



# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** Albert Balagso

**SUBJECT: HEALTHY NEIGHBORHOODS  
VENTURE FUND BUDGET  
RECOMMENDATIONS**

**DATE:** June 10, 2009

Approved

*Diana Jurane*

Date

*6/11/09*

In the June Budget Message for Fiscal Year 2009-10, Mayor Reed recommended that the Healthy Neighborhoods Leadership Committee consider alternative funding appropriations for the City Council, so that it allows for additional community input on the process, all while ensuring City Council approval on June 23, 2009.

A Special Meeting of the Healthy Neighborhoods Leadership Committee (HNLC) has been scheduled on June 11, 2009, for the purpose of discussing a "Tiered Funding Strategy" for the distribution of HNLF grants funds. The attached memo has been provided to the HNLC and has been posted for public view.

Attached is the memorandum that was distributed to the HNLC on June 5. Staff anticipates that the HNLC will take action on this item at its June 11<sup>th</sup> meeting and subsequently staff will provide the City Council with supplemental memo outlining the final recommendation for City Council consideration on June 23, 2009.

ALBERT BALAGSO  
Director of Parks, Recreation and  
Neighborhood Services

For questions please contact Jay Castellano at 408-535-3571.

Attachment: Healthy Neighborhoods Venture Fund (HNLF) Tiered Funding Strategy



# Memorandum

**TO:** Healthy Neighborhoods  
Leadership Committee

**FROM:** Albert Balagso

**SUBJECT: HEALTHY NEIGHBORHOODS  
VENTURE FUND (HNVF)  
TIERED FUNDING STRATEGY**

**DATE:** June 5, 2009

Approved

*Diana Jutan*

Date

*6/11/09*

## RECOMMENDATION

Approve modifications to the Manager's Budget Addendum (MBA) #9 by utilizing a tiered funding allocation strategy. Using the same amount of available funding, this strategy would increase the number agencies funded in 2009-10 from 42 to 53 (Attachment A).

## BACKGROUND

On May 21, 2009 staff forwarded, by way of an Information Memo, to the Healthy Neighborhoods Leadership Committee (HNLC) a Managers Budget Addendum #9 (Attachment B) that outlined Healthy Neighborhoods Venture Fund (HNVF) budget recommendations.

In MBA #9, Parks Recreation and Neighborhood Services (PRNS) recommended that the City Council distribute \$4.0 million in available HNVF funds to the 42 agencies with the highest ratings and rankings resulting from the HNVF request for proposals (RFP) process. The strategy of allocating 100% of requested funds from the ranked list is consistent with action recommended by PRNS to the Healthy Neighborhoods Leadership Committee (HNLC) and approved by the HNLC on April 16, 2009.

Since the HNVF RFP process began in November 2008, the local and national economic conditions have changed dramatically. Many of the City's partner agencies are threatened by dwindling revenues and contributions. At the same time, community-based organizations continue to serve a valuable role to the San Jose community by providing services that align with and supplement City core services. With a tiered funding strategy, the City would help ensure that a greater number of agencies will have the opportunity to remain viable now and in the future.

## ANALYSIS

While continuing to value the integrity of the recent HNVF request for proposals (as described in MBA #9), this proposal would modify the funding recommendations in MBA #9 to fund a greater number of agencies with the same amount of available HNVF funds. The City could continue to offer value-added services to San Jose residents and, at the same time, help preserve the financial health of a greater number of partner agencies through this economic downturn.

In using the "tiered" strategy below, the rank order list in MBA #9 would still be valid. While MBA #9 would fund 42 projects out of the \$4,047,435 in available HNVF funds, the "tiered" strategy would fund 53 projects.

Agency RFP Score (scale of 90 points)	% of Proposal Funded
85 and above	90%
81.00—84.99	85%
76.00—80.99	80%
75.99 and below	75%

For example, if an agency submitted a proposal for \$50,000 that received an RFP score of 82.00, that proposal would receive 85% of the requested amount, or \$42,500. HNVF staff would collaborate with the agency during the contract negotiation process to identify how the \$7,500 reduction would be mitigated in a way that the agency could still offer a viable program that still aligns with the HNVF Allocation Plan.

## COORDINATION

This memorandum was coordinated with the City Manager's Office and the City Attorney's Office.

  
ALBERT BALAGSO, Director  
Parks, Recreation and Neighborhood Services

For questions, please contact Jay Castellano, Deputy Director, at 408-535-3571.

Attachment A: Funding Recommendation  
Attachment B: Appeal Process Results Information Memo

### Attachment A - HNVF Funding Recommendations

Rank	Agency Name	Project name	Request Amount	Proposed Amount	%	Category
1	Health Mobile	Dental Care for Children	\$150,000	\$135,000	90%	Youth
2	School Health Clinics of Santa Clara County	Pediatric Weight Management Program	\$49,626	\$44,663		Youth
3	San Jose Day Nursery	Subsidized Early Care and Education Program	\$125,000	\$112,500		Youth
4	Goodwill Industries of Silicon Valley	Good Health	\$149,955	\$127,462	85%	Youth
5	Fresh Lifelines For Youth	Legal Eagle	\$35,000	\$35,000		Youth
6	Catholic Charities of Santa Clara County	John XXIII Multi-Service Center	\$150,000	\$127,500		Senior
6	Ethiopian Community Services, Inc.	Senior Services Program	\$44,000	\$37,400		Senior
6	Senior Adults Legal Assistance (SALA)	Legal Assistance to Elders Expansion	\$50,000	\$42,500		Senior
9	The Health Trust	Meals On Wheels	\$119,720	\$101,762		Senior
10	Bay Area Legal Aid	Senior Legal Advocacy Project	\$35,000	\$35,000		Senior
10	Generations Community Wellness Centers, Inc.	MOVETRITION	\$72,000	\$61,200		Youth
12	Catholic Charities of Santa Clara County	Day Break - Senior Resilience and Empowerment Project	\$80,000	\$68,000		Senior
12	Family Supportive Housing, Inc.	Children and Youth Project	\$150,000	\$127,500		Youth
12	Jewish Family Services of Silicon Valley	To Life! Healthy Living Program	\$91,875	\$78,094		Senior
15	Health Mobile	On-Site Medical Care for Seniors	\$150,000	\$120,000		80%
15	St. Elizabeth's Day Home	Healthy Living program	\$75,000	\$60,000	Youth	
17	Mexican American Community Services Agency, Inc.	Youth Center Prevention Program	\$139,000	\$111,200	Youth	
17	Family & Children Services	Deaf Families with Children	\$150,000	\$120,000	Youth	
17	Indian Health Center of Santa Clara Valley	American Indian Elders Wellness Program	\$91,395	\$73,116	Senior	
20	Live oak Adult Day Services	Senior Adult Day Care/Respite	\$54,000	\$43,200	Senior	
21	Fresh Lifelines For Youth	Law For Your Life	\$50,000	\$40,000	Youth	
21	San Jose Grail Family Services	Ready, Set, Go! Program	\$49,202	\$39,362	Youth	
23	Asian Americans for Community Involvement of Santa Clara County,	Youth Development Services	\$91,536	\$73,229	Youth	
24	Gardner Family Health Network	Senior Preventative Health Project	\$150,000	\$120,000	Senior	
25	Next Door Solutions to Domestic Violence	Mature Alternative to Violent Environments Now (MAVEN)	\$90,000	\$72,000	Senior	
25	Sacred Heart Nativity Schools of San Jose	Our Lady of Grace Middle School for Girls	\$75,000	\$60,000	Youth	
25	Sacred Heart Nativity Schools of San Jose	Sacred Heart Nativity Middle School for Boys	\$75,000	\$60,000	Youth	
28	Breathe California of the Bay Area	Seniors Breathe Easy	\$40,000	\$35,000	Senior	
28	Pathway Society, Inc.	Pathway to Family Wellness	\$38,071	\$35,000	Youth	
30	Escuela Popular del Pueblo	High School After-School Program	\$119,800	\$95,840	Youth	

