

REPORT

DATE ISSUED: January 25, 2008 REPORT NO: HCR 08-014
ATTENTION: Chair and Members of the Housing Commission
For the Agenda of February 1, 2008
SUBJECT: Proposed Fiscal Year 2008 Budget Revision (Citywide)

REQUESTED ACTION:

Housing Commission and Housing Authority approval of the revisions to the Fiscal Year 2008 Budget to reflect actual FY07 carryover and net new revenues.

STAFF RECOMMENDATION:

That the Housing Commission approve the revision (Attachments 1-7) that will result in a net increase to the Fiscal Year 2008 budget of \$41,194,106, bringing the FY08 budget to \$272,782,444, and forward the revision to the Housing Authority for final approval.

BACKGROUND:

This proposed budget revision is mainly a reconciliation of the previously approved FY08 budget with current, more accurate financial data. The FY08 Housing Commission budget was prepared in early 2007 and approved by the Housing Commission on April 20, 2007 and by the Housing Authority on June 5, 2007. The original budget included estimates of carryover funds because exact amounts would not be known prior to the close of Fiscal Year 2007. At this point, more precise carryover data has been identified and this revision reflects these additions and deductions.

In addition, the Housing Commission receives renewal funding from numerous federal, state and local sources and these revenues can change and require periodic update. Finally, new sources of funds received require adjustments to the previously approved budget. All of the adjustments noted above are included in this budget revision.

The total fiscal impact of this revision is an increase of \$41,194,106 to the previously approved FY08 budget. The various adjustments are described in narratives below and in the report attachments. There was slightly over \$20 million in additional carryover funding adjustments and almost \$21 million in additional new funding adjustments. Both carryover and new funding adjustments are shown as restricted or unrestricted adjustments in this report.

An important point in this budget revision is that although some of the changes included in the revision are due to the approved public housing disposition and receipt of the additional housing choice vouchers, the revised budget includes revenues and anticipated expenses for this program as required by HUD regulations.

DISCUSSION

Agency Reserves in this budget revision involve the distribution of an increase of almost \$8.5 million in Reserves. The SDHC has three types of reserve funds: Program, Contingency and Unobligated. Program Reserves provide for future personnel, services and supplies or housing expenditures from specific grant programs. Contingency Reserves include amounts set aside to provide for potential litigation, uninsured losses and building reserves. Lastly, Unobligated Reserves are used for unanticipated housing needs. In this revision, Program Reserves increased by over \$5.4 million, Contingency Reserves increased by a little over \$1 million and the Unobligated Reserves grew by just over \$2 million.

The growth of \$5,403,309 in Program Reserves was generally due to an increase in Section 8 reserves from the receipt of higher administrative fees provided by HUD on existing Voucher units and from the additional administrative fees to be earned on the vouchers awarded in connection with the public housing disposition. In addition, Public Housing reserves increased because of savings in administration and program costs as well as higher tenant rents; a set-aside for Local Units for the future extraordinary maintenance on the disposed public housing units; and, finally, administrative savings from Rental Housing Production and Rehabilitation that increased HOME program reserves for future year costs.

The Contingency Reserves increase of \$1,005,546 is a staff recommendation that a reserve be established and funds set aside for development of the 350 affordable units that HUD required as a condition of approving the disposition application. Because there are not specific plans for these 350 units at this early juncture, staff recommends establishing this item in the Contingency Reserves.

Finally, the Unobligated Reserves increase of \$2,043,371 resulted from additional income from bond, SRO and MCC fees, distributions from the Maya Apartments, SOFA rents, lease payments, parking fees, interest income, and administrative and program savings. The total Unobligated Reserves of over \$7 million will be earmarked for unanticipated expenses. The five year goal of the Housing Commission is to achieve an Unobligated Reserve of five percent of the total budget. After this proposed revision, the Unobligated Reserves will increase from 2.21% to 2.63% of the total budget. Details on the Agency Reserves are shown in Attachment 5.

In Housing Finance & Development, higher than anticipated carryover resulted from: a savings of \$3 million in homebuyer programs funds; \$7.8 million in rental development projects forecasted for funding in FY07 that were delayed until FY08 because of project readiness issues; and \$2.3 million higher linkage and inclusionary fees and loan payments. Staff proposes to allocate the carryover funds to the same activities in FY08 except to transfer \$2 million of Homeownership funds to Rental Housing Production for pipeline projects. The cumulative result will be an increase of approximately \$13 million in funds available for rental housing and an increase in the anticipated housing production goal from 400 to 600 units.

