



Good Neighbors

San Diego
Housing Commission

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REPORT

DATE ISSUED: December 11, 2006

REPORT NO. HCR 06-107

ATTENTION.: Chair and Members of the Housing Commission
For the Agenda of December 15, 2006

SUBJECT: Proposed Fiscal Year 2007 Budget Revision (Citywide)

REQUESTED ACTION:

Housing Commission and Housing Authority approval of the revisions to the Fiscal Year 2007 Budget to reflect actual FY06 carryover and net new revenues.

STAFF RECOMMENDATIONS:

Approve the revision that will result in a net increase to the Fiscal Year 2007 budget of \$11,592,203 and recommend final approval by the Housing Authority.

BACKGROUND

The proposed budget revision is primarily a reconciliation of the previously approved FY07 budget with current, more accurate financial information. The 2007 Housing Commission budget was developed in early 2006 and included estimates of carryover funds, because exact amounts would not be known prior to the close of Fiscal Year 2006. At this point, exact carryover has been determined and the revision reflects these additions and deductions.

In addition, the Housing Commission receives funding from numerous federal, state and local sources and these revenues change and require periodic update. Finally, new sources of funds received and sources anticipated but not awarded require adjustment to the previously approved budget. The summation of all these adjustments from estimated to actual is incorporated within this Fall budget revision.

DISCUSSION

The first policy issue for this budget revision involves the provision for an increase of almost \$4.4 million in Reserves. As Attachment 5 details, most of the increase in Reserves (\$3.7



A state agency authorized by the City of San Diego

million) is for Program Reserves that are restricted to each program's purpose, and/or multi-year programs and property management programs. The majority of the increase in Program Reserves is to provide for \$2.4 million to increase the State Sinking Fund for loans due in 2013 and 2015 on two housing projects, provide for the expected decreased funding available for supervision and overhead on the Conventional Public Housing program and to provide for the slight over lease of Voucher units that occurred in calendar year 2006. It is important to note that for multi-year programs, staff recommends reserving sufficient funding from each award to provide for the administrative costs throughout the term of the award period. Also, the property management plan for conventional public housing and the Maya Apartments incorporate private management best practices by retaining funds in Reserve to provide for future capital improvements needed due to aging of the various buildings.

The remaining balance of approximately \$700,000 is proposed to be held in Agency Reserves. These funds provide most of the funding for a number of City of San Diego related projects including Shared Housing, Fair Housing Council, Access Center, Homeless Coordinator and the Regional Task Force on the Homeless. These projects total over \$750,000 in the FY07 Budget.

In addition to the City projects, Agency Reserves will provide the supplemental funding required in FY08 and FY09 for the administration and operation of programs with insufficient administrative funding. The Housing Commission's goal is to maintain an Agency Reserve of five percent of the total budget. After the proposed revision, Agency Reserves will be approximately 1.47% of the Agency's FY07 Budget.

The second policy issue involves the allocation of the unexpected higher linkage and inclusionary fees of \$6.4 million of unrestricted funds to housing activities. Staff proposes that the Board allocate the \$6.4 million of additional unrestricted funds to Rental Housing Production to ensure that pipeline projects are adequately covered.

REVENUE CHANGES

There are two types of funds incorporated into this budget revision: carryover funds and new revenue sources. The net addition to the budget from carryover sources was \$12,332,991 while new revenue sources declined by \$740,788.

Carryover funds are those funds budgeted in the prior fiscal year that for a variety of reasons did not get expended or obligated. Carryover may also be revenues in excess of those expected. Carryover funds can be broken down into two categories based upon the requirements of the funding sources. First, "restricted carryover" amounted to \$5,992,355. This carryover is restricted to a specific purpose or activity as mandated by the funding source. The second type of carryover is "unrestricted" and amounted to \$6,340,636. There is some discretion in the use

of these funds. Most of these carryover funds have been tentatively allocated to financing housing proposals that are anticipated to be ready for funding approval in FY07.

New revenue sources are similarly broken into restricted and unrestricted funds. Restricted new funding adjustments decreased by \$740,788. There is no new unrestricted funding. A detailed explanation is discussed in Attachment 1.

The Housing Commission currently has fifty-one revenue sources in the budget. All but two of these sources have been adjusted within this revision. Attachment 6 contains the detailed information by specific revenue source that make up the budget revision.

The following table summarizes the changes in revenues for local, state and federal sources.

