



Casa Esperanza Homeless Center

offering hope and help every day!

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April 26, 2012

Debbie Cloud

Executive Director

St. Francis Foundation

2323 De La Vina Street

Santa Barbara, CA 93105

Dear Debbie & Members of the Board:

Once again, it is impossible to express our gratitude, on behalf of those experiencing homelessness, for your partnership with Casa Esperanza. Those who suffer from medical conditions, disabilities and vulnerabilities on our streets experience recovery and comfort at Casa Esperanza thanks to your help and support. Hundreds of homeless people continue to emerge from homelessness to housing as a direct result of this partnership.

Last year, it was the funding from St. Francis Foundation and an anonymous donor that kept this project alive. At a cost of just over \$400,000 per year, we only received \$125,000 in support from Cottage Hospital. This year we are in a similar situation, Cottage has agreed to cover only the costs of those people who are released directly from the hospital, but not the many people on the streets who need respite care to avoid an emergency room or hospital stay. They have once again pledged \$125,000, Please consider a grant in the amount of \$181,130 – the same requested amount as last year. With your help again this year, we hope to leverage the private donations that are, quite literally, the difference between life and death for many of our homeless neighbors. Your grant will be used in two areas:

Healthcare Assistants: CNA level staff members tend to the needs of all patients in medical respite beds, assisting them with mobility, dressing, bathing and self-care, 16 hours per days, seven days per week. Two full-time positions and one 32 hour per week position.

Total \$ 125,780

Medical & Disabilities Resource Coach (Case Manager): The Medical & Disabilities Resource Coach provides intake and case management services to all patients on medical beds, coordinating medical care with the Parish Nursing Medical Coordinator and social service providers.

Total \$55,350

As we have in past years, we want to briefly update you on your successful investment and request your ongoing support for the coming year.

Our ultimate mark of success continues to be the number of people we successfully house. In the fiscal year ending in July 2009, we reported successfully placing 349 people in housing. At the end of the fiscal year in 2010, that number rose to 380. In March, 2011 alone, 415 homeless people were placed in housing at Casa Esperanza. In the last year we helped 457 homeless people went from homelessness to safe housing.

For the homeless who seek our help, the road to housing continues to be marked with successful steps towards economic, medical and personal recovery. "Under One Roof" at Casa Esperanza, the homeless have access to the support services they need to reach their goals. These services continue to include food and hygiene, medical care, shelter beds and counseling, job and benefits support, legal assistance, and housing placement. And Casa Esperanza is still the only homeless center on the coast between Los Angeles and the Bay Area that is open 24 hours per day, 365 days per year exclusively for the homeless.

Last year the St. Francis Foundation invested in the same two program areas: The Medical & Disability Services Resource Coach and Healthcare Assistants. You also continue to donate the services of Jan Fadden to serve as the Nurse and Medical Service Coordinator for the Casa Esperanza Health Clinic and Medical Respite Program. It remains impossible to express how important this contribution has been to the success of our medical project.

Our Medical & Disabilities Resource Coach and the Healthcare Assistants continue to work with 100% of the homeless individuals who reside in Casa Esperanza respite beds. All patients in the medical respite beds utilize the medical clinic and the medical staff *under one roof* at Casa Esperanza. 100% of the homeless patients who access medical respite beds receive monitoring and home-health related services from our CNA level Healthcare Assistants, 16 hours per day, 365 days per year, ensuring safety and recovery.

256 individuals accessed respite beds. 3,205 bed-nights were used by individuals in need of in-home care and referred by Cottage Hospital. 3,795 were used by individuals in need of recuperation time in order to get well and avoid more expensive care in emergency rooms, clinics and in hospitals.

Last year, the cost for a non-medical bed at Casa Esperanza is \$39.00 per night. When the cost of medical care staff (CNA level staff members and a Medical/Disabilities Resource Coach) is included, the cost is \$56.00 per bed-night. This year the cost will remain the same. This is achieved through a salary freeze and budget cuts in other program areas.

Fundraising for the project continues to be an intense challenge. Many of the State-wide foundations that give to health related services continue to focus attention on big cities and big projects. Private donation levels remain flat, at best, in this region. The number of foundations that accept multi-year and unsolicited grants remains flat as well. Changes to the grant program at the Santa Barbara Foundation has also had an impact on projects like this. Hence, the St. Francis Foundation remains one of the very few places where support of this project and this population can be found.

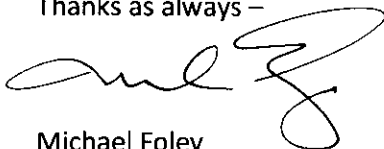
As we shared with you last year, as a result of this climate and this reality, we continue to seek funding for only our core operations – food, shelter, social services and medical care.

When a person enters the Casa Esperanza Medical Respite Program, the following steps continue to occur:

- 1) Each member (client) receives a thorough intake assessment with the Medical & Disabilities Services Resource Coach (Case Manager).
- 2) Each member who accesses a medical service bed is immediately assessed by the Staff Physician, RN or Nurse Practitioner.
- 3) A written bed-rest plan is created.
- 4) Personal care instructions are created for each member and daily communication is facilitated between the medical office and CNA level Healthcare Assistants, who monitor the respite program members 16 hours per day, seven days per week.
- 5) When the recovery period takes hold and the member is ready to look at long-term options, the Medical Services Resources Coach conducts a individualized Strength-Based Care Plan.
- 6) Through the planning process a potential social services plan is developed and a potential housing plan is developed.
- 7) The member is then introduced to service providers that can help him/her to meet individual needs and goals. These options include: Mental health care providers, recovery specialists, the job developer, benefits specialists and professionals who specialize in assisting seniors, women and young adults.
- 8) Each medical services member is encouraged to access long-term residency in one of the Casa Esperanza programs once their medical condition is resolved or managed.