**Attachment A - HNVF Funding Recommendations**

Rank	Agency Name	Project name	Request Amount	Proposed Amount	%	Category
30	Third Street Community Center	Leading Strong & Healthy Lives	\$41,780	\$35,000		Senior
32	Continuing Development Inc. DBA Choices for Children	PTRAC 5-Keys Workshop Series	\$131,523	\$105,218		Youth
33	Respite and Research For Alzheimer's Disease	Alzheimer's Activity Center	\$50,000	\$40,000		Senior
33	San Jose Public Library	Books for Little Hands	\$150,000	\$120,000		Youth
33	Third Street Community Center	Inspiring Young Minds and Families	\$147,965	\$118,372		Youth
36	Asian Americans for Community Involvement	Senior Wellness Program	\$91,805	\$73,444		Senior
37	Alum Rock Counseling Center, Inc.	Connections Mentoring Program	\$107,680	\$86,144		Youth
37	Diabetes Society	Diabetes Screening and Education for San Jose Seniors	\$80,000	\$64,000		Senior
37	Outreach & Escort, Inc.	Senior Transportation & Resources Program (STAR)	\$150,000	\$120,000		Senior
37	YMCA of Silicon Valley/Project Cornerstone	School Partnerships	\$150,000	\$120,000		Youth
41	Big Brothers Big Sisters of the Bay Area	San Jose School-Based mentoring Program	\$60,000	\$45,000	75%	Youth
41	Mexican American Community Services Agency, Inc.	MACSA Adult Day Health Care	\$146,412	\$109,809		Senior
43	Boys & Girls Clubs of Silicon Valley	SMART Moves	\$57,382	\$43,037		Youth
43	City Year San Jose/Silicon Valley	Whole School, Whole Child - K.R. Smith Elementary School	\$150,000	\$112,500		Youth
43	Respite and Research For Alzheimer's Disease	Rosa Elena Childcare Center	\$35,000	\$35,000		Youth
46	Indian Health Center of Santa Clara Valley	San Jose Native American Youth Empowerment Program	\$82,358	\$61,769		Youth
46	Unity Care Group, Inc.	Youth Outreach Program	\$150,000	\$112,500		Youth
46	Ethiopian Community Services, Inc.	Youth After School Achievement	\$39,000	\$35,000		Youth
46	Community Partners for Youth, Inc.	Alcanzar	\$35,000	\$35,000		Youth
46	San Jose Jazz Society	Get Jazzed!	\$150,000	\$112,500		Youth
46	Friends Outside in Santa Clara County	After-School Youth Program	\$61,567	\$46,175		Youth
52	Positive Alternative Recreation Teambuilding Impact	PARTI Leadership Program	\$85,200	\$63,900		Youth
52	San Jose Grail Family Services	Family Empowerment Program	\$74,140	\$55,605		Youth
54	Catholic Charities of Santa Clara County	CORAL Moves Program	\$150,000	\$112,500		Youth
54	Indian Health Center of Santa Clara Valley	Diabetes Prevention & Lifestyle Balance Program	\$47,050	\$35,288		Senior
56	Community Partners for Youth, Inc.	Step-Up to Brighter Futures	\$150,000	\$112,500		Youth
56	Rohi Alternative Community Outreach	THRIVE	\$75,660	\$56,745		Youth
56	Sacred Heart Community Service	Turn the Tide Youth Education Program	\$120,741	\$90,556		Youth
59	City Year San Jose/Silicon Valley	Whole School, Whole Child - L.U.C.H.A. Elementary School	\$150,000	\$112,500		Youth
60	Boys & Girls Clubs of Silicon Valley	Technology	\$44,760	\$35,000		Youth