Revenues	Current Budget	Revision Budget	Proposed Budget	% of Change
Local Revenues	78,237,000	7,137,649	85,374,649	+9%
State Revenues	3,444,626	(460,418)	2,984,208	-13%
Federal Revenues	194,003,187	4,914,972	198,918,159	+3%
Total Revenues	275,684,813	11,592,203	287,277,016	+4%

EXPENDITURE CHANGES

The incorporation of the additional revenue in the budget is offset by the uses for the funds. Of the \$11,592,203 in revenue additions, \$7,225,546 is budgeted into the various agency activities and the remaining \$4,366,657 is placed primarily into the program reserves for Affordable Housing, HOME, the State Sinking Fund and Local Public Housing Support. Generally, funds carried over from a prior year were placed within the same activities as originally funded. As part of the budget revision process, Housing Finance and Development staff reviewed the Department's FY07 goals but do not recommend revising the goals at this time. The average per unit cost increased by \$25,000 to \$75,000/unit over the last several months and the additional funds will likely be needed to produce the units proposed in the original FY07 Budget. The Housing Commission will maintain the unexpected revenue and the administrative savings in reserves for future utilization. The proposed changes in activities are presented in detail in Attachments 2 and 3.

The following table summarizes the changes in expenditures by major activity.

Activities	Current Budget	Revision Budget	Proposed Budget	% of Change
Housing Services	152,997,373	4,074,861	157,072,234	+3%
Hsg Finance & Dev	64,629,675	3,087,685	67,717,360	+5%
Operations	37,018,544	63,000	37,081,544	+0%
Reserves	21,039,221	4,366,657	25,405,878	+21%
Total Expenditures	275,684,813	11,592,203	287,277,016	+4%

The Agency summary of expenditures is detailed in Attachment 7. Salary and Benefits are unchanged while less than \$30,000 of the revision is attributable to slight increases in services and supplies.

PREVIOUS COUNCIL and/or COMMITTEE ACTION:

On April 14, 2006, the Housing Commission approved the Fiscal Year 2007 budget in the amount of \$275,731,563. The budget was presented to the Housing Authority for approval on May 2, 2006. Subsequent budget amendments detailed on Attachment 4 have reduced the budget by \$46,750 to \$275,684,813.

Respectfully submitted, *Signature on File* Approved by,

With Original Document

Edward Mauk
Director of Financial Services

Elizabeth C. Morris
President and Chief Executive Officer

Sturtevant/Montague/Silsbee (619-578-7731)
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- Attachment 1: Detailed Explanation of Proposed FY07 Revenue Revisions
- Attachment 2: Proposed FY07 Budget by Activity
- Attachment 3: Detailed Explanation of Proposed FY07 Activity Revisions
- Attachment 4: Previous FY07 Budget Revisions
- Attachment 5: Schedule of Agency FY07 Reserves
- Attachment 6: Agency Summary of FY07 Revenues
- Attachment 7: Agency Summary of FY07 Expenditures

DETAILED EXPLANATION OF PROPOSED REVENUE REVISIONS

The following chart details the \$11,592,203 Budget Revision by each major component of restricted and unrestricted revenue.

Revenues	Current Budget	Revision Budget	Proposed Budget	% of Change
Restricted Revenues				
Section 8	134,126,712	4,445,981	138,572,693	+ 3%
Other HUD	31,626,464	933,646	32,560,110	+ 3%
State	3,444,626	(460,418)	2,984,208	- 13%
CDBG	3,376,084	(26,657)	3,349,427	- 1%
Restricted Local	16,042,515	359,015	16,401,530	+ 2%
Sub-Total	188,616,401	5,251,567	193,867,968	+ 3%
Unrestricted Revenues				
Rental Rehabilitation	97,345	183,763	281,108	+289%
Local	43,979,412	1,706,652	45,686,064	+ 4%
Affordable Housing Fund	18,215,073	5,071,982	23,287,055	+ 28%
HOME	24,776,582	(621,761)	24,154,821	- 3%
Sub-Total	87,068,412	6,340,636	93,409,048	+ 7%
Total Revenues	275,684,813	11,592,203	287,277,016	+ 4%

For ease of review, this budget revision has been divided into four sections that are:

1. Restricted Carryover Funding adjustments (+ \$5,992,355)
2. Restricted New Funding adjustments (- \$740,788)
3. Unrestricted Carryover Funding adjustments (+ \$6,340,636)
4. Unrestricted New Funding Adjustments (+ \$0)

Each of these sections is explained on the following pages.

1. Restricted Carryover Funding Adjustments + \$5,992,355

The following is a detailed listing of all restricted carryover funding adjustments.

