

***COMMUNITY SERVICES CONSORTIUM  
Corvallis, Oregon***

***COMPREHENSIVE ANNUAL FINANCIAL REPORT***

***Year Ended June 30, 2003***

Tom Clancey-Burns  
Executive Director

Prepared by  
Debbie Jackson  
Finance Director

**COMMUNITY SERVICES CONSORTIUM**  
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***INTRODUCTION SECTION***

**BOARD OF DIRECTORS**

<u>Member</u>	<u>Title</u>
<i>Benton County Commissioner's Office</i> <i>Corvallis, Oregon 97339</i> Annabelle Jaramillo Jay Dixon Linda Modrell	Board Member and Executive Committee Board Member Board Member
<i>Lincoln County Commissioner's Office</i> <i>Newport, Oregon 97365</i> Terry Thompson Jean Cowen Don Lindly	Board Member Board Member Board Member and Executive Committee
<i>Linn County Commissioner's Office</i> <i>Albany, Oregon 97321</i> Cliff Wooten Roger Nyquist John Lindsey	Board Chair and Executive Committee Board Member Board Member

**OFFICER**

Tom Clancey-Burns  
Executive Director

Debbie Jackson, CPA  
Finance Director

Community Services Consortium  
545 SW Second Street, Suite A  
Corvallis, Oregon 97333



# COMMUNITY SERVICES CONSORTIUM

Serving Linn, Benton and Lincoln Counties

February 13, 2004

Governing Board  
Community Services Consortium  
545 SW Second Street, Suite A  
Corvallis, OR 97333

## INTRODUCTION

The Comprehensive Annual Financial Report of Community Services Consortium (CSC) for the fiscal year ended June 30, 2003, is hereby submitted. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with CSC. Management believes the data is accurate in all material aspects and is presented in a manner designed to fairly set forth the financial position and results of CSC operations as measured by financial activity. All disclosures necessary to enable the reader to gain an understanding of CSC's financial activities are included. The financial statements are presented annually for independent audit, in accordance with requirements set forth in the Single Audit Act Amendment of 1996, and with Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations.

The Comprehensive Annual Financial Report (CAFR) consists of five parts: the **introductory section** including management's discussion and analysis, a transmittal letter (these should be read together) and organizational charts; **the financial section** including the independent auditor's report, the general purpose financial statements and supplementary data; **the statistical section**; **the state compliance section**; and the **federal compliance section**, which includes the schedule of expenditures of federal awards and the reports required by the Single Audit Act Amendment of 1996.

## CSC's VISION

Our vision is that every individual and family will have an opportunity to be self-sufficient, have enough food, a safe home, an opportunity to get an education, and a job at which they can excel.

Community Services Consortium is one of one thousand community action agencies fighting the increase of poverty in our nation. We are not alone; we have a network of partner agencies focusing with us on helping individuals and families. Our purpose is to fight poverty and to serve the needs of the low-income people living in Linn, Benton, and Lincoln counties. Community Services Consortium is also about community because when individuals and families improve their own situations, they improve their communities.

As a Community Action Agency (CAA) committed to poverty alleviation we don't, however, fight the battle alone. Our local network of partner agencies throughout Linn, Benton and Lincoln counties regularly works together to assist clients – whether they are children, individuals or families. CSC staff and partner agencies help change lives by providing, for example, better nutrition (Linn Benton Food Share), improved job prospects and job readiness (Direct Client Services), affordable housing (Housing and Community Resources), education (Head Start, YouthBuild, and alternative schools), clothing, emergency services and counseling. We also partner with individuals, local schools, large and small employers, faith-based organizations and with local, state, and federal bodies.

CSC is a primarily grant-based entity that operates within a governmental structure as a Council of Governments under Oregon Revised Statute Section 190. In that respect, our major sources of funding are determined by competing for federal, state, local and donation funding to assist our recipients. In the current economic climate, with tightening resources at all levels, it is important to note that CSC has no permanent tax base to raise resources.

CAAs are a primary source of support for the more than 34.5 million people who are living in poverty in the United States. The majority of CAA program participants are extremely poor, with incomes below 75 percent of the federal poverty threshold, or \$9,735 for a family of three. Nationally CAAs serve 9.3 million individuals per year and 3.3 million families per year. The average population of a CAA's service area is approximately 300,000 people while the average number of low-income people within these service areas is 37,600.

## **DEFINITION OF THE REPORTING ENTITY**

CSC was established by intergovernmental agreement among the Boards of Commissioners of Benton, Lincoln and Linn counties, of Oregon in July 1980, to coordinate the planning and delivery of social services to residents. CSC was formed as the result of a merger of three organizations: the Community Action Agency, the Comprehensive Youth Program and the Linn-Benton-Lincoln Manpower Consortium.

As a partnership of the three counties, CSC is a public, nonprofit agency classified by the IRS as an instrumentality of a governmental unit. Most of our programs focus on helping people overcome the causes and conditions of poverty by providing services leading to productive and self-sufficient lives.

The Board of Directors of CSC also serves as the Board for four nonprofit corporations that are tax-exempt under Internal Revenue code Section 501(c)(3) and are not considered as private foundations. These private non-profit corporations allow CSC to apply for donor-specified funds not otherwise available to CSC as a municipal corporation. Because of this financial accountability, the activities of the four nonprofit corporations are included in the Comprehensive Annual Financial Report of Community Services Consortium.

Linn Benton Food Share (LBFS) was formed in 1989 and acts as a Regional Coordinating Agency distributing privately donated and USDA foods to qualified agencies in Linn and Benton counties. Community Housing Services (CHS) was formed in 2000 to respond to requirements of State directed Community Development Block Grant (CDBG) funds targeting housing rehabilitation in CSC's service area. Head Start in Lincoln County (HSLC) was formed in 2001 to receive donations to augment federal and state funding for CSC's Head Start program.

A new non-profit, Housing, Employment & Learning Programs for Self-Sufficiency (HELPS), was formed in March 2003 to provide a funding vehicle for our Direct Client Services Department to apply for grants related to educational, workforce training, and programs to promote self-sufficiency. As with the three previous nonprofits, HELPS is operated as a separate fund within CSC and is also under the jurisdiction of CSC's Governing Board.

As the Community Action Agency for Benton, Lincoln, and Linn counties, CSC strives

*To stimulate a better focusing of all available local, state, private and federal resources upon the goal of enabling low-income families and low-income individuals of all ages, in urban and rural areas, to attain skills, knowledge and motivations and secure the opportunities needed for them to become self-sufficient. (CSC Charter)*

As the youth and adult service delivery provider for the Workforce Investment Act (WIA) of 1998 for Benton, Lincoln and Linn counties, CSC strives

*To improve employability of the unemployed, identify employment opportunities and provide trained, ready and willing employees to meet business' employment needs. (CSC Charter)*

CSC partners with three counties, twelve school districts, two community colleges, one education service district, many incorporated cities and a variety of state, local and non-profit agencies within our service areas to focus on their unique needs and insights regarding our mutual challenge of alleviating poverty in our communities.

## **POLICY DETERMINATION**

Policy direction is established by CSC's Governing Board, which is composed of the nine county commissioners of Linn, Benton and Lincoln counties. The Governing Board receives advice from three advisory councils:

- The 18 member Community Action Advisory Council (CAAC) provides advice on topics related to alleviating the conditions which cause and perpetuate poverty. The CAAC includes representatives of low-income citizens, local elected officials, and the general public.
- The 46 member Workforce Investment Board (WIB) provides advice on topics relevant to employment and training activities funded through WIA. As prescribed by law, the WIB includes representatives from area businesses, the general public, and private and public sector service providers.
- The 16 member Head Start Policy Council includes Head Start parent representatives and community representatives. The Policy Council provides input to Head Start staff and the Governing Board regarding approaches to fulfilling Head Start performance standards and the improvement of services for children and families.

All meetings of the Governing Board and advisory councils are open to the public. Public input is encouraged and welcomed.

## ECONOMIC CONDITIONS AND OUTLOOK<sup>1</sup>

The State of Oregon maintained its unique position of leading the country in unemployment throughout much of 2002 and most of 2003. CSC is well aware, through the efforts of Linn Benton Food Share and our 73 partner agencies that Oregon remains at the top of national hunger rankings.<sup>2</sup> Also impacting much of the state and CSC's service area is an increasing level of income inequality. In other words, the gap between rich and poor grew four times faster in Oregon than it did nationally.<sup>3</sup> CSC serves three mostly rural Oregon counties of significant diversity: Linn, Benton and Lincoln. Our service area stretches from the Oregon coast, through the Coast Range and the Willamette Valley, to the crest of the Cascade Mountains. Lincoln County, on the Oregon coast, is well known for tourism and its coastal economy; Benton County for Oregon State University and high tech industries; and Linn County for its manufacturing, metals processing, timber, and wood products industries. Unemployment in Benton County is generally among the lowest in the state, while the unemployment rate in both Lincoln and Linn counties generally exceeds the state average. In all three counties, there are a relatively large number of persons employed in industries with significant seasonal unemployment.

In 2002, year-to-year Blue Chip Job Growth rankings placed Oregon at 26th among all states for job growth. By 2003, however, that ranking had dropped to 42<sup>nd</sup>. If, however, the US picture of employment sustains current rates of job creation, Oregon could see a turn around in the coming year for 2004. Although the last several months of this year has seen economic expansion at the national level with an increasing number of job-add backs, Oregon remains a state struggling to benefit from the forecast economic recovery. As noted in the December 2003 Oregon Economic and Revenue Forecast, "with only one more quarter of data to go, the year 2003 will most likely be a job loss year, the third consecutive year of job declines".<sup>4</sup> Another potentially significant barrier to CSC's efforts at poverty alleviation is the well-defined and annually assessed affordable housing wage gap.<sup>5</sup> This gap reflects the amount a full time worker must earn per hour in order to afford a two-bedroom residence at an area's Fair Market Rent. The 2003 FMR for a two-bedroom unit in Linn County is \$625.00, Benton County \$710.00 and Lincoln County \$555.00. Thus, in Linn County a worker would need to earn \$12.02 an hour to afford a two-bedroom residence while in Benton and Lincoln counties they would have to earn \$13.65 and \$10.67 respectively.<sup>6</sup> Access to affordable decent housing continues as a local, statewide and growing national crisis.

## BENTON COUNTY

Benton County encompasses 679 square miles and is the third smallest of Oregon's 36 counties. Based on the 2000 US Census data and information from the Center for Population Research at Portland State University, Benton County's July 1, 2003, preliminary population estimate is 80,500.<sup>7</sup> According to the State of Oregon Employment Department and the US Bureau of Economic Analysis, per capita personal income (PCPI) in Benton County was \$30,709 in 2001, approximately 9% higher than the statewide average of \$28,222.

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Sources for socio-economic and geographic information include: the *Oregon Blue Book*; data from the State of Oregon Employment Department's 2002 Region 4 Economic Profile and the Portland State University Center for Population Research.

Oregon Food Bank, *Hunger Headlines*. June 30, 2003.

Ibid.

December 2003, Volume XXIII, No. 4 (p. 29).

The US Office of Housing and Urban Development (HUD) estimates that no more than 30% of a family's income should go toward rent or mortgage payments.

*Out of Reach 2003*: America's Housing Wage Climbs. National Low-Income Housing Coalition (Oregon data).

November 17, 2003 release date.

Benton County's economy is based on education, high-tech industries and services, agriculture, health care, and, to a limited extent, lumber and wood products manufacturing. In September 2003, the Benton County civilian labor force was 40,068, and the unemployment rate remained among the lowest in the country and the state at 4.0% (3.7% in 2002). The County's average annual unemployment rate has been consistently below Oregon's rate, and is typically the lowest unemployment rate in the state. This is primarily due to the presence of two large employers - Oregon State University (OSU) and Hewlett-Packard (HP).

Threats to the county's economy continue to include further downturn in lumber and wood products industry employment, job layoffs or production facility closures. a decline in the food products industry, and a flattening in the growth of machinery manufacturing due to changes in the local, regional, national and global market place. Declining resources for education funding and a still volatile State budgetary environment could also have a detrimental impact on the well being of the residents of the County.

## **LINN COUNTY**

Linn County encompasses 2,297 square miles and consists largely of small rural communities. Its July 1, 2003 preliminary population estimate was 104,900 with an estimated annual per capita personal income (PCPI) of \$22,866 in 2001, 23% lower than the statewide average for the same year. Out of a civilian labor force in September 2003 of 52,187, Linn County's economy employed an average of 46,955 people. Most employment opportunities come from agriculture, lumber and wood products, rare metals, manufacturing, construction, and services. Linn County labor also produces manufactured housing and is a major global producer of common and perennial ryegrass and grass seed.

The annual average unemployment rate in Linn County remains among one of the highest in the Willamette Valley recording a 9.7% rate in 2002, up from an estimated 8.7% in 2001 – an increase of more than 8%. By September 2003, the unemployment rate stood at 10%. A general pattern of declining employment opportunities and layoffs continues to challenge local economies throughout the county and several small to mid-size rural communities remain on the Oregon Economic and Community Development Department's Distressed Area list dated March 2002. Linn County has actually lost jobs in each of the past four years. At the same time, population continues to increase, putting pressure on local social services as unemployment rates continue to grow.<sup>8</sup> Historically, Linn County relied heavily on the lumber and wood products industry, which has had significant employment losses throughout the decade (a decrease of 22% from 1990 to 2000). Today, lumber manufacturing now accounts for about 8% of non-farm payroll jobs with no substantial decline or increase in the sector anticipated through 2008. Service sector jobs, although generally not paying 'living wages', continue to increase, especially in retail businesses along the I-5 corridor and in the County's largest city, Albany.

## **LINCOLN COUNTY**

Lincoln County is located on the central Oregon coast and has an area of 992 square miles. The County's preliminary July 1, 2003 population estimate was 45,000. In 2001, the county's per capita personal income (PCPI) was \$24,293 or approximately 16% lower than the State wide average for the same year.

Lincoln County's economy is based on services, tourism, trade, commercial fishing, food processing, paper processing, and wood and lumber products. In September 2003, the Lincoln County labor force was estimated at 21,238 with a total employment of 19,618. As expected, employment levels tend to fluctuate throughout the year due to the county's dependence on seasonal employment activities like tourism, food processing, and fishing. At the same time, Lincoln County's economy is supported and stabilized to a significant degree by a large number of retirees.

Lincoln County, like Linn and Benton, has also experienced a significant loss of timber and wood products jobs over the past decade. Since 1993, jobs in the wood products industry have declined by 50% in the county while a combination of poor fishing conditions, coupled with new regulations, have also caused a dramatic slowdown in fishing and subsequently, fish processing. Employment trends continue toward lower-paying service sector and tourist-related jobs. Lincoln County's unemployment rate increased from 6.9% in 2001 to 7.7% in 2002. As of September 2003, the unemployment rate stood at 7.6% slightly below that recorded for all of 2002. The most recent Oregon Economic and Community Development Department list of Oregon's distressed communities still lists Lincoln County distressed in its entirety.

Though the tourist industry continues to provide job opportunities, tourism-related employment opportunities are generally cyclical and not highly paid. A continuing economic challenge is the need to ensure an adequate labor supply and an adequate living wage for employees for the tourism industry in an area where the cost of living, especially housing, continues to rise.

## **CSC'S GOALS, ACCOMPLISHMENTS AND LONG-TERM PLANS**

CSC continued to provide services which meet important needs and have proven track records: employment and training, alternative education, the distribution of emergency food, emergency financial assistance, affordable housing and community facility development, volunteer coordination, planning and funding for services to the homeless, housing rehabilitation and weatherization. Common to all our activities was a continued effort to operate CSC in an accountable, efficient and effective manner.

CSC did not experience any substantial changes to the types of programs offered by our departments in the fiscal year ended June 30, 2003. To further our mission, CSC adopted a multi-year Vision Plan in 2002, in which the various departments summarized their goals, accomplishments from the current fiscal year and long-term plans. The following departmental summaries present a picture of our challenges and accomplishments during the past fiscal year.

## **DIRECT CLIENT SERVICES**

The Direct Client Services Department understands that in order to overcome the causes and conditions of poverty, it must provide a holistic approach in assisting people. To be most effective, the department strives to integrate services and programs in response to the multiple needs of the customers we serve.

Department programs that serve our customers include:

- Employment, education and training services to adults, dislocated workers and youths.
- Emergency and transitional housing to households that are homeless or at risk of homelessness.
- Utility assistance and education services to low income households.

Why are we needed? - As the economy continues to fluctuate, the citizens of our region find themselves more frequently needing services provided by the department. With more than 20 years of experience delivering employment, training, education, and emergency services, Direct Client Services (DCS) is one of the most comprehensive delivery systems in the Linn, Benton, and Lincoln county area.

## **EMPLOYMENT AND TRAINING**

DCS Employment and Training is the provider of youth education and employment, and adult and dislocated worker employment and training services for Linn, Benton, and Lincoln counties. DCS continues to operate under contract with the Region 4 Workforce Investment Board.

The goal for adults is self-sufficient living wages, for dislocated workers is replacement of previous wage level and improving skills needed to adapt to the changing labor force. For youth, the goal is continued education and self-sufficient wages.

Participants of departmental programs access a menu of services that best fit their needs:

Adults and Dislocated Workers - information and resource referrals, job placement, case management, job search assistance, work experience, basic skills remediation, on-the-job training, and retraining or relocation.

Youth - academic and resource referrals, case management including case coordinated services, job search assistance, job placement, work experience, basic skills and academic enrichment, and on-the-job training.

### **Community Collaboration Goal**

Continue to integrate, improve and evaluate the delivery of Workforce Development Services throughout Region 4.

### **Accomplishments**

- Successfully completed the Customer Satisfaction Survey of Performance to 223 business partners and 199 participants in Region 4 to determine workforce development services.
- Met with and/or held regular meetings with area businesses to collaborate with community colleges to assist in the development of vocational programs so job seekers and businesses in the community are able to receive comprehensive services designed to meet their needs.

- Successfully completed a pilot project with OED to share job orders, contacts with businesses and placement services. Project was so successful that ways are being determined to implement statewide.
- Continued successful **WorkNet** quarterly event to allow local businesses to connect with local job seekers in a structured and informative format adding business sponsorship of the event to increase marketing capacity.
- In 2002-03 CSC's job training programs met or exceeded 12 of 14 standards set by the federal government. Negatively impacted by the sluggish economy were the two standards addressing earnings change.
- East Linn's new Workforce Development Center completed its first year in a building designed by the agency partners to meet the needs of an integrated one-stop.

### **Adult Goal**

CSC assists adults and dislocated workers to assess their needs and develop a plan to achieve employment, training and personal objectives

### **Accomplishments**

- Served approximately 7,100 adults and dislocated workers with information and referral, job search assistance and comprehensive employment/retention services.
- Provided Rapid Response, Early Intervention services to 29 businesses and their employees, prior to the plant or line closure.
- Provided JOBS Program training and placement services to 2,386 (duplicated) participants.
- Reviewed One Stop Report goals and developed objectives with partners to maximize workforce development services.
- Provided services to fishers with the Groundfisher Disaster Program (GDOP). The program brought together Community Services Consortium, the Oregon Employment Department and staff from the GDOP to coordinate special federal funds with job training plans. The partnership is unique in that it utilized a peer from the fishing industry to help recruit and provide services to the displaced fishers. Fifty-five Lincoln County fishers received a stipend from federal funds while involved in job retraining.
- Promoted to participants nontraditional occupations for their gender through assessment, networking, job club and Youthbuild.
- Continued to provide retention services during a difficult economy with support services and on-going case management services.
- Promote life-long learning skills with interest based testing, availability of resources and encouragement of continued education.

### **Youth Goal**

CSC provides services to youth within our three counties. Providing the ten elements required by WIA as follows:

### **Accomplishments**

- Served approximately 824 youth with information and referral and comprehensive employment activities and follow up services.

- Added two additional alternative education school programs. The Lincoln Charter school has successfully completed another year of service.
- Thirty five youth completed their GED or High School diplomas
- Provided the teen career fair with local employers including presentations on non-traditional employment, health occupations and post secondary education.
- CSC commissioned a study by Wayne Johnson Ph.D. to review educational programs and make recommendations in the following: School Improvement Activity, Level of CIM implementation and Level of CAM readiness.
- Created the youth clothing closet, organized holiday food boxes and food box distribution. Worked with OSU to arrange for speakers from other countries to visit the LOC and speak to the youth about their culture. Have had speakers from Kenya, Mexico, Jamaica, Turkey, and Antarctica. Provided summer worksites at County parks, landscaping projects at the Senior Center, in addition to internships, credit recovery, work experiences, NW Youth Corps, CPR/First Aid Training.
- Lincoln City Career Tech Charter High School received a \$135,000 grant from the Department of Education. The Grant will allow Career Tech to add two new technical strands. A new sound room will be added with the ability for students to learn audio production. New video production equipment will offers students the opportunity to learn graphic production. One goal for the new course offerings will also provide a way for students to apply their skills in the community.
- Provided quality follow-up services to youth for a minimum of 1 year upon completion of the youth's program activities.
- Successfully completed contractual negotiations for the continuation of the Youth Transition Program (duration 7 plus years). YTP is a collaborative effort between the Vocational Rehabilitation Division, Community Services Consortium and Linn, Benton, and Lincoln school districts to provide additional transition services to students with disabilities as they complete their secondary education. YTP is designed to provide case management, case coordination of services, and employer services to students as they transition from high school or GED classes into the world of employment and post-secondary training.