### Attachment A - HNVF Funding Recommendations

Rank	Agency Name	Project name	Request Amount	Proposed Amount	%	Category
61	YES Reading DBA Reading Partners	Reading Partners San Jose	\$150,000	\$112,500		Youth
62	City Year San Jose/Silicon Valley	Whole School, Whole Child - Rocketship Mateo Sheedy Elementary	\$150,000	\$112,500		Youth
63	Crosscultural Community Services Center	Junior For Success	\$128,000	\$96,000		Youth
63	HealthCare Volunteer	San Jose Non-Profit Dental Center	\$150,000	\$112,500		Youth
65	International Children Assistance Network	Happy 5	\$150,000	\$112,500		Youth
66	The Health Trust	YEAH! (Youth Engaged in Advancing Health)	\$67,884	\$50,913		Youth
67	SJB Child Development Centers	Health Initiative	\$150,000	\$112,500		Youth
68	Catholic Charities of Santa Clara County	Kinship Resource Center	\$50,000	\$37,500		Senior
68	The Health Trust	Wellness Access and Education: Health Access & Navigation	\$100,000	\$75,000		Senior
68	Self-Help for the Elderly	San Jose Minority Senior Wellness Program	\$150,000	\$112,500		Senior
68	The Health Trust	Wellness Access and Education: Chronic Disease Self Management	\$112,288	\$84,216		Senior
72	Children's Musical Theater San Jose	Summer Camps	\$112,000	\$84,000		Youth
73	Hospice of the Valley	Transitional Services for Older Adults	\$59,075	\$44,306		Senior
73	The Health Trust	Diversity in Health Professions Program	\$71,305	\$53,479		Youth
75	Junior Achievement of Silicon Valley & Monterey Bay, Inc.	Workforce Readiness and Economic Education Program	\$75,000	\$56,250		Youth
76	Gardner Family Health Network	Kids Health	\$150,000	\$112,500		Youth
77	Asian American Recovery Services, Inc.	Project Thrive	\$148,000	\$111,000		Youth
78	Vietnamese Voluntary Foundation (VIVO)	PHU DONG Youth Project	\$45,000	\$35,000		Youth
79	Bill Wilson Center	Project Safe Place: Safe Place Community Outreach	\$75,000	\$56,250		Youth
79	San Jose/Silicon Valley NAACP	Youth Leadership Academy	\$35,000	\$35,000		Youth
81	Crosscultural Community Services Center	Senior Activity & Youth Support Club	\$145,700	\$109,275		Senior
81	Santa Clara Valley Blind Center, Inc.	Seniors Living With Vision Loss	\$119,000	\$89,250		Senior
83	Emergency Housing Consortium of Santa Clara County	One-Stop Center Services for Seniors	\$150,000	\$112,500		Senior
84	South Bay Children's Medical Center, Inc.	Pediatric Urgen Care Clinics	\$146,490	\$109,868		Youth
85	Children's Musical Theater San Jose	Production Workshops	\$150,000	\$112,500		Youth
86	The Health Trust	Silicon Valley Health Corps	\$50,743	\$38,057		Youth
87	Crosscultural Community Services Center	Truancy Mentoring Intervention Program	\$124,200	\$93,150		Youth
88	O'Neill Sea Odyssey	San Jose Community Oceanography Program	\$75,000	\$56,250		Youth
89	Generations Community Wellness Centers, Inc.	Spring Chickens	\$144,000	\$108,000		Senior
90	Escuela Popular del Pueblo	Early Childhood Program	\$79,800	\$59,850		Youth

**Attachment A - HNVF Funding Recommendations**

Rank	Agency Name	Project name	Request Amount	Proposed Amount	%	Category
90	Breakout Prison Ministries DBA California Youth Outreach	Healthy Pathways Program	\$150,000	\$112,500		Youth
92	AVANCE, Inc	AVANCE Parent-Child Education Program	\$150,000	\$112,500		Youth
92	San Jose Jazz Society	Seniors Get Jazzed!	\$150,000	\$112,500		Senior
94	Generations Community Wellness Centers, Inc.	GFruit & Veggie Fun Walks	\$125,000	\$93,750		Youth
94	Leadership Public Schools	LPS-San Jose Enrichment Program	\$50,000	\$37,500		Youth
96	Breathe Californis of the Bay Area	CLASP - Peer Mentorship Program	\$70,000	\$52,500		Youth
97	Mount Pleasant Elementary School District	Exercise For Success	\$150,000	\$112,500		Youth
98	Continuing Development Inc. DBA Choices for Children	PTRAC (Provider Training, Resource & Activity Center)	\$83,523	\$62,642		Youth
98	San Jose Conservation Corps and Charter School	YouthBuild San Jose	\$150,000	\$112,500		Youth
100	Bill Wilson Center	Youth Revolution	\$35,000	\$26,250		Youth
101	Greater San Jose After-School All-Stars	Middle School Sports League/After School Program	\$150,000	\$112,500		Youth
102	St. Paul's United Methodist Church	St. Paul's UMC Creative Arts Program for Youth	\$65,000	\$48,750		Youth
103	Housing Authority of the County of Santa Clara	SMARTS Youth Development Program	\$150,000	\$112,500		Youth
104	South Bay Children's Medical Center, Inc.	Adolescent Health Education Program	\$79,881	\$59,911		Youth
105	HealthCare Volunteer	San Jose Non-Profit Dental Center	\$150,000	\$112,500		Senior
106	Mount Pleasant Elementary School District	Family Advocacy Model of Empowerment	\$150,000	\$112,500		Youth
107	Vietnamese Voluntary Foundation (VIVO)	Health is Gold Senior Project	\$43,000	\$32,250		Senior
108	Vison New America, Inc.	Youth Leadership and Civic Engagement	\$73,231	\$54,923		Youth
109	African American Community Service Agency	Beyond School Hours	\$75,000	\$56,250		Youth
110	Santa Clara County Black Chamber of Commerce	Next Gen Business Academy	\$57,624	\$43,218		Youth
111	Teen Save Cove	Cara's Cove	\$150,000	\$112,500		Youth
112	Almaden Valley Counseling Service	S.T.E.P. Classes for School Sites	\$61,370	\$46,028		Youth

**TOTAL FUNDING REQUEUSTS      \$11,337,317**

# Memorandum

**TO:** Healthy Neighborhoods Leadership  
Committee

**FROM:** Albert Balagso

**SUBJECT:** SEE BELOW

**DATE:** 05-21-09

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Approved

Date

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## INFORMATION

### **SUBJECT: APPEAL PROCESS RESULTS VIA THE 2009-2010 HEALTHY NEIGHBORHOOD VENTURE FUND MANAGER'S BUDGET ADDENDUM**

On May 12, 2009, Parks Recreation and Neighborhood Services (PRNS) forwarded to the City Council the attached Manager's Budget Addendum (MBA) related to the Healthy Neighborhoods Venture Fund 2009-2010 application and allocation process. Per Committee direction at the April 16, 2009 HNLC meeting, staff is providing the results of the application appeal process via the attached MBA.

Below are highlights of the appeal process results.

- Forty-six appeals (46) were received during the appeal period. After reviewing both the appeals and the original staff work, the Appeals Subcommittee upheld 44 of the original ratings and upgraded two ratings.
- The two applications that were upgraded are:
  - Sacred Heart Nativity School for Boys—This application rating was increased from 72.00 to 76.33. This rating increase adjusted their ranking from 41 to 14. Further detail regarding the rationale for the rating adjustment is provided on page 4 in the MBA.
  - Third Street Community Center—This application rating was increased from 70.67 to 76.67. This rating increase adjusted their ranking from 46 to 19. Further detail regarding the rationale for the rating adjustment is provided on page 4 in the MBA

For additional information, please contact Matt Shelton at 793-5541.