- | | | |
|----|----------------|---|
| A. | + \$ 4,512,481 | HUD rule changes in FY05 provided \$4,395,493 of Section 8 Voucher funding for rent to owners in excess of the current average rent to owners. These HUD rules now permit the excess funds to be retained by the housing authority for future use instead of returning these funds to HUD. The remaining balance of the increase is due to administrative savings and slightly higher fees than expected. |
| B. | + \$ 1,584,368 | Additional carryover of City Property, Conventional, Maya, State and University Canyon projects resulting primarily from \$829,465 of unspent funds for extraordinary maintenance on the Conventional units. The remaining balance of the increase is due to higher average tenant rent, interest earnings, and administrative and other program savings. |
| C. | + \$ 376,746 | Additional carryover of CCDC, CDBG, Housing Rehabilitation Trust Funds, Lead Hazard and Paint Control, various Redevelopment, San Diego Association of Realtors, Shea Homes and several State funds resulting primarily from unspent Rental Housing Production, Homeownership, Rehabilitation and Special Purpose loans and grants plus greater than anticipated loan payoffs. |
| D. | + \$ 188,162 | Additional carryover of Coastal Housing, Condo Conversion and NCFUA funds resulting primarily from unexpected fees received in the last two quarters of FY06 and unspent funds due to the timing of project approvals in Rental Housing Production and Homeownership. |
| E. | + \$ 1,974 | Additional carryover of National City CDBG funds for the Reinvestment Task Force due to administrative savings. This increase was applied to Portfolio Servicing. |
| F. | - \$ 48,734 | Decreased carryover of Capital Fund is due primarily |

to the purchase of maintenance vehicles, executing additional maintenance contracts and greater relocation in FY06 than expected. The reduction was applied to Site Maintenance and the Major Renovations activities.

G. - \$ 76,253

Decreased Shelter Plus Care funds is primarily due to a commitment of funds for a service provider late in FY06. This reduction was applied to Special Purpose Housing.

H. - \$ 88,278

There is a net decrease in carryover of several Resident Services funds resulting primarily from executing additional service contracts in FY06 on the Community Outreach Partnership Center, Family Health Centers of San Diego, FSS Coordinator and ROSS Grants. The additional carryover funding ranged from a decrease of \$141,500 to an increase of \$31,957 depending on the source.

I. - \$ 458,111

The decrease in carryover of CALHFA Help State Funds is due to the completion of two projects that have utilized this source.

2. Restricted New Funding Adjustments - \$740,788

The following is a detailed listing of all restricted new funding adjustments.

A. +\$ 205,000

Additional funds awarded from HUD for the ROSS, FSS Coordinator and Homeownership Coordinator programs and the Family Health Center of San Diego. The increase in funds has been provided to Resident Services primarily for academic tutoring contracts and Reserves.

B. +\$ 18,101

Additional funds expected to be awarded from the County for Reinvestment Task Force activities and the Conventional program for Resident Services activities. The increase in funds has been provided to supplies and services and salaries and benefits respectively.

C. -\$ 9,750

The actual award of FY06 CDBG project funds was

slightly less than anticipated and the net decrease was applied to Rental Housing Production, Homeownership, Rehabilitation and Portfolio Servicing for the Reinvestment Task Force.

D. -\$ 954,139

The actual FY06 HUD award of Capital Fund was less than anticipated and the decrease was applied primarily to extraordinary maintenance in Major Renovations, Resident Services contracts and Reserves for administrative costs in FY08 and FY09.

3. Unrestricted Carryover Funding Adjustments + \$6,340,636

The following is a detailed listing of all unrestricted carryover funding adjustments.

A. +\$5,071,982

There is \$7,619,072 of Affordable Housing Trust Funds resulting from greater linkage and inclusionary fees, increased loan payoffs and cancelled projects. These funds are proposed for Rental Housing Production, Rehabilitation and Special Purpose Housing. In addition, there was \$3,562,887 less carryover of Affordable Housing Trust Funds resulting from unexpected project approvals late in FY06 in Rental Housing Production, Rehabilitation and Special Purpose Housing. Administrative savings of \$188,882 and \$826,915 are available due to the unexpected additional revenue.

B. +\$2,334,802

There is carryover of Local funds resulting primarily from \$1,315,414 of additional income from loan payoff on the Sara Frances, bond fees, loan payments and fees, distribution from the Maya Apartments and rental and interest income. In addition, there is \$996,503 administrative and program savings and, combined with the additional income, has increased Reserves. Also, \$22,885 of kitchen and bath remodeling at the University Canyon complex was not completed in FY06 and these funds will provide for this effort in FY07 in Asset Management.

C. + \$ 183,763

There is additional carryover of Rental Rehabilitation funds due to unexpected revenue from increased loan payoffs and these funds are proposed for Special

Purpose Housing.

