



## Inter-Faith Council for Social Service

March 12, 2004

The Honorable Kevin C. Foy

Honorable Members of the Town Council (Sally Greene, Ed Harrison, Cam Hill, Mark Kleinschmidt, Bill Strom, Dorothy Verkerk, Jim Ward, Edith Wiggins)

Town Hall

306 North Columbia Street

Chapel Hill, NC 27514

Dear Mayor Foy and Members of the Town Council:

As you know, the Inter-Faith Council for Social Service (IFC) provides an array of services that are absolutely critical to improving the quality of life of the Town of Chapel Hill and that ensure some degree of support for those families and individuals who are homeless or at risk of homelessness.

The last year has brought financial challenges to the IFC that have put in question our ability to sustain services. Last July, to compensate for the loss of federal funds for Homestart, we laid off nine full- and part-time staff members and reorganized services in a way that impacted all of our programs and staff. Just recently, when it became clear that the economic environment was affecting our ability to raise funds from individual and foundation donors, we laid off another four staff members and made additional cutbacks in programs and services. Now, faced with the forced move from the Old Municipal Building, we are struggling with a wide range of unanticipated demands on our resources. We have already addressed a petition to you on that matter.

As we were dealing with the Homestart crisis, IFC Board and staff were extremely heartened by the commitment the Town Council made to provide an \$30,000 in support of our FY 2003-2004 operating expenses. These funds, as well as additional allocations from the United Way and Orange County, have helped us maintain our core, mission-related services.

Taking as a point of departure our most recent budgetary cutbacks, we have now developed preliminary FY 2004-2005 budget scenarios, which indicate that IFC is by no means yet "out of the woods." Thus, I am writing to **request that the \$30,000 allocation** made by the Town of Chapel Hill to the IFC in FY '03-04 **be continued in the next fiscal year**. We will be making a similar request to the County Commissioners; our Human Services Agency Funding application requests an increase in funding from the Town of Carrboro as well. What we will be able to negotiate with United Way remains an open question at this time.

I have included two attachments with this request. The first is a simple information matrix so that you can see the changes that have been occurring in the IFC's budgetary and staffing capacities. The second is a copy of our first draft FY 2004-2005 budget, which we now expect to have to revise downward even more.

We hope to have the opportunity to talk in greater detail with you about this petition for FY 2004-2005 funds. Please do not hesitate to contact me or Chris Moran, Executive Director.

Sincerely,

Natalie Ammarell  
President

Giving help and hope to those in need

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**INTER-FAITH COUNCIL FOR SOCIAL SERVICE**

**Comparison  
2003/04 vs. 2004/05**

<b>ITEM</b>	<b>FY '02-03 (JULY-JUNE)</b>	<b>FY '03-04 (JULY- JUNE)</b>	<b>FY '04-05 (JULY- JUNE)</b>	<b>REMARKS</b>
<b>IFC BUDGET FIGURES</b>	\$1,685,367 (Actuals)	\$1,694,177 (Approved - July '03)  \$1,559,536 (Revised-January '04)	\$1,439,446 (Preliminary Draft – March '04)	<ul style="list-style-type: none"> <li>• While the number of individual donors is holding steady, the amounts of their gifts are down. We have just sent out a mailing to 7000 new prospects.</li> <li>• While we have had some successes with obtaining new foundation funds, overall foundation giving is reduced. They are telling us it is because of portfolio declines.</li> <li>• Congregations are giving more this year, but they are experiencing difficulties as well.</li> </ul>
<b>IFC STAFF</b>	27 Full-time	23 Full-time (July, 2003)  19 Full-time (March, 2003)	19 Full-time	A major “hidden” impact on staffing is the extent to which we have cut back on the hours of part-time staff. We have already reduced daytime hours at the men’s shelter. We are operating at the most minimal level – with only one part-time manager on site at each residential facility at any given time.
<b>TOWN OF CHAPEL HILL FUNDING</b>		\$35,500	\$35,500	<b>Includes proposed continuation of special \$30,000 allocation</b>
<b>TOWN OF CARRBORO</b>		\$8,550	\$10,000	Increase requested in human services application
<b>ORANGE COUNTY</b>		\$36,480	\$36,480	<b>Includes proposed continuation of special \$10,000 allocation</b>
<b>UNITED WAY FUNDING</b>		\$139,867	\$111,894	Triangle UW did not reach its goal this year. We have been told to expect yet another decrease in funding. <b>This is not yet reflected in budget projections.</b>