## **EMERGENCY SERVICES**

### **Utility Assistance and Energy Education**

Eligible individuals and families receive financial help to reduce the burden of high heating and utility bills. Energy conservation education is provided to enable households to make energy choices that will reduce their household's energy burden and increase resources available to meet their other household needs.

#### **Accomplishments:**

- Served 6,379 households by providing energy education and state and federal utility assistance payments.
- Served 1,128 households with private fuel fund monies and funds donated by local utility customers.

- Served 77 households through the Residential Energy Assistance Challenge Program. The program provided energy workshops, dwelling assessments, bill payment plans, money management tools, and low cost/self-help weatherization materials.

### **Housing Information & Referral**

We respond to people with housing or utility problems by advocating and making referrals to other social service agencies.

- Provided 12,845 households with information and referrals including advocacy and follow-up to other social agencies.

### **Emergency Housing**

We assist families with children who are homeless or at risk of homelessness and are capable of progress toward self-sufficiency with short-term financial help.

- Provided 23,902 nights of shelter to 209 households with children who were homeless or at risk of homelessness.
- Three months after receiving assistance, 95% of those served were still in permanent housing.

### **Transitional Housing**

Households move toward self-sufficiency by identifying and removing barriers, integrating services, and developing plans for financial and emotional stability.

- Provided 38,730 nights of transitional housing and case management services to 89 households.
- 100% of those enrolled completed a case plan.
- 95% of those completing the case plan took action on their identified barriers.
- 86% of the households enrolled in the program were still residing in permanent housing at the end of the program.

### **Second Chance**

We provide classes to homeless households who have overcome their financial barriers only to find their prior rental and credit histories prevent a landlord from accepting them as a tenant.

- We provided three series of classes to 19 individuals wanting to gain the skills, strategies, and self-confidence they need to obtain and maintain housing.

### **Local Community Agencies**

We plan for, allocate and monitor various homeless funds to local service providers in Linn, Benton and Lincoln counties for the provision of services to low-income people.

- Invited fifty-seven local agencies to attend one of two agency meetings, held three focus groups with local homeless persons, and facilitated three public meetings to gather information on local needs, service availability, and service priorities.

- Allocated \$130,476 to twelve local agencies to provide fourteen programs to serve low-income people.

## **LINN BENTON FOOD SHARE**

Linn Benton Food Share is the regional food bank for Linn and Benton Counties. Since 1981, Food Share has been committed to fulfilling our goal that “Everybody Eats.”

Through our network of 73 agencies we attempt to reach every person who cannot find enough resources to adequately feed themselves or their family. Food Share has seen a 45% increase in requests for emergency food since 1997.

Linn Benton Food Share prevents hunger by soliciting, transporting, storing and distributing over 4.1 million pounds of food each year to our 73 member agencies - emergency food pantries, community meal sites, emergency shelters, child and senior care centers, shelter homes, and gleaning groups.

### **Accomplishments:**

- Filled 118,000 requests for emergency food at food pantries.
- Filled 187,000 requests for emergency meals at community meal sites and shelters.
- Coordinated 18 multi-agency food drives or fund-raising events.
- Promoted education and public awareness about hunger issues.

## **GLEANING**

Fourteen volunteer gleaning groups made up of over 4,300 low income individuals, harvested produce, distributed food, and collected wood which was donated to the Wood Share Program to share with families dependent on wood for heat, many of whom are elderly and disabled people.

### **Accomplishments:**

- Provided nutritious food to over 4,300 low-income individuals, which included elderly and disabled people, and children.
- Distributed over 1.5 million pounds of food to members of the 14 gleaning groups, which include children, elderly and disabled people.
- Helped gather and distribute over 480 cords of wood to homes dependent on wood as a primary heat source.

Provided members of gleaning groups access to 13 computers donated to the gleaning program.

## **HOUSING AND COMMUNITY RESOURCES**

The Housing and Community Resources department has four main program areas. Assistance is provided to individuals and households through weatherization services, housing rehabilitation, new construction and accessibility to affordable housing. Assistance is provided to municipalities and to public and private social service agencies to develop affordable housing and community facility projects.

### **Housing Rehabilitation**

The housing rehabilitation program assists units of local government to secure grant funds to improve housing conditions for low and moderate income households within their community. The program is designed to address local needs and the criteria required by granting agencies.

#### **Accomplishments:**

- ! Completed the rehabilitation of 52 owner-occupied homes in the Cities of Albany, Lyons, Mill City, Lincoln City, Newport, Toledo, Philomath, and in the rural areas of Lincoln and Benton Counties.
- ! Submitted two Housing Rehabilitation Oregon Community Development Block Grants for the City of Lincoln City and Benton County. Received an award for Benton County.

### **Self-Help Housing**

The self-help housing program provides opportunities for low and moderate income individuals and families to participate in the building of their home in a pre-selected area. The program was modified in order to better serve qualified urban households and enable them to utilize the self-help approach to become homeowners. CSC provides the necessary training, supervision, and expertise to lead the families through the home building process.

#### **Accomplishments:**

- ! Qualified several families to participate in the next self-help program.
- ! Identified a building site in Philomath for the next project cycle.

### **Community Resources**

CSC works with nonprofit and for-profit organizations to provide new affordable housing opportunities, community facilities, and grant management services.

#### **Accomplishments:**

- ! CSC acted as the General Contractor and completed 95% of the construction of an eight-plex in Lebanon for psychiatrically disabled individuals. CSC was also responsible for the project management and grant administration activities.

- ! Completed grant administration and construction activities for a new Head Start Center in Lincoln City.
- ! Continued property searches for suitable land in Newport for acquisition and development of a Head Start Center in the community.
- ! Conducted a feasibility analysis of Senior Cooperative Housing in the three county area. Followed up with more formal presentations to interested households at several community meetings. Pursued land searches for properties suitable for cooperative development in several communities.
- ! Provided the technical submittals for three transitional housing providers that were awarded funding under the HUD Continuum of Care grant program.

## **Weatherization**

CSC's Weatherization Program assists households save energy and improve their living conditions through the installation of weatherization materials, energy education, whole house diagnostics, and safety and efficiency testing of combustible appliances.

### **Accomplishments:**

- ! Completed weatherization on 218 homes including 104 in Linn County, 59 in Benton County and 55 in Lincoln County.
- ! Provided no-interest loan funds to nine homeowners that enabled the replacement of furnaces and heating systems.
- ! Conducted safety tests on combustible appliances and pressure diagnostics on duct systems and made repairs and/or replacement to heating systems identified as substandard.
- ! Worked with the Housing Rehabilitation program to integrate weatherization services with rehabilitation work.

## **Community Housing Services**

Community Housing Services was created in January 2000 to address state requirements for Regional Revolving Loan Funds and the need to de-federalize income received from housing rehabilitation loan repayments. The non-profit works regionally to assist lower income households with affordable housing needs.

### **Accomplishments:**

- ! Established the Lincoln Regional Revolving Loan fund with three entities and the Linn-Benton Regional Revolving Loan Fund with four entities.
- ! Submitted a Community Development Block Grant application to start a Regional Housing Center for the Linn, Benton and Lincoln County area. The grant was successful and implementation is to begin the following year.

## **HEAD START**

Head Start is a national and Oregon program providing complete child and family services for America's preschool children (age's three to five) from low income homes. CSC has been the Head Start grantee in Lincoln County since 1996, increasing the number of children served per year from 97 to 137 through competitive grants.

We recognize and affirm parents are the first and most important teachers of their children. Parent partnership, training and early childhood education are some of the ways CSC Head Start helps children and families move ahead together.

The Head Start vision is to form a compassionate, caring partnership with all Head Start parents and to:

- Empower families to achieve success and self-sufficiency with dignity.
- Provide experiences for enrolled preschool children to grow socially, emotionally, physically and mentally, as demonstrated in outcome measures.
- Support parents as the primary teachers, nurturers, and advocates for their children.
- Provide every parent with opportunities to help make program decisions for Head Start and increase their self-sufficiency.

The foundation of Head Start is parent and community involvement. Head Start promotes child school readiness and self-sufficiency for families through the four major program components: Education, Health, Parent Involvement and Social Services. The program's foundation is parent and community partnerships.

CSC Head Start in Lincoln County is a vital program for children, families and the community. Preschool children are the most likely age group to live in poverty. Oregon has the highest unemployment rate and the highest "food insecurity gap" in the nation. Lincoln County has Oregon's highest domestic violence rate per capita and the second highest county child abuse rate. CSC Head Start addresses these specific needs through partnerships, targeted, intensive services, and special arrangements.

CSC Head Start staff members welcome parents and children. We offer opportunity, acceptance, understanding, and the success that comes from learning and experience.

### **Accomplishments:**

- Served 137 children and their families throughout the school year.
- Moved into the new Lincoln City 6,300 sq ft facility in September, 2002.
- Integrated Head Start sites in CSC's wide area network technology
- Delivered 18,650 lbs of food to Head Start families to help them overcome Oregon's "hunger gap"
- Started Summer Food Service Program in six Lincoln County locations.

- Received and started using a new 28 passenger bus for Newport.
- Implemented Galileo as CSC's Electronic Learning Management approach to required outcomes.

## **WORKFORCE INVESTMENT BOARD**

In July 2000, The Workforce Investment Act of 1998 was implemented throughout the nation. In order for the mandates of this new legislation to be implemented, each region was required to form a Workforce Investment Board (WIB) comprised of a majority of private sector members. Community Services Consortium was selected by the WIB to provide staff to the Board as well as act as the Board's fiscal agent. This relationship was renewed in 2002 and continues today. Our vision is that CSC will continue to be an integral part of the Board's development and success.

## **RESOURCE DEVELOPMENT**

Resource Development expands the resource base of CSC by assisting with organizational capacity building and the development of community resources through program and project development. We support each CSC department by helping to identify funding information and opportunities and provide assistance with proposal development, fund-raising, marketing and community relations.

### **Accomplishments**

- Worked with Direct Client Services' YouthBuild staff to write and submit the 2003 HUD YB proposal. Awarded in November 2002 for \$460,000.
- Worked with Head Start and Housing and Community Resources to plan for the eventual construction of a permanent Head Start facility in Newport.
- Worked with Head Start to plan and submit proposals for the development of an environmental learning space on the remaining 3.5 acres of land at the Lincoln City Head Start facility site.
- Worked with Housing and Community Resources to raise private corporate support for a regional analysis of the need and demand for senior cooperative housing (approximately \$25,000).
- Worked with Linn Benton Food Share to write and submit a proposal for support for a rural food service delivery program. Funded at \$78,000.
- Coordinated the publication of four internal newsletters and two external CSC newsletters that were distributed across CSC's service area to approximately 1,700 entities and individuals.

## **ADMINISTRATION**

The Administration staff pursued several agency-wide goals and completed the following processes:

- CSC expanded collaborative partnerships with federal and state agencies, and with other groups and nonprofit agencies who share our commitment to fight poverty. This included convening focus groups with the faith-based community and considering unmet community needs for information and referral.
- The safety committee reviewed and updated our emergency and evacuation practices to be in compliance with ADA requirements and being aware of special needs situations. We used four bomb threat experiences and interviews with police to retrain staffing in necessary procedures.

- All locations evaluated their facilities needs and determined while it might be more cost effective to own facilities rather than renting, that CSC does not have the capital resources currently to finance ownership options.
- All locations have addressed resource efficiency issues, by utilizing energy saving techniques for lighting and office machines, having office windows tinted to reduce temperature variances, and advising staff to turn equipment and lights off when not in use.
- The Admin staff conducted a break-even cost analysis for renting vehicles versus paying staff mileage reimbursement, and a policy was established.

## **HUMAN RESOURCES**

### **Accomplishments:**

- Gathered salary information from comparable agencies, cities and counties through the Local Government Personnel Institute and other sources for internal review and to prepare for union negotiations.
- Worked with an internal committee to revise the employee performance evaluation that is easier to complete and provides a clearer picture of employee performance.
- Prepared for the start of contract negotiations and held training and initial sessions.

## **Information Technology**

### **Accomplishments:**

- We have standardized departmental purchase and reviewed those standards at our quarterly supervisor trainings.
- All managers were provided with maintenance and replacement recommendations during budget season.
- IT staff installed remote maintenance software and can now perform remote maintenance on all CSC-owned telephone and voice mail systems.
- IT staff recommended updating voice mail systems for DCS in the Albany and Lebanon youth offices, which may include upgraded phone systems
- As a backup, a new on-call network specialist was hired, trained and was able to fill for IT staff absence in the past year and for future IT needs.

## **FINANCIAL INFORMATION**

### **INTERNAL CONTROLS AND BUDGETARY CONTROL**

Community Services Consortium's management is responsible for establishing and maintaining internal controls designed to ensure the organization's assets are protected from loss, theft, or misuse and to ensure transactions are recorded properly to allow preparation of financial statements in conformity with generally accepted accounting principles. The internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. Management must assess the expected benefits and related costs to determine which internal control policies and procedures will be implemented.

The Consortium is subject to the budget provisions of ORS 294.900 to 294.930.

CSC is organized into two governmental accounting types of funds - the general fund and special revenue funds. For budgeting purposes, seven funds have been established. These include a General Fund and six special revenue funds: Direct Client Services; Housing and Community Resources; Head Start; Linn Benton Food Share, Housing Rehabilitation, and Miscellaneous Grants.

The budget is approved by the Governing Board at the following level of appropriation:

- Personnel services
- Materials and services
- Capital outlay (equipment purchases)
- Transfers

Budget versus actual statements are presented in this report. Line item budgets are maintained in the accounting records and are monitored monthly by the responsible parties.

## **CASH MANAGEMENT**

The majority of activities administered by CSC are funded through cost reimbursement grants and contracts. We recognize that good cash management is a critical aspect of fiscal responsibility. As we expend our funds in advance, cash management involves efficient and timely recovery of our funds.

To avoid cash flow problems, the following cash management policies have been adopted:

- Departments will prepare requests for reimbursement or advances as soon as possible to avoid cash flow problems. All requests for reimbursement shall be coordinated with the Finance Department.
- The Finance Department will expedite review of requests for advances or reimbursements in order to maximize income and reduce subsidization of grant and contract funds.

All bank balances as of June 30, 2003 were covered by federal depository insurance or by additional collateral held by agents in CSC's name.

## **RISK MANAGEMENT**

Community Services Consortium is insured for property and casualty, liability, workers' compensation and fidelity bond coverage through insurance carriers. We also maintain a safety committee that represents all the agency's employee groups, departments and building locations. CPR and first aid training/certification are made available to employees.

## **GENERAL GOVERNMENT FUNCTIONS**

For financial reporting purposes, there is one general fund, and 152 special revenue funds (one for each federal or state grant or other contract).

Operationally, there are two types of funds in CSC's organizational structure. For budgeting purposes, however, six funds have been established which group CSC's activities in program areas. It is this budgetary classification, which is used in the following presentation of revenues and expenditures. The six budgetary funds include a General Fund and five special revenue funds: Direct Client Services; Housing and Community Resources; Head Start; Linn Benton Food Share, Housing Rehabilitation and Miscellaneous Grants.

## **OTHER INFORMATION**

### **INDEPENDENT AUDIT**

Oregon Revised Statutes require an annual audit by independent certified public accountants that are also licensed by the state to conduct municipal audits. CSC contracted with Grove, Mueller & Swank PC of Salem, Oregon to conduct our FY03 audit. Because CSC receives federal financial assistance, the audit must also meet the requirements of the Single Audit Act of 1996 and related OMB Circular A-133.

The auditor's report on CSC's financial statements and supplementary statements and schedules is found at the beginning of the Financial Section. The auditor's reports related to the single audit are found in the Federal Compliance Section. These include reports on the schedule of expenditures of federal awards, compliance and internal control over financial reporting, and compliance with requirements applicable to each major federal program and internal control over compliance. Our auditors did not identify any material weaknesses involving the internal control over financial reporting and its operations or involving the internal control over compliance and its operations or report any findings of non-compliance with applicable laws, regulations and standards.

### **CERTIFICATE OF ACHIEVEMENT**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Community Services Consortium for its Comprehensive Annual Financial Report (CAFR) for the year ended June 30, 2002. This was the *eleventh* consecutive year that the Community Services Consortium has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report for the fiscal year ended June 30, 2003 continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

## **ACKNOWLEDGMENTS**

The preparation of this report could not have been accomplished without the cooperation and support of the entire staff of CSC. A very special note of thanks is extended to Debbie Jackson, Finance Director and the members of the Finance Department – Debbie Clearwater, Kellie Thompson, and Karen Sky, and administrative staff members Tom Cope, Kimberlee Spear and Carol Obleski.

The entire staff of CSC is to be commended for their hard work and devotion to the mission and programs CSC administers within the communities of Benton, Linn and Lincoln counties.

My appreciation is also extended to the members of the Governing Board for their demonstrated interest and support in conducting CSC's financial operations in a responsible and progressive manner.

Sincerely,

Tom Clancey-Burns  
Executive Director



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# COMMUNITY SERVICES CONSORTIUM

## Comprehensive Annual Financial Report

For the Year Ended June 30, 2003

### LIST OF ACRONYMS

AFS	Adult and Family Services
BPA	Bonneville Power Administration
CDBG	Community Development Block Grant
CFDA	Catalog of Federal Domestic Assistance
CSC	Community Services Consortium
CSBG	Community Services Block Grant
DCS	Direct Client Services
DOE	Department of Energy
ED	Education
EHA	Emergency Housing Assistance
ESGP	Emergency Shelter Grant Program
GAAP	Generally Accepted Accounting Principles
HCR	Housing and Community Resources
LBFS	Linn-Benton Food Share
LIEAP	Low Income Energy Assistance Program
NA	Native American
OMB	Office of Management and Budget
PVESW	Petroleum Violation Escrow Stripper Well
RCAC	Rural Community Assistance Corporation
REACH	Residential Energy Assistance Challenge
SHAP	State Housing Assistance Program
TBA	Tenant Based Assistance
USDA	U.S. Department of Agriculture
WIA	Workforce Investment Act
WX	Weatherization

***FINANCIAL SECTION***

## ***INDEPENDENT AUDITOR'S REPORT***

Board of Directors  
Community Services Consortium  
Corvallis, Oregon

We have audited the accompanying financial statements of the governmental activities and each major fund of Community Services Consortium, Corvallis, Oregon as of and for the year ended June 30, 2003, which collectively comprise the Community Services Consortium's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Community Services Consortium's management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Community Services Consortium as of June 30, 2003, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 24, 2003, on our consideration of Community Services Consortium's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The Management's Discussion and Analysis and Required Supplementary Information are not a required part of the basic financial statements, but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures that consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was made for the purpose of forming an opinion on the financial statements that collectively comprise the Council of Government's basic financial statements. The other supplemental information; and the accompanying Schedule of Expenditures of Federal Awards as required by the U. S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects when considered in relation to the basic financial statements taken as a whole.

The other data included in this report, designated as the Statistical Section in the table of contents, has not been audited by us and, accordingly, we express no opinion or any other form of assurance on such data.

As described in the summary of significant accounting policies, the Community Services Consortium has implemented a new financial reporting model, as required by the provisions of GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, as of July 1, 2002.

*GROVE, MUELLER & SWANK, P.C.*  
*CERTIFIED PUBLIC ACCOUNTANTS*

By: \_\_\_\_\_  
Charles A. Swank, A Shareholder  
October 24, 2003

***MANAGEMENT'S DISCUSSION AND ANALYSIS***

## Management's Discussion and Analysis

As management of Community Services Consortium, we offer readers of Community Services Consortium's financial statements this narrative overview and analysis of the financial activities of Community Services Consortium for the fiscal year ended June 30, 2003. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages ii - xx of this report.