REVENUE CHANGES

There are two types of revenue funds incorporated into this budget revision: carryover and new revenues. The addition to the budget from carryover sources was over \$20 million and new revenues increased by almost \$21 million.

Carryover funds are those funds budgeted in the prior fiscal year that, for several reasons, do not get spent or obligated. Carryover may also indicate that revenues received were greater than expected. Carryover funds are split into two categories based on the requirements of the funding sources, restricted and unrestricted. First, "restricted carryover" amounted to \$4,449,077. This carryover is restricted to a particular purpose or activity as required by the funding source. The second type of carryover is "unrestricted" and amounted to \$16,023,258. There is some discretion in the use of these funds. Historically, most of the unrestricted carryover funds have been used for financing housing needs and proposals that are anticipated to be ready for funding approval in FY08 and beyond.

New revenues sources are also broken into restricted and unrestricted funds. Restricted new funding increased by \$20,705,499, mostly due to the formula change of funding for Section 8 HAP and administrative payments and additional vouchers received as part of the public housing disposition and transition process. Finally, unrestricted new revenue increased by \$16,272 which will provide for kitchen and bath remodel at University Canyon. A detailed explanation of changes in carryover and new revenue is provided in Attachment 1.

The Housing Commission currently has fifty-three revenue sources in its budget. All but ten of these sources have been adjusted within this revision. Attachment 6 includes the detailed data by revenue source.

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

Revenues	Current Budget	Revision Budget	Proposed Budget	% of Change
Local Revenues	\$47,340,764	\$15,896,675	\$63,237,439	34%
State Revenues	1,050,663	38,153	1,088,816	4%
Federal Revenues	183,196,911	25,259,278	208,456,189	14%
Total Revenues	231,588,338	41,194,106	272,782,444	18%

EXPENDITURE CHANGES


The incorporation of additional revenue in the budget is offset by the uses for those funds. Of the over \$41 million in revenue additions, approximately \$33 million is budgeted into various agency activities and the remaining \$8 million is placed primarily into the program reserves for Section 8, Public Housing Management, SDHC Local Units and HOME. Generally, funds carried over from a preceding year are placed within the same activities as originally funded. The Housing Commission will maintain the unexpected revenue and the administrative savings in reserves for future operations. The proposed changes in activities are presented in detail in Attachments 2 and 3.

The following table summarized the changes in expenditures by major activity:

Activity	Current Budget	Revision Budget	Proposed Budget	% of Change
Housing Services	\$154,830,950	\$18,102,200	\$172,933,150	12%
Housing Finance & Dev	45,924,169	14,639,680	60,563,849	32%
Operations	11,214,009	-0-	11,214,009	0%
Reserves	19,619,210	8,452,226	28,071,436	43%
Total Expenditures	231,588,338	41,194,106	272,782,444	18%

The Agency summary of expenditures is detailed in Attachment 7. Salary and Benefits are unchanged while almost \$800,000 is attributed to increases in Services and Supplies primarily for management fees allowed by HUD to fund Center Office costs under the Public Housing Asset Management Program. The greatest change is associated with Housing Programs in the \$31.4 million of rent to owners and loans and grants. The balance of the change is an \$8.5 million increase in Agency Reserves that is detailed in Attachment 3.

Respectfully submitted,


John A. Pfeiffer, CPA
Chief Financial Officer

Approved by,


Carrol M. Vaughan
Interim President & Chief Executive Officer

Attachments:

- Attachment 1: Detailed Explanation of Proposed FY08 Revenue Revisions
- Attachment 2: Proposed FY08 Budget by Activity
- Attachment 3: Detailed Explanation of Proposed FY08 Activity Revisions
- Attachment 4: Previous FY08 Budget Revisions
- Attachment 5: Schedule of Agency FY08 Reserves
- Attachment 6: Agency Summary of FY08 Revenues
- Attachment 7: Agency Summary of FY08 Expenses

Distribution of these attachments may be limited. Copies available for review during business hours at the Housing Commission offices at 1122 Broadway, Main Lobby.

