

DATE: November 14, 2022

TO: Rental Housing Committee

FROM: Anky van Deursen, Program Manager

SUBJECT: **Quarterly Financial Expenditures Fiscal Year 2022-23 through September 30, 2022**

RECOMMENDATION

Review the attached CSFRA Quarterly Financial Expenditures Report for Fiscal Year 2022-23 through September 30, 2022 (Attachment 1) and the MHRSO Quarterly Financial Expenditures Report for Fiscal Year 2022-23 through September 30, 2022 (Attachment 2).

BACKGROUND

On April 25, 2022, the Rental Housing Committee (RHC) adopted the Mobile Home Rent Stabilization (MHRSO) Fiscal Year 2022-23 Budget for \$641,825 (the original adopted amount was slightly lower, and this figure is the final amount based on final salaries and benefit calculations).

On June 20, 2022, the Rental Housing Committee (RHC) adopted the Community Stabilization and Fair Rent Act (CSFRA) Fiscal Year 2022-23 Budget for \$2,349,901 (the original adopted amount was lower, and this figure is the final amount based on a final salaries and benefit calculation as well as carryover of encumbrances from the previous fiscal year).

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

ANALYSIS

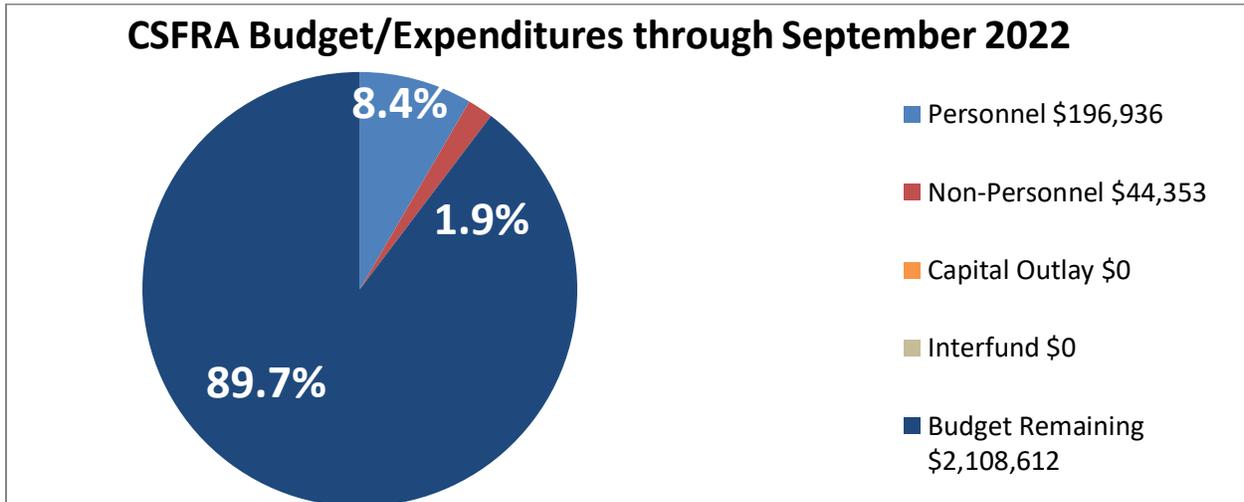
Both the CSFRA and the MHRSO Quarterly Financial Reports are divided into Personnel Services, Nonpersonnel Services, Capital Outlay (CSFRA only), and Interfund Expenditures/Interfund Expenditures Transfer.

The CSFRA summary of expenditures for the first quarter is as follows:

- a. As of September 30, 2022, 18.57% of the Personnel budget is spent. This is slightly 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 other requested services outside of the CSFRA program, such as assistance with the BMR and Affordable Housing inquiries; and
 - Salary savings due to the vacancy for the Outreach Specialist position (tasks currently fulfilled by an hourly employee).
- b. As of September 30, 2022, 5% of the nonpersonnel budget is spent and a further 87% encumbered. This low level is mainly caused by:
 - Certain service providers bill on a quarterly basis, and Quarter 1 invoices will be received in the second quarter of 2022.
 - Fewer number of petitions being filed, and fewer hearings being scheduled than estimated, resulting in less-than-budgeted Hearing Officer and Facilitator fees.
- c. As of September 30, 2022, 0% of the Capital Outlay budget is spent, and 12% is encumbered. As expected, further deliverables upon completion of the next phases for the Database Management System are to be incurred in the following quarters.
- d. As of September 30, 2022, 0% of the interfund expenditures and transfers budget for \$296,360 has been spent. It is the City's practice to post these expenditures in December as this reflects halfway through the fiscal year.

