



MEMORANDUM

Rent Stabilization Program,
Community Development Department

DATE: February 28, 2022

TO: Rental Housing Committee

FROM: Anky van Deursen, Rent Stabilization Program Manager

SUBJECT: Quarterly Financial Expenditures, Fiscal Year 2021-22 through December 31, 2021

RECOMMENDATION

Review the attached Quarterly Financial Expenditures Report for Fiscal Year 2021-22 through December 31, 2021 (Attachment 1 to the memorandum).

BACKGROUND

On June 14, 2021, the Rental Housing Committee (RHC) adopted the Community Stabilization and Fair Rent Act (CSFRA) Fiscal Year 2021-22 budget in the amount of \$2,162,066 (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 December 31, 2021, 36.01% of the Personnel budget is expended. This is below budget due to:
 - The work performed for and charged to the Community Development Department for assistance with the Tenant Relocation Assistance Ordinance and various COVID-19-related programs, such as the Eviction Help Center, as

well as the implementation of the Mobile Home Rent Stabilization Ordinance;
and

- Vacancy for the Analyst I/II position (filled as of December 15, 2021).
- b. As of December 31, 2021, 17.67% of the Nonpersonnel budget is expended and a further 59.32% encumbered. This low level is mainly caused by:
- Certain service providers bill on a quarterly basis, and Q2 invoices will be received in the next quarter of 2022;
 - 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 December 31, 2021, 16.42% is expended and 8.21% 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 December 31, 2021, 100% of the budgeted amount of \$295,270 for interfund expenditures and transfers has been expended. 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 2021-22 adjusted budget amounts to \$2,162,066. Total revenues are estimated to be sufficient to fund all expenditures for this 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 2021-22.

PUBLIC NOTICING – Agenda posting.

AvD/JS/1/CDD/RHC
895-02-28-22M-1

Attachment: 1. Quarterly Financial Report (Fiscal Year 2021-22 through December 31, 2021)