  
ALBERT BALAGSO  
Director of Parks, Recreation  
and Neighborhood Services

Attachment



# Memorandum

**TO:** HONORABLE MAYOR AND  
CITY COUNCIL

**FROM:** Albert Balagso

**SUBJECT:** HEALTHY NEIGHBORHOODS  
VENTURE FUND (HNVF)  
BUDGET RECOMMENDATIONS

**DATE:** May 12, 2009

Approved

Date

5-13-09

## RECOMMENDATION

- a) Approve the 2009-2010 ranked list of proposals approved by the Healthy Neighborhoods Leadership Committee (HNLC) to be considered for HNVF grant allocations (Attachment A).
- b) Approve HNVF funding for "Established Priorities" and other expenses recommended by the HNLC and as reflected in the attached revised Source and Use of Funds Statement (Attachment B) as follows:
  - San Jose After School (\$2,254,263)
  - Children's Health Initiative (\$2,100,000)
  - Parks, Recreation and Neighborhood Services (PRNS) Senior Nutrition (\$670,000)
  - Administration (\$886,737)
  - Smoking Ban Outreach (\$50,000)
  - Evaluation Consultant (\$100,000)
- c) Direct the Director of Parks, Recreation and Neighborhood Services to allocate \$4,047,435 in HNVF funding to agencies with the highest scores and ranking, as highlighted in Attachment A.
- d) Authorize the Director of PRNS to negotiate and execute 2009-2010 contracts and amendments consistent with adopted budgeted amounts for the HNVF program.

## BACKGROUND

Per the national Anti-Tobacco Master Settlement Agreement (MSA), the City of San Jose receives an annual payment from the tobacco companies through the State of California. The 2009-2010 fiscal year will be the tenth year of funding, and per the agreement, these payments will continue in perpetuity. In March 2000, the City Council directed the Administration to

disburse funds through a public competitive process. Since then, an annual allocation process has been approved, monitored, and managed by the HNLC.

In October 2008, Council approved a series of enhancements to HNVF that strengthened the program's alignment to core City services and its commitment to healthy individuals and healthy neighborhoods throughout the City of San Jose. Two important enhancements were the development of the Healthy Neighborhoods Strategic Work Plan (SWP) and the HNVF Allocation Plan. The SWP includes the broader vision of "healthy neighborhoods in San Jose," as well as the HNVF program's mission, values and strategic goals. Within the SWP framework is the HNVF Allocation Plan. The Allocation Plan delineates the eligible services and target populations that would be targeted for HNVF funding. It provides an assortment of services and activities that will create change or improve the conditions of well-being for the target population.

In alignment with the SWP and the Allocation Plan, the City Council also approved in October 2008 certain Established Priorities that would first receive HNVF revenues. Costs associated with program administration, smoking ban outreach, consultant costs, debt service, General Fund transfers, and the non-profit platform are also accounted for before HNVF revenues are allocated. The Established Priorities include the following:

- Children's Health Initiative—HNVF funding provides health insurance to about 2,000 children whose families have income at or below 300% of the federal poverty level.
- San Jose After-School—HNVF funding provides general tutoring, homework assistance, recreation, literacy and math enriching programs to San Jose youth at various sites throughout the City.
- Senior Nutrition—HNVF funding provides support to senior services identified in the City's Aging Services Master Plan, including: nutrition; case management; in-home assistance; intergenerational programming; health services; and multicultural services.

Other HNVF allocations are subject to the annual budget process. In preparation for 2009-10, PRNS released a request for proposals (RFP) with the intent of identifying service providers that best align with the service priorities specified in the HNVF Allocation Plan. This is HNVF's first RFP under the new Results Based Accountability model (as described to the City Council in October 2008). Unlike prior HNVF allocation processes, but similar to the process used by San Jose BEST, this RFP will generate a list of "eligible providers" that can best meet the community needs identified in the Allocation Plan. The service providers that actually receive funding will depend on the amount of HNVF funds the City Council makes available through the City's budget process.

At its April 16, 2009 meeting, the HNLC approved the RFP proposal rankings and directed staff to forward the results to the City Council for consideration in the 2009-2010 budget process. Simultaneously, the HNLC appointed an Appeals Subcommittee (consisting of two community members and the Director of PRNS) and authorized it to update the rankings based on the appeals process, as needed. The ranked list included with this Manager's Budget Addendum

reflects the list approved by the HNLC with two adjustments made by the Appeals Subcommittee.

## ANALYSIS

### Competitive Process

The review and rating process included the following phases:

#### *1) Prescreening*

All applications were prescreened for proposal responsiveness, such as on-time submission and completeness; and for demonstrating matching funding of at least 20%. The prescreening phase resulted in five (5) applications that did not move forward for further review. Four applications did not meet the 20% matching funds requirement and one application was incomplete.

#### *2) Numeric Rating*

The 112 eligible applications (totaling \$11,337,317 in funding requests) were rated by eight Parks, Recreation, and Neighborhood Services staff (Analysts and Senior Analysts level). Each application was scored by three staff members. The final rating was calculated by averaging the three scores. This multi-rater approach ensured that applications were thoroughly reviewed and objectively rated. Below are the criteria and the corresponding numeric weighting.

Criteria	Points
<b>Needs</b> – Target population, alignment to SWP, location of services	30
<b>Program Design</b> – Alignment to HNVF Allocation Plan, program activities, result statements	30
<b>Service Capacity</b> – Agency experience, staff and organizational resources, cost effectiveness of services	15
<b>Skills and Competencies</b> – Agency's approach to promoting healthy lifestyles, ability to promote HNVF values	15
<b>TOTAL POINTS</b>	90

#### *3) Rankings*

External review panels of community members with backgrounds in youth and senior services were recruited to review applications. The role of the panelists was to lend their expertise in determining priority areas of need vis-à-vis the Allocation Plan and to validate the staff analysis of the proposed program designs.

The review panels, by consensus, made ten adjustments to the rankings. The adjustments were based on the panel's assessments in 1) confirming community needs, 2) confirming program design and 3) identifying gaps and redundancies among the 112 qualified proposals vis a vis the HNVF Allocation Plan. Numerical adjustments occurred in ten instances, including six instances among the youth-serving proposals and four instances among the senior-serving proposals. In seven instances the numerical adjustments were upward; in three instances the adjustments were downward.

This entire process yielded a ranked list of 80 eligible youth services providers and 32 eligible senior services providers.