D. -\$ 621,761

There was \$2,061,552 less HOME carryover resulting from unexpected project approvals late in FY06 in Rental Housing Production. Partially offsetting this decrease is \$1,165,313 of additional program income resulting from payoffs of Homeownership loans, the partial cancellation of an A/C late in FY06. These funds are proposed for Rental Housing Production. In addition, the Business Plan for FY06-08 calls for HOME program income to provide for Housing Commission use/projects and these funds are proposed for Rental Housing Production. In addition, there is \$2,092,113 of additional carryover of HOME funds resulting primarily from unspent funds due to the timing of project approvals in Homeownership and Rental Housing Production. Also, there are administrative savings of \$335,267 and \$192,217 of additional administrative funds available due to substantial loan payoffs.

4. Unrestricted New Funding Adjustments + \$0

A. +\$ 0

There are no changes in this category.

PROPOSED FY07 BUDGET BY ACTIVITY

Activities	Current Budget	Revision	Proposed Budget	% of Change
Housing Services	152,997,373	4,074,861	157,072,234	3%
Rental Assistance	129,461,865	4,395,493	133,857,358	3%
Property Management	21,529,019	(424,043)	21,104,976	-2%
Management	6,025,455	0	6,025,455	0%
Routine Maintenance	6,131,759	(40,866)	6,090,893	-1%
Asset Management	9,371,805	(383,177)	8,988,628	-4%
Resident Services	2,006,489	103,411	2,109,900	5%
Housing Finance & Development	64,629,675	3,087,685	67,717,360	5%
Rental Housing Production	41,085,419	2,012,825	43,098,244	5%
Homeownership	5,775,522	162,529	5,938,051	3%
Rehabilitation	10,941,530	442,469	11,383,999	4%
Rental Housing	4,245,169	51,516	4,296,685	1%
Owner Occupied	6,696,361	390,953	7,087,314	6%
Portfolio Servicing & Occupancy Monitoring	2,755,095	(4,933)	2,750,162	0%
Special Purpose Housing	4,072,109	474,795	4,546,904	12%
Operations	37,018,544	63,000	37,081,544	0%
Board & Executive Functions	888,196	0	888,196	0%
Support Services	35,359,976	63,000	35,422,976	0%
Human Resources	540,463	0	540,463	0%
Information Technology	2,565,613	63,000	2,628,613	2%
Financial Services	2,467,417	0	2,467,417	0%
Organizational Development & Training	373,777	0	373,777	0%
Facilities Management	29,412,706	0	29,412,706	0%
Policy & Governmental Affairs	770,372	0	770,372	0%
Policy & Governmental Affairs	327,914	0	327,914	0%
Communications	442,458	0	442,458	0%
Program & Contingency Reserves	21,039,221	4,366,657	25,405,878	21%
FY07 Proposed Activity Based Budget	275,684,813	11,592,203	287,277,016	4%

EXPLANATION OF PROPOSED FY07 BUDGET REVISIONS BY ACTIVITY

Housing Services

1. Rental Assistance

HUD rule changes in FY05 provided \$4,395,493 of Section 8 Voucher funding for rent to owners in excess of the current average rent to owners. These HUD rules now permit the excess funds to be retained by the housing authority for future use instead of returning these funds to HUD.

2. Property Management-Routine Maintenance

The decrease of \$40,866 is due to additional vehicle purchases late in FY06 resulting in less carryover than had been anticipated.

3. Property Management-Asset Management

The net decrease of \$383,177 is primarily due to a decrease of \$872,188 in Capital Fund as the HUD award of new funds in FY07 was less than expected and this reduction was applied to extraordinary maintenance, relocation and dwelling equipment. In addition, there is a decrease of \$393,339 resulting from executing additional Capital and Local Fund contracts for extraordinary maintenance late in FY06 leading to less carryover than anticipated. These decreases were partially offset by an increase of \$829,465 in unspent Conventional funds due to the timing of extraordinary maintenance project approvals. Also, there are \$52,885 of contract/consultant and kitchen and bath remodeling at the University Canyon complex that was not completed in FY06 and these funds will provide for this effort in FY07.

4. Resident Services

The net increase of \$103,411 is primarily due to additional awards of \$65,000 each for the Homeownership Coordinator and ROSS Family Self Sufficiency programs and these funds provide for continued funding of direct hire contractors through FY07. In addition, there was \$26,589 less than expected use of resident contracts in FY06 on the Capital Fund, Community Outreach Partnership, and ROSS programs leading to more carryover than expected.