Please continue your investment in this project that is so vitally important to the safety and well-being of the homeless and the entire community. Sadly, this project is at risk of closure. Last year 45 homeless people died in Santa Barbara County. Without the Casa Esperanza Medical Respite Program, that number would certainly be much higher, and the cost for medical care would be much, much higher as well. If this project is to survive – if many homeless people are to survive – another year, we need your help and leadership.

Thanks as always –



Michael Foley
Executive Director

CASA ESPERANZA HOMELESS CENTER

FINANCIAL STATEMENTS

DECEMBER 31, 2011

PERI & ALVARADO

CERTIFIED PUBLIC ACCOUNTANTS, INC.

January 20, 2011

Board of Directors
Casa Esperanza Homeless Center
Santa Barbara, California

David L. Peri, CPA
David R. Alvarado, CPA

Jeremy K. Ballew, CPA

We have compiled the accompanying statement of Financial Position of the Casa Esperanza Homeless Center (a California non-profit corporation) as of December 31, 2011, and the related statement of activities and changes in net assets – for the six months then ended, in accordance with Statements of Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

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A compilation is limited to presenting in the form of financial statements information that is the representation of the Directors. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

We are not independent in our relationship to the Casa Esperanza Homeless Center.

The Directors have elected to omit substantially all of the disclosures ordinarily included in financial statements. If the omitted disclosures were included in the financial statements, they might influence the user's conclusion about the organization's assets, liabilities, net assets, revenues and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.



Peri & Alvarado
Certified Public Accountants, Inc.

CASA ESPERANZA HOMELESS CENTER
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2011

ASSETS

CURRENT ASSETS	
Cash and cash equivalents	\$ 103,806
Inventory	600
Accounts Receivable	879,157
Prepaid Expenses	<u>11,431</u>
Total Current Assets	994,994
PROPERTY AND EQUIPMENT	4,417,283
OTHER ASSETS	
Deposits	18,874
Other	<u>5,303</u>
Total Other Assets	24,177
TOTAL ASSETS	<u>\$ 5,436,454</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES	
Accounts Payable	\$ 91,334
Accrued Interest	26,769
Accrued Payroll Expenses	9,498
Accrued Expense	3,967
Current portion of long-term debt	<u>61,500</u>
Total Current Liabilities	193,068
OTHER LIABILITIES	2,655,172
LONG-TERM DEBT	<u>1,112,078</u>
TOTAL LIABILITIES	3,960,318
NET ASSETS	<u>1,476,136</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 5,436,454</u>

See accountant's report

CASA ESPERANZA HOMELESS CENTER
 STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
 FOR THE SIX MONTHS ENDED DECEMBER 31, 2011

REVENUE

City and County Grants	\$ 852,979
Contributions and Grants	621,463
Transitional Shelter Fees	6,000
Rent	7,200
Interest	35
Miscellaneous	544
Loss on Securities Sold	<u>(1,965)</u>
 Total Revenue	 <u>1,486,256</u>

EXPENSES

Casa Esperanza & Community Kitchen	1,353,839
Ten Year Plan	<u>81,618</u>
 Total Expenses	 <u>1,435,457</u>

INCREASE IN NET ASSETS 50,799

NET ASSETS AT BEGINNING OF YEAR 1,425,337

NET ASSETS AT DECEMBER 31, 2011 \$ 1,476,136

CASA ESPERANZA HOMELESS CENTER
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE SIX MONTHS ENDED DECEMBER 31, 2011

<u>Expenses</u>	<u>TOTAL</u>	<u>Ten Year Plan</u>	<u>CASA ESPERANZA & COMMUNITY KITCHEN</u>
Advertising	1,668		1,668
Automobile	7,491	1,484	6,007
Bank	1,583		1,583
Cleaning Expense	400		400
Client Housing Assistance	104,966		104,966
Client Services	3,604	3,335	269
Client Supplies	8,536		8,536
Computer Expense	9,952	120	9,832
Community Kitchen Administrative	10,000		10,000
Conferences	1,354	1,225	129
Consulting	5,000	5,000	0
Depreciation	71,030		71,030
Employee Insurance	41,342	4,270	37,072
Equipment Rental	3,355		3,355
Food Expense	10,751		10,751
Grant Fees	300		300
Insurance Expense	10,475	750	9,725
Interest Expense	79,092		79,092
Licenses & Permits	2,051		2,051
Medical Services	27,093		27,093
Miscellaneous	1,978		1,978
Office Expense	3,928	244	3,684
Payroll Expense	648,729	48,942	599,787
Payroll Processing Fees	1,958		1,958
Payroll Taxes	63,391	4,166	59,225
Pest Control	753		753
Postage	3,934		3,934
Printing Expense	21,149	1,217	19,932
Professional Fees	65,000	3,500	61,500
Relocation Expense	7,411		7,411
Rent	5,017	2,400	2,617
Repairs	22,798		22,798
Retirement Expense	5,635		5,635
Small Equipment	73		73
Supplies	36,988		36,988
Telephone	28,306	2,073	26,233
Utilities	40,571		40,571
Workers Compensation	47,500	1,904	45,596
Travel	2,327	988	1,339
Special Event	5,785		5,785
Project Health Neighbor	12,768		12,768
Dues & Subscriptions	557		557
Flood Insurance	2,507		2,507
Malpractice Insurance	5,400		5,400
Security	951		951
TOTAL	\$ <u>1,435,457</u>	\$ <u>81,618</u>	\$ <u>1,353,839</u>

See accountant's report