### Financial Highlights

- CSC is primarily a **grant-based** organization, with revenues of approximately \$9 million in federal grants, \$3.2 million in state grants and contracts, \$5.5 million in value of donated food, and less than \$2 million in miscellaneous grants and contracts. The vast majority of our grants are cost reimbursement contracts usually having a one or two year life before a new application for funding. These grants only cover costs actually expended, and have no potential to build up any reserves.
- As a Community Action Agency (CAA), the largest component of our funding is focused on alleviating and eliminating the causes of poverty. With the exception of our workforce development activities, our alternative schools and a few miscellaneous contracts (about 25% of our total funding), the remaining 75% is designated to assist low and moderately low income individuals.
- As a grant-based organization, we are subject to uncertainties in both the federal and state budgets. When the federal appropriations are not passed and the nation goes on "continued resolution", it makes the timing and amount of grant awards very volatile. When the State of Oregon experiences budget shortfalls like the biennium for 2001 – 2003, we were negatively impacted in our contracts that were covered by the state general fund.
- CSC serves Linn, Benton, and Lincoln counties. The State of Oregon, as a whole, maintained its unique economic position of leading the country in unemployment throughout much of 2002 and 2003. Unemployment in Benton County was generally the lowest in the state at 4.0%, while the unemployment rates in Linn and Lincoln counties generally exceeded the state average. Linn County and Lincoln County had much higher unemployment rates of about 9.7% and 7.7% respectively. These record unemployment rates, coupled with the state budget cuts, resulted in an extraordinary demand for services provided by CSC departments, at the same time that revenues were volatile and relatively unpredictable.

Overall, we feel that CSC was able to effectively manage its resources to meet the increased demands felt in our communities. Unfortunately, the economic outlook is not projected to be improved much in FY04. CSC will continue to look for new and unique opportunities to work with other agencies and organizations to provide sustained quality programs for our communities.

### Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Community Services Consortium's basic financial statements. Community Services Consortium's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

#### Government-wide financial statements:

The government-wide financial statements are designed to provide readers with a broad overview of Community Services Consortium's finances, in a manner similar to a private-sector business. These statements provide information about the activities of Community Services Consortium as a whole and present a longer-term view of the Consortium's finances.

The government-wide financial statements include all assets and liabilities, using the accrual basis of accounting, which is similar to the method of accounting used by most private-sector business. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report Community Services Consortium's net assets and changes to them. Net assets (the difference between assets and liabilities) is one way to measure an organization's financial health. Changes in net assets over time provide one indicator of whether financial health is improving or deteriorating.

#### Fund financial statements:

Fund financial statements also may give you some insights into Community Services Consortium's overall health. Fund financial statements report the Consortium's operations in more detail than the government-wide financial statements. Community Services Consortium has only one type of fund – governmental funds.

#### Governmental Funds:

These funds are reported using the modified accrual basis of accounting. The governmental fund statements provide a detailed short-term view of Community Services Consortium's operations. The relationship (differences) between governmental activities (reported in the statement of net assets and the statement of activities) and governmental funds is described in reconciliations after the fund financial statements on pages 11 and 13 of this report.

#### Notes to the financial statements:

The notes provide additional information that is essential for a full understanding of the information provided in the government-wide and fund financial statements. They are an integral part of the financial statements and should be read in conjunction with them.

Our auditor has provided assurance in the Independent Auditor's Report, located immediately preceding this Management's Discussion and Analysis, that the Basic Financial Statements are fairly presented. A user of this report should read the Independent Auditor's Report carefully to ascertain the level of assurance being provided for each of the other parts of the Financial Section.

#### **Financial Analysis of the Consortium as a Whole**

**Net assets.** The Consortium's net assets at June 30, 2003 was \$3,046,008, an increase of \$129,709 from June 30, 2002. (See Table A.)

TABLE A  
**Community Services Consortium's Net Assets**

	<u>June 30, 2003</u>	<u>June 30, 2002</u>
Current and other assets	\$ 5,147,988	\$ 7,908,130
Capital assets, net of depreciation	<u>1,490,800</u>	<u>1,500,200</u>
<i>Total Assets</i>	6,638,788	9,408,330
Current and other liabilities	3,432,780	6,412,031
Noncurrent liabilities	<u>80,000</u>	<u>80,000</u>
<i>Total Liabilities</i>	3,512,780	6,492,031
Net Assets		
Invested in capital assets, net of related debt	1,490,800	1,500,200
Restricted	1,376,750	1,261,005
Unrestricted	<u>178,458</u>	<u>155,094</u>
<b>Total Net Assets</b>	<u>\$ 3,046,008</u>	<u>\$ 2,916,299</u>

Net assets of CSC's governmental activities increased by 4% to \$3,046,008.

**Restricted and Unrestricted Net Assets:**

As a grant-based organization operating primarily under cost reimbursement contracts, CSC has very limited potential to build up an unrestricted reserve. Only the general fund balance is truly unrestricted, with virtually all other balances being restricted by grant conditions, donor restrictions, or contractual arrangements.

**Changes in net assets.** CSC's total revenues increased by 7% percent from \$18,126,107 in FY02 to \$19,302,942 in FY03.

TABLE B  
**Community Services Consortium's Changes in Net Assets**

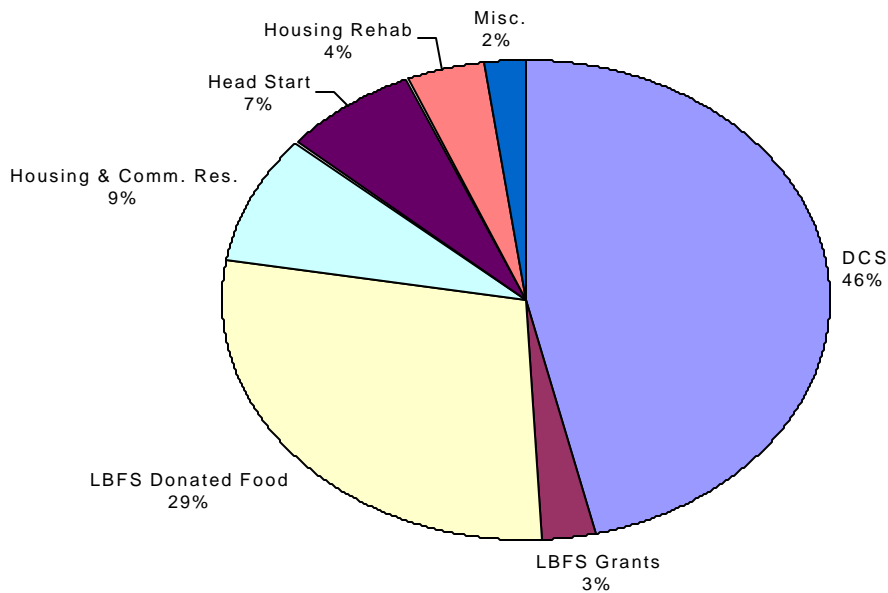
	<u>June 30, 2003</u>	<u>June 30, 2002</u>
Program revenues		
Charges for services	\$ 235,548	\$ 244,865
Operating grants and contracts	18,741,719	17,646,028
Contributions	318,547	224,754
Interest and other investment earnings	<u>7,128</u>	<u>10,460</u>
<b>Total Revenues</b>	19,302,942	18,126,107

TABLE B

**Community Services Consortium's Changes in Net Assets (Continued)**

	<u>June 30, 2003</u>	<u>June 30, 2002</u>
<b>Program Expenses</b>		
All programs	\$ 19,173,233	\$ 17,941,337
<b>Change in Net Assets</b>	129,709	184,770
Net assets, beginning of year	<u>2,916,299</u>	<u>2,731,529</u>
<b>Net Assets, end of year</b>	<u>\$ 3,046,008</u>	<u>\$ 2,916,299</u>

**Figure A**  
**Community Services Consortium**  
**Sources of Revenue for the Year Ended June 30, 2003**



## **Budgetary Highlights**

Community Services Consortium's Governing Board revised its originally adopted budget in order to address unexpected changes in revenues and/or expenditures. One amendment to the budget was adopted on June 17, 2003. The original budget was adopted on a very conservative basis with only grants whose award was almost certain included at the start of the fiscal year. Additional grants received during the year were then included in the supplemental budget, as state and federal revenue sources became more certain.

- Budgeted revenues were increased by about \$787,000 in additional federal grants or anticipated carryover funding, \$114,000 in state grants, \$10,000 in local grants, and \$667,000 on miscellaneous funding for a total increase of almost \$1.6 million dollars. The largest federal grant changes were from LIEAP utility assistance, and Youthbuild funding. The primary change in miscellaneous funding was the increase in pounds and value of donated food for \$550,000.
- Budgeted expenditures for grants were increased which work in the same areas with the increased program revenue mentioned above.

## **Capital Asset Administration**

Total capital assets, net of accumulated depreciation, were \$1,490,800 at June 30, 2003. CSC's largest capital asset investment is the Linn-Benton Food Share Warehouse at a net value of \$1,027,796. CSC also has equipment of \$124,322, vehicles of \$179,952 and land of \$158,729. CSC's capital assets were substantially acquired from expenditures paid by grants.

CSC does not have title to the buildings occupied by the Head Start program, which are awaiting final grant closeout of the Community Development Block Grants sponsored by the communities in which they are located. Those buildings will transfer from the municipalities to CSC upon completion of the grant closeout.

## **Economic Factors and Next Year's Budgets and Rates**

One of the most important factors affecting the Direct Client Services budget, our largest department, is the federal Workforce Investment Act annual appropriations. Although the appropriation to the State of Oregon was generally flat-funded, the Governor exercised his authority to increase the statewide holdback by 3.5 million dollars, compared to the prior year, for the Employer Workforce Training Fund that will be contracted out to communities using a separate funding formula and oversight mechanism. This holdback has decreased the money available for the regular workforce funding for adult and dislocated workers.

The U.S. Department of Labor is proposing changing the funding formula for states that will affect state allocations and thus local area allocations of WIA funding. Additionally, the House and Senate have passed WIA Reauthorization legislation, which if passed by the Congress and signed by the President may have an impact on FY04 and FY05 programming and funding. Until the reauthorization is actually passed, it is difficult to project our FY04 funding.

Other Federal programs are also up for Congressional reauthorization, including Head Start and the Community Services Block Grant (CSBG). There have been proposals to move Head Start from the Department of Health and Human Services to the Department of Education. Opponents of this move feel that such a change would strip the family involvement model down to a literacy-only objective. The

proposed changes to CSBG might include making the states the initial subrecipient rather than directly coming to the Community Action Agencies. The authorized amounts are also subject to political pressure.

As mentioned before, the continuing bleak economic picture of Oregon's economy, coupled with increased demands for services to clients in employment and training, food security, and emergency services will continue to present a challenge for CSC and our partner agencies.

### **Requests for Information**

This financial report is designed to provide interested parties with a general overview of CSC's finances and to demonstrate the CSC's accountability for the funds it receives. If you have questions about this report or need additional financial information contact Community Services Consortium, Finance Director, 545 SW 2<sup>nd</sup> St., Suite A, Corvallis, OR 97333.

***BASIC FINANCIAL STATEMENTS***

**COMMUNITY SERVICES CONSORTIUM**  
**STATEMENT OF NET ASSETS – GOVERNMENTAL ACTIVITIES**  
**JUNE 30, 2003**

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**ASSETS**

**Current Assets**

Cash and investments	\$ 736,339
Receivables	
Grants and contracts	1,643,796
Loans	2,361,065
Inventories	386,294
Prepaid items	<u>20,494</u>

*Total Current Assets* 5,147,988

**Noncurrent Assets**

Capital assets, net	<u>1,490,800</u>
---------------------	------------------

*Total Assets* 6,638,788

**LIABILITIES**

**Current Liabilities**

Accounts payable	342,928
Accrued payroll	316,372
Accrued vacation	176,524
Deferred revenue	2,551,715
Notes payable due within one year	<u>125,241</u>

*Total Current Liabilities* 3,512,780

**Noncurrent Liabilities**

Notes payable	<u>80,000</u>
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*Total Liabilities* 3,592,780

**NET ASSETS**

Investment in fixed assets	1,490,800
Restricted for programs	1,376,750
Unrestricted	<u>178,458</u>

*Total Net Assets* \$ 3,046,008

*The accompanying notes are an integral part of the financial statements.*

**COMMUNITY SERVICES CONSORTIUM**  
**STATEMENT OF ACTIVITIES – GOVERNMENTAL ACTIVITIES**  
**YEAR ENDED JUNE 30, 2003**

<u>Functions/Program</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Changes in</u>
		<u>Charges for</u>	<u>Operating</u>	<u>Net Assets</u>
		<u>Services</u>	<u>Grants and</u>	<u>Total</u>
			<u>Contributions</u>	
<b>GOVERNMENTAL ACTIVITIES</b>				
Administration	\$ 1,593,795	\$ -	\$ 1,541,978	\$ ( 51,817)
Employment and training	4,849,612	235,548	4,650,492	36,428
Weatherization	765,187	-	800,740	35,553
Emergency services	3,033,389	-	3,048,761	15,372
Housing rehabilitation	1,540,403	-	1,594,762	54,359
Head Start	1,238,841	-	1,167,163	( 71,678)
Food programs	6,014,012	-	6,118,376	104,364
Interest	27,170	-	27,170	-
Depreciation	<u>110,824</u>	<u>-</u>	<u>110,824</u>	<u>-</u>
<i>Total Primary Government</i>	<u>\$ 19,173,233</u>	<u>\$ 235,548</u>	<u>\$ 19,060,266</u>	122,581
<b>GENERAL REVENUES</b>				
Interest				<u>7,128</u>
<b>CHANGE IN NET ASSETS</b>				
				129,709
<b>NET ASSETS, beginning, as restated</b>				
				<u>2,916,299</u>
<b>NET ASSETS, ending</b>				
				<u>\$ 3,046,008</u>

The accompanying notes are an integral part of the financial statements.

**COMMUNITY SERVICES CONSORTIUM**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**JUNE 30, 2003**

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	<u>General</u>	<u>Direct Client Services</u>	<u>Linn-Benton Food Share</u>
<b>ASSETS</b>			
Cash and investments	\$ 730,250	\$ 50	\$ -
Receivables			
Grants and contracts	15,241	849,725	17,646
Loans	-	-	-
Due from other funds	499,774	340,344	419,225
Inventories	-	-	201,165
Prepaid items	<u>12,940</u>	<u>7,237</u>	<u>-</u>
<i>Total Assets</i>	<u>\$ 1,258,205</u>	<u>\$ 1,197,356</u>	<u>\$ 638,036</u>
<b>LIABILITIES AND FUND BALANCE</b>			
<b>Liabilities</b>			
Accounts payable	\$ 19,414	\$ 125,537	\$ 24,292
Accrued payroll	316,372	-	-
Accrued vacation	176,524	-	-
Due to other funds	554,497	641,976	22,066
Deferred revenue	-	33,343	-
Notes payable	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total Liabilities</i>	1,066,807	800,856	46,358
<b>Fund Balances</b>			
Reserved for inventories	-	-	201,165
Reserved for prepaid items	12,940	7,237	-
Unreserved, undesignated	178,458	-	-
Restricted	<u>-</u>	<u>389,263</u>	<u>390,513</u>
<i>Total Fund Balances</i>	<u>191,398</u>	<u>396,500</u>	<u>591,678</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 1,258,205</u>	<u>\$ 1,197,356</u>	<u>\$ 638,036</u>

Total Governmental Fund Balances

Amounts reported for governmental activities in the Statement of Net Assets are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of the assets is \$2,106,191 and the accumulated depreciation is \$615,391.

*Total Net Assets - Governmental Activities*

<i>Housing and Community Resources</i>	<i>Head Start</i>	<i>Misc. Grants</i>	<i>Housing Rehabilitation</i>	<i>Totals</i>
\$ -	\$ -	\$ -	\$ 6,039	\$ 736,339
283,973	35,805	78,586	362,820	1,643,796
445,233	-	-	1,915,832	2,361,065
304,534	12,975	1,828	255,546	1,834,226
42,938	1,064	-	141,127	386,294
-	265	52	-	20,494
<u>\$ 1,076,678</u>	<u>\$ 50,109</u>	<u>\$ 80,466</u>	<u>\$ 2,681,364</u>	<u>\$ 6,982,214</u>

\$ 84,481	\$ 15,262	\$ 3,563	\$ 70,379	\$ 342,928
-	-	-	-	316,372
-	-	-	-	176,524
200,426	23,038	76,370	315,853	1,834,226
348,481	-	-	2,169,891	2,551,715
80,000	-	-	125,241	205,241
713,388	38,300	79,933	2,681,364	5,427,006
-	1,064	-	-	202,229
-	265	52	-	20,494
-	-	-	-	178,458
<u>363,290</u>	<u>10,480</u>	<u>481</u>	<u>-</u>	<u>1,154,027</u>
<u>363,290</u>	<u>11,809</u>	<u>533</u>	<u>-</u>	<u>1,555,208</u>
<u>\$ 1,076,678</u>	<u>\$ 50,109</u>	<u>\$ 80,466</u>	<u>\$ 2,681,364</u>	<u>\$ 6,982,214</u>

\$ 1,555,208

1,490,800

\$ 3,046,008

The accompanying notes are an integral part of the financial statements.

**COMMUNITY SERVICES CONSORTIUM****STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2003**

	<u>General</u>	<u>Direct Client Services</u>	<u>Linn-Benton Food Share</u>
<b>REVENUES</b>			
Grants and contracts	\$ -	\$ 8,689,498	\$ 266,542
Contributions	8,413	11,726	289,699
Loan repayments	-	-	-
Fees for service	-	235,548	-
Commodity foods	-	-	5,538,128
Other	649	20,668	-
Interest	5,998	233	-
	<u>15,060</u>	<u>8,957,673</u>	<u>6,094,369</u>
<b>EXPENDITURES</b>			
<b>Current</b>			
Administration	4,372	1,066,116	72,337
Employment and training	-	4,817,055	-
Weatherization	-	-	-
Emergency services	-	3,022,702	-
Housing rehabilitation	-	-	-
Head Start	-	-	-
Food programs	-	-	5,914,319
<b>Debt Service</b>			
Interest	-	-	-
<b>Capital Outlay</b>			
	<u>-</u>	<u>-</u>	<u>3,349</u>
	<u>4,372</u>	<u>8,905,873</u>	<u>5,990,005</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>			
	10,688	51,800	104,364
<b>FUND BALANCES, Beginning of year</b>			
	<u>180,710</u>	<u>344,700</u>	<u>487,314</u>
<b>FUND BALANCES, End of year</b>			
	<u>\$ 191,398</u>	<u>\$ 396,500</u>	<u>\$ 591,678</u>

<i>Housing and Community Resources</i>	<i>Head Start</i>	<i>Misc. Grants</i>	<i>Housing Rehabilitation</i>	<i>Totals</i>
\$ 869,568	\$ 1,396,099	\$ 436,972	\$ 720,554	\$ 12,379,233
50	8,659	-	-	318,547
10,060	-	-	69,258	79,318
-	-	-	-	235,548
-	-	-	-	5,538,128
777,549	163	785	536	800,350
733	114	31	19	7,128
<u>1,657,960</u>	<u>1,405,035</u>	<u>437,788</u>	<u>790,367</u>	<u>19,358,252</u>
65,443	192,787	244,166	3,884	1,649,105
-	-	32,557	-	4,849,612
765,187	-	-	-	765,187
-	-	10,687	-	3,033,389
710,248	-	43,672	786,483	1,540,403
-	1,238,841	-	-	1,238,841
-	-	99,693	-	6,014,012
27,170	-	-	-	27,170
-	45,085	7,080	-	55,514
<u>1,568,048</u>	<u>1,476,713</u>	<u>437,855</u>	<u>790,367</u>	<u>19,173,233</u>
89,912	( 71,678)	( 67)	-	185,019
<u>273,378</u>	<u>83,487</u>	<u>600</u>	<u>-</u>	<u>1,370,189</u>
<u>\$ 363,290</u>	<u>\$ 11,809</u>	<u>\$ 533</u>	<u>\$ -</u>	<u>\$ 1,555,208</u>

The accompanying notes are an integral part of the financial statements.

**COMMUNITY SERVICES CONSORTIUM**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2003**

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Amounts reported for governmental activities in the Statement of Activities are different because:

Net changes in fund balances - total governmental funds \$ 185,019

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciated expense. This is the amount by which depreciation (\$110,824) exceeded capital outlay (\$55,514) ( 55,310)

*Change in Net Assets of Governmental Activities* \$ 129,709

*The accompanying notes are an integral part of the financial statements.*

***NOTES TO THE BASIC FINANCIAL STATEMENTS***

**COMMUNITY SERVICES CONSORTIUM**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2003**

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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of Community Services Consortium (CSC) have been prepared in conformity with accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of CSC's accounting policies are described below:

*Reporting Entity*

CSC is organized under Oregon Revised Statutes Chapter 190 as a voluntarily-created intergovernmental Community Services Consortium. Operations include various employment and training programs, community services programs, weatherization and energy programs, housing rehabilitation grants, and other programs. These programs are funded primarily by WIA contracts, Head Start, Department of Housing and Urban Development contracts, contracts with Oregon Housing and Community Services, as well as other federal, state, and local sources.

