

To: Contra Costa County Housing Authority Board of Commissioners
 From: Joseph Villarreal, Housing Authority
 Date: September 12, 2017



Contra
Costa
County

Subject: FY 2017-2018 1st QUARTER BUDGET REPORT

RECOMMENDATIONS

ACCEPT the 1st Quarter (Unaudited) Budget Report for the period ending 6/30/17.

BACKGROUND

This report is intended to provide the Board of Commissioners with an overview of the financial position of the Housing Authority of the County of Contra Costa (HACCC) for the 1st quarter period ending 6/30/2017. The report begins with a summary of HACCC's overall fiscal standing at the end of the quarter. The overall numbers are then broken down by individual funds. Each fund overview includes a brief program summary and an explanation of the variance between budgeted and actual performance.

AGENCY OVERVIEW:

HACCC's overall budget position for the quarter ending 6/30/17 is shown in the chart below. Activity in Section 8 Voucher and Housing Certificate programs had the most significant impact on HACCC's budget.

The projected revenue increase of \$2,723,102 is primarily a result of the rapid increase in

Action of Board On: **09/12/2017** ☐ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF COMMISSIONERS

AYE: John Gioia, Commissioner
 Candace Andersen,
 Commissioner
 Diane Burgis,
 Commissioner
 Karen Mitchoff,
 Commissioner
 Federal D. Glover,
 Commissioner

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: September 12, 2017

Joseph Villarreal, Executive Director

ABSENT: Fay Nathaniel,
 Commissioner
 Jannel George-Oden,
 Commissioner

By: June McHuen, Deputy

Contact: 925-957-8028

cc:

rents in the Section 8 Voucher and Housing Certificates programs which accounted for \$2,461,155 or 90% of the increase. Rent increases for these programs were over \$3.4 million during this period.

Projected expenditure increase of \$2,756,234 is a result of the rent increases referenced above less a major cost adjustment benefiting all of the federal programs in implementing GASB (General Accounting Standards Board) -75

BACKGROUND (CONTD)

>

Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions (OPEB). In accord with OMB requirements, OPEB obligations are now recorded under the management fund HACCC's State Local Programs.

HACC Agency Summary	Annual Budget	1st Quarter Actual 6/30/17	Remaining FY Estimate	Annual Total	Variance
Revenue	\$ 114,281,783	\$ 31,293,548	\$ 85,711,337	\$ 117,004,885	\$ 2,723,102
Expenditures	<u>\$ 113,496,710</u>	<u>\$ 31,130,413</u>	<u>\$ 85,122,533</u>	<u>\$ 116,252,944</u>	<u>\$(2,756,234)</u>
	\$ 785,073	\$ 163,135	\$ 588,805	\$ 751,941	

The net change to reserve totals for the end of this quarter was a gain of \$163,135. The net gain was a result of a decrease to restricted reserves in the amount of \$854,852 and an unrestricted reserve increase of \$1,017,987 as shown in the summary below.

Analysis of Agency Reserves	Beginning Balance 4/1/17 (Unaudited)	1st Quarter ending 6/30/17 (Unaudited)	Reserve Balance period ending 6/30/17 (Unaudited)
Total Reserves	\$ 15,980,003	\$ 163,135	\$ 16,143,138
<u>Restricted Reserves</u>			
Housing Choice Vouchers	\$ 5,802,124	\$ (894,648)	\$ 4,907,476
Public Housing & Cap. Funds	\$ -0-	\$ -0-	\$ -0-
State & Local Programs	\$ 1,884,156	\$ 39,796	\$ 1,923,952
Housing Certificates Programs	\$ -0-	\$ -0-	\$ -0-
Total Restricted Reserves	\$ 7,686,280	\$ (854,852)	\$ 6,831,428
<u>Unrestricted Reserves</u>			
Housing Choice Vouchers	\$ 3,908,751	\$ 365,700	\$ 4,274,451
Public Housing & Cap. Funds	\$ 1,295,242	\$ 479,306	\$ 1,774,548
State & Local Programs	\$ 3,089,730	\$ 172,981	\$ 3,262,711*
Housing Certificates Programs	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
Total Unrestricted Reserves	\$ 8,293,723	\$ 1,017,987	\$ 9,311,710

* Does not include unfunded pension liability of \$10.8 million.

As a reminder, almost all reserves are restricted for use within each program. The designation of restricted or unrestricted reserves merely indicates that the funds are obligated for special use within the program (restricted) or that they can be used for any purpose tied to the program (unrestricted). The only reserves that can be used freely are unrestricted reserves within the State and Local Programs that are not tied to the tax credit properties. These reserves can be used to support any of HACCC's programs.

FISCAL IMPACT

None. Information item only.

ATTACHMENTS

1st Quarter Budget Report