



MEMORANDUM

CSFRA, Community Development Department

DATE: August 12, 2019

TO: Rental Housing Committee

FROM: Anky van Deursen, Program Manager

SUBJECT: Quarterly Financial Expenditures Fiscal Year 2018-19 through June 30, 2019

RECOMMENDATION

Review the attached Quarterly Financial Expenditures for Fiscal Year 2018-19 through June 30, 2019.

BACKGROUND

On June 18, 2018, the Rental Housing Committee (RHC) adopted the Community Stabilization and Fair Rent Act (CSFRA) Fiscal Year 2018-19 budget in the amount of \$2,309,237 (this number was adjusted slightly based on a final salaries and benefit calculation).

The RHC has requested staff to present on a quarterly basis an overview of the expenditures of the RHC budget.

ANALYSIS

The Quarterly Financial Expenditures (Attachment 1) is divided into Personnel Services, Nonpersonnel Services, Capital Outlay, and Interfund Expenditures/Interfund Expenditures Transfer. A summary review is as follows:

1. As of June 30, 2019, 78.61 percent of the Personnel budget is expended. Based on 100 percent of the fiscal year being completed, this is below budget due to the delay of onboarding of the budgeted Office Assistant position.

2. As of June 30, 2019, 51.86 percent of the Nonpersonnel budget is expended and a further 29 percent encumbered. With the fiscal year completed, this low level is mainly caused by:
 - a. Gradual use of the IT software development budget and awaiting invoices for each completed phase of the development of the Database Management System;
 - b. Certain service providers billing on a quarterly basis, and Q4 invoices will be received in the next quarter of 2019;
 - c. A fewer number of petitions being filed and hearings being scheduled than anticipated, resulting in less-than-budgeted Hearing Officer and Facilitator fees; and
 - d. CSFRA staff moving back on City-owned premises, therefore no longer incurring lease costs of office space.
3. As of June 30, 2019, about 10 percent of the Capital Outlay budget is expended and a further 25 percent encumbered. Further deliverables upon completion of next phases for the Database Management System are expected to be incurred in the following quarters.
4. As of June 30, 2019, the budgeted amounts for interfund expenditures and transfers have occurred. It is the City's practice to post these expenditures in December as this reflects halfway through the fiscal year.

FISCAL IMPACT

The RHC adopted a Fiscal Year 2018-19 budget of \$2,309,237. Total revenues are sufficient to fund all expenditures for this past fiscal year. Staff will be returning to the RHC on a quarterly basis for an update on incurred expenses compared to the Budget for Fiscal Year 2019-20.

PUBLIC NOTICING – Agenda posting.

AVD/DJ/6/CDD/895-08-12-19M

Attachment: 1. Quarterly Financial Expenditures (Fiscal Year 2018-19 through June 30, 2019)