

portland children's investment fund



July 20, 2006

Dear Portlander:

I first want to thank you for your ongoing support of the Children's Investment Fund. We are dedicated to reaching the city's neediest children through programs in early education, after school and mentoring and child abuse prevention and intervention. With your help, we are making a difference in the lives of 10,000 children and their families each year.

Because we are so strongly committed to serving *all* of Portland's children, we have decided to postpone renewal efforts for the Children's Investment Fund until Fall 2008.

This is the most prudent move to make in light of this November's anticipated \$33 million Portland Public Schools levy, passage of which is vital to maintain adequate programs and staff for the district's 47,000 students. This effort has our full backing.

As you may recall, the Children's Investment Fund was approved by city voters in 2002 with a five-year lifespan: funding began in 2003 and was set to expire June 30, 2008. However, the fund will be able to operate for a sixth year, through June 30, 2009, regardless of the outcome of a Fall 2008 Fund levy because of one-time only savings, unexpected higher tax revenues and a 5-percent administrative cap.

The one-time savings result from carryover from the Fund's first year when the majority of funds generated were not granted until an allocation process was created. In addition, administrative costs were saved during the first two years before the Fund was fully staffed.

Also, the Fund will utilize higher than anticipated tax revenues for this year and the next two years. Preliminary plans to use those unallocated funds for Head Start model program expansion and childcare quality improvements and childcare subsidies have been put on hold.

In the coming months, the Fund staff will be working on various fiscal options that will fulfill its financial commitment to grantees through June 30, 2009. We will be communicating those plans to all of you and welcome your input along the way.

On behalf of the Children's Investment Fund, I want to thank the Portland community for its continued support in providing today's children the chance to build a safer and stronger city for tomorrow.

Dan Saltzman
Portland City Commissioner
Chair, Children's Investment Fund Allocation Committee