### Appeal Process

On April 16, the HNLC also appointed an Appeals Subcommittee, consisting of two HNLC members and the Director of PRNS, and authorized it to update the rankings, as needed, based on the appeals process that ran from April 17-27. Given that this is the first RFP process in transitioning to HNVF's new SWP and Allocation Plan, PRNS anticipated there would be a considerable amount of questions regarding the final recommendation. Consequently, 46 appeals were received during the appeal process. Many agencies used the appeal process to obtain detailed, documented feedback on their proposals, regardless of whether their final scores and rankings were high or low. For future HNVF RFP processes, this was a valuable capacity-building experience for all stakeholders.

After reviewing both the appeals and the original staff work, the Appeals Subcommittee upheld 44 of the original ratings and upgraded two ratings for the following service providers:

- Sacred Heart Nativity School for Boys—This application rating was increased from 72.00 to 78.33. Sacred Heart Nativity Schools of San Jose submitted identical applications for their boys' and girls' programs. Each was rated by three different raters, and there was a deviation between the raters' averages. The proposals were reviewed by two additional raters, and the Appeals Subcommittee agreed with the final recommended rating of 78.33. This rating increase adjusted their ranking from 41 to 14.
- Third Street Community Center—This application rating was increased from 70.67 to 76.67. The score was increased after two additional raters determined that the response included all necessary components to merit an adjustment (clearly defined need, multiple independent data sources, strong alignment to HNVF goals). The Appeals Subcommittee concurred, and this rating increase adjusted their ranking from 46 to 19.

The ranked list included as Attachment A of this Manager's Budget Addendum reflects the list approved by the HNLC and includes the two adjustments made by the Appeals Subcommittee.

### Funding Scenario

In April 2009, the City received \$10.6 million in HNVF revenues for the 2009-2010 funding year. The following table summarizes the 2009-2010 HNVF revenues along with the Established Priorities and other expenses recommended by the HNLC. This information can also be found in the attached revised Source and Use of Funds Statement (Attachment B).

<b>2009-2010 Revenue</b>	<b>\$10,565,704</b>
Established Priorities	
• San Jose After School	(\$2,254,263)
• Children's Health Initiative	(\$2,100,000)
• PRNS Senior Nutrition	(\$670,000)
Administration	(\$886,737)
Smoking Ban Outreach *	(\$50,000)
Evaluation Consultant	(\$100,000)
Miscellaneous (debt service, GF transfer, non-profit platform)	(\$493,617)
<b>Unallocated Funds</b>	<b>\$4,011,087</b>
<b>Ending Fund Balance usage</b>	<b>\$36,258</b>
<b>Total recommended allocation for Community Based Organizations</b>	<b>\$4,047,345</b>

\* As directed by the HNLC, before proceeding with any expenditure of additional HNVF funds for the educational campaign associated with the smoking ban in parks, staff will first report on the 2008-09 educational efforts to determine its effectiveness and make a determination at that time whether or not to continue the campaign.

Recommended Allocation Methodology

Based on the above table, \$4.0 million of HNVF funding is available for the agencies that participated in the competitive process. PRNS recommends that the City Council distribute the \$4.0 million to the agencies with the highest ratings and rankings resulting from the RFP process.

Recommended Methodology—The ranked list in Attachment A is sorted by final rating score, and it is the recommended methodology for allocating available funding. This list merges the youth and senior service providers into one ranked list and recommends funding for programs and projects that are 1) most qualified in terms of the pre-determined criteria of needs, design, capacities and competencies; and, 2) best positioned to meet the needs of the HNVF Allocation Plan. The result of this allocation methodology – assuming that all of the unallocated \$4.0 million is made available for community-based organizations – is that 42 agencies would be funded, all with scores of 75.67 or higher on a scale of 90 points. Of the 42 agencies, 23, or 55%, would be youth-serving agencies and 19, or 45%, would be senior-serving agencies. The 2009-2010 Proposed Operating Budget indicated that \$4,011,087 was unallocated in the Anti-Tobacco Master Settlement Agreement Fund and could be available for community-based organizations. The funding for community-based organizations (\$4,047,345) recommended in this memorandum is closely aligned with this figure. The difference between the \$4,047,345 and \$4,011,087 is recommended to be funded from the Unrestricted Ending Fund Balance in the Anti-Tobacco Master Settlement Agreement Fund.

Alternative methodologies considered (not recommended) for allocating funding are as follows:

Alternative Methodology #1—Allocate the same amount of funding to youth- and senior-serving agencies. This methodology assumes that the demand for youth and senior services is equal, and it assumes that similar funding will generate similar outcomes. Using the \$4.0 million scenario, this methodology would allocate \$2.0 million to 20 youth-serving agencies and \$2.0 million to 22 senior-serving agencies. The last funded agency would have a score of 69.67.

Alternative Methodology #2—Allocate funding to the same number of youth- and senior-serving agencies. This methodology also assumes that the demand for youth and senior services is equal, and it assumes that proposing agencies have similar capacities and can generate similar outcomes. Again, using the \$4.0 million scenario, this methodology would allocate funding to 21 youth-serving agencies (\$2.1 million) and to 21 senior-serving agencies (\$1.9 million). The last funded agency would have a score of 73.67.

Alternative Methodology #3—The strength of the recommended allocation methodology in Attachment A is that the highest rated agencies would be funded and would already include in those ratings a factor for ensuring that the proposed projects/programs best align with the HNVF Strategic Work Plan and Allocation Plan.

#### Tie-Breaker

For any of the possible allocation methodologies, the situation may arise where the available funding ends between two or more agencies with the same numerical rating. In the event of a tie, PRNS would work with the external review panel of experts to identify the proposal(s) that can best fill gaps in the Allocation Plan within the available funding.

#### Disruption Analysis

Assuming a \$4.0 million funding scenario, 71% of the agencies (41 of 58) that are funded through HNVF in 2008-2009 who submitted RFP responses would receive funding in 2009-10. The other 17 agencies currently funded in 2008-2009 would lose their HNVF funding. While these 17 agencies target the same populations and outcomes, they overlap those of the higher rated proposals. In lieu of immediate funding, these 17 agencies would be placed on the Eligible Service Provider list (see below) for future consideration.

#### Eligible Service Provider List

An Eligible Service Provider list will be established that includes all ranked agencies. Due to the limited amount of funds, not all eligible service providers will receive funding. If an opportunity arises in the future – such as a terminated contract with a funded agency or an emerging/emergency need is identified – an appropriate eligible service provider will be considered for funding. The Eligible Service Provider list could be used until the next RFP process.

05-12-09

Subject: HNVF Budget Recommendations

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## PUBLIC OUTREACH

PRNS posted the RFP on BidSync, the City's on-line RFP management system. This posting was advertised in the San Jose Mercury News and an e-mail notification was sent out to the non-profit community. Additional outreach included the Hispanic Chamber of Commerce, the Chinese Chamber of Commerce, and the Vietnamese Chamber of Commerce.