Housing Finance & Development

5. Rental Housing Production

The net increase of \$2,012,825 results from an increase of \$6,687,700 in higher loan payoffs and unanticipated fees in FY06 and these funds are proposed for loans and grants. Staff expects that current pipeline projects will utilize this amount in FY07. In addition, \$97,000 of funding was

transferred from Homeownership and Special Purpose Housing to centralize all Fair Housing Council contracts. There was \$4,771,875 more lending in FY06 of CALHFA Help, Condo Conversion, HOME, Affordable Housing and NCFUA programs leading to less carryover than expected.

6. Homeownership

The increase of \$162,529 results from \$90,000 less lending in FY06 on the Condo Conversion program leading to more carryover than expected. In addition, there is an increase of \$81,529 in higher loan payoffs on CCDC Homeownership and the Cal Home programs. These increases were partially offset by a decrease of \$9,000 of funding transferred to Rental Housing Production to centralize all Fair Housing Council contracts.

7. Rehabilitation-Rental Housing

The increase of \$51,516 results from \$131,569 less HOME and Lead Hazard Reduction lending than expected in FY06 leading to additional carryover. This increase was partially offset by a decrease of \$80,053 resulting from higher use of Cal Home EAGR and Lead Paint Hazard Control loans and grants and relocation.

8. Rehabilitation-Owner Occupied

The increase of \$390,953 is primarily due to unexpected income of \$369,134 from greater loan repayments of Affordable Housing, HOME and several Redevelopment programs. In addition, there was an increase of \$137,706 for these same programs resulting from less lending leading to more loans and grants carryover than expected. These increases were partially offset by a decrease of \$112,287 of expected new awards of Redevelopment funds that were not received in FY06 and a \$3,600 decrease due to a non-profit declining the use of CDBG funds.

9. Portfolio Servicing & Occupancy Monitoring

The decrease of \$4,933 is primarily due to \$21,630 less interest income on the foreclosure fund and slightly higher loan portfolio costs of \$3,155 in FY06 than anticipated. This decrease was partially offset by an additional award of County CDBG funds and administrative savings of \$19,582 by the Reinvestment Task Force.

10. Special Purpose Housing

The increase of \$474,795 is primarily due to \$669,846 less Affordable Housing grants in FY06. This increase was partially offset by a \$107,051 greater commitment than anticipated on the Shelter Plus Care program. Also, there was a decrease of \$88,000 of funding transferred to Rental Housing Production to centralize all Fair Housing Council contracts in this activity.

Operations

11. Information Services

The increase of \$63,000 is to provide for two replacement servers, thirty replacement personal computers, thirty replacement terminals, five replacement printers and five replacement PDA's that were not purchased in FY06.

Reserves

12. Reserves

The overall increase of \$4,366,657 in Reserves includes an increase of \$3,689,677 in Program Reserves and a \$676,980 increase in Agency reserves. Each of these changes in Reserves is explained below.

The increase of \$3,689,677 in Program Reserves represents an increase of Coastal Housing, Condo Conversion, HOME, Inclusionary Housing and NCFUA Reserves of \$1,166,705. This includes \$778,296 of administrative funds resulting from additional fees and substantial loan payoffs and \$388,409 of administrative savings in FY06. In addition, there is an increase of \$1 million in the Sinking Fund to provide for the repayment of State loans on two projects due in 2013 and 2015. Due to the mandated HUD change to project-based management on the Conventional Public Housing program, a reserve of \$1 million is proposed to be set aside to provide for the expected decreased funding available for supervision and overhead in FY08. Staff proposes to replenish \$400,000 Local Section 8 Support for the slight over lease of units that occurred in calendar year 2006. There is an increase of \$225,241 in Lead Hazard due to administrative savings and \$116,988 in Section 8 Surplus Administrative Fees due to a slight increase in the administrative fee and administrative savings in FY06. These increases were partially offset by a decrease of \$231,160 in the Conventional, Maya, State and University Canyon Reserves as a result of higher than expected routine maintenance in FY06 leading to less carryover funds. The remaining balance of the increase of \$11,903 is due to small decreases and increases ranging from -\$116,860 to +\$65,000 in the other program reserves.

The increase in Agency Reserves of \$676,980 is primarily due to \$1,350,414 of higher bond fees, interest, rent, Maya distribution, loan repayments and MCC and loan servicing fees. There are two substitutions of \$1,105,683 of program funds for Local funds to provide for Information Technology equipment and the City's Winter Shelter. Also, there was \$620,883 of program and administrative savings. These increases were partially offset by the proposed use of \$2.4 million to enhance the State Sinking Fund, provide for the expected decreased funding available for supervision and overhead on the Conventional program and the slight over lease of Voucher units that occurred in calendar year 2006. The proposed Agency Reserves of \$4.218 million are targeted to provide for the supplemental funding required in FY08 and FY09 for the administration and operation of programs with insufficient administrative funding and represent only 1.47% of the agency's FY07 Budget.