Control of CSC is vested in its Board of Directors, which is comprised of three representatives from the governing board of each county. Administrative functions are delegated to individuals who report to, and are responsible to the Board. The chief administrative officer is the executive director.

As defined by accounting principles generally accepted in the United States of America, the financial reporting entity consists of the primary government, as well as its component units, which are legally separate organizations for which the Governing Board of the primary government are financially accountable. Financial accountability is defined as appointment of a voting majority of the component unit's board, and either a) the ability to impose its will by the primary government, or b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government. CSC financial statements include the following as blended component units. Each is a non-profit corporation under 501(c)(3) of the Internal Revenue Code and is governed by the Governing Board of CSC. None of the organizations issue separate financial statements.

- Linn-Benton Food Share
- Community Housing Services
- Head Start in Lincoln County
- H.E.L.P.S.

*Government-wide and Fund Financial Statements*

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the activities of the Community Services Consortium.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges for goods and services provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Other items not properly included among program revenues are reported instead as general revenues, including donations, sale of assets and interest earnings.

*Measurement Focus, Basis of Accounting, and Financial Statement Presentation*

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the grantor have been met.

**COMMUNITY SERVICES CONSORTIUM**  
*NOTES TO BASIC FINANCIAL STATEMENTS (Continued)*  
*YEAR ENDED JUNE 30, 2003*

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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)*

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

Interest revenue and charges for services associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period.

The Council has determined that each of its governmental funds are major funds and therefore reports the following governmental funds:

*General Fund*

The General Fund is used to account for the financial operations of CSC not accounted for in any other fund.

*Special Revenue Funds*

Special revenue funds are used to report activities of the various grants and programs operated by CSC, that are legally restricted to expenditure for specific purposes (not including expendable trusts). Each of the federal and state grants and programs funded by other sources are reported as a separate special revenue fund. Smaller programs, such as the in-house programs in DCS, or homogeneous activities, such as the Energy Weatherization programs, are combined in single funds for reporting. CSC is the fiscal agent for the Workforce Investment Board (WIB). CSC also administers various Oregon Counties and Cities housing rehabilitation grants. CSC reports the following special revenues funds:

The *Direct Client Services Fund* accounts for grants and contracts that provide 1) job training and support services to displaced workers and economically disadvantaged adults and youth, and 2) energy assistance and emergency services to low-income people.

The *Linn-Benton Food Share Fund* carries out food distribution programs for donated commodities, coordinates activity with 73 groups, and has coordinated efforts to build a warehouse with adequate space to store food for member agencies.

The *Housing and Community Resources Fund* benefits low income and disadvantaged individuals by providing rehabilitation loans for owner-occupied dwellings, weatherization and project management for various construction and affordable housing projects for other entities.

The *Head Start Fund* operates a Head Start program in several communities in Lincoln County.

**COMMUNITY SERVICES CONSORTIUM**  
*NOTES TO BASIC FINANCIAL STATEMENTS (Continued)*  
*YEAR ENDED JUNE 30, 2003*

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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)*

*Special Revenue Funds (Continued)*

The *Miscellaneous Grants Fund* reports revenue and expenditures for various grants that are awarded across the functional areas within CSC.

The *Housing Rehabilitation Fund* administers various Oregon counties and cities housing and rehabilitation grants.

*Cash and Investments*

For financial reporting purposes, CSC considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Oregon Revised Statutes authorizes CSC to invest in obligations of the U.S. Treasury and agencies, time certificates of deposit, bankers' acceptances, repurchase agreements, and the State of Oregon Local Government Investment Pool. Such investments are stated at cost which approximates fair value.

Equity in pooled cash and investments includes amounts in demand deposits as well as amounts in investment pools that have the general characteristics of demand deposit accounts.

*Inventories*

Inventories of food on hand in the USDA commodity and other food distribution programs consist of donated food and are reported at estimated value. Revenue is recognized when donated food is received. Expenditures are recorded when the food is distributed.

Inventories of materials on hand and work-in-progress in the weatherization programs are recorded at cost, using the first-in, first-out method. In general, expenditures are recorded when the materials are used and the jobs are completed.

Land and improvements inventory in the Self Help Housing program is recorded at cost, using the average cost method. In general, expenditures are recorded when the land is used for housing and the jobs are completed.

*Prepaid Items*

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

*Capital Assets*

Capital assets are recorded at original or estimated original cost. Donated capital assets are recorded at their estimated fair market value on the date donated. The Agency defines capital assets as assets with an initial cost of more than \$2,500 and an estimated life in excess of three years. Interest and other costs incurred during construction are capitalized. Maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

**COMMUNITY SERVICES CONSORTIUM**  
*NOTES TO BASIC FINANCIAL STATEMENTS (Continued)*  
*YEAR ENDED JUNE 30, 2003*

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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*Capital Assets (Continued)*

Capital assets are depreciated using the straight-line method over the following useful lives:

Buildings	10-50 years
Equipment	3-25 years

*Compensated Absences*

Vacation pay is recorded as an expenditure when earned. The funds charged with the expenditures reimburse the pooled payroll account where the liability is recorded. The liability and the cash accumulated to retire it are reported in the General Fund. All compensated absences are considered currently payable.

*Deferred Revenue*

CSC reports deferred revenue on the balance sheets of the governmental funds. Deferred revenues arise when a potential revenue does not meet both the measurable and available criteria for recognition in the current period. Deferred revenues also arise when resources are received by CSC before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both recognition criteria are met or when CSC has a legal claim to the resources, the liability for deferred revenue is removed from the balance sheet and revenue is recognized.

*Due to/from Other Funds*

Because cash balances are maintained in pooled bank accounts, it is possible for a fund to expend cash in advance of receipt of grant funds or other revenues that will fund the expenditures. A fund in such a negative cash position is considered to be borrowing from other funds which have excess cash. Negative cash balances are reported as amounts due to other funds on the balance sheet, while positive cash balances are reported as due from other funds.

*Long-Term Obligations*

In the government-wide financial statements, long-term debt is reported as a liability in the Statement of Net Assets.

*Fund Equity*

CSC reserves portions of fund balance to indicate those portions of fund equity segregated for a specific use. Only the General Fund is unrestricted.

*Interfund Transactions*

Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Non-recurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

**COMMUNITY SERVICES CONSORTIUM**  
*NOTES TO BASIC FINANCIAL STATEMENTS (Continued)*  
*YEAR ENDED JUNE 30, 2003*

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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*Estimates*

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may vary from those estimates.

**RETIREMENT PLANS**

Substantially all of CSC employees are participants in the State of Oregon Public Employees Retirement System (PERS). Contributions to PERS are made on a current basis as required by the plan and are charged as expenses/expenditures as funded.

**STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

*Budgetary Information*

Community Services Consortium, organized under Oregon Revised Statutes Chapter 190, is subject to budget provisions of Oregon Revised Statutes Sections 294.900 to 294.930.

The governing board of CSC adopts appropriations on a budgetary basis at the agency-wide level in the following level of detail:

- Personnel services
- Materials and services
- Capital outlay
- Transfers

Expenditures may not legally exceed appropriations at this level of detail. Unspent or unaccrued appropriations lapse at year end. Under the provisions of Oregon Revised Statutes 294.900 to 294.930, only the governing body, not management, has the legal authority to amend the budget after it is adopted by the governing body.

The board adopted one supplemental budget for the year ended June 30, 2003. Each of these changes were necessary due to the receipt of additional grants that were not anticipated when the original budget was formulated.

Additionally, budgets are approved by the grantor agencies for many federal and state funded programs operated by CSC. These budgets vary considerably in the categories of expenditures used and the degree of compliance required.

**CASH AND CASH EQUIVALENTS**

Cash in banks and on hand (bank balance \$941,520) \$ 736,339

CSC's deposits at year end were covered by federal depository insurance or by certificates of participation issued by the bank's pool manager. Certificates of participation are required, by state statute, to be collateralized with securities having a value of no less than 25 percent of the certificate. \$100,000 of the general deposit balance is insured by federal depository insurance; \$325,000 of the remaining balance is secured by collateral that is held by the pledging banks' custodian acting as agents for CSC in CSC's name (category 1); and \$516,520 is not collateralized (category 3).

**OREGON CASCADES WEST COUNCIL OF GOVERNMENTS**  
**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)**  
**YEAR ENDED JUNE 30, 2003**

**LOANS RECEIVABLE**

The loans receivable of \$2,361,065 are deferred payment housing rehabilitation loans made to low income families or owners of property rented to low income tenants. The cities and the counties are the mortgagees for the loans in the housing rehabilitation funds while CSC is the mortgagee of the loans. The amount reported as loans receivable as of June 30, 2003 is the amount of original notes, less principal repayments received. Repayments and interest received on these loans during the contract period are program income, to be applied against costs of the program. When the grants CSC administers for the cities and the counties terminate, responsibility for administration of the loans and program income reverts to the cities and counties. The full amount of the loans receivable is offset by a deferred revenue account on the balance sheet.

**INVENTORIES**

Inventories as of June 30, 2003 consist of the following:

Linn-Benton Food Share food	\$ 190,088
USDA commodities food	11,077
Summer Food Program	1,064
Weatherization materials	<u>42,938</u>
<i>Subtotal</i>	245,167
Self Help Housing land - Philomath	<u>141,127</u>
<i>Total</i>	<u><u>\$ 386,294</u></u>

**CAPITAL ASSETS**

Capital assets activity for the year was as follows:

	<i>Balance</i> <i>July 1, 2002</i>	<i>Additions</i>	<i>Deletions</i>	<i>Balance</i> <i>June 30, 2003</i>
<i>Governmental Funds</i>				
Furniture and Equipment	\$ 1,166,910	\$ 46,016	\$ 764,097	\$ 448,829
Vehicles	472,513	55,408	88,778	439,143
Land	89,424	-	-	89,424
Toledo Building	139,973	-	139,973	-
Lincoln County Building	25,040	-	25,040	-
LBFS - Warehouse - CDBG	470,000	-	-	470,000
LBFS - Warehouse	589,490	-	-	589,490
LBFS - Land	<u>69,305</u>	-	-	<u>69,305</u>
	3,022,655	101,424	1,017,888	2,106,191
Accumulated depreciation	<u>( 504,567)</u>	<u>( 110,824)</u>	-	<u>( 615,391)</u>
<i>Total Capital Assets, net</i>	<u><u>\$ 2,518,088</u></u>	<u><u>\$ ( 9,400)</u></u>	<u><u>\$ 1,017,888</u></u>	<u><u>\$ 1,490,800</u></u>

**OREGON CASCADES WEST COUNCIL OF GOVERNMENTS**  
**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)**  
**YEAR ENDED JUNE 30, 2003**

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**CAPITAL ASSETS (Continued)**

The current year additions includes the purchase of a Head Start vehicle of \$45,910, a partial payment in fiscal year ending June 30, 2003, plus current year capital outlay of \$55,514, for total additions of \$101,424.

The current year deletions are the result of changing the capitalization threshold.

**LEASES**

CSC leases office and warehouse space in Corvallis, Albany, Lebanon, and Newport under noncancellable operating leases. CSC also leases equipment for its computer network and telephone systems from Benton County. Rental expense under all noncancellable leases for the year ended June 30, 2003 was \$473,191.

Following is a schedule, by fiscal year, of the future minimum rental payments required under these leases as of June 30, 2003. Amounts included in the future minimum rental payments for the offices and warehouses are the gross rents payable. Based on the provisions of these leases, payments shall be reduced by an amount equal to the tax savings by the lessor due to exemption from taxation by reason of the lessee's occupancy.

Year Ending

2004	\$	500,052
2005		471,060
2006		398,472
2007		188,388
2008		140,538
Thereafter		<u>267,063</u>
	\$	<u>1,965,573</u>

**DEFERRED REVENUES**

Deferred revenues as of June 30, 2003 consist of the following:

Loan repayments	\$	2,296,508
Grants and contracts		252,841
Deposits		<u>2,375</u>
<i>Total</i>	\$	<u>2,551,724</u>

Housing rehabilitation loans will be recognized as revenues as they are repaid in the future. Deferred grant revenue will be recognized as services are provided under the contracts.

**COMMUNITY SERVICES CONSORTIUM**  
*NOTES TO BASIC FINANCIAL STATEMENTS (Continued)*  
*YEAR ENDED JUNE 30, 2003*

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**NOTES PAYABLE**

In February 2002, CSC established a line of credit with Citizens Bank to finance the purchase of land for the Self-Help Housing Program. Under the loan agreement, a maximum of \$350,000 may be borrowed. CSC borrowed \$125,600 at 6.75% interest, secured by land held in inventory. The portion allocable to each of 3 lots will be paid when the lots are sold. The loan balance at June 30, 2003 is \$125,241, due at the earlier of the sale of land or on March 1, 2004.

\$ 125,241

On July 17, 2000, CSC borrowed \$80,000 from NW Regional Facilitators for the Self-Help Home Ownership (SHOP) program. The loan is non-interest bearing, and will be forgiven July 17, 2010 provided CSC complies with the terms of the agreement.

80,000

*Total*

\$ 205,241

**PENSION PLAN**

CSC employees participate in the Oregon Public Employee's Retirement System (PERS), a cost sharing multiple-employer defined benefit pension plan. All the CSC employees are eligible to participate in the system after completing six months of service. Total payroll was \$5,143,485 and covered payroll was \$5,073,638 for the year ended June 30, 2003. PERS is administered by the Public Employees Retirement Board under the guidelines of Oregon Revised Statutes, Chapter 238. The PERS retirement allowance, payable monthly for life, may be selected from twelve retirement benefit options. Options include survivorship benefits and lump sum refunds. The basic benefit formula is 1.67 percent of a member's final average salary multiplied by the member's number of years of service. Benefits may also be calculated under either a money match or an annuity-plus-pension computation if a greater benefit results. PERS also provides death and disability benefits. A copy of the Oregon Public Employees Retirement System annual financial report may be obtained from PERS, P.O. Box 73, Portland, Oregon 97207-0073.

Covered employees are required by State statute to contribute 6.0 percent of their salary to the plan. Current law permits employers to pay employee contributions to the Retirement Fund, which CSC does. CSC is required by statute to contribute actuarially computed amounts as determined by PERS. Rates are subject to change as a result of subsequent actuarial valuations. The rate was 8.77 percent of each covered employee's salary through June 30, 2003. The amount contributed by CSC for the year ended June 30, 2003 was \$629,002, which consisted of \$434,899 for the employer portion and \$194,103 for the employee portion, equal to the required contributions for the years.

**COMMITMENTS AND CONTINGENCIES**

Reimbursement claims under federal and state program grants are subject to audit and adjustment by grantor agencies. Any disallowed claims might become a liability of CSC. CSC is aware of no communications from granting agencies regarding the lack of compliance with grant conditions that could result in a liability. There are no asserted or known unasserted claims against CSC that require disclosure or a loss accrual under Financial Accounting Standards Board Statement No. 5.

**COMMUNITY SERVICES CONSORTIUM**  
**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)**  
**YEAR ENDED JUNE 30, 2003**

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**NONMONETARY TRANSACTIONS**

Community Services Consortium receives donated food from various sources for distribution to those in need. The value is estimated. About 5% of the food distributed is purchased with grant revenue. Revenue is recognized as the food is donated. Expenditures are recognized as the food is distributed. During the year ended June 30, 2003, the following nonmonetary transactions were recorded in the Linn-Benton Food Share Fund:

	<u>USDA</u>	<u>Linn-Benton Food Share</u>	<u>Total</u>
Food received - revenue	\$ 370,478	\$ 5,167,650	\$ 5,538,128
Food distributed - expenditures	<u>375,111</u>	<u>5,143,788</u>	<u>5,518,899</u>
<i>Excess (Deficit) of Nonmonetary Revenues Over Nonmonetary Expenditures</i>	<u>\$ ( 4,633)</u>	<u>\$ 23,862</u>	<u>\$ 19,229</u>

**RISK MANAGEMENT**

CSC is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

CSC carries commercial insurance for other risks of loss, including employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

**RESTATEMENTS**

As of and for the year ended June 30, 2003, the Consortium implemented the following Governmental Accounting Standards Board pronouncements:

- No. 33 - Accounting and Financing Reporting for Nonexchange Transactions
- No. 34 - Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments
- No. 36 - Recipient Reporting for Certain Shared Nonexchange Revenues - An Amendment of GASB
- No. 37 - Basic Financial Statements - Management's Discussion and Analysis - for State and Local Governments Omnibus
- No. 38 - Certain Financial Statement Note Disclosures

The most significant changes required by the new standards included:

- Management's discussion and analysis
- Basic financial statements that included:
  - Government-wide financial statements, prepared using the economic resources measurement focus and accrual basis of accounting
  - Fund Financial statements, consisting of a series of statements that focus on a government's major governmental funds.
  - Schedules to reconcile the fund financial statements to the government-wide financial statements
  - Notes to the basic financial statements

**COMMUNITY SERVICES CONSORTIUM**  
**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)**  
**YEAR ENDED JUNE 30, 2003**

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**RESTATEMENTS (Continued)**

As a result of implementing the above pronouncements, the following adjustments were made to the June 30, 2002 fund balances to determine July 1, 2002 beginning net assets:

Fund balances, June 30, 2002	\$ 757,054
Reserved for inventories	37,757
Reserved for prepaid items	<u>560,261</u>
<i>Total</i>	1,355,072
Restatements to Basic Statements:	
Direct client services	
Independent living programs	( 5,330)
Housing and Community Resources	
Housing and Community Resources Project Management 99/00	( 1,600)
Land Acquisition and Development 97/00	23,132
Rebates	<u>( 1,085)</u>
<i>Total</i>	1,370,189
Implementation of new pronouncements:	
Capital assets	3,022,655
Accumulated depreciation on capital assets	( 504,567)
Less elimination of assets with a cost basis of less than \$2,500	( 1,017,888)
Plus capital outlay in prior year deposits	<u>45,910</u>
<i>Net Assets, July 1, 2002</i>	<u><u>\$ 2,916,299</u></u>

**DUE TO / DUE FROM OTHER FUNDS**

The following amounts were due to /due from at June 30, 2003:

Due to:	
General Fund	\$ 554,497
Direct Client Services	645,138
Linn-Benton Food Share	18,904
Housing and Community Resources	200,426
Head Start	23,038
Miscellaneous Grants	76,370
Housing Rehabilitation	<u>315,853</u>
	<u><u>\$ 1,834,226</u></u>

**COMMUNITY SERVICES CONSORTIUM**  
*NOTES TO BASIC FINANCIAL STATEMENTS (Continued)*  
*YEAR ENDED JUNE 30, 2003*

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***DUE TO / DUE FROM OTHER FUNDS (Continued)***

Due from:

General Fund	\$	499,774
Direct Client Services		340,344
Linn-Benton Food Share		419,225
Housing and Community Resources		304,534
Head Start		12,975
Misc. Grants		1,828
Housing Rehabilitation		<u>255,546</u>
	\$	<u>1,834,226</u>

***REQUIRED SUPPLEMENTAL INFORMATION***

**COMMUNITY SERVICES CONSORTIUM**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2003**

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Variance with Final Budget (Unfavorable)</u>	<u>Actual</u>
<b>REVENUES</b>	\$ 19,271,707	\$ 20,850,870	\$ ( 1,492,618)	\$ 19,358,252
<b>EXPENDITURES</b>				
Personnel services	6,404,653	6,672,390	230,641	6,441,749
Materials and services	12,695,935	13,892,304	1,216,334	12,675,970
Capital outlay	<u>171,119</u>	<u>286,176</u>	<u>230,662</u>	<u>55,514</u>
<i>Total Expenditures</i>	<u>19,271,707</u>	<u>20,850,870</u>	<u>1,677,637</u>	<u>19,173,233</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	-	-	185,009	185,009
<b>FUND BALANCE, Beginning of year, Restated</b>	<u>-</u>	<u>-</u>	<u>1,370,189</u>	<u>1,370,189</u>
<b>FUND BALANCE, End of year</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,555,208</u></u>	<u><u>\$ 1,555,208</u></u>

