

DATE: August 22, 2022

TO: Rental Housing Committee

FROM: Anky van Deursen, Program Manager

SUBJECT: Quarterly Financial Expenditures—Fiscal Year 2021-22 through June 30, 2022

RECOMMENDATION

Review the attached Quarterly Financial Expenditures Report for Fiscal Year 2021-22 through June 30, 2022 (Attachment 1).

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 June 30, 2022, 80.21% 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 June 30, 2022, 54.82% of the nonpersonnel budget is expended and a further 32.65% encumbered. This low level is mainly caused by:
- Certain service providers bill on a quarterly basis, and Quarter 4 invoices will be received in the next quarter of 2022.
 - Fewer number of petitions being filed, and fewer hearings being scheduled than anticipated, resulting in less-than-budgeted Hearing Officer and facilitator fees.
- c. As of June 30, 2022, 16.42% of the Capital Outlay budget is expended, and 8.21% is encumbered. Further deliverables upon completion of the next phases for the Database Management System are expected to be incurred in the following quarters.
- d. As of June 30, 2022, 100% of the interfund expenditures and transfers budget in the amount of \$295,270 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 2022-23.

PUBLIC NOTICING—Agenda posting.

AvD/JS/CDD/RHC
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Attachment: 1. Quarterly Financial Report (Fiscal Year 2021-22 through June 30, 2022)