This presents the following expenditures as part of the overall CSFRA budget:

Chart 1: Overview CSFRA Budget and Expenditures through September 30, 2022

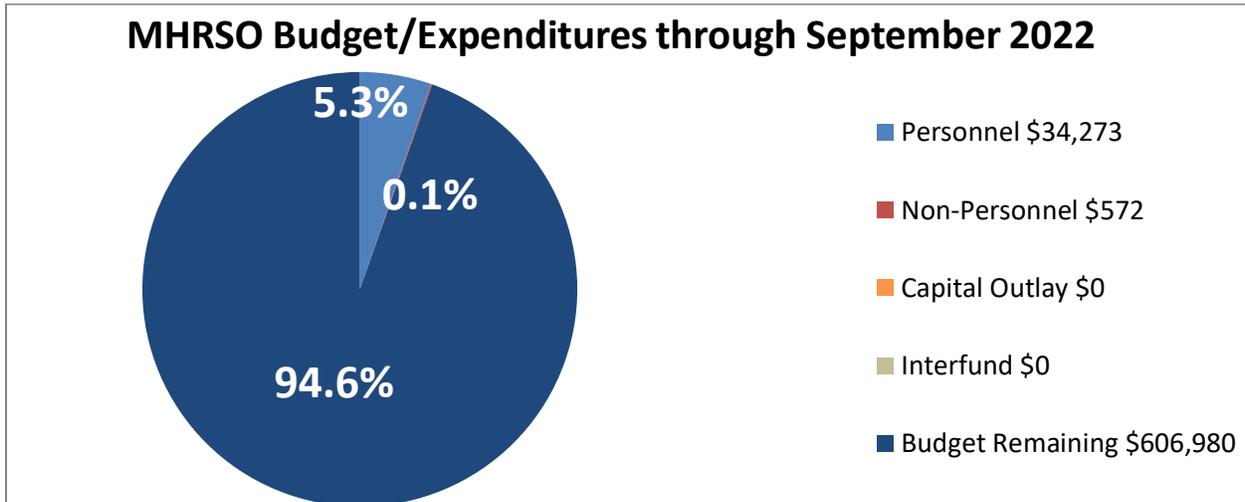


The MHRSO summary of expenditures for the first quarter is as follows:

- a. As of September 30, 2022, 16.61% of the Personnel budget is spent. This is slightly below budget due to:
 - The work performed for and charged to the Community Development Department for aid with various other requested services outside of the MHRSO program, such as aid with the CSFRA, as well as BMR and Affordable Housing inquiries.
- b. As of September 30, 2022, 0.6% of the nonpersonnel budget is spent and a further 60% encumbered. This low level is mainly caused by:
 - Certain service providers bill on a quarterly basis, and Quarter 1 invoices will be received in the next quarter of 2022.
 - To date no petitions have been filed, which is lower than estimated, resulting in less-than-budgeted Hearing Officer and Facilitator fees.
- c. As of September 30, 2022, 0% of the interfund expenditures and transfers budget for \$50,010 has been spent. It is the City's practice to post these expenditures in December as this reflects halfway through the fiscal year.

This presents the following expenditures as part of the overall MHRSO budget:

Chart 2: Overview MHRSO Budget and Expenditures through September 30, 2022



FISCAL IMPACT

The Fiscal Year 2022-23 Adjusted Budget for the MHRSO amounts to \$641,826 and for the CSFRA, this amounts to \$2,349,901. 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 budgets for Fiscal Year 2022-23.

PUBLIC NOTICING—Agenda posting.

AvD/JS/8/CDD/RHC
895-11-14-22M

- Attachments:
1. CSFRA Quarterly Financial Report (Fiscal Year 2022-23 through September 30, 2022)
 2. MHRSO Quarterly Financial Report (Fiscal Year 2022-23 through September 30, 2022)