***OTHER SUPPLEMENTAL INFORMATION***

**COMMUNITY SERVICES CONSORTIUM**  
**COMBINING BALANCE SHEET - DIRECT CLIENT SERVICES**  
**JUNE 30, 2003**

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	<u>DCS</u> <u>Administration</u>	<u>DCS</u> <u>Residuals</u>	<u>SCF</u> <u>Transitional</u> <u>Emergency</u> <u>Housing</u>	<u>Youth</u> <u>Services</u> <u>Team</u>
<b>ASSETS</b>				
Cash and investments	\$ 50	\$ -	\$ -	\$ -
Receivables				
Grants and contracts	-	-	9,857	-
Due from other funds	-	6,433	11,746	9,686
Prepaid items	<u>6,737</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total Assets</i>	<u>\$ 6,787</u>	<u>\$ 6,433</u>	<u>\$ 21,603</u>	<u>\$ 9,686</u>
 <b>LIABILITIES AND FUND BALANCE</b>				
<b>Liabilities</b>				
Accounts payable	\$ -	\$ 43	\$ 6	\$ 15
Due to other funds	6,787	-	-	-
Deferred revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total Liabilities</i>	6,787	43	6	15
 <b>Fund Balance</b>				
Reserved for prepaid items	6,737	-	-	-
Restricted	<u>( 6,737)</u>	<u>6,390</u>	<u>21,597</u>	<u>9,671</u>
<i>Total Fund Balance</i>	<u>-</u>	<u>6,390</u>	<u>21,597</u>	<u>9,671</u>
<i>Total Liabilities and</i> <i>Fund Balance</i>	<u>\$ 6,787</u>	<u>\$ 6,433</u>	<u>\$ 21,603</u>	<u>\$ 9,686</u>

<i><u>Fee for Services</u></i>	<i><u>Lincoln CCF Juvenile Crime</u></i>	<i><u>Youth Transition</u></i>	<i><u>Independent Living Programs 99/00</u></i>	<i><u>Forestry Careers in Linn County</u></i>	<i><u>Linn County CCF Teen Maze</u></i>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
53,852	16,450	1,760	7,151	-	-
41,019	-	3,368	8,821	20,059	1,060
-	-	-	-	-	500
<u>\$ 94,871</u>	<u>\$ 16,450</u>	<u>\$ 5,128</u>	<u>\$ 15,972</u>	<u>\$ 20,059</u>	<u>\$ 1,560</u>
\$ 8,006	\$ 8,193	\$ 391	\$ 374	\$ -	\$ -
-	8,257	-	-	-	-
<u>2,370</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,059</u>	<u>-</u>
10,376	16,450	391	374	20,059	-
-	-	-	-	-	500
<u>84,495</u>	<u>-</u>	<u>4,737</u>	<u>15,598</u>	<u>-</u>	<u>1,060</u>
<u>84,495</u>	<u>-</u>	<u>4,737</u>	<u>15,598</u>	<u>-</u>	<u>1,560</u>
<u>\$ 94,871</u>	<u>\$ 16,450</u>	<u>\$ 5,128</u>	<u>\$ 15,972</u>	<u>\$ 20,059</u>	<u>\$ 1,560</u>

**COMMUNITY SERVICES CONSORTIUM**  
**COMBINING BALANCE SHEET - DIRECT CLIENT SERVICES (Continued)**  
**JUNE 30, 2003**

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	<u><i>AFS – Able Bodied Worker</i></u>	<u><i>JOBS</i></u>	<u><i>Brock Home</i></u>	<u><i>Edith Stewart Grant</i></u>
<b>ASSETS</b>				
Cash and investments	\$ -	\$ -	\$ -	\$ -
Receivables				
Grants and contracts	-	106,647	-	-
Due from other funds	10,818	-	586	84,780
Prepaid items	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total Assets</i>	<u>\$ 10,818</u>	<u>\$ 106,647</u>	<u>\$ 586</u>	<u>\$ 84,780</u>
 <b>LIABILITIES AND FUND BALANCE</b>				
<b>Liabilities</b>				
Accounts payable	\$ -	\$ 25,858	\$ -	\$ -
Due to other funds	-	80,509	-	-
Deferred revenue	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total Liabilities</i>	-	106,367	-	-
 <b>Fund Balance</b>				
Reserved for prepaid items	-	-	-	-
Restricted	10,818	280	586	84,780
	<u>10,818</u>	<u>280</u>	<u>586</u>	<u>84,780</u>
<i>Total Fund Balance</i>	<u>10,818</u>	<u>280</u>	<u>586</u>	<u>84,780</u>
<i>Total Liabilities and Fund Balance</i>	<u>\$ 10,818</u>	<u>\$ 106,647</u>	<u>\$ 586</u>	<u>\$ 84,780</u>

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<u>YB 2000</u>	<u>YB Donations</u>	<u>YB Reg Investment Board</u>	<u>YB Meyer Memorial Trust</u>	<u>YB USA</u>	<u>YB Ford Family Foundation</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
24,210	240	6,070	-	91,923	-
-	4,400	1,275	4,294	-	11,332
-	-	-	-	-	-
<u>\$ 24,210</u>	<u>\$ 4,640</u>	<u>\$ 7,345</u>	<u>\$ 4,294</u>	<u>\$ 91,923</u>	<u>\$ 11,332</u>
\$ 117	\$ -	\$ 2,682	\$ 2,000	\$ 1,228	\$ 4,125
24,093	-	-	-	90,695	-
-	-	-	-	-	-
24,210	-	2,682	2,000	91,923	4,125
-	-	-	-	-	-
-	<u>4,640</u>	<u>4,663</u>	<u>2,294</u>	-	<u>7,207</u>
-	<u>4,640</u>	<u>4,663</u>	<u>2,294</u>	-	<u>7,207</u>
<u>\$ 24,210</u>	<u>\$ 4,640</u>	<u>\$ 7,345</u>	<u>\$ 4,294</u>	<u>\$ 91,923</u>	<u>\$ 11,332</u>

**COMMUNITY SERVICES CONSORTIUM**  
**COMBINING BALANCE SHEET - DIRECT CLIENT SERVICES (Continued)**  
**JUNE 30, 2003**

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	<u>YB 2002 HUD</u>	<u>Lincoln County Charter School</u>	<u>Continuum of Care IV</u>	<u>EHA</u>
<b>ASSETS</b>				
Cash and investments	\$ -	\$ -	\$ -	\$ -
Receivables				
Grants and contracts	14,114	25,702	5,447	52,528
Due from other funds	-	13,987	-	-
Prepaid items	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total Assets</i>	<u>\$ 14,114</u>	<u>\$ 39,689</u>	<u>\$ 5,447</u>	<u>\$ 52,528</u>
 <b>LIABILITIES AND FUND BALANCE</b>				
<b>Liabilities</b>				
Accounts payable	\$ 170	\$ 11,000	\$ 667	\$ 2,643
Due to other funds	13,944	-	4,780	49,885
Deferred revenue	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total Liabilities</i>	14,114	11,000	5,447	52,528
 <b>Fund Balance</b>				
Reserved for prepaid items	-	-	-	-
Restricted	-	28,689	-	-
	<u>-</u>	<u>28,689</u>	<u>-</u>	<u>-</u>
<i>Total Fund Balance</i>	-	28,689	-	-
	<u>-</u>	<u>28,689</u>	<u>-</u>	<u>-</u>
<i>Total Liabilities and     Fund Balance</i>	<u>\$ 14,114</u>	<u>\$ 39,689</u>	<u>\$ 5,447</u>	<u>\$ 52,528</u>

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<i>EHA Disc 2<sup>nd</sup> Chance</i>	<i>Landlord Guarantee Fund</i>	<i>ESGP</i>	<i>HSP</i>	<i>City of Corvallis</i>	<i>HOME TBA</i>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	11,825	1,553	1,334	1,123
2,105	500	-	-	-	-
-	-	-	-	-	-
<u>\$ 2,105</u>	<u>\$ 500</u>	<u>\$ 11,825</u>	<u>\$ 1,553</u>	<u>\$ 1,334</u>	<u>\$ 1,123</u>
\$ -	\$ -	\$ 3,053	\$ 263	\$ -	\$ 32
-	-	8,772	1,290	1,334	895
-	-	-	-	-	-
-	-	11,825	1,553	1,334	927
-	-	-	-	-	-
<u>2,105</u>	<u>500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>196</u>
<u>2,105</u>	<u>500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>196</u>
<u>\$ 2,105</u>	<u>\$ 500</u>	<u>\$ 11,825</u>	<u>\$ 1,553</u>	<u>\$ 1,334</u>	<u>\$ 1,123</u>

**COMMUNITY SERVICES CONSORTIUM**  
**COMBINING BALANCE SHEET - DIRECT CLIENT SERVICES (Continued)**  
**JUNE 30, 2003**

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	<u>LIEAP Leverage</u>	<u>LIEAP Energy Assistance</u>	<u>LIEAP Client Education</u>	<u>LIRHF</u>
<b>ASSETS</b>				
Cash and investments	\$ -	\$ -	\$ -	\$ -
Receivables				
Grants and contracts	1,328	-	1,802	4,890
Due from other funds	-	4,201	-	-
Prepaid items	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total Assets</i>	<u>\$ 1,328</u>	<u>\$ 4,201</u>	<u>\$ 1,802</u>	<u>\$ 4,890</u>
 <b>LIABILITIES AND FUND BALANCE</b>				
<b>Liabilities</b>				
Accounts payable	\$ 1,328	\$ 234	\$ -	\$ 98
Due to other funds	-	-	1,802	4,792
Deferred revenue	-	3,967	-	-
	<u>-</u>	<u>3,967</u>	<u>-</u>	<u>-</u>
<i>Total Liabilities</i>	1,328	4,201	1,802	4,890
 <b>Fund Balance</b>				
Reserved for prepaid items	-	-	-	-
Restricted	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total Fund Balance</i>	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total Liabilities and     Fund Balance</i>	<u>\$ 1,328</u>	<u>\$ 4,201</u>	<u>\$ 1,802</u>	<u>\$ 4,890</u>

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<i>OEA FYE 2003</i>	<i>REACH FY00</i>	<i>PPL REACH</i>	<i>SHAP</i>	<i>SOS</i>	<i>Gas Assistance Program</i>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8,369	-	9,460	14,009	-	-
-	64,116	10,044	-	3,269	3,394
-	-	-	-	-	-
<u>\$ 8,369</u>	<u>\$ 64,116</u>	<u>\$ 19,504</u>	<u>\$ 14,009</u>	<u>\$ 3,269</u>	<u>\$ 3,394</u>
\$ 21	\$ -	\$ 32	\$ 2,657	\$ 563	\$ -
8,348	-	-	11,352	-	-
-	-	-	-	518	-
8,379	-	32	14,009	1,081	-
-	-	-	-	-	-
-	64,116	19,472	-	2,188	3,394
-	64,116	19,472	-	2,188	3,394
<u>\$ 8,369</u>	<u>\$ 64,116</u>	<u>\$ 19,504</u>	<u>\$ 14,009</u>	<u>\$ 3,269</u>	<u>\$ 3,394</u>

**COMMUNITY SERVICES CONSORTIUM**  
**COMBINING BALANCE SHEET - DIRECT CLIENT SERVICES (Continued)**  
**JUNE 30, 2003**

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	<u>Oregon Heat</u>	<u>Misc. Donations</u>	<u>Consumer Power</u>	<u>Project Help</u>
<b>ASSETS</b>				
Cash and investments	\$ -	\$ -	\$ -	\$ -
Receivables				
Grants and contracts	3,326	-	-	-
Due from other funds	8,963	6,082	1,362	1,162
Prepaid items	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total Assets</i>	<u>\$ 12,289</u>	<u>\$ 6,082</u>	<u>\$ 1,362</u>	<u>\$ 1,162</u>
 <b>LIABILITIES AND FUND BALANCE</b>				
<b>Liabilities</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-
Deferred revenue	-	5,853	-	-
	<u>-</u>	<u>5,853</u>	<u>-</u>	<u>-</u>
<i>Total Liabilities</i>	-	5,853	-	-
 <b>Fund Balance</b>				
Reserved for prepaid items	-	-	-	-
Restricted	12,289	229	1,362	1,162
	<u>12,289</u>	<u>229</u>	<u>1,362</u>	<u>1,162</u>
<i>Total Fund Balance</i>	<u>12,289</u>	<u>229</u>	<u>1,362</u>	<u>1,162</u>
<i>Total Liabilities and     Fund Balance</i>	<u>\$ 12,289</u>	<u>\$ 6,082</u>	<u>\$ 1,362</u>	<u>\$ 1,162</u>

<i>Oregon Low Income Gas Assistance</i>	<i>WIA 1A Adult</i>	<i>WIA 1B Youth</i>	<i>WIA Dislocated Worker</i>	<i>WIA Local Admin Activities</i>	<i>WIA 1B MIS Development</i>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	33,940	107,893	130,877	64,700	4,309
1,482	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 1,482</u>	<u>\$ 33,940</u>	<u>\$ 107,893</u>	<u>\$ 130,877</u>	<u>\$ 64,700</u>	<u>\$ 4,309</u>
\$ -	\$ 6,197	\$ 13,008	\$ 25,932	\$ 23	\$ 2,024
-	27,743	94,885	104,945	64,677	2,285
-	-	-	-	-	-
-	33,940	107,893	130,877	64,700	4,309
-	-	-	-	-	-
<u>1,482</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>1,482</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 1,482</u>	<u>\$ 33,940</u>	<u>\$ 107,893</u>	<u>\$ 130,877</u>	<u>\$ 64,700</u>	<u>\$ 4,309</u>

**COMMUNITY SERVICES CONSORTIUM**  
**COMBINING BALANCE SHEET - DIRECT CLIENT SERVICES (Continued)**  
**JUNE 30, 2003**

	<u>WIA IB Local WIB Board Support</u>	<u>WIA – High Concentration Youth</u>	<u>WIA Statewide Administration</u>	<u>Gov Reserve Add Assistance</u>
<b>ASSETS</b>				
Cash and investments	\$ -	\$ -	\$ -	\$ -
Receivables				
Grants and contracts	4,017	1,248	266	1,236
Due from other funds	-	-	-	-
Prepaid items	-	-	-	-
<i>Total Assets</i>	<u>\$ 4,017</u>	<u>\$ 1,248</u>	<u>\$ 266</u>	<u>\$ 1,236</u>
<b>LIABILITIES AND FUND BALANCE</b>				
<b>Liabilities</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ 453
Due to other funds	4,017	1,248	266	783
Deferred revenue	-	-	-	-
<i>Total Liabilities</i>	4,017	1,248	266	1,236
<b>Fund Balance</b>				
Reserved for prepaid items	-	-	-	-
Restricted	-	-	-	-
<i>Total Fund Balance</i>	-	-	-	-
<i>Total Liabilities and Fund Balance</i>	<u>\$ 4,017</u>	<u>\$ 1,248</u>	<u>\$ 266</u>	<u>\$ 1,236</u>

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<u>WIA Incentives</u>	<u>Technical Assistance</u>	<u>NEG Statewide Multico</u>	<u>Timber 15</u>	<u>Early Intervention</u>	<u>NEG Data Collection</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2,790	12,866	4,257	\$ 25	\$ 1,413	\$ 422
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 2,790</u>	<u>\$ 12,866</u>	<u>\$ 4,257</u>	<u>\$ 25</u>	<u>\$ 1,413</u>	<u>\$ 422</u>
\$ -	\$ 1,095	\$ 972	\$ 25	\$ 9	\$ -
2,790	11,771	3,285	-	1,404	422
-	-	-	-	-	-
2,790	12,866	4,257	25	1,413	422
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 2,790</u>	<u>\$ 12,866</u>	<u>\$ 4,257</u>	<u>\$ 25</u>	<u>\$ 1,413</u>	<u>\$ 422</u>

**COMMUNITY SERVICES CONSORTIUM**  
**COMBINING BALANCE SHEET - DIRECT CLIENT SERVICES (Continued)**  
**JUNE 30, 2003**

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	<u>Youth Development Teen Maze</u>	<u>OWIB Youth Action Steps</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and investments	\$ -	\$ -	\$ 50
Receivables			
Grants and contracts	3,688	808	849,725
Due from other funds	-	-	340,344
Prepaid items	-	-	7,237
	<u>-</u>	<u>-</u>	<u>7,237</u>
<i>Total Assets</i>	<u>\$ 3,688</u>	<u>\$ 808</u>	<u>\$ 1,197,356</u>
 <b>LIABILITIES AND FUND BALANCE</b>			
<b>Liabilities</b>			
Accounts payable	\$ -	\$ -	\$ 125,537
Due to other funds	3,688	232	641,976
Deferred revenue	-	576	33,343
	<u>-</u>	<u>576</u>	<u>33,343</u>
<i>Total Liabilities</i>	3,688	808	800,856
 <b>Fund Balance</b>			
Reserved for prepaid items	-	-	7,237
Restricted	-	-	389,263
	<u>-</u>	<u>-</u>	<u>389,263</u>
<i>Total Fund Balance</i>	<u>-</u>	<u>-</u>	<u>396,500</u>
 <i>Total Liabilities and Fund Balance</i>	 <u>\$ 3,688</u>	 <u>\$ 808</u>	 <u>\$ 1,197,356</u>

**COMMUNITY SERVICES CONSORTIUM****COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
DIRECT CLIENT SERVICES  
YEAR ENDED JUNE 30, 2003**

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	<u>DCS Administration</u>	<u>DCS Residuals</u>	<u>SCF Transitional Emergency Housing</u>	<u>Youth Services Team</u>
<b>REVENUES</b>				
Grants and contract	\$ -	\$ -	\$ 59,139	\$ -
Contributions	-	-	-	-
Fees for services	-	-	-	-
Other	-	1,400	30	-
Interest	-	42	1	-
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Total Revenues</i>	-	1,442	59,170	-
 <b>EXPENDITURES</b>				
Administration	-	-	5,795	471
Employment and training	28	272	49,259	3,931
Emergency services	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Total Expenditures</i>	28	272	55,054	4,402
 <b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	( 28)	1,170	4,116	( 4,402)
 <b>FUND BALANCES, Beginning of year</b>	<hr/>	<hr/>	<hr/>	<hr/>
	28	5,220	17,481	14,073
 <b>FUND BALANCES, End of year</b>	<u>\$ -</u>	<u>\$ 6,390</u>	<u>\$ 21,597</u>	<u>\$ 9,671</u>

<i>Fee for Services</i>	<i>Lincoln CCF Juvenile Crime</i>	<i>Youth Transition</i>	<i>Independent Living Programs</i>	<i>Linn County CCF Teen Maze</i>	<i>AFS - Able Bodied Worker</i>
\$ -	\$ 16,444	\$ 227,633	\$ 63,960	\$ -	\$ 11,220
-	-	-	-	300	-
235,548	-	-	-	-	-
-	-	-	12,906	-	-
-	-	-	-	-	-
235,548	16,444	227,633	76,866	300	11,220
25,093	-	38,344	8,525	1	743
177,064	16,444	189,288	60,793	-	7,662
-	-	-	-	-	-
202,157	16,444	227,632	69,318	1	8,405
33,391	-	1	7,548	299	2,815
51,104	-	4,736	8,050	1,261	8,003
<u>\$ 84,495</u>	<u>\$ -</u>	<u>\$ 4,737</u>	<u>\$ 15,598</u>	<u>\$ 1,560</u>	<u>\$ 10,818</u>

**COMMUNITY SERVICES CONSORTIUM**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
DIRECT CLIENT SERVICES (Continued)  
YEAR ENDED JUNE 30, 2003

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	<i>AFS Oregon Food Stamp Employment Transition</i>	<i>JOBS</i>	<i>Brock Home</i>	<i>Edith Stewart Grant</i>
<b>REVENUES</b>				
Grants and contract Contributions	\$ 25,687	\$ 402,638	\$ -	\$ -
Fees for services	-	-	-	-
Other	-	-	-	-
Interest	-	-	-	221
<i>Total Revenues</i>	<u>25,687</u>	<u>402,638</u>	<u>-</u>	<u>221</u>
<b>EXPENDITURES</b>				
Administration	5,019	37,500	31	-
Employment and training	20,662	365,142	-	-
Emergency services	-	-	-	-
<i>Total Expenditures</i>	<u>25,681</u>	<u>402,642</u>	<u>31</u>	<u>-</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	6	( 4)	-	221
<b>FUND BALANCES, Beginning of year</b>	<u>( 6)</u>	<u>285</u>	<u>617</u>	<u>84,559</u>
<b>FUND BALANCES, End of year</b>	<u>\$ -</u>	<u>\$ 281</u>	<u>\$ 586</u>	<u>\$ 84,780</u>

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<u>YB 2000</u>	<u>YB Donations</u>	<u>YB Reg Investment Board</u>	<u>YB Meyer memorial Trust</u>	<u>YB USA</u>	<u>YB Ford Family Foundation</u>
\$ 146,299	\$ 1,300	\$ 30,000	\$ 45,000	\$ 173,480	\$ 50,000
-	1,825	-	-	-	-
-	-	-	-	-	-
-	2,030	-	-	-	-
-	9	-	-	-	-
<u>146,299</u>	<u>5,164</u>	<u>30,000</u>	<u>45,000</u>	<u>173,480</u>	<u>50,000</u>
21,754	-	3,273	4,735	15,709	-
124,536	655	22,064	37,971	157,771	42,793
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>146,290</u>	<u>655</u>	<u>25,337</u>	<u>42,706</u>	<u>173,480</u>	<u>42,793</u>
( 9)	4,509	4,663	2,294	-	7,207
<u>9</u>	<u>131</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ -</u>	<u>\$ 4,640</u>	<u>\$ 4,663</u>	<u>\$ 2,294</u>	<u>\$ -</u>	<u>\$ 7,207</u>