DETAILED EXPLANATION OF PROPOSED REVENUE REVISIONS

The following chart details the \$41,194,106 Budget Revision by each major component of restricted and unrestricted revenue.

REVENUES	Current Budget	Proposed Revision	Proposed Budget	% of Change
Restricted Revenues				
Section 8	137,157,916	19,387,137	156,545,053	14%
Other HUD	25,851,539	-3,140,986	22,710,553	-12%
State	1,050,663	38,153	1,088,816	4%
CDBG	3,451,474	35,645	3,487,119	1%
Restricted Local	13,591,838	8,834,627	22,426,465	65%
Subtotal	181,103,430	25,154,576	206,258,006	14%
Unrestricted Revenues				
Rental Rehabilitation	34,848	0	34,848	0%
Local	21,980,911	2,044,545	24,025,456	9%
Affordable Housing Fund	11,768,015	5,017,503	16,785,518	43%
HOME	16,701,134	8,977,482	25,678,616	54%
Subtotal	50,484,908	16,039,530	66,524,438	32%
Total Revenues	231,588,338	41,194,106	272,782,444	18%

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

1. Restricted Carryover Funding adjustments (+ \$4,449,077)
2. Restricted New Funding adjustments (+ \$20,705,499)
3. Unrestricted Carryover Funding adjustments (+ \$16,023,258)
4. Unrestricted New Funding Adjustments (+ \$16,272)

Each of these sections is explained on the following pages.

1. Restricted Carryover Funding Adjustments + \$4,449,077

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

- A. + \$ 1,936,850 Additional carryover of City Property, Public Housing, Maya and State projects resulting primarily from higher average tenant rents, interest earnings and administrative and other program savings in FY07.
- B. + \$ 1,554,651 Greater HUD funding for Voucher HAP payments was provided by HUD and the remaining balance of the increase is due to administrative savings and slightly higher fees than expected.
- C. + \$ 911,988 Additional carryover of CCDC, CDBG, Housing Rehabilitation Trust Fund, Lead Hazard and Paint Control, various Redevelopment 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 and interest earnings.
- D. + \$ 210,310 Additional carryover of Coastal Housing, Condo Conversion and NCFUA funds resulting primarily from unspent funds due to the timing of project approvals in Rental Housing Production and Homeownership. The balance of the carryover is due to interest earnings and administrative savings.
- E. + \$ 148,395 Additional carryover of CDBG Foreclosure funds resulting from an unexpected loan payoff. This was partially offset by higher costs for Portfolio Servicing.
- F. + \$ 49,222 Additional carryover of National City CDBG funds for the Reinvestment Task Force due to administrative savings. This increase was applied to Portfolio Servicing.

- G. + \$ 13,111
There is a net increase in carryover of several funds including Shea Homes, Shelter Plus Care and State REO ranging from a decrease of \$238 to an increase of \$5,875 depending on the source. This was due to administrative savings and slightly higher interest earnings.
- I. - \$ 99,264
It was determined by HUD that all Section 8 New Construction projects would be managed under a new contract with the Housing Authority of the City of Los Angeles. Therefore, the contract administration of the Mariner's Cove project has been transferred to this new contract. Also, funds from the San Diego Association of Realtors have been returned as the amount remaining is too small to fund additional homeownership opportunities
- H. - \$ 276,186
Decreased carryover of University Canyon and Capital Fund is due primarily to the purchase of dwelling equipment, executing additional extraordinary maintenance contracts, greater relocation and administration in FY07 than expected. Also, rental income and interest earnings were slightly lower than expected.

2. Restricted New Funding Adjustments + \$20,705,499

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

- A. +\$19,202,340
Based on a new formula method for providing Voucher funding, HUD increased the amount of funding for existing Voucher units for HAP payments and administration by almost \$11.7 million. The additional vouchers allocated to the SDHC in conjunction with the public housing disposition project, provide an additional \$7.5 million.
- B. +\$ 7,691,118
Additional rental income and HAP payments expected in the third and fourth quarters from the recently approved additional Vouchers.

