



MEMORANDUM

CSFRA, Community Development Department

DATE: August 24, 2020

TO: Rental Housing Committee

FROM: Anky van Deursen, CSFRA Program Manager

SUBJECT: Quarterly Financial Expenditures Fiscal Year 2019-20 through June 30, 2020

RECOMMENDATION

Review the attached Quarterly Financial Expenditures Report for Fiscal Year 2019-20 through June 30, 2020 (Attachment 1 to the memorandum).

BACKGROUND

On June 3, 2019, the Rental Housing Committee (RHC) adopted the Community Stabilization and Fair Rent Act (CSFRA) Fiscal Year 2019-20 budget in the amount of \$2,036,691 (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 Report is divided into Personnel Services, Nonpersonnel Services, Capital Outlay, and Interfund Expenditures/Interfund Expenditures Transfer. A summary review is as follows:

- a. As of June 30, 2020, 75.59 percent of the Personnel budget is expended. Based on 100 percent of the fiscal year being completed, this is below budget due to:
 - The work performed for and charged to the Community Development Department for assistance with CSFRA amendments, Mobile Home Rent Stabilization, TRAO modifications, and various COVID-19-related programs,

- such as the eviction moratorium, rent relief, and small landlord loan programs;
and
- Vacancy for the Administrative Assistant position.
- b. As of June 30, 2020, 34.17 percent of the Nonpersonnel budget is expended, and a further 43 percent encumbered. With the fiscal year completed, this low level is mainly caused by:
- Certain service providers bill on a quarterly basis, and Q4 invoices will be received in the next quarter of 2020;
 - Lower-than-anticipated legal fees; and
 - Fewer amount of petitions being filed and hearings being scheduled than anticipated, resulting in less-than-budgeted hearing officer and facilitator fees.
- c. As of June 30, 2020, about 22 percent of the Capital Outlay budget is encumbered. Further deliverables upon completion of next phases for the database management system are expected to be incurred in the following quarters.
- d. As of June 30, 2020, 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 Fiscal Year 2019-20 adjusted budget amounts to \$2,149,395.54. Total revenues will be 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 2020-21.

PUBLIC NOTICING – Agenda posting.

AvD/TG/6/CDD/RHC
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Attachment: 1. Quarterly Financial Report (Fiscal Year 2019-20 through June 30, 2020)