**COMMUNITY SERVICES CONSORTIUM**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
DIRECT CLIENT SERVICES (Continued)  
YEAR ENDED JUNE 30, 2003

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	<u>YB 2002 HUD</u>	<u>Lincoln County Charter School</u>	<u>Continuum of Care IV</u>	<u>EHA Emergency Housing</u>
<b>REVENUES</b>				
Grants and contract	\$ 14,043	\$ 196,384	\$ 69,127	\$ 290,729
Contributions	-	1,000	-	-
Fees for services	-	-	-	-
Other	-	2,190	-	-
Interest	-	-	-	-
<i>Total Revenues</i>	<u>14,043</u>	<u>199,574</u>	<u>69,127</u>	<u>290,729</u>
<b>EXPENDITURES</b>				
Administration	-	24,933	3,625	27,195
Employment and training	14,043	197,816	-	-
Emergency services	-	-	65,502	263,534
<i>Total Expenditures</i>	<u>14,043</u>	<u>222,749</u>	<u>69,127</u>	<u>290,729</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	-	( 23,175)	-	-
<b>FUND BALANCES, Beginning of year</b>	<u>-</u>	<u>51,864</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES, End of year</b>	<u>\$ -</u>	<u>\$ 28,689</u>	<u>\$ -</u>	<u>\$ -</u>

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<i><b>EHA Disc. 2<sup>nd</sup> Chance</b></i>	<i><b>ESGP</b></i>	<i><b>HSP</b></i>	<i><b>City of Corvallis</b></i>	<i><b>HOME TBA</b></i>	<i><b>LIEAP Leverage</b></i>
\$ -	\$ 85,656	\$ 67,855	\$ 16,000	\$ 176,489	\$ 15,119
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	85,656	67,855	16,000	176,489	15,119
-	2,141	-	-	-	-
-	-	-	-	-	-
-	83,515	67,855	16,000	176,293	15,119
-	85,656	67,855	16,000	176,293	15,119
-	-	-	-	196	-
2,105	-	-	-	-	-
<u>\$ 2,105</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 196</u>	<u>\$ -</u>

**COMMUNITY SERVICES CONSORTIUM**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
DIRECT CLIENT SERVICES (Continued)  
YEAR ENDED JUNE 30, 2003

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	<u>LIEAP Energy Assistance</u>	<u>LIEAP Client Education</u>	<u>LIRHF</u>	<u>Landlord</u>
<b>REVENUES</b>				
Grants and contract	\$ 1,463,471	\$ 81,915	\$ 40,076	\$ -
Contributions	-	-	-	-
Fees for services	-	-	-	-
Other	-	-	-	-
Interest	-	-	-	-
<i>Total Revenues</i>	<u>1,463,471</u>	<u>81,915</u>	<u>40,076</u>	<u>-</u>
<b>EXPENDITURES</b>				
Administration	7,050	-	-	-
Employment and training	-	-	-	-
Emergency services	<u>1,456,421</u>	<u>81,915</u>	<u>40,076</u>	<u>-</u>
<i>Total Expenditures</i>	<u>1,463,471</u>	<u>81,915</u>	<u>40,076</u>	<u>-</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	-	-	-	-
<b>FUND BALANCES, Beginning of year</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>500</u>
<b>FUND BALANCES, End of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 500</u>

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<u>OEA 2002</u>	<u>REACH FY00</u>	<u>OEA 2003</u>	<u>PPL REACH</u>	<u>SHAP</u>	<u>SOS</u>
\$ 370,030	\$ 8,720	\$ 245,972	\$ 78,059	\$ 48,164	\$ -
-	-	-	-	-	8,381
-	-	-	-	-	-
-	-	-	-	-	-
<u>370,030</u>	<u>8,720</u>	<u>245,972</u>	<u>78,059</u>	<u>48,164</u>	<u>8,381</u>
-	-	1,090	1,014	7,225	-
-	-	-	-	-	-
<u>370,030</u>	<u>435</u>	<u>244,882</u>	<u>75,669</u>	<u>40,939</u>	<u>8,662</u>
<u>370,030</u>	<u>435</u>	<u>245,972</u>	<u>76,683</u>	<u>48,164</u>	<u>8,662</u>
-	8,285	-	1,376	-	( 281)
-	<u>55,831</u>	-	<u>18,097</u>	-	<u>2,469</u>
<u>\$ -</u>	<u>\$ 64,116</u>	<u>\$ -</u>	<u>\$ 19,473</u>	<u>\$ -</u>	<u>\$ 2,188</u>

**COMMUNITY SERVICES CONSORTIUM**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
DIRECT CLIENT SERVICES (Continued)  
YEAR ENDED JUNE 30, 2003

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	<u>Oregon Heat</u>	<u>GAS Assistance Program</u>	<u>Miscellaneous Donations</u>	<u>Consumer Power</u>
<b>REVENUES</b>				
Grants and contract	\$ 5,702	\$ -	\$ -	\$ -
Contributions	-	-	220	-
Fees for services	-	-	-	-
Other	-	750	-	1,362
Interest	-	-	-	-
<i>Total Revenues</i>	<u>5,702</u>	<u>750</u>	<u>220</u>	<u>1,362</u>
<b>EXPENDITURES</b>				
Administration	-	-	-	-
Employment and training	-	-	-	-
Emergency services	<u>580</u>	<u>160</u>	<u>2,973</u>	<u>-</u>
<i>Total Expenditures</i>	<u>580</u>	<u>160</u>	<u>2,973</u>	<u>-</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	5,122	590	( 2,753)	1,362
<b>FUND BALANCES, Beginning of year</b>	<u>7,167</u>	<u>2,804</u>	<u>2,982</u>	<u>-</u>
<b>FUND BALANCES, End of year</b>	<u>\$ 12,289</u>	<u>\$ 3,394</u>	<u>\$ 229</u>	<u>\$ 1,362</u>

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<i>Project Help</i>	<i>OR Low Income Gas Assistance</i>	<i>WIA 1A Adult</i>	<i>WIA 1B Youth</i>	<i>WIA Dislocated Worker</i>	<i>WIA Local Admin Activities</i>
\$ -	\$ 15,295	\$ 884,926	\$ 869,757	\$ 1,641,107	\$ 406,526
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	15,295	884,926	869,757	1,641,107	406,526
-	1,672	105,003	84,228	178,550	406,526
-	-	779,923	785,529	1,462,557	-
-	12,141	-	-	-	-
-	13,813	884,926	869,757	1,641,107	406,526
-	1,482	-	-	-	-
1,162	-	-	-	-	-
<u>\$ 1,162</u>	<u>\$ 1,482</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**COMMUNITY SERVICES CONSORTIUM**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
DIRECT CLIENT SERVICES (Continued)  
YEAR ENDED JUNE 30, 2003

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	<u>WIA 1B MIS Development</u>	<u>WIA 1B Local WIB Board Support</u>	<u>WIA High Concentration Youth</u>	<u>Gov. Reserve Add Asst.</u>
<b>REVENUES</b>				
Grants and contract	\$ 8,903	\$ 35,714	\$ 2,844	\$ 2,337
Contributions	-	-	-	-
Fees for services	-	-	-	-
Other	-	-	-	-
Interest	-	-	-	-
<i>Total Revenues</i>	<u>8,903</u>	<u>35,714</u>	<u>2,844</u>	<u>2,337</u>
<b>EXPENDITURES</b>				
Administration	1,329	-	-	13
Employment and training	7,574	35,714	2,844	2,324
Emergency services	-	-	-	-
<i>Total Expenditures</i>	<u>8,903</u>	<u>35,714</u>	<u>2,844</u>	<u>2,337</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	-	-	-	-
<b>FUND BALANCES, Beginning of year</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES, End of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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<u>WIA Incentives</u>	<u>Technical Assistance</u>	<u>NEG Statewide Multico</u>	<u>Timber 15</u>	<u>Early Intervention</u>	<u>NEG Data Collection</u>
\$ 2,790	\$ 60,796	\$ 17,393	\$ 182,231	\$ 14,439	\$ 3,206
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
2,790	60,796	17,393	182,231	14,439	3,206
-	20,969	1,322	17,838	-	3,206
2,790	39,827	16,071	164,393	14,439	-
-	-	-	-	-	-
2,790	60,796	17,393	182,231	14,439	3,206
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**COMMUNITY SERVICES CONSORTIUM**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
DIRECT CLIENT SERVICES (Continued)  
YEAR ENDED JUNE 30, 2003

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	<u>Youth Development Teen Maze</u>	<u>OWIB Youth Action Steps</u>	<u>WIB Board Training</u>	<u>Juvenile Hotline</u>
<b>REVENUES</b>				
Grants and contract	\$ 3,688	\$ 3,735	\$ 7,500	\$ -
Contributions	-	-	-	-
Fees for services	-	-	-	-
Other	-	-	-	-
Interest	-	-	-	-
<i>Total Revenues</i>	<u>3,688</u>	<u>3,735</u>	<u>7,500</u>	<u>-</u>
<b>EXPENDITURES</b>				
Administration	-	3,735	-	480
Employment and training	3,688	-	7,500	3,688
Emergency services	-	-	-	-
<i>Total Expenditures</i>	<u>3,688</u>	<u>3,735</u>	<u>7,500</u>	<u>4,168</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	-	-	-	( 4,168)
<b>FUND BALANCES, Beginning of year</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,168</u>
<b>FUND BALANCES, End of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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*Total*  
\$ 8,689,498  
11,726  
235,548  
20,668  
233

8,957,673

1,066,116  
4,817,055  
3,022,702

8,905,873

51,800

344,700

\$ 396,500

**COMMUNITY SERVICES CONSORTIUM**  
**COMBINING BALANCE SHEET - LINN-BENTON FOOD SHARE**  
**JUNE 30, 2003**

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	<u>Linn-Benton Food Share</u>	<u>Community Food</u>	<u>USDA</u>	<u>City of Corvallis</u>
<b>ASSETS</b>				
Receivables				
Grants and contracts	\$ 2,379	\$ -	\$ 6,744	\$ 2,451
Due from other funds	380,473	6	-	-
Inventories	<u>190,088</u>	<u>-</u>	<u>11,077</u>	<u>-</u>
<i>Total Assets</i>	<u>\$ 572,940</u>	<u>\$ 6</u>	<u>\$ 17,821</u>	<u>\$ 2,451</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities</b>				
Accounts payable	\$ 23,085	\$ 6	\$ -	\$ 1
Due to other funds	<u>-</u>	<u>-</u>	<u>16,454</u>	<u>2,450</u>
<i>Total Liabilities</i>	23,085	6	16,454	2,451
<b>Fund Balances</b>				
Reserved for inventories	190,088	-	11,077	-
Restricted	<u>359,767</u>	<u>-</u>	<u>( 9,710)</u>	<u>-</u>
<i>Total Fund Balances</i>	<u>549,855</u>	<u>-</u>	<u>1,367</u>	<u>-</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 572,940</u>	<u>\$ 6</u>	<u>\$ 17,821</u>	<u>\$ 2,451</u>

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<u>Miscellaneous Grants</u>	<u>Warehouse Reserve</u>	<u>SHAP</u>	<u>Total</u>
\$ 2,910	\$ -	\$ 3,162	\$ 17,646
8,311	30,435	-	419,225
<u>-</u>	<u>-</u>	<u>-</u>	<u>201,165</u>
<u>\$ 11,221</u>	<u>\$ 30,435</u>	<u>\$ 3,162</u>	<u>\$ 638,036</u>
\$ 1,200	\$ -	\$ -	\$ 24,292
<u>-</u>	<u>-</u>	<u>3,162</u>	<u>22,066</u>
1,200	-	3,162	46,358
-	-	-	201,165
<u>10,021</u>	<u>30,435</u>	<u>-</u>	<u>390,513</u>
<u>10,021</u>	<u>30,435</u>	<u>-</u>	<u>591,678</u>
<u>\$ 11,221</u>	<u>\$ 30,435</u>	<u>\$ 3,162</u>	<u>\$ 638,036</u>

**COMMUNITY SERVICES CONSORTIUM**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
LINN-BENTON FOOD SHARE  
YEAR ENDED JUNE 30, 2003

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	<u>Linn-Benton Food Share</u>	<u>Community Food</u>	<u>Linkage</u>	<u>USDA</u>
<b>REVENUES</b>				
Grants and contract	\$ 116,596	\$ 1,384	\$ 11,464	\$ 19,931
Contributions	288,304	-	-	-
Commodity foods	<u>5,167,650</u>	<u>-</u>	<u>-</u>	<u>370,478</u>
<i>Total Revenues</i>	5,572,550	1,384	11,464	390,409
<b>EXPENDITURES</b>				
Administration	4,981	-	-	36,085
Food programs	<u>5,452,451</u>	<u>1,384</u>	<u>11,464</u>	<u>375,111</u>
<i>Total Expenditures</i>	<u>5,457,432</u>	<u>1,384</u>	<u>11,464</u>	<u>411,196</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	115,118	-	-	( 20,787)
<b>FUND BALANCES, Beginning of year</b>	<u>434,737</u>	<u>-</u>	<u>-</u>	<u>22,154</u>
<b>FUND BALANCES, End of year</b>	<u>\$ 549,855</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,367</u>

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<i><b>Benton County</b></i>	<i><b>Linn County</b></i>	<i><b>City of Corvallis</b></i>	<i><b>Miscellaneous Grants</b></i>	<i><b>Warehouse Reserve</b></i>	<i><b>SHAP</b></i>	<i><b>Total</b></i>
\$ 20,500	\$ 20,000	\$ 29,406	\$ 14,066	\$ 7,492	\$ 25,703	\$ 266,542
-	-	-	1,395	-	-	289,699
-	-	-	-	-	-	5,538,128
20,500	20,000	29,406	15,461	7,492	25,703	6,094,369
20,500	3,525	4,246	-	-	3,000	72,337
-	16,475	25,160	12,920	-	22,703	5,917,668
20,500	20,000	29,406	12,920	-	25,703	5,990,005
-	-	-	2,541	7,492	-	104,364
-	-	-	7,480	22,943	-	487,314
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,021</u>	<u>\$ 30,435</u>	<u>\$ -</u>	<u>\$ 591,678</u>

**COMMUNITY SERVICES CONSORTIUM**  
**COMBINING BALANCE SHEET - HOUSING AND COMMUNITY RESOURCES**  
**JUNE 30, 2003**

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	<u>Project Management</u>	<u>Cypress Gardens Project</u>	<u>Cypress General Contractor</u>	<u>Community Housing Services</u>
<b>ASSETS</b>				
Receivables				
Grants and contracts	\$ -	\$ 28,500	\$ 124,139	\$ -
Loans	-	-	-	-
Due from other funds	5,204	-	-	11,611
Inventories	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total Assets</i>	<u>\$ 5,204</u>	<u>\$ 28,500</u>	<u>\$ 124,139</u>	<u>\$ 11,611</u>
 <b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities</b>				
Accounts payable	\$ -	\$ 13	\$ 50,464	\$ 40
Due to other funds	-	2,538	67,366	-
Deferred revenue	-	-	( 36,396)	1
Notes payable	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total Liabilities</i>	-	2,551	81,434	41
 <b>Fund Balances</b>				
Restricted	<u>5,204</u>	<u>25,949</u>	<u>42,705</u>	<u>11,570</u>
<i>Total Fund Balances</i>	<u>5,204</u>	<u>25,949</u>	<u>42,705</u>	<u>11,570</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 5,204</u>	<u>\$ 28,500</u>	<u>\$ 124,139</u>	<u>\$ 11,611</u>

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<i>Self Help Housing Ownership</i>	<i>Harrisburg HPG</i>	<i>HPG – West Benton County</i>	<i>CSC 01 HPG</i>	<i>HPG-CSC Reloaned Proceeds</i>	<i>BPA WX 03</i>
\$ -	\$ -	\$ -	\$ 21,959	\$ -	\$ 18,527
64,557	42,500	40,110	39,916	14,562	-
16,444	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 81,001</u>	<u>\$ 42,500</u>	<u>\$ 40,110</u>	<u>\$ 61,875</u>	<u>\$ 14,562</u>	<u>\$ 18,527</u>
\$ -	\$ -	\$ -	\$ 2,207	\$ -	\$ -
-	-	-	19,752	-	16,186
-	42,500	40,110	39,916	14,562	2,341
<u>80,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
80,000	42,500	40,110	61,875	14,562	18,527
<u>1,001</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>1,001</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 81,001</u>	<u>\$ 42,500</u>	<u>\$ 40,110</u>	<u>\$ 61,875</u>	<u>\$ 14,562</u>	<u>\$ 18,527</u>

**COMMUNITY SERVICES CONSORTIUM****COMBINING BALANCE SHEET - HOUSING AND COMMUNITY RESOURCES (Continued)**JUNE 30, 2003

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	<u>LIEAP WX NA 02</u>	<u>DOE WX 03</u>	<u>Loan Repay Fund</u>	<u>LIEAP WX FFY02</u>
<b>ASSETS</b>				
Receivables				
Grants and contracts	\$ 2,413	\$ 48,017	\$ -	\$ 29,513
Loans	-	-	123,265	-
Due from other funds	-	-	238,132	-
Inventories	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total Assets</i>	<u>\$ 2,413</u>	<u>\$ 48,017</u>	<u>\$ 361,397</u>	<u>\$ 29,513</u>
 <b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other funds	2,413	48,017	-	29,513
Deferred revenue	-	-	123,267	-
Notes payable	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total Liabilities</i>	2,413	48,017	123,267	29,513
 <b>Fund Balances</b>				
Restricted	-	-	238,130	-
	<u>-</u>	<u>-</u>	<u>238,130</u>	<u>-</u>
<i>Total Fund Balances</i>	-	-	238,130	-
	<u>-</u>	<u>-</u>	<u>238,130</u>	<u>-</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 2,413</u>	<u>\$ 48,017</u>	<u>\$ 361,397</u>	<u>\$ 29,513</u>

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<i><b>ECHO WX</b></i>	<i><b>Rebates</b></i>	<i><b>Weatherization Pool</b></i>	<i><b>Material Pool</b></i>	<i><b>Rural HPG Funds</b></i>	<i><b>Total</b></i>
\$ 3,042	\$ 6,921	\$ 536	\$ 406	\$ -	\$ 283,973
-	-	-	-	120,323	445,233
-	31,305	1,333	-	505	304,534
-	-	-	42,938	-	42,938
<u>\$ 3,042</u>	<u>\$ 38,226</u>	<u>\$ 1,869</u>	<u>\$ 43,344</u>	<u>\$ 120,828</u>	<u>\$ 1,076,678</u>
\$ -	\$ -	\$ 1,869	\$ 29,888	\$ -	\$ 84,481
1,185	-	-	13,456	-	200,426
1,857	-	-	-	120,323	348,481
-	-	-	-	-	80,000
3,042	-	1,869	43,344	120,323	713,388
-	38,226	-	-	505	363,290
-	38,226	-	-	505	363,290
<u>\$ 3,042</u>	<u>\$ 38,226</u>	<u>\$ 1,869</u>	<u>\$ 43,344</u>	<u>\$ 120,828</u>	<u>\$ 1,076,678</u>

**COMMUNITY SERVICES CONSORTIUM**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –  
HOUSING AND COMMUNITY RESOURCES  
YEAR ENDED JUNE 30, 2003

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	<u>Housing Project Development</u>	<u>Project Management</u>	<u>Lincoln County Head Start Construction</u>	<u>Cypress Gardens Project</u>
<b>REVENUES</b>				
Grants and contract	\$ -	\$ -	\$ 495	\$ -
Contributions	-	-	-	-
Loan repayments	-	-	-	-
Other	81	-	-	40,679
Interest	-	-	-	-
<i>Total Revenues</i>	<u>81</u>	<u>-</u>	<u>495</u>	<u>40,679</u>
<b>EXPENDITURES</b>				
Administration	-	-	-	-
Weatherization	-	-	-	-
Housing rehabilitation	<u>24,433</u>	<u>13,022</u>	<u>398</u>	<u>14,730</u>
<i>Total Expenditures</i>	<u>24,433</u>	<u>13,022</u>	<u>398</u>	<u>14,730</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	( 24,352)	( 13,022)	97	25,949
<b>FUND BALANCES,</b>				
<i>Beginning of year, restated</i>	-	20,460	( 2,317)	-
Residual Equity Transfer	<u>24,352</u>	<u>( 2,234)</u>	<u>2,220</u>	<u>-</u>
<b>FUND BALANCES, End of year</b>	<u>\$ -</u>	<u>\$ 5,204</u>	<u>\$ -</u>	<u>\$ 25,949</u>