PREVIOUS FY07 BUDGET REVISIONS

<u>DATE OF REVISION</u>	<u>CHANGE TO THE FY07 BUDGET</u>	<u>APPROVING AUTHORITY</u>	<u>COMMENTS:</u>
	275,731,563		Approved Original Budget.
05/04/06	0	President & CEO	Transfer funds from Reserves to Board & Executive Functions to provide for a direct hire contractor for Model Schools
06/06/06	0	President & CEO	Transfer Bond funds from Reserves to replace CalHome EAGR funds supporting indirect budgets. Place CalHome EAGR funds in Reserves. CalHome EAGR funds cannot be used to support indirect budgets.
06/06/06	0	President & CEO	Reallocate funds supporting the AM Capital activity to free up Capital 501-03 planning funds to designated to fund salaries & benefits only.
06/15/06	0	President & CEO	Reallocate funds supporting HF&D Owner Occupied and Rental Rehab activities in order to single fund the Sr. Administrative Assistant position designated to support the HUD Lead Grants.
06/29/06	0	Housing Commission (Report HCR06-49)	Transfer \$175,000 from Reserves to Financial Services to fund the additional audit work related to the Housing Commission's fiscal year 2003 and 2004 audits at the City's request.
08/07/06	0	President & CEO	Transfer funds from Reserves to Rental Assistance to provide for two direct hire contractor positions in the Eligibility unit.
08/07/06	0	President & CEO	Transfer funds from Reserves to Rental Assistance to provide temporary agency employees and office supplies to convert the Rental Assistance files from legal to letter size.
08/22/06	0	President & CEO	Transfer funds from Reserves to Asset Management Construction Services dwelling equipment to purchase refrigerators for the Agency's public housing units.
8/22/2006	0	President & CEO	Transfer funds from Reserves to HF&D Rental Rehab and Rehab Owner Occupied activities to provide for two direct hire contract positions for the Lead Grant programs.
8/23/2006	0	President & CEO	Transfer funds from Reserves to HF&D Rental Housing Production to provide for a direct hire contract position to work on finance related projects.
08/29/06	0	President & CEO	Transfer funds from Reserves to HF&D Rental Housing Production to fund an appraisal for the locally owned Princess Park Homes.
10/10/06	(46,750)	President & CEO	Adjust the FY07 Budget to reflect the actual award of CDBG projects to local nonprofits by the City of San Diego. These projects are monitored by the Housing Commission for the City of San Diego.
10/20/06	0	Housing Commission (Report	Transfer funds from Reserves to Special Purpose Housing to use for the City's FY07 Homeless Emergency Shelter Programs.
10/27/06	0	President & CEO	Transfer funds from Reserves to HF&D Portfolio Servicing to provide temporary agency employees and office supplies to convert the Portfolio Servicing files from legal to letter size.

