



MEMORANDUM

CSFRA, Community Development Department

DATE: February 10, 2020

TO: Rental Housing Committee

FROM: Anky van Deursen, Program Manager

SUBJECT: Quarterly Financial Expenditures Fiscal Year 2019-20 through
December 31, 2019

RECOMMENDATION

Review the attached Quarterly Financial Expenditures for Fiscal Year 2019-20 through December 31, 2019.

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.

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 December 31, 2019, 41.32 percent of the Personnel budget is expended. Based on 50 percent of the fiscal year being completed, this is under budget, due to work performed for and charged to the Community Development Department for assistance with CSFRA Amendments and Mobile Home Rent Stabilization, for example.

2. As of December 31, 2019, 20.20 percent of the Nonpersonnel budget is expended, and a further 57.44 percent encumbered. This low level is mainly caused by:
 - Certain service providers billing on a quarterly basis and Q2 invoices will be received in the next quarter of 2020; and
 - A fewer number of petitions being filed and hearings being scheduled than anticipated, resulting in less-than-budgeted Hearing Officer and Facilitator fees.
3. As of December 31, 2019, about 21 percent of the Capital Outlay budget is encumbered. Further deliverables and invoicing upon completion of next phases for the Database Management System are expected to be incurred in the following quarters. The invoice for Annual Licensing and Support in the amount of \$28,200 has been received in January and will be reflected in next quarter's overview.
4. As of December 31, 2019, 100 percent of the interfund expenditures and transfers have been expended in a total amount of \$259,098. 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. It is anticipated total revenues will be sufficient to fund all expenditures for the current fiscal year. Staff will be returning to the RHC on a quarterly basis for an update on incurred expenses as well as a Proposed Budget for Fiscal Year 2020-21 that will take into consideration any projected surplus balances in the CSFRA Fund.

PUBLIC NOTICING – Agenda posting.

AvD/TG/1/CDD/RHC
895-02-10-21M

Attachment: 1. Quarterly Financial Report (Fiscal Year 2019-20 through December 31, 2019)