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<i>Loan Repay Fund</i>	<i>BPA WX 02</i>	<i>BPA WX NA 03</i>	<i>BPA WX NA 02</i>	<i>BPA NA Special</i>	<i>BPA WX 03</i>
\$ -	\$ 57,399	\$ 2,854	\$ 2,854	\$ 80	\$ 36,627
-	-	-	-	-	-
7,313	-	-	-	-	-
22,330	-	-	-	-	-
-	-	-	-	-	-
29,643	57,399	2,854	2,854	80	36,627
-	2,845	200	213	-	2,187
-	54,555	2,654	2,641	80	34,440
217	-	-	-	-	-
217	57,400	2,854	2,854	80	36,627
29,426	( 1)	-	-	-	-
239,434	1	-	-	-	-
( 30,730)	-	-	-	-	-
<u>\$ 238,130</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**COMMUNITY SERVICES CONSORTIUM****COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –  
HOUSING AND COMMUNITY RESOURCES (Continued)**YEAR ENDED JUNE 30, 2003

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	<u>PVE SW NA</u> <u>FFY01</u>	<u>DOE</u> <u>WX</u> <u>FFY01</u>	<u>DOE WX</u> <u>FFY03</u>	<u>DOE</u> <u>WX NA</u> <u>FFY01</u>
<b>REVENUES</b>				
Grants and contract	\$ 164	\$ 153,924	\$ 48,017	\$ 20,523
Contributions	-	-	-	-
Loan repayments	-	-	-	-
Other	-	-	-	-
Interest	-	-	-	-
<i>Total Revenues</i>	<u>164</u>	<u>153,924</u>	<u>48,017</u>	<u>20,523</u>
<b>EXPENDITURES</b>				
Administration	-	21,464	1,300	1,967
Weatherization	164	132,460	46,717	18,556
Housing rehabilitation	-	-	-	-
<i>Total Expenditures</i>	<u>164</u>	<u>153,924</u>	<u>48,017</u>	<u>20,523</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	-	-	-	-
<b>FUND BALANCES,</b> <i>Beginning of year, restated</i>	-	-	-	-
Residual Equity Transfer	-	-	-	-
<b>FUND BALANCES, End of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

<i>Cypress General Contractor</i>	<i>Land Acquisition &amp; Development 97/00</i>	<i>Community Housing Services</i>	<i>Federal Home Loan Bank Assistance</i>	<i>Self Help Housing Ownership</i>	<i>HPG - West Benton County</i>
\$ -	\$ -	\$ 12,700	\$ -	\$ -	\$ -
-	-	50	-	-	-
-	-	-	-	-	2,390
316,850	358,000	3,127	-	230	-
-	-	-	-	590	-
316,850	358,000	15,877	-	820	2,390
-	-	-	-	1	-
-	-	-	-	-	-
274,145	363,055	8,996	-	-	-
274,145	363,055	8,996	-	1	-
42,705	( 5,055)	6,881	-	819	2,390
-	-	4,689	( 16)	182	( 3,712)
-	5,055	-	16	-	1,322
<u>\$ 42,705</u>	<u>\$ -</u>	<u>\$ 11,570</u>	<u>\$ -</u>	<u>\$ 1,001</u>	<u>\$ -</u>

**COMMUNITY SERVICES CONSORTIUM****COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –  
HOUSING AND COMMUNITY RESOURCES (Continued)**YEAR ENDED JUNE 30, 2003

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	<u>CSC01 HPG</u>	<u>YB Construction</u>	<u>Tool Account</u>	<u>LIEAP WX FFY01</u>
<b>REVENUES</b>				
Grants and contract	\$ 35,501	\$ -	\$ -	\$ 18,920
Contributions	-	-	-	-
Loan repayments	-	-	-	-
Other	-	-	-	-
Interest	-	-	-	-
<i>Total Revenues</i>	<u>35,501</u>	<u>-</u>	<u>-</u>	<u>18,920</u>
<b>EXPENDITURES</b>				
Administration	700	-	-	1,503
Weatherization	-	-	-	17,417
Housing rehabilitation	<u>34,801</u>	<u>3,621</u>	<u>-</u>	<u>-</u>
<i>Total Expenditures</i>	<u>35,501</u>	<u>3,621</u>	<u>-</u>	<u>18,920</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	-	( 3,621)	-	-
<b>FUND BALANCES,</b>				
<i>Beginning of year, restated</i>	-	3,621	( 810)	-
Residual Equity Transfer	<u>-</u>	<u>-</u>	<u>810</u>	<u>-</u>
<b>FUND BALANCES, End of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

<i>LIEAP WX FFY02</i>	<i>LIEAP WX NA 02</i>	<i>ECHO WX</i>	<i>Rebates</i>	<i>Rural HPG Funds</i>	<i>Total</i>
\$ 252,380	\$ 23,201	\$ 203,929	\$ -	\$ -	\$ 869,568
-	-	-	-	-	50
-	-	-	-	357	10,060
-	-	-	36,247	5	777,549
-	-	-	-	143	733
252,380	23,201	203,929	36,247	505	1,657,960
17,284	1,800	13,779	200	-	65,443
235,095	21,401	190,150	8,857	-	765,187
-	-	-	-	-	737,418
252,379	23,201	203,929	9,057	-	1,568,048
1	-	-	27,190	505	89,912
( 1)	-	-	11,847	-	273,378
-	-	-	( 811)	-	-
\$ -	\$ -	\$ -	\$ 38,226	\$ 505	\$ 363,290

**COMMUNITY SERVICES CONSORTIUM**  
**COMBINING BALANCE SHEET - HEAD START**  
**JUNE 30, 2003**

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	<u>DHS Childcare</u>	<u>Miscellaneous Donations</u>	<u>Head Start in Lincoln County</u>	<u>Head Start 02/03</u>
<b>ASSETS</b>				
Receivables				
Grants and contracts	\$ 11,511	\$ -	\$ -	\$ 20,073
Due from other funds	-	5,175	7,800	-
Inventories	-	-	-	-
Prepaid items	-	-	-	265
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total Assets</b>	<u>\$ 11,511</u>	<u>\$ 5,175</u>	<u>\$ 7,800</u>	<u>\$ 20,338</u>
 <b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ 12,860
Due to other funds	<u>11,511</u>	<u>-</u>	<u>-</u>	<u>7,478</u>
	<u>11,511</u>	<u>-</u>	<u>-</u>	<u>20,338</u>
 <b>Fund Balances</b>				
Reserve for inventories	-	-	-	-
Reserve for prepaid items	-	-	-	265
Restricted	<u>-</u>	<u>5,175</u>	<u>7,800</u>	<u>( 265)</u>
	<u>-</u>	<u>5,175</u>	<u>7,800</u>	<u>-</u>
<b>Total Fund Balances</b>	<u>-</u>	<u>5,175</u>	<u>7,800</u>	<u>-</u>
	<u>\$ 11,511</u>	<u>\$ 5,175</u>	<u>\$ 7,800</u>	<u>\$ 20,338</u>
<b>Total Liabilities and     Fund Balances</b>	<u>\$ 11,511</u>	<u>\$ 5,175</u>	<u>\$ 7,800</u>	<u>\$ 20,338</u>

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<i>Head Start Summer Food Program</i>	<i>Total</i>
\$ 4,221	\$ 35,805
-	12,975
1,064	1,064
<u>-</u>	<u>265</u>
<u>\$ 5,285</u>	<u>\$ 50,109</u>

\$ 2,402	\$ 15,262
<u>4,049</u>	<u>23,038</u>
6,451	38,300
1,064	1,064
-	265
<u>( 2,230)</u>	<u>10,480</u>
<u>( 1,166)</u>	<u>11,809</u>
<u>\$ 5,285</u>	<u>\$ 50,109</u>

**COMMUNITY SERVICES CONSORTIUM****COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
HEAD START**YEAR ENDED JUNE 30, 2003

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	<i>Head Start Federal 01/02</i>	<i>Head Start Program Improvement 01/02</i>	<i>Head Start Federal 02/03</i>	<i>Head Start Oregon Pre K</i>
<b>REVENUES</b>				
Grants and contract	\$ 75,274	\$ 38,429	\$ 855,200	\$ 312,927
Contributions	-	-	-	-
Other	-	-	163	-
Interest	7	-	2	105
<i>Total Revenues</i>	<u>75,281</u>	<u>38,429</u>	<u>855,365</u>	<u>313,032</u>
<b>EXPENDITURES</b>				
Administration	11,259	-	119,285	59,418
Head Start	<u>64,022</u>	<u>38,429</u>	<u>736,080</u>	<u>253,614</u>
<i>Total Expenditures</i>	<u>75,281</u>	<u>38,429</u>	<u>855,365</u>	<u>313,032</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	-	-	-	-
<b>FUND BALANCES, Beginning of year</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES, End of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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<i><u>Head Start Summer Food Program</u></i>	<i><u>DHS Childcare</u></i>	<i><u>Miscellaneous Donations</u></i>	<i><u>Head Start SCF Enhanced</u></i>	<i><u>Lincoln County Construction</u></i>	<i><u>Head Start in Lincoln County</u></i>
\$ 4,221	\$ 66,852	\$ -	\$ 6,075	\$ 33,621	\$ -
-	-	4,165	-	-	4,494
-	-	-	-	-	-
-	-	-	-	-	-
4,221	66,852	4,165	6,075	33,621	4,494
1,412	-	-	-	-	-
<u>3,975</u>	<u>66,852</u>	<u>3,131</u>	<u>6,075</u>	<u>33,621</u>	<u>76,040</u>
<u>5,387</u>	<u>66,852</u>	<u>3,131</u>	<u>6,075</u>	<u>33,621</u>	<u>76,040</u>
( 1,166)	-	1,034	-	-	( 71,546)
-	-	<u>4,141</u>	-	-	<u>79,346</u>
<u>\$ ( 1,166)</u>	<u>\$ -</u>	<u>\$ 5,175</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,800</u>

**COMMUNITY SERVICES CONSORTIUM**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
HEAD START (Continued)  
YEAR ENDED JUNE 30, 2003**

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	<u><i>Juan Young Summer Food</i></u>	<u><i>Total</i></u>
<b>REVENUES</b>		
Grants and contract	\$ 3,500	\$ 1,396,099
Contributions	-	8,659
Other	-	163
Interest	-	114
	<u>3,500</u>	<u>1,405,035</u>
 <b>EXPENDITURES</b>		
Administration	1,413	192,787
Head Start	<u>2,087</u>	<u>1,283,926</u>
	<u>3,500</u>	<u>1,476,713</u>
 <b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>		
	-	( 71,678)
 <b>FUND BALANCES, Beginning of year</b>		
	<u>-</u>	<u>83,487</u>
 <b>FUND BALANCES, End of year</b>		
	<u>\$ -</u>	<u>\$ 11,809</u>

**COMMUNITY SERVICES CONSORTIUM**  
**COMBINING BALANCE SHEET - MISCELLANEOUS GRANTS**  
**JUNE 30, 2003**

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	<u>WIB Grants</u>	<u>CSBG</u>	<u>Total</u>
<b>ASSETS</b>			
Receivables			
Grants and contracts	\$ -	\$ 78,586	\$ 78,586
Due from other funds	1,828	-	1,828
Prepaid items	<u>-</u>	<u>52</u>	<u>52</u>
<i>Total Assets</i>	<u>\$ 1,828</u>	<u>\$ 78,638</u>	<u>\$ 80,466</u>
 <b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities</b>			
Accounts payable	\$ 1,295	\$ 2,268	\$ 3,563
Due to other funds	<u>-</u>	<u>76,370</u>	<u>76,370</u>
<i>Total Liabilities</i>	1,295	78,638	79,933
 <b>Fund Balances</b>			
Reserved for prepaid items	-	52	52
Restricted	<u>533</u>	<u>( 52)</u>	<u>481</u>
<i>Total Fund Balances</i>	<u>533</u>	<u>-</u>	<u>533</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 1,828</u>	<u>\$ 78,638</u>	<u>\$ 80,466</u>

**COMMUNITY SERVICES CONSORTIUM****COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
MISCELLANEOUS GRANTS  
YEAR ENDED JUNE 30, 2003**

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	<u>WIB Board</u>	<u>CSBG Resource Development</u>	<u>CSBG Community Resources</u>	<u>CSBG Food Share</u>
<b>REVENUES</b>				
Grants and contract	\$ 101,256	\$ 86,863	\$ 43,495	\$ 55,783
Interest	31	-	-	-
Other	-	-	-	-
<i>Total Revenues</i>	<u>101,287</u>	<u>86,863</u>	<u>43,495</u>	<u>55,783</u>
<b>EXPENDITURES</b>				
Administration	101,354	86,863	-	-
Employment and training	-	-	-	-
Emergency services	-	-	-	-
Housing rehabilitation	-	-	43,495	-
Food programs	-	-	-	55,783
<i>Total Expenditures</i>	<u>101,354</u>	<u>86,863</u>	<u>43,495</u>	<u>55,783</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	( 67)	-	-	-
<b>FUND BALANCES, Beginning of year</b>	<u>600</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES, End of year</b>	<u>\$ 533</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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<u>CSBG Volunteer</u>	<u>CSBG Emergency SVC #6</u>	<u>CSBG Rural Cont of Care</u>	<u>CSBG Infrastructure</u>	<u>CSBG DCS/YTP</u>	<u>CSBG YB Houses</u>
\$ 50,990	\$ 10,687	\$ 177	\$ 55,949	\$ 24,802	\$ 6,970
-	-	-	-	-	-
-	-	-	-	-	785
50,990	10,687	177	55,949	24,802	7,755
-	-	-	55,949	-	-
-	-	-	-	24,802	7,755
-	10,687	-	-	-	-
-	-	177	-	-	-
50,990	-	-	-	-	-
50,990	10,687	177	55,949	24,802	7,755
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**COMMUNITY SERVICES CONSORTIUM**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
MISCELLANEOUS GRANTS (Continued)  
YEAR ENDED JUNE 30, 2003**

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	<u><b>Total</b></u>
<b>REVENUES</b>	
Grants and contract	\$ 436,972
Interest	31
Other	<u>785</u>
<i>Total Revenues</i>	437,788
<b>EXPENDITURES</b>	
Administration	244,166
Employment and training	32,557
Emergency services	10,687
Housing rehabilitation	43,672
Food programs	<u>106,773</u>
<i>Total Expenditures</i>	<u>437,855</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	( 67)
<b>FUND BALANCES, Beginning of year</b>	<u>600</u>
<b>FUND BALANCES, End of year</b>	<u><u>\$ 533</u></u>

**COMMUNITY SERVICES CONSORTIUM**  
**COMBINING BALANCE SHEET – HOUSING REHABILITATION**  
**JUNE 30, 2003**

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	<u>Adair Village CDBG</u>	<u>Lincoln City CDBG</u>	<u>Toledo CDBG</u>	<u>Waldport CDBG</u>
<b>ASSETS</b>				
Cash and investments	\$ -	\$ -	\$ 6,039	\$ -
Receivables				
Grants and contracts	-	-	-	-
Loans	116,550	691,109	447,408	159,423
Due from other funds	2,027	-	165,351	88,127
Inventories	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total Assets</i>	<u>\$ 118,577</u>	<u>\$ 691,109</u>	<u>\$ 618,798</u>	<u>\$ 247,550</u>
 <b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities</b>				
Accounts payable	\$ -	\$ -	\$ 7,485	\$ -
Due to other funds	-	-	-	-
Deferred revenue	118,577	691,109	611,313	247,550
Notes payable	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total Liabilities</i>	118,577	691,109	618,798	247,550
<b>Fund Balances</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total Liabilities and     Fund Balances</i>	<u>\$ 118,577</u>	<u>\$ 691,109</u>	<u>\$ 618,798</u>	<u>\$ 247,550</u>

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<i>West Benton County CDBG</i>	<i>Lincoln County CDBG</i>	<i>Newport CDBG</i>	<i>Albany CDBG</i>	<i>Lyons CDBG</i>	<i>Self Help Client Funds</i>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
15	146,179	11,558	102,952	102,116	-
-	128,055	296	265,127	107,864	-
41	-	-	-	-	-
-	-	-	-	-	141,127
<u>\$ 56</u>	<u>\$ 274,234</u>	<u>\$ 11,854</u>	<u>\$ 368,079</u>	<u>\$ 209,980</u>	<u>\$ 141,127</u>

\$ 56	\$ 28,100	\$ 550	\$ 14,091	\$ 20,097	\$ -
-	118,079	11,008	88,861	82,019	15,886
-	128,055	296	265,127	107,864	-
-	-	-	-	-	125,241
56	274,234	11,854	368,079	209,980	141,127
-	-	-	-	-	-
<u>\$ 56</u>	<u>\$ 274,234</u>	<u>\$ 11,854</u>	<u>\$ 368,079</u>	<u>\$ 209,980</u>	<u>\$ 141,127</u>

**COMMUNITY SERVICES CONSORTIUM**  
**COMBINING BALANCE SHEET – HOUSING REHABILITATION (Continued)**  
**JUNE 30, 2003**

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	<u><i>Total</i></u>
<b>ASSETS</b>	
Cash and investments	\$ 6,039
Receivables	
Grants and contracts	362,820
Loans	1,915,832
Due from other funds	255,546
Inventories	<u>141,127</u>
<i>Total Assets</i>	<u><u>\$ 2,681,364</u></u>
 <b>LIABILITIES AND FUND BALANCES</b>	
<b>Liabilities</b>	
Accounts payable	\$ 70,379
Due to other funds	315,853
Deferred revenue	2,169,891
Notes payable	<u>125,241</u>
<i>Total Liabilities</i>	2,681,364
<b>Fund Balances</b>	<u>-</u>
 <i>Total Liabilities and Fund Balances</i>	 <u><u>\$ 2,681,364</u></u>

**COMMUNITY SERVICES CONSORTIUM****COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –  
HOUSING REHABILITATION  
YEAR ENDED JUNE 30, 2003**

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	<u>Lincoln City CDBG</u>	<u>Philomath CDBG</u>	<u>Toledo CDBG</u>	<u>Mill City CDBG</u>
<b>REVENUES</b>				
Grants and contract	\$ 221,566	\$ -	\$ -	\$ -
Loan repayments	-	4,500	19,656	45,102
Other	110	-	-	-
Interest	-	-	19	-
	<u>-</u>	<u>-</u>	<u>19</u>	<u>-</u>
<i>Total Additions</i>	221,676	4,500	19,675	45,102
<b>EXPENDITURES</b>				
Administration	-	84	200	800
Housing rehabilitation	<u>221,676</u>	<u>4,416</u>	<u>19,475</u>	<u>44,302</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total Expenditures</i>	<u>221,676</u>	<u>4,500</u>	<u>19,675</u>	<u>45,102</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	-	-	-	-
<b>FUND BALANCES, Beginning of year</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES, End of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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<i>West Benton County CDBG</i>	<i>Lincoln City CDBG</i>	<i>Newport CDBG</i>	<i>Albany CDBG</i>	<i>Lyons CDBG</i>	<i>Total</i>
\$ 15	\$ 169,349	\$ 11,528	\$ 189,007	\$ 129,089	\$ 720,554
-	-	-	-	-	69,258
-	185	30	25	186	536
-	-	-	-	-	19
15	169,534	11,558	189,032	129,275	790,367
-	750	750	1,150	150	3,884
15	168,784	10,808	187,882	129,125	786,483
15	169,534	11,558	189,032	129,275	790,367
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

***STATISTICAL SECTION***

**COMMUNITY SERVICES CONSORTIUM**  
**GENERAL GOVERNMENTAL REVENUES BY SOURCE - ALL FUND TYPES**  
**LAST TEN FISCAL YEARS**

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<u>Function</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>
Grants and contracts	\$ 12,379,233	\$ 13,125,980	\$ 11,441,346	\$ 8,851,521	\$ 8,962,948
Contributions	318,547	224,754	219,211	309,711	352,032
Loan repayments	79,318	47,905	117,863	149,785	98,894
Fees for service	235,548	244,865	315,841	256,305	351,314
Commodity foods	5,538,128	3,909,774	3,504,028	3,682,264	2,479,892
Other	800,350	562,369	167,981	531,803	105,577
Interest	<u>7,128</u>	<u>10,460</u>	<u>14,297</u>	<u>17,027</u>	<u>13,266</u>
<i>Total Revenues</i>	<u>\$19,358,252</u>	<u>\$18,126,107</u>	<u>\$15,780,567</u>	<u>\$13,798,416</u>	<u>\$12,363,923</u>

Source: Comprehensive annual financial report.