SCHEDULE OF AGENCY RESERVES

Type of Reserve	FY07 Proposed Use	FY06 Amount	FY07 Original	FY07 Current	FY07 Proposed
I Program Reserves					
The Program Reserves provide for future salaries and benefits, services and supplies or housing expenditures on specific housing programs. These funds are generally restricted and must be used in support of each program or returned to the funding source.					
CAL HOME Program	Administration for FY08	27,150	22,770	22,770	28,124
CAL HOME EAGR Program	Administration for FY07	50,000	-	12,680	-
Capital Fund	Admin & Hsg Prg for FY08 & FY09	358,262	384,607	384,607	267,747
CCDC L&MIH Set Aside - HO	Administration for FY08	48,356	46,000	46,000	46,000
City Heights Redevelopment	Administration for FY08 & FY09	178,729	246,769	246,769	237,949
City Properties Mgmt	Administration for FY08	5,957	-	-	2,535
Coastal, Condo & NCFUA	Administration for FY08 & FY09	446,500	440,995	440,995	531,065
Conventional Operating Mgmt	Future Extraordinary Maintenance	4,704,231	4,252,577	4,157,577	3,982,791
HCV FSS Coordinator	Administration for FY08	141,500	157,500	157,500	130,000
HCV FSS Homeownership Coordinator	Administration for FY07	63,000	-	-	65,000
HOME	Administration for FY08 & FY09	2,150,562	1,841,594	1,780,714	2,018,958
Housing Trust Fund - CDBG	Administration for FY07	9,452	-	-	-
HUD Lead Hazard Control Grant	Administration for FY08 & FY09	-	963,361	951,065	1,176,306
Inclusionary Housing Fund	Administration for FY08	486,395	250,000	250,000	1,088,391
Local Funds	Provide Sinking Fund for State Units	500,000	1,000,000	1,000,000	2,000,000
Local Public Housing Support	Admin for FY08 to FY09	-	-	-	1,000,000
Local Section 8 Support	Admin Prg for FY08 & FY09	1,500,000	1,500,000	1,500,000	1,900,000
Market Street Redevelopment	Administration for FY08	28,307	2,779	2,779	11,942
Maya Apartments	Future Extraordinary Maintenance	796,405	684,393	684,393	693,080
Redev Agency - Crossroads HELP	Administration for FY08	73,557	82,211	82,211	71,495
Redev Agency - Linda Vista	Administration for FY08	19,565	39,039	39,039	34,978
Rental Rehabilitation	Administration for FY07	297,864	-	-	-
ROSS Neighborhood Networks	Administration for FY07	35,000	-	-	5,251
ROSS PH FSS Program	Administration for FY08	-	-	-	65,000
ROSS RSDM	Administration for FY08	60,000	58,542	58,542	68,661
San Diego Association of Realtors	Administration for FY08	700	700	700	878
Section 8 Surplus Admin Fees	Admin Prg for FY08 & FY09	1,429,499	1,226,632	1,091,859	1,208,847
SEDC Mt Hope Rehabilitation	Administration for FY08	14,341	7,624	7,624	8,258
SEDC Southcrest Redevelopment	Administration for FY08	5,845	15,920	15,920	14,886
Shelter Plus Care	Admin for FY08 to FY09	55,969	34,476	34,476	65,274
State Rental	Future Extraordinary Maintenance	241,027	205,059	205,059	263,005
State REO	Admin & Hsg Prg for FY08 & FY09	19,746	20,621	20,621	20,163
University Canyon Management	Future Extraordinary Maintenance	1,188,350	1,703,768	1,703,768	1,580,761
Subtotal		14,936,269	15,187,937	14,897,668	18,587,345

II Contingency Reserves

The Contingency Reserves include amounts to provide for potential litigation, uninsured losses and building reserves. The unexpended Contingency Reserves will be re-budgeted in the following year.

Local Funds	Provide for potential litigation	300,000	300,000	300,000	300,000
Local Funds	Provide for uninsured losses	300,000	300,000	300,000	300,000
Local Funds	Provide for office facility	1,515,673	2,000,000	2,000,000	2,000,000
Subtotal		2,115,673	2,600,000	2,600,000	2,600,000

III Agency Reserves

The Agency Reserves include amounts that are available for any unanticipated housing purpose.

Local Funds	Unanticipated Needs	4,808,178	4,225,633	3,541,553	4,218,533
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Total Program, Contingency & Agency Reserves 21,860,120 22,013,570 21,039,221 25,405,878