Staff provided the following pre-proposal activities that facilitated applicants' ability to submit competitive proposals:

- Two RFP Conferences – The conferences provided an overview of the RFP content, including, submission instructions, description of the forms, evaluation criteria and selection process, and highlights of the SWP and HNVF Allocation Plan.
- RFP Addendums – Staff regularly posted RFP questions and answers on the HNVF website that allowed applicants to receive the latest information and updates regarding the RFP.
- Proposal Review for Completeness – Preceding the application due date, staff encouraged applicants to meet with staff to review their applications for completeness.

At the April 16, 2009, Healthy Neighborhoods Leadership Committee meeting, agencies had the opportunity to comment on their proposal ratings and rankings. Agencies also had the opportunity to have their proposals reviewed again through the appeals process.

## COORDINATION

This memorandum was coordinated with the Office of the City Attorney and the City Manager's Office.



ALBERT BALAGSO, Director  
Parks, Recreation and Neighborhood Services

Attachment A: Ranked List of Proposals

Attachment B: Statement of Source and Use of Funds

For questions, please contact Jay Castellano, Deputy Director, at 408-535-3571

**Attachment A - HNVF Request For Proposals - Ranked List of Proposals**

Rank	Agency Name	Project name	Request Amount	Category	Score	Running Total		
1	Health Mobile	Dental Care for Children	\$150,000	Youth	88.33			
2	School Health Clinics of Santa Clara County	Pediatric Weight Management Program	\$49,626	Youth	88.17			
3	San Jose Day Nursery	Subsidized Early Care and Education Program	\$126,000	Youth	88.00			
4	Goodwill Industries of Silicon Valley	Good Health	\$149,955	Youth	84.33			
5	Fresh Lifelines For Youth	Legal Eagle	\$35,000	Youth	83.67			
6	Catholic Charities of Santa Clara County	John XXIII Multi-Service Center	\$150,000	Senior	83.00			
6	Ethiopian Community Services, Inc.	Senior Services Program	\$44,000	Senior	83.00			
6	Senior Adults Legal Assistance (SALA)	Legal Assistance to Elders Expansion	\$50,000	Senior	83.00			
9	The Health Trust	Meals On Wheels	\$119,720	Senior	82.67			
10	Bay Area Legal Aid	Senior Legal Advocacy Project	\$35,000	Senior	82.33			
10	Generations Community Wellness Centers, Inc.	MOVETRATION	\$72,000	Youth	82.33		Youth	Senior
12	Catholic Charities of Santa Clara County	Day Break - Senior Resilience and Empowerment Project	\$80,000	Senior	81.00	\$1,080,301	\$581,581	\$478,720
12	Family Supportive Housing, Inc.	Children and Youth Project	\$150,000	Youth	81.00		6	6
12	Jewish Family Services of Silicon Valley	To Live! Healthy Living Program	\$91,875	Senior	81.00			
15	Health Mobile	On-Site Medical Care for Seniors	\$150,000	Senior	80.67			
15	St. Elizabeth's Day Home	Healthy Living program	\$75,000	Youth	80.67			
17	Mexican American Community Services Agency, Inc.	Youth Center Prevention Program	\$139,000	Youth	80.33			
17	Family & Children Services	Deaf Families with Children	\$150,000	Youth	80.33			
17	Indian Health Center of Santa Clara Valley	American Indian Elders Wellness Program	\$91,395	Senior	80.33			
20	Live oak Adult Day Services	Senior Adult Day Care/Respite	\$54,000	Senior	80.00		Youth	Senior
21	Fresh Lifelines For Youth	Law For Your Life	\$50,000	Youth	79.67	\$2,011,571	\$1,145,581	\$865,990
21	San Jose Grail Family Services	Ready, Set, Go! Program	\$49,202	Youth	79.67		11	10
23	Asian Americans for Community Involvement of Santa Clara County, Inc.	Youth Development Services	\$91,538	Youth	79.33			
24	Gardner Family Health Network	Senior Preventative Health Project	\$150,000	Senior	79.00			
25	Next Door Solutions to Domestic Violence	Mature Alternative to Violent Environments Now (MAVEN)	\$90,000	Senior	78.33			
25	Sacred Heart Nativity Schools of San Jose	Our Lady of Grace Middle School for Girls	\$75,000	Youth	78.33			
25	Sacred Heart Nativity Schools of San Jose	Sacred Heart Nativity Middle School for Boys	\$75,000	Youth	78.33			
28	Breathe California of the Bay Area	Seniors Breathe Easy	\$40,000	Senior	78.00			
28	Pathway Society, Inc.	Pathway to Family Wellness	\$38,071	Youth	78.00			
30	Escuela Popular del Pueblo	High School After-School Program	\$119,800	Youth	77.67			
30	Third Street Community Center	Leading Strong & Healthy Lives	\$41,780	Senior	77.67			
32	Continuing Development Inc. DBA Choices for Children	PTAC 5-Keys Workshop Series	\$131,623	Youth	77.00		Youth	Senior
33	Respite and Research For Alzheimer's Disease	Alzheimer's Activity Center	\$50,000	Senior	76.67	\$2,983,483	\$1,725,713	\$1,237,770
33	San Jose Public Library	Books for Little Hands	\$150,000	Youth	76.67		18	15
33	Third Street Community Center	Inspiring Young Minds and Families	\$147,965	Youth	76.67			
36	Asian Americans for Community Involvement	Senior Wellness Program	\$91,805	Senior	76.50			
37	Alum Rock Counseling Center, Inc.	Connections Mentoring Program	\$107,680	Youth	76.00			
37	Diabetes Society	Diabetes Screening and Education for San Jose Seniors	\$80,000	Senior	76.00			
37	Outreach & Escort, Inc.	Senior Transportation & Resources Program (STAR)	\$150,000	Senior	76.00			
37	YMCA of Silicon Valley/Project Cornerstone	School Partnerships	\$150,000	Youth	76.00			
41	Big Brothers Big Sisters of the Bay Area	San Jose School-Based mentoring Program	\$60,000	Youth	75.67		Youth	Senior
41	Mexican American Community Services Agency, Inc.	MACSA Adult Day Health Care	\$146,412	Senior	75.67	\$4,047,345	\$2,341,358	\$1,705,987
43	Boys & Girls Clubs of Silicon Valley	SMART Moves	\$57,382	Youth	75.33		23	19
43	City Year San Jose/Silicon Valley	Whole School, Whole Child - K.R. Smith Elementary School	\$150,000	Youth	75.33			
43	Respite and Research For Alzheimer's Disease	Rosa Elena Childcare Center	\$35,000	Youth	75.33			
46	Indian Health Center of Santa Clara Valley	San Jose Native American Youth Empowerment Program	\$82,358	Youth	75.00			
46	Unity Care Group, Inc.	Youth Outreach Program	\$150,000	Youth	75.00			

