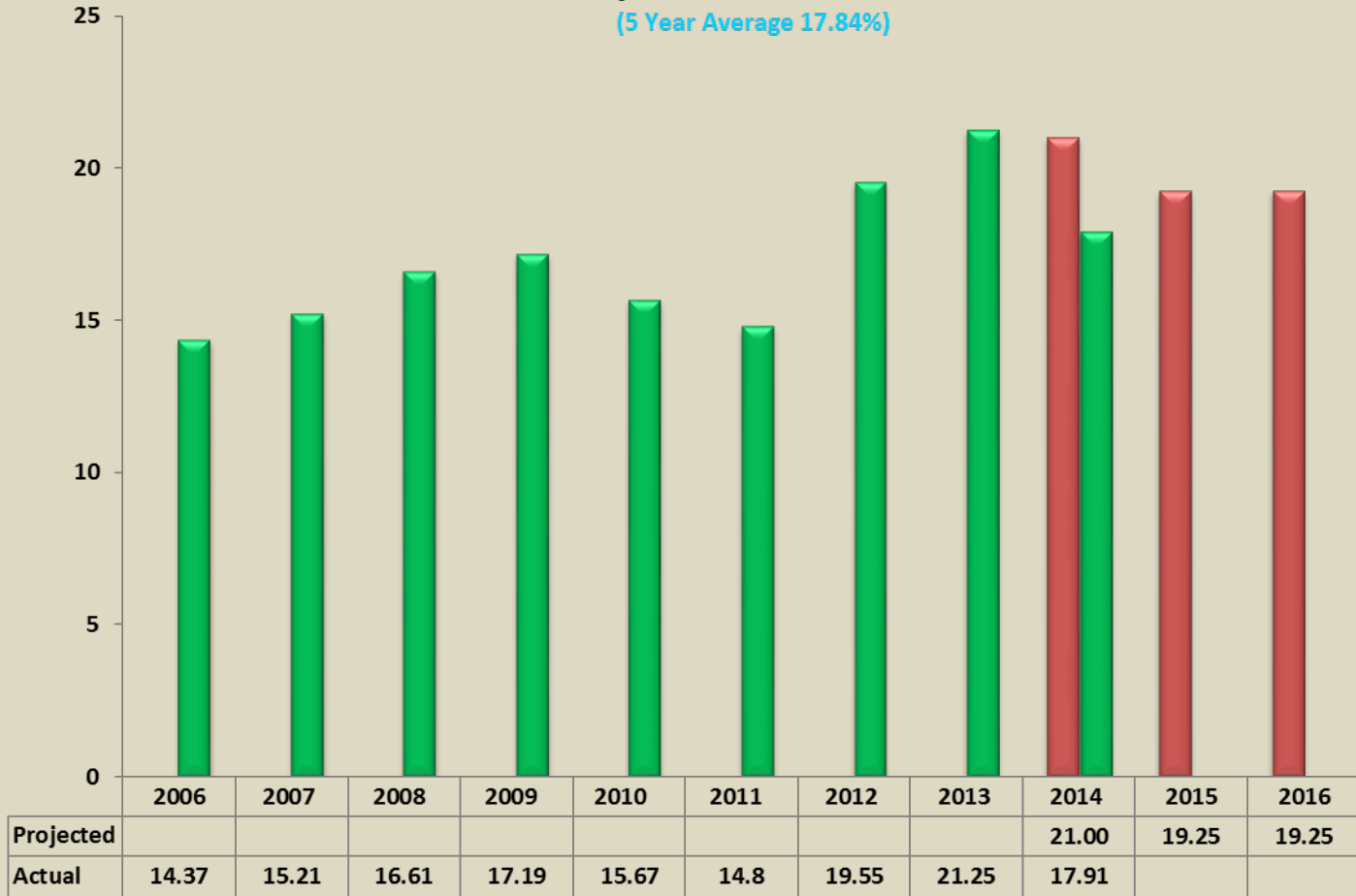


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Administrative Costs

With Projected Costs 2015 and 2016

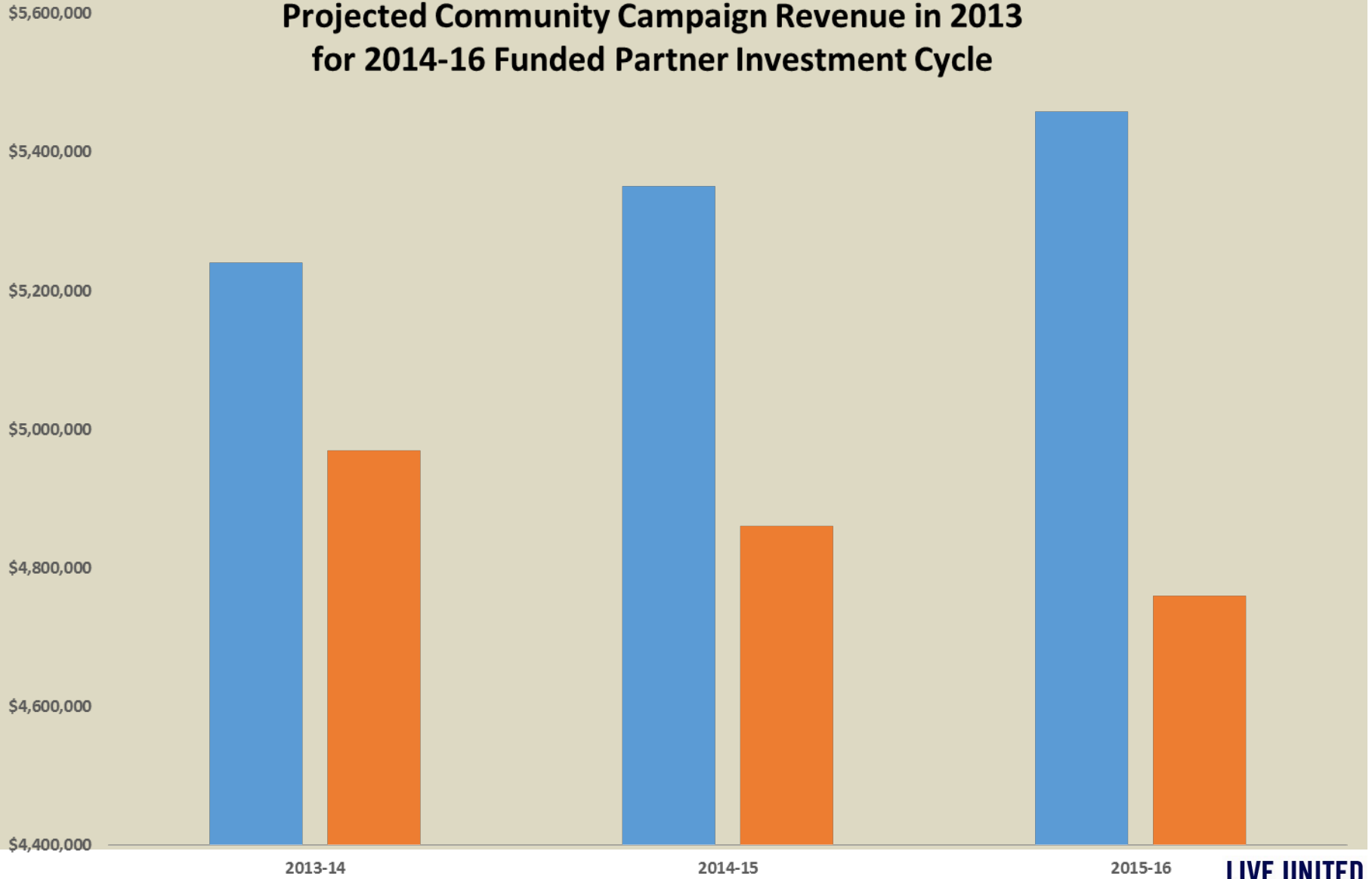
(5 Year Average 17.84%)



Items for Consideration

Proposing \$270,000 from reserves to continue funding agency programs for final year of three year investment cycle (see next chart for how we got here). This amount includes \$20,000 for Labor Community Services which hadn't been a line item in the last two budgets.

Projected Community Campaign Revenue in 2013 for 2014-16 Funded Partner Investment Cycle



■ Projected ■ Actual

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President's Report

Dona Ponepinto

- ALICE
- Hunger Initiative
 - Crock pot project
- CSF Update
- Strategies for Closing the Gap – Status
- Tacoma Urban League



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A PROJECT OF HUNGER FREE PIERCE COUNTY COLLABORATIVE



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Advocacy Committee Update

2016 Advocacy Agenda Considerations

David Graybill

Patty Rose

All advocacy work is designed to further our 10 year goals below:

- By 2024, United Way of Pierce County will, in collaboration with community partners, help break the cycle of poverty by removing barriers and focusing on long-term solutions.
- **Ensure a Strong Start for Kids:** Increase the number of low-income children ready for kindergarten from 44 percent to 90 percent.
- **Ensure Early Grade Success:** Increase the number of low-income children reading at grade level by the end of the third grade from 75 percent to 90 percent.
- **Build Strong Families:** Increase the number of low-income families that are financially stable by 4,000.
- **Meet the Basic Needs of families and individuals** through investments in food, housing and other essentials.

Ensure a Strong Start for Kids

Ask: Continued investments in and implementation of quality early learning programs via the bipartisan Early Start Act, particularly in increased access to ECEAP, quality child care, and home visiting.

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Build Strong Families/Basic Needs and Supportive Services

Ask: Sustain and increase the state investment for WIN 2-1-1.

Ask: Sustain and increase the State Housing Trust Fund; Housing and Essential Services (HEN) funding; and Temporary Assistance for Needy Families (TANF).

Additional Items:

- “School breakfast” Initiative
- Statewide Lobby Day in Olympia on February 3, 2016.
- Encourage Board members to join Advocacy Committee

Action

Vote on recommendations presented by the Advocacy Committee for the 2016 legislative session.

Thank you.

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Adjournment

Jamey McCormick