AGENCY SUMMARY OF REVENUES

	Current FY07 Budget (Column A)	Proposed FY07 Revisions (Column B)	Revised FY07 Budget (Column C)	% of Chg Rev/Curr (Column D)
Revenues				
Bond Program	8,619,754	(314,075)	8,305,679	-4%
Cal State Housing Trust Fund	395,000	0	395,000	0%
CalHFA Help Program	458,111	(458,111)	0	-100%
CalHome EAGR	150,121	(71,678)	78,443	-48%
CalHOME Program	27,150	11,883	39,033	44%
Capital Fund	3,800,359	(1,002,893)	2,797,466	-26%
Centre City Development Corporation	68,356	75,000	143,356	110%
CDBG	3,376,084	(26,657)	3,349,427	-1%
City Heights Redevelopment	1,740,294	(219,959)	1,520,335	-13%
City's Properties Management	100,104	2,535	102,639	3%
Coastal Housing/FUA	1,454,488	111,262	1,565,750	8%
Community Outreach Partnership Center	2,191	(2,191)	0	-100%
Condo Conversion/Density Bonus	684,128	205,953	890,081	30%
Conventional Operating Management	14,385,951	1,641,308	16,027,259	11%
County CDBG RTF	50,000	15,000	65,000	30%
Discretionary	33,075,440	1,067,746	34,143,186	3%
Family Health Centers of San Diego	23,872	1,426	25,298	6%
HCV FSS Coordinator	582,500	(196,500)	386,000	-34%
HCV FSS Homeownership Coordinator	63,000	130,000	193,000	206%
HOME Program	24,776,582	(621,761)	24,154,821	-3%
Housing Rehabilitation Trust Fund	709,741	415,405	1,125,146	59%
HTF - CDBG	141,081	202,629	343,710	144%
HTF - Linkage Fees	5,597,791	979,713	6,577,504	18%
HTF - Redevelopment Agency	13,896	9,997	23,893	72%
HTF - TOT	23,014	3,187	26,201	14%
HUD Development	5,443,207	0	5,443,207	0%
HUD Lead Hazard Control Grant Program	6,383,174	189,668	6,572,842	3%
Inclusionary Housing Fund	12,439,291	3,876,456	16,315,747	31%
Lease Sale Proceeds	2,284,218	952,981	3,237,199	42%
Market Street Redevelopment	142,456	(35,737)	106,719	-25%
Maya Apartments	1,987,210	8,687	1,995,897	0%
National City CDBG RTF	50,000	1,974	51,974	4%
North County Future Urbanizing Area (NCFUA)	468,842	(129,053)	339,789	-28%
Redevelopment Agency - Crossroads HELP	434,915	(45,272)	389,643	-10%
Redevelopment Agency - Linda Vista	116,300	68,785	185,085	59%
Rental Rehabilitation	97,345	183,763	281,108	189%
ROSS Neighborhood Networks	93,637	29,692	123,329	32%
ROSS PH FSS Coordinator	130,000	130,000	260,000	100%
ROSS Resident Services Delivery Model	517,800	24,315	542,115	5%
SD Association of Realtors	18,401	178	18,579	1%
Section 8 Diaster Voucher	423,269	(3,215)	420,054	-1%
Section 8 Mariner's Cove	1,326,979	3,636	1,330,615	0%
Section 8 Moderate Rehabilitation	1,099,020	1,019	1,100,039	0%
Section 8 Voucher	130,631,944	4,511,041	135,142,985	3%
SEDC Mt Hope Rehabilitation	22,238	17,403	39,641	78%
SEDC Southcrest Redevelopment Agency	181,571	(11,373)	170,198	-6%
Shea Homes	19,736	(192)	19,544	-1%
Shelter Plus Care	870,145	(76,253)	793,892	-9%
State Rental	2,393,623	57,946	2,451,569	2%
State REO	20,621	(458)	20,163	-2%
University Canyon Management	7,769,863	(123,007)	7,646,856	-2%
Total Budget	275,684,813	11,592,203	287,277,016	4%

AGENCY SUMMARY OF EXPENDITURES

	Current FY07 Budget (Column A)	Proposed FY07 Revisions (Column B)	Revised FY07 Budget (Column C)	% of Chg Rev/Curr (Column D)
Staffing	237.50	0.00	237.50	0%
Expenditures				
1 Salaries & Benefits	17,110,820	0	17,110,820	0%
Services & Supplies				
2 Legal	668,666	(339)	668,327	0%
3 Training	170,862	(194)	170,668	0%
4 Travel	107,754	2,000	109,754	2%
5 Audit	273,758	0	273,758	0%
6 Contract/Consultant	3,315,120	4,922	3,320,042	0%
7 Office & Building Rent	1,474,997	0	1,474,997	0%
8 Data Processing	175,836	0	175,836	0%
9 Sundry	1,916,518	(1,005)	1,915,513	0%
10 Insurance	371,885	0	371,885	0%
11 Equipment	3,715,702	24,134	3,739,836	1%
Total Services & Supplies	12,191,098	29,518	12,220,616	0%
Housing Programs				
13 Resident Services Expenses	502,758	92,926	595,684	18%
14 Maintenance Expenses	2,914,385	0	2,914,385	0%
15 Utilities	1,850,940	0	1,850,940	0%
16 PILOT & Property Taxes	190,860	0	190,860	0%
17 Collection Loss	59,914	0	59,914	0%
18 Mortgage Payments	4,781,146	0	4,781,146	0%
19 Protective Services	336,507	0	336,507	0%
20 Rent to Owners	123,532,331	4,292,560	127,824,891	3%
21 Loans & Grants	44,072,069	3,217,777	47,289,846	7%
22 Relocation	1,036,500	(257,984)	778,516	-25%
23 Site Acquisition & Housing Development	37,882,386	(24,785)	37,857,601	0%
24 Extraordinary Maintenance	7,886,028	(117,746)	7,768,282	-1%
25 Dwelling Equipment	297,850	(6,720)	291,130	-2%
Total Housing Programs	225,343,674	7,196,028	232,539,702	3%
Program & Contingency Reserves	21,039,221	4,366,657	25,405,878	21%
Total Budget	275,684,813	11,592,203	287,277,016	4%