- C. +\$ 1,583,721 Recent HUD rules required that the Public Housing program be operated as project based and this included the requirement that payment of various fees be made by Public Housing and Capital Fund to a Central Office Cost Center. These fees generate income to the Central Office Cost Center and this income was inadvertently omitted in the Housing Commission report on this topic last June.
- D. +\$ 10,000 The County of San Diego awarded the Reinvestment Task Force greater funding than expected.
- E. -\$ 102,750 The City of San Diego award of FY08 CDBG project funds was less than anticipated and the net decrease was applied to Rental Housing Production, Homeownership and Rehabilitation.
- F. -\$ 709,932 The actual FY08 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.
- G. -\$ 1,288,971 The contract administration of the Mariner's Cove project has been transferred to the Housing Authority of the City of Los Angeles. Funds from the San Diego Association of Realtors have been returned as the amount is too small to fund additional homeownership opportunities
- H. -\$ 5,680,027 With the disposition of the Public Housing units, the Public Housing tenant rent and subsidy and Capital funding will cease as of 12/31/07.

3. Unrestricted Carryover Funding Adjustments + \$16,023,258

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

- A. +\$ 8,976,895 There is \$8,426,082 of additional carryover of HOME funds resulting from unspent funds due to the timing of project approvals in Homeownership and Rental Housing Production. In addition, there is \$405,926 of unexpected HOME program income

resulting from payoffs of Homeownership loans in the last two quarters of FY07 and the cancellation of an auditor's certificate due to alternative financing. Also, there are administrative savings of \$130,379 and \$14,508 of additional administrative funds available due to loan payoffs.

B. +\$5,017,503

There is \$2,282,722 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 \$2,380,958 of carryover of Affordable Housing Trust Funds resulting from the timing of project approvals in FY07 that did not occur until FY08 for Rental Housing Production, Rehabilitation and Special Purpose Housing. Administrative savings of \$101,722 and \$252,101 are available due to the unexpected additional revenue.

C. +\$2,028,860

There is additional carryover of Local funds resulting primarily from \$1,399,524 of additional income from bond, SRO and MCC fees, greater distribution from the Maya Apartments and SOFA rents, lease payments, parking, and interest income. In addition, there is \$629,336 of administrative and program savings and, combined with the additional income, has increased Reserves.

4. Unrestricted New Funding Adjustments + \$16,272

A. +\$ 15,685

The final payment of University Canyon bond fees will provide for kitchen and bath remodeling. No further bond payments are expected as the loan was paid off in the first quarter of FY08.

B. +\$ 587

There was a slight increase in the HOME award for the Homeownership American Dream program.

PROPOSED FY08 BUDGET BY ACTIVITY

Activities	Current Budget	Revision	Proposed Budget	% of Change
Housing Services	154,830,950	18,102,200	172,933,150	12%
Rental Assistance	134,463,479	17,348,600	151,812,079	13%
Property Management	17,767,073	753,600	18,520,673	4%
Management	5,883,025	1,382,576	7,265,601	24%
Routine Maintenance	6,290,675	0	6,290,675	0%
Asset Management	5,593,373	(628,976)	4,964,397	-11%
Resident Services	2,600,398	0	2,600,398	0%
Housing Finance & Development	45,924,169	14,639,680	60,563,849	32%
Rental Housing Production	26,094,672	12,030,554	38,125,226	46%
Homeownership	5,753,737	712,377	6,466,114	12%
Rehabilitation	7,835,614	886,041	8,721,655	11%
Rental Housing	2,351,774	156,651	2,508,425	7%
Owner Occupied	5,483,840	729,390	6,213,230	13%
Portfolio Servicing & Occupancy Monitoring	2,799,101	192,617	2,991,718	7%
Special Purpose Housing	3,441,045	818,091	4,259,136	24%
Operations	11,214,009	0	11,214,009	0%
Board & Executive Functions	851,878	0	851,878	0%
Support Services	9,530,596	0	9,530,596	0%
Human Resources	580,891	0	580,891	0%
Information Technology	2,221,904	0	2,221,904	0%
Business Services	909,667	0	909,667	0%
Financial Services	1,946,779	0	1,946,779	0%
Facilities Management	3,871,355	0	3,871,355	0%
Policy & Public Affairs	831,535	0	831,535	0%
Policy & Public Affairs	359,447	0	359,447	0%
Communications	472,088	0	472,088	0%
Program & Contingency Reserves	19,619,210	8,452,226	28,071,436	43%
FY08 Proposed Activity Based Budget	231,588,338	41,194,106	272,782,444	18%

EXPLANATION OF PROPOSED FY08 BUDGET REVISIONS BY ACTIVITY

Housing Services

1. Rental Assistance

The increase of \$17,348,600 is primarily based on a new formula method for providing Voucher funding. HUD increased the average HAP payment amount for existing Voucher units by almost \$11.8 million. Also, with the disposition of the Public Housing units and additional Vouchers received, it is estimated that HUD will provide an additional \$6.8 million for HAP payments. These increases were partially offset by a reduction of \$1.2 million in HAP payments for the Mariner's Cove project..