**Attachment A - HNVF Request For Proposals - Ranked List of Proposals**

Rank	Agency Name	Project name	Request Amount	Category	Score	Running Total
46	Ethiopian Community Services, Inc.	Youth After School Achievement	\$39,000	Youth	75.00	
46	Community Partners for Youth, Inc.	Alcanzar	\$35,000	Youth	75.00	
46	San Jose Jazz Society	Get Jazzed!	\$150,000	Youth	75.00	
46	Friends Outside In Santa Clara County	After-School Youth Program	\$61,567	Youth	75.00	
52	Positive Alternative Recreation Teambuilding Impact	PARTI Leadership Program	\$85,200	Youth	74.00	
52	San Jose Grail Family Services	Family Empowerment Program	\$74,140	Youth	74.00	
54	Catholic Charities of Santa Clara County	CORAL Moves Program	\$150,000	Youth	73.67	
54	Indian Health Center of Santa Clara Valley	Diabetes Prevention & Lifestyle Balance Program	\$47,050	Senior	73.67	
56	Community Partners for Youth, Inc.	Step-Up to Brighter Futures	\$150,000	Youth	73.33	
56	Rohi Alternative Community Outreach	THRIVE	\$75,660	Youth	73.33	
56	Sacred Heart Community Service	Turn the Tide Youth Education Program	\$120,741	Youth	73.33	
59	City Year San Jose/Silicon Valley	Whole School, Whole Child - L.U.C.H.A. Elementary School	\$150,000	Youth	73.00	
60	Boys & Girls Clubs of Silicon Valley	Technology	\$44,780	Youth	72.33	
61	YES Reading DBA Reading Partners	Reading Partners San Jose	\$150,000	Youth	72.00	
62	City Year San Jose/Silicon Valley	Whole School, Whole Child - Rocketship Mateo Sheedy Elementary School	\$150,000	Youth	71.67	
63	Crosscultural Community Services Center	Junior For Success	\$128,000	Youth	71.33	
63	HealthCare Volunteer	San Jose Non-Profit Dental Center	\$150,000	Youth	71.33	
65	International Children Assistance Network	Happy 5	\$150,000	Youth	71.00	
66	The Health Trust	YEAHI (Youth Engaged in Advancing Health)	\$67,884	Youth	70.67	
67	SJB Child Development Centers	Health Initiative	\$150,000	Youth	70.00	
68	Catholic Charities of Santa Clara County.	Kinship Resource Center	\$50,000	Senior	69.67	
68	The Health Trust	Wellness Access and Education: Health Access & Navigation	\$100,000	Senior	69.67	
68	Self-Help for the Elderly	San Jose Minority Senior Wellness Program	\$150,000	Senior	69.67	
68	The Health Trust	Wellness Access and Education: Chronic Disease Self Management	\$112,288	Senior	69.67	
72	Children's Musical Theater San Jose	Summer Camps	\$112,000	Youth	69.33	
73	Hospice of the Valley	Transitional Services for Older Adults	\$59,075	Senior	68.33	
73	The Health Trust	Diversity in Health Professions Program	\$71,305	Youth	68.33	
75	Junior Achievement of Silicon Valley & Monterey Bay, Inc.	Workforce Readiness and Economic Education Program	\$75,000	Youth	68.00	
76	Gardner Family Health Network	Kids Health	\$150,000	Youth	67.33	
77	Asian American Recovery Services, Inc.	Project Thrive	\$148,000	Youth	66.67	
78	Vietnamese Voluntary Foundation (VIVO)	PHU DONG Youth Project	\$45,000	Youth	66.00	
79	Bill Wilson Center	Project Safe Place: Safe Place Community Outreach	\$75,000	Youth	65.33	
79	San Jose/Silicon Valley NAACP	Youth Leadership Academy	\$35,000	Youth	65.33	
81	Crosscultural Community Services Center	Senior Activity & youth Support Club	\$145,700	Senior	65.00	
81	Santa Clara Valley Blind Center, Inc.	Seniors Living With Vision Loss	\$119,000	Senior	65.00	
83	Emergency Housing Consortium of Santa Clara County	One-Stop Center Services for Seniors	\$150,000	Senior	64.67	
84	South Bay Children's Medical Center, Inc.	Pediatric Urgen Care Clinics	\$146,490	Youth	64.33	
85	Children's Musical Theater San Jose	Production Workshops	\$150,000	Youth	64.00	
86	The Health Trust	Silicon Valley Health Corps	\$50,743	Youth	63.67	
87	Crosscultural Community Services Center	Truancy Mentoring Intervention Program	\$124,200	Youth	63.00	
88	O'Neill Sea Odyssey	San Jose Community Oceanography Program	\$75,000	Youth	62.67	