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<u>1998</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>	<u>1994</u>
\$ 7,548,114	\$ 7,121,873	\$ 6,736,965	\$ 6,990,286	\$ 6,520,970
206,601	193,823	115,748	154,989	128,978
172,412	60,450	4,806	140,940	102,451
342,047	404,766	–	25,414	3,500
2,308,969	2,211,807	1,861,544	2,037,225	1,820,173
204,067	21,128	62,784	40,675	12,623
<u>6,966</u>	<u>8,368</u>	<u>9,988</u>	<u>4,661</u>	<u>3,513</u>
<u>\$10,789,176</u>	<u>\$10,022,215</u>	<u>\$ 8,791,835</u>	<u>\$ 9,394,190</u>	<u>\$ 8,592,208</u>

**COMMUNITY SERVICES CONSORTIUM**  
**GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION - ALL FUND TYPES**  
**LAST TEN FISCAL YEARS**

<u>Function</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>
<b>Current</b>					
Administration	\$ 1,593,795	\$ 1,725,305	\$ 1,495,047	\$ 1,216,313	\$ 1,042,310
Employment and training	4,849,612	5,643,431	5,136,017	3,870,220	4,159,681
Weatherization	765,187	536,946	426,038	390,015	518,232
Emergency services	3,033,389	2,677,512	2,433,600	1,726,325	1,284,218
Housing rehabilitation	1,540,403	1,091,697	968,970	1,275,534	1,366,402
Housing and community development	-	-	-	-	116,611
Volunteers	-	-	-	-	-
Head Start	1,238,841	1,401,133	1,273,984	1,092,465	880,644
Food programs	6,014,012	4,853,862	3,796,457	4,021,140	2,793,745
Depreciation	110,824	-	-	-	-
Homeless assistance	-	-	-	-	-
Other social services	-	-	-	-	-
<i>Total Current</i>	<u>19,146,063</u>	<u>17,929,886</u>	<u>15,530,113</u>	<u>13,592,012</u>	<u>12,161,843</u>
<b>Debt Service</b>					
Principal	-	-	-	-	-
Interest	<u>27,170</u>	<u>11,451</u>	<u>14,457</u>	<u>12,614</u>	<u>10,871</u>
<i>Total Debt Service</i>	<u>27,170</u>	<u>11,451</u>	<u>14,457</u>	<u>12,614</u>	<u>10,871</u>
<i>Total Expenditure</i>	<u>\$19,173,233</u>	<u>\$17,941,337</u>	<u>\$15,544,570</u>	<u>\$13,604,626</u>	<u>\$12,172,714</u>

Source: Comprehensive annual financial report.

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<u>1998</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>	<u>1994</u>
\$ 796,119	\$ 839,914	\$ 666,326	\$ 429,572	\$ 409,013
3,655,827	3,310,837	2,961,716	3,453,006	3,029,831
462,594	453,540	453,924	637,006	606,982
927,595	903,313	852,189	1,228,222	1,282,183
837,669	-	-	-	-
472,097	955,279	800,951	862,064	835,839
-	35,428	35,298	38,069	38,633
764,259	-	-	-	-
2,650,725	2,502,584	2,172,603	2,303,375	2,092,241
-	-	-	-	-
-	187,546	172,459	144,274	157,468
-	<u>913,726</u>	<u>624,896</u>	<u>262,215</u>	<u>153,962</u>
10,566,885	10,102,167	8,740,362	9,357,803	8,606,152
130,897	-	-	-	-
<u>8,515</u>	-	-	-	-
<u>139,412</u>	-	-	-	-
<u>\$10,706,297</u>	<u>\$10,102,167</u>	<u>\$ 8,740,362</u>	<u>\$ 9,357,803</u>	<u>\$ 8,606,152</u>

**COMMUNITY SERVICES CONSORTIUM**  
**SCHEDULE OF INSURANCE**  
**JUNE 30, 2003**

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**PROPERTY**

Business personal property - blanket	\$	917,650
Excludes flood and earthquake, \$1,000 deductible		
Earthquake/flood expense		1,000,000
Contractor's equipment		10,000
"All-risk" coverage, \$500 deductible		
Computer equipment		Included
"All-risk" coverage, \$500 deductible		

**LIABILITY**

Bodily injury and property damage each occurrence limit		1,000,000
Personal injury limit		1,000,000
Errors and omissions limit		1,000,000
Products-completed operations aggregate limit		2,000,000
General aggregate limit		2,000,000

**BONDS**

Honesty blanket bond, \$5,000 deductible		10,000
Contractor's license bond		

**AUTOMOBILE**

Per accident or loss		1,000,000
Uninsured motorist		1,000,000
\$100 comprehensive deductible		
\$250 collision deductible		

**WORKERS COMPENSATION**

Fully covered by separate policy with SAIF Corporation

**COMMUNITY SERVICES CONSORTIUM**  
**MISCELLANEOUS STATISTICS**  
**JUNE 30, 2003**

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Date of incorporation	July 1, 1980
Form of government	Nine-member governing board
Area	
Benton	679 square miles
Linn	2,297 square miles
Lincoln	992 square miles
Population	
Benton	80,500
Linn	104,900
Lincoln	45,000
Employees	
Non-management (represented) employees	144
Management (exempt) employees	29

The populations listed are preliminary estimates of population as of July 1, 2003. The Center for Population and Census Research at Portland State University, which provided these estimates, notes that they are subject to change.

***STATE COMPLIANCE SECTION***

**COMMUNITY SERVICES CONSORTIUM**  
**AUDIT COMMENTS AND DISCLOSURES REQUIRED BY STATE REGULATIONS**  
**YEAR ENDED JUNE 30, 2003**

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Oregon Administrative Rules 162-10-000 through 162-16-000 of the *Minimum Standards for Audits of Oregon Municipal Corporations*, prescribed by the Secretary of State in cooperation with the Oregon State Board of Accountancy, enumerate the financial statements, schedules, comments and disclosures required in annual financial reports. Required comments and disclosures related to our audit of such financial statements and schedules are set forth on the following pages.

*Significant Accounting Policies*

The significant accounting policies followed in preparing CSC's financial statements are summarized in the notes to the basic financial statements.

*Organization and Fund Structure*

The organization and fund structure of CSC is documented on the title page and in the notes to the basic financial statements.

*Accounting and Internal Control Structure*

Our reports relating to accounting and internal control systems are contained in the Single Audit Section of this annual financial report.

*Adequacy of Collateral Securing Depository Balances*

Oregon Revised Statutes Chapter 295 requires that each depository throughout the period of its possession of public fund deposits shall maintain on deposit with its custodians, at its own expense, securities having a value not less than 25% of the certificates of participation issued by the pool manager for funds in excess of those insured by the Federal Deposit Insurance Corporation. Our review of the adequacy of collateral securing depository balances indicated the collateral was sufficient during the year ended June 30, 2003.

*Investments*

Our review of deposit and investment balances indicated that, during the year ended June 30, 2003, CSC was in compliance with ORS 295, as it pertains to investment of public funds.

*Indebtedness*

CSC has no bonded indebtedness.

*Budgets*

The provisions of Sections 294.900 through 294.925 of the Oregon Revised Statutes were complied with by CSC related to the budget document for fiscal year June 30, 2003.

*Insurance and Fidelity Coverage*

We have reviewed CSC's insurance and fidelity bond coverage at June 30, 2003. Our review determined that such policies appear to be in force and in compliance with legal requirements. There are no elected officials who receive cash.

**COMMUNITY SERVICES CONSORTIUM**

*AUDIT COMMENTS AND DISCLOSURES REQUIRED BY STATE REGULATIONS (Continued)*

*YEAR ENDED JUNE 30, 2003*

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*Public Contracts*

CSC's procedures for awarding public contracts were reviewed and found to be in accordance with ORS Chapter 279.

*Programs Funded from Outside Sources*

We have reviewed CSC's compliance with appropriate laws, rules, and regulations pertaining to programs funded wholly or partially by the other governmental agencies. CSC is in compliance with the guidelines in all material respects.

We have issued reports to disclose compliance with federal financial assistance programs under the Single Audit Act of 1984.

*Financial Reporting Requirements*

We have reviewed financial reports and other data relating to programs funded wholly or partially by other governmental agencies. This data, filed with other governmental agencies, is in agreement with and supported by the accounting records.

*GROVE, MUELLER & SWANK, P.C.*  
*CERTIFIED PUBLIC ACCOUNTANTS*

By: \_\_\_\_\_

Charles A. Swank, A Shareholder  
October 24, 2003

***FEDERAL COMPLIANCE SECTION***

**COMMUNITY SERVICES CONSORTIUM**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2003**

<u>Federal Grantor/ Pass-Through Grantor/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Grantor/ Pass-Through Entity Number</u>	<u>Expenditures</u>
<i>U.S. Department of Agriculture</i>			
Community Food Nutrition Project	10.225	N/A	\$ 1,384
Rural Self-Help Housing Technical Assistance	10.420	43-02 936118438	
Self-Help Housing	10.420	N/A	
Passed Through Oregon Food Share: Food Donation Program	10.550	N/A	19,931
Passed Through Oregon Dept. of Education: Child and Adult Care Food Program	10.558	92110	36,222
Child and Adult Care Food Program – Summer	10.559	92110	<u>4,221</u>
<i>Total U.S. Department of Agriculture</i>			61,758
<i>U.S. Department of Housing and Urban Development</i>			
Continuum of Care IV	14.235	OR16B806001	69,127
Youthbuild 2000	14.243	Y00IMOR0007	146,299
Youthbuild 1999	14.243	Y99IMOR0172	14,043
Passed Through Youthbuild USA Youthbuild Contract	14.243	CBI02 5002091	173,480
Passed Through Rural Development Administration Rural Housing Preservation Grants Rural - Linn, Benton, and Lincoln Counties	14.228	N/A	35,501
Passed Through Oregon Housing and Community Services Emergency Shelter Grant Program	14.231	N/A	85,656
Home Tenant Based Assistance	14.239	N/A	<u>176,487</u>
<i>Total U.S. Department of Housing and Urban Development</i>			700,593
<i>U.S. Department of Labor</i>			
Passed Through Oregon Community Colleges and Workforce Development Workforce Investment Act - WIA WIA IB NEG - Timber 15	17.255	J00014	182,231

**COMMUNITY SERVICES CONSORTIUM**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)**  
**YEAR ENDED JUNE 30, 2003**

<u>Federal Grantor/ Pass-Through Grantor/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Grantor/ Pass-Through Entity Number</u>	<u>Expenditures</u>
<i>U.S. Department of Labor (Continued)</i>			
Passed Through Oregon Community Colleges and Workforce Development (Continued)			
Workforce Investment Act – WIA			
Title IB - Adult	17.258	J02014	\$ 884,925
The following grants were allocated to funding sources based on percentages from OCCWD:			
Title IB - Local Admin	17.258	J02014	88,826
Title IB - MIS Development	17.258	J02014	1,945
Title IB - Local Board Support	17.258	J02014	7,804
Title IB - High Concentration Youth	17.258	J02014	621
Title IB - Gov Reserve Add. Assistance	17.258	J02014	511
Title IB - Incentives	17.258	J02014	610
Title IB - Technical Assistance	17.258	J02014	13,284
Title IB - Rapid Response/Early Intervention	17.258	J02014	3,155
Title IB - NEG Data Collection Grant	17.258	J02014	701
Title IB - Youth Development – Teen Maze	17.258	YDG004	806
Title IB - Youth Action Steps	17.258	SYC004	816
Title IB - WIB Board Training	17.258	J02014	1,639
Title IB - Youth	17.259	J02014	869,757
The following grants were allocated to funding sources based on percentages from OCCWD:			
Title IB - Local Admin	17.259	J02014	99,558
Title IB - MIS Development	17.259	J02014	2,180
Title IB - Local Board Support	17.259	J02014	8,746
Title IB - High Concentration Youth	17.259	J02014	696
Title IB - Gov Reserve Add. Assistance	17.259	J02014	572
Title IB - Incentives	17.259	J02014	683
Title IB - Technical Assistance	17.259	J02014	14,889
Title IB - Rapid Response/Early Intervention	17.259	J02014	3,536
Title IB - NEG Data Collection Grant	17.259	J02014	785
Title IB - Youth Development – Teen Maze	17.259	YDG004	903
Title IB - Youth Action Steps	17.259	SYC004	915
Title IB - WIB Board Training	17.259	J02014	1,837
Title IB - Dislocated Workers	17.260	J02014	1,641,107
Title IB - Statewide Multicompany	17.260	J02014	17,393
The following grants were allocated to funding sources based on percentages from OCCWD:			
Title IB - Local Admin	17.260	J02014	218,142
Title IB - MIS Development	17.260	J02014	4,777
Title IB - Local Board Support	17.260	J02014	19,164
Title IB - High Concentration Youth	17.260	J02014	1,526
Title IB - Gov Reserve Add. Assistance	17.260	J02014	1,254
Title IB - Incentives	17.260	J02014	1,497
Title IB - Technical Assistance	17.260	J02014	32,623
Title IB - Rapid Response/Early Intervention	17.260	J02014	7,748
Title IB - NEG Data Collection Grant	17.260	J02014	1,720

**COMMUNITY SERVICES CONSORTIUM**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)**  
**YEAR ENDED JUNE 30, 2003**

<u>Federal Grantor/ Pass-Through Grantor/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Grantor/ Pass-Through Entity Number</u>	<u>Expenditures</u>
<i>U.S. Department of Labor (Continued)</i>			
Passed Through Oregon Community Colleges and Workforce Development (Continued)			
Workforce Investment Act - WIA			
The following grants were allocated to funding sources based on percentages from OCCWD:			
Title IB - Youth Development - Teen Maze	17.260	YDG004	\$ 1,979
Title IB - Youth Action Steps	17.260	SYC004	2,004
Title IB - WIB Board Training	17.260	J02014	4,025
Passed Through Linn-Benton Community College			
JOBS Contract - (70% Federal Funded)	17.253	N/A	<u>281,847</u>
<i>Total U.S. Department of Labor</i>			4,429,737
<i>U.S. Department of Energy</i>			
Passed Through Oregon Housing and Community Services			
BPA - WX FFY 02	81.042	N/A	57,399
BPA - WX FFY03	81.042	N/A	36,627
BPA - WX -Native American FFY 03	81.042	N/A	2,854
BPA - WX -Native American FFY 02	81.042	N/A	2,854
BPA - WX - Native American Special FFY01	81.042	N/A	80
DOE - WX FFY01	81.042	N/A	153,924
DOE - WX FFY03	81.042	N/A	48,018
DOE - WX Native American FFY01	81.042	N/A	<u>20,523</u>
<i>Total U.S. Department of Energy</i>			322,279
<i>U.S. Department of Education</i>			
Passed Through Oregon Department of Human Resources			
Youth Transition Program - (78.7% Federal Funded)	84.126	99.495	<u>179,148</u>
<i>U.S. Department of Health and Human Services</i>			
Head Start 2001/2002	93.600	G-10CH0155/07	75,275
Head Start - Program Improvement 2001/2002	93.600	G-10CH0155/07	38,429
Head Start 2002/2003	93.600	G-10CH0155/08	818,242
Head Start - Facility Acquisition 2001/2002	93.600	G-10CH0155/07	<u>33,621</u>
			965,567
Passed Through Oregon Housing and Community Services			
Housing Stabilization Program/TANF	93.558	N/A	67,855
Community Services Block Grant - FFY02	93.569	N/A	318,591
Community Services Block Grant - FFY01	93.569	N/A	16,948
Community Services Block Grant - Discr 02	93.569	N/A	177
REACH 99/00	93.568	N/A	8,720

**COMMUNITY SERVICES CONSORTIUM**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)**  
**YEAR ENDED JUNE 30, 2003**

<u>Federal Grantor/ Pass-Through Grantor/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Grantor/ Pass-Through Entity Number</u>	<u>Expenditures</u>
<i>U.S. Department of Health and Human Services (Continued)</i>			
LIEAP - FFY02/03	93.568	N/A	\$ 1,545,386
LIEAP - Leverage 01/02	93.568	N/A	15,119
LIEAP - Weatherization - FFY02	93.568	N/A	252,379
LIEAP - Weatherization - FFY01	93.568	N/A	18,920
LIEAP - Weatherization - FFY02 Native American	93.568	N/A	23,201
Passed Through Oregon Department of Human Services Independent Living Skills	93.556	100759	<u>76,866</u>
<i>Total U.S. Department of Health and Human Services</i>			<u>3,309,729</u>
<i>Total Expenditures of Federal Awards</i>			<u>\$ 9,003,244</u>

**COMMUNITY SERVICES CONSORTIUM**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2003**

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*Purpose of the Schedule*

The accompanying schedule of expenditures of federal awards (the "Schedule") is a supplementary schedule to the Community Services Consortium's financial statements and is presented for purposes of additional analysis. Because the Schedule presents only a selected portion of the activities of the Community Services Consortium, it is not intended to and does not present either the financial position, changes in fund balances, or the operating funds' revenues and expenditures.

**SIGNIFICANT ACCOUNTING POLICIES**

*Basis of Presentation*

The information in the Schedule is presented in accordance with OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

*Federal Financial Assistance*

Pursuant to the Single Audit Act of 1984 and OMB Circular A-133, federal financial assistance is defined as assistance provided by a federal agency, either directly or indirectly, in the form of grants, contracts, cooperative agreements, loans, loan guarantees, property, interest subsidies, insurance or direct appropriations. Accordingly, nonmonetary federal assistance, including federal surplus property, is included in federal financial assistance and, therefore, is reported on the Schedule, if applicable. Federal financial assistance does not include direct federal cash assistance to individuals. Solicited contracts between the state and federal government for which the federal government procures tangible goods or services are not considered to be federal financial assistance.

*Major Programs*

The Single Audit Act of 1984 and OMB Circular A-133 establish criteria to be used in defining major federal financial assistance programs. Major programs for the Community Services Consortium are those programs selected for testing by the auditor using a risk-assessment model, as well as certain minimum expenditure requirements, as outlined in OMB Circular A-133. Programs with similar requirements may be grouped into a cluster for testing purposes.

*Reporting Entity*

The reporting entity is fully described in notes to the financial statements. Additionally, the Schedule includes all federal programs administered by the Community Services Consortium for the year ended June 30, 2003.

*Revenue and Expenditure Recognition*

The receipt and expenditure of federal awards are accounted for under the modified accrual basis of accounting. Revenues are recorded as received in cash or on the accrual basis where measurable and available. Expenditures are recorded when the liability is incurred.

**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH GOVERNMENT AUDITING STANDARDS**

Governing Board  
Community Services Consortium  
Corvallis, Oregon

We have audited the financial statements of Community Services Consortium, as of and for the year ended June 30, 2003, and have issued our report thereon dated October 24, 2003. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

***Compliance***

As part of obtaining reasonable assurance about whether Community Services Consortium's financial statements are free of material misstatement, we performed tests of their compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

***Internal Control over Financial Reporting***

In planning and performing our audit, we considered Community Services Consortium's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might constitute material weaknesses. A material weakness is a condition in which the design or operation of one or more of the specific internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the combined financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting that we consider to be material weaknesses.

This report is intended solely for the information and use of Community Services Consortium, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than the specified parties. However, this report is a matter of public record and its distribution is not limited.

**CERTIFIED PUBLIC ACCOUNTANTS**

Salem, Oregon  
October 24, 2003

**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR  
PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR  
A-133**

Governing Board  
Community Services Consortium  
Corvallis, Oregon

***Compliance***

We have audited the compliance of Community Services Consortium with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2003. CSC's major federal programs are identified in the Summary of Audit Results. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Community Services Consortium's management. Our responsibility is to express an opinion on CSC's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about CSC's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Community Services Consortium's compliance with those requirements.

In our opinion, CSC complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2003.

***Internal Control Over Compliance***

The management of Community Services Consortium, is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered CSC's internal control over compliance with requirements that could have a direct and material effect on a major program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might constitute material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a federal financial assistance program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over noncompliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of Community Services Consortium, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than the specified parties. However, this report is a matter of public record and its distribution is not limited.

*CERTIFIED PUBLIC ACCOUNTANTS*

Salem, Oregon  
October 24, 2003

**COMMUNITY SERVICES CONSORTIUM**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**YEAR ENDED JUNE 30, 2003**

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**SUMMARY OF AUDITOR'S RESULTS**

**Financial Statements**

Type of auditor's report issues:	Unqualified
Internal control reporting:	
• Material weakness(es) identified?	No
• Reportable condition(s) identified that are not considered to be material weaknesses?	No
Noncompliance material to financial statements noted?	No

**Federal Awards**

Internal control over major programs:	
• Material weakness(es) identified?	No
• Reportable condition(s) identified that are not considered to be material weaknesses?	No
Type of auditor's report issued on compliance for major programs:	Unqualified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?	No

Identification of major program:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
17.258	WIA
17.259	WIA
17.260	WIA

Dollar threshold used to distinguish between type A and type B programs:	\$300,000
Auditee qualified as low-risk auditee?	Yes

**FINANCIAL STATEMENT FINDINGS**

None.

**FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

None.