2. Property Management

The increase of \$1,382,576 is primarily due to additional HUD Subsidy of \$830,821 that is expected to provide for relocation assistance of any tenants who choose to exercise portability in connection with the Public Housing disposition. Also, recent HUD rules require that the Public Housing program be operated as project based and this included the requirement that payment of various fees that total \$551,755 be made by Public Housing projects to a Central Office Cost Center. These fees generate income to the Central Office Cost Center and this income was inadvertently not included in the Housing Commission report on this topic last June.

3. Property Management-Asset Management

The net decrease of \$628,976 is primarily due to a decrease of \$709,932 in the actual FY08 HUD award of Capital Fund and the decrease applied to extraordinary maintenance. In addition, there was a \$135,874 decrease in carryover Capital funds due to the completion of work effort on extraordinary maintenance, relocation and the purchase of dwelling equipment in FY07. These decreases were partially offset by an increase of \$201,145 for recent HUD rules that require the Capital Fund program be operated as project based and this included the requirement that payment of management fees be made by Public Housing to a Central Office Cost Center. These fees generate income to the Central Office Cost Center and this income was inadvertently not included in the Housing Commission report on this topic last June. Lastly, the final payment of University Canyon bond fees of \$15,685 will provide for kitchen and bath remodeling. No further bond payments are expected as the loan was paid off in the first quarter of FY08.

Housing Finance & Development

4. Rental Housing Production

The increase of \$12,030,554 results primarily from \$7,962,651 less lending in FY07 on HOME, Inclusionary and other housing projects due to the timing of approvals. In addition, there is an increase of \$2,133,203 in higher loan payoffs and unanticipated fees in FY07 and these funds are

proposed for loans and grants. Also, there is a transfer of \$2,000,000 from Homeownership and staff expects that current pipeline projects will utilize these amounts in FY08. These increases were partially offset by a decrease of \$65,300 in CDBG project funds awarded by the City of San Diego.

5. Homeownership

The net increase of \$712,377 results primarily from \$2,704,271 less lending in FY07 on the Cal Home, Condo Conversion and Home programs leading to more carryover than expected. In addition, there is an increase of \$24,662 due to a slightly higher award from the City of San Diego of FY08 CDBG project funds and a slight increase in HOME American Dream funding. These increases are partially offset by the return of the remaining balance of \$16,556 of funds from the San Diego Association of Realtors as the amount is too small to fund additional homeownership opportunities. These increases are partially offset by the transfer of \$2,000,000 from Homeownership to Rental Housing Production to provide for projects anticipated in FY08.

6. Rehabilitation-Rental Housing

The net increase of \$156,651 results from \$81,651 less Cal Home, HOME, Lead Hazard Reduction and Lead Paint Hazard lending and relocation than expected in FY07 leading to additional carryover. In addition, there was a transfer of \$75,000 of Lead Hazard Reduction and Lead Paint Hazard funds from Reserves to provide for additional lending.

7. Rehabilitation-Owner Occupied

The increase of \$729,390 is primarily due to unexpected income of \$378,842 from greater loan repayments of Affordable Housing and several Redevelopment programs. In addition, there was an increase of \$342,798 for these same programs resulting from less lending leading to more loans and grants carryover than expected. Also, there was a transfer of \$50,000 of Lead Paint Hazard funds from Reserves to provide for additional lending. These increases were partially offset by a decrease of \$42,250 in CDBG project funds awarded by the City of San Diego.

8. Portfolio Servicing & Occupancy Monitoring

The increase of \$192,617 is primarily due to a loan payoff and additional interest earnings of \$167,040 less loan portfolio costs of \$18,645 that were greater than anticipated in FY07. In addition, the