**Attachment A - HNVF Request For Proposals - Ranked List of Proposals**

Rank	Agency Name	Project name	Request Amount	Category	Score	Running Total
89	Generations Community Wellness Centers, Inc.	Spring Chickens	\$144,000	Senior	62.00	
90	Escuela Popular del Pueblo	Early Childhood Program	\$79,800	Youth	61.67	
90	Breakout Prison Ministries DBA California Youth Outreach	Healthy Pathways Program	\$150,000	Youth	61.67	
92	AVANCE, Inc	AVANCE Parent-Child Education Program	\$150,000	Youth	61.00	
92	San Jose Jazz Society	Seniors Get Jazzed!	\$150,000	Senior	61.00	
94	Generations Community Wellness Centers, Inc.	GFruit & Veggie Fun Walks	\$125,000	Youth	60.00	
94	Leadership Public Schools	LPS-San Jose Enrichment Program	\$50,000	Youth	60.00	
96	Breathe Californis of the Bay Area	CLASP - Peer Mentorship Program	\$70,000	Youth	58.00	
97	Mount Pleasant Elementary School District	Exercise For Success	\$150,000	Youth	57.33	
98	Continuing Development Inc. DBA Choices for Children	PTRAC (Provider Training, Resource & Activity Center)	\$83,523	Youth	56.67	
98	San Jose Conservation Corps and Charter School	YouthBuild San Jose	\$150,000	Youth	56.67	
100	Bill Wilson Center	Youth Revolution	\$35,000	Youth	56.00	
101	Greater San Jose After-School All-Stars	Middle School Sports League/After School Program	\$150,000	Youth	55.33	
102	St. Paul's United Methodist Church	St. Paul's UMC Creative Arts Program for Youth	\$65,000	Youth	55.00	
103	Housing Authority of the County of Santa Clara	SMARTS Youth Development Program	\$150,000	Youth	54.33	
104	South Bay Children's Medical Center, Inc.	Adolescent Health Education Program	\$79,881	Youth	53.00	
105	HealthCare Volunteer	San Jose Non-Profit Dental Center	\$150,000	Senior	52.67	
106	Mount Pleasant Elementary School District	Family Advocacy Model of Empowerment	\$150,000	Youth	52.33	
107	Vietnamese Voluntary Foundation (VIVO)	Health is Gold Senior Project	\$43,000	Senior	51.00	
108	Vison New America, Inc.	Youth Leadership and Civic Engagement	\$73,231	Youth	50.67	
109	African American Community Service Agency	Beyond School Hours	\$75,000	Youth	49.67	
110	Santa Clara County Black Chamber of Commerce	Next Gen Business Academy	\$57,624	Youth	49.33	
111	Teen Save Cove	Cara's Cove	\$150,000	Youth	34.33	
112	Almaden Valley Counseling Service	S.T.E.P. Classes for School Sites	\$61,370	Youth	24.33	

**TOTAL FUNDING REQUEUSTS      \$11,337,317**

**Attachment B – HNVF Request for Proposal**

**ANTI-TOBACCO MASTER SETTLEMENT AGREEMENT REVENUE  
FUND (426)**

**STATEMENT OF SOURCE AND USE OF FUNDS**

	<u>2007-2008</u> Actual	<u>2008-2009</u> Adopted	<u>2008-2009</u> Modified	<u>2008-2009</u> Estimate	<u>2009-2010</u> Proposed
<b>SOURCE OF FUNDS</b>					
Beginning Fund Balance					
Interest Earnings Reserve	824,333	907,333	1,002,789	1,002,789	1,103,789
Reserve for Encumbrances	1,330,537	1,330,537	374,967	374,967	374,967
To Be Allocated	0	0	0	0	0
Unrestricted	4,076,408	5,064,375	5,311,689	5,311,689	6,182,146
Total Beginning Fund Balance	<u>6,231,278</u>	<u>7,302,245</u>	<u>6,689,445</u>	<u>6,689,445</u>	<u>7,660,902</u>
Revenues					
Interest	178,456	101,000	101,000	101,000	101,000
Miscellaneous	28,953	0	0	0	0
Tobacco Settlement	10,416,948	10,401,201	10,401,201	11,428,304	10,565,704
Total Revenues <sup>a</sup>	<u>10,624,357</u>	<u>10,502,201</u>	<u>10,502,201</u>	<u>11,529,304</u>	<u>10,666,704</u>
Transfers					
Sewage Treatment Plant Connection Fee Fund Cash Flow Loan	1,300,000	1,200,000	1,200,000	0	0
Total Transfers	<u>1,300,000</u>	<u>1,200,000</u>	<u>1,200,000</u>	<u>0</u>	<u>0</u>
<b>TOTAL SOURCE OF FUNDS</b>	<u><u>18,155,635</u></u>	<u><u>19,004,446</u></u>	<u><u>18,391,646</u></u>	<u><u>18,218,749</u></u>	<u><u>18,327,606</u></u>
<b>USE OF FUNDS</b>					
Expenditures					
Administration	754,442	900,000	900,000	900,000	886,737
Education/Health: Children's Health Initiative	2,624,934	2,100,000	2,100,000	2,100,000	2,100,000
Education/Health: Community Based Organizations	2,223,397	2,580,146	2,580,146	2,580,146	2,341,358
Education/Health: San Jose After School	2,260,165	2,577,598	2,577,598	2,577,598	2,254,263
HNVF Grantee Evaluation System	0	0	199,746	199,746	100,000
Non-Profit Platform	0	0	0	0	64,000
Senior Svcs/Health: Community Based Organizations	1,203,175	1,078,173	1,078,173	1,078,173	1,705,987
Senior Svcs/Health: Senior Nutrition	651,857	662,863	662,863	662,863	670,000
Smoking Ban Outreach	0	50,000	50,000	50,000	50,000
Tobacco-Free Community/Health	349,663	309,936	309,936	309,936	0
Total Expenditures	<u>10,067,633</u>	<u>10,258,716</u>	<u>10,458,462</u>	<u>10,458,462</u>	<u>10,172,345</u>
Transfers					
City Hall Debt Service Fund	95,290	106,424	87,385	87,385	104,617
General Fund	0	0	0	0	325,000

**Attachment B – HNVF Request for Proposal**

**ANTI-TOBACCO MASTER SETTLEMENT AGREEMENT REVENUE  
FUND (426)**

**STATEMENT OF SOURCE AND USE OF FUNDS**

	<u>2007-2008 Actual</u>	<u>2008-2009 Adopted</u>	<u>2008-2009 Modified</u>	<u>2008-2009 Estimate</u>	<u>2009-2010 Proposed</u>
<b>USE OF FUNDS (CONT'D.)</b>					
Transfers					
Interest on Sewage Treatment Plant Connection Fee Fund Loan	3,267	12,000	12,000	12,000	0
Sewage Treatment Plant Connection Fee Fund Loan Repayment	1,300,000	1,200,000	1,200,000	0	0
<b>Total Transfers</b>	<u>1,398,557</u>	<u>1,318,424</u>	<u>1,299,385</u>	<u>99,385</u>	<u>429,617</u>
Ending Fund Balance					
Interest Earnings Reserve	1,002,789	1,008,333	1,103,789	1,103,789	1,204,789
Reserve for Encumbrances	374,967	1,330,537	374,967	374,967	374,967
To Be Allocated	0	0	0	0	0
Unrestricted	6,311,689	5,088,436	5,155,043	6,182,146	6,145,888
<b>Total Ending Fund Balance</b>	<u>6,689,445</u>	<u>7,427,306</u>	<u>6,633,799</u>	<u>7,660,902</u>	<u>7,725,644</u>
<b>TOTAL USE OF FUNDS</b>	<u><u>18,155,635</u></u>	<u><u>19,004,448</u></u>	<u><u>18,391,646</u></u>	<u><u>18,218,749</u></u>	<u><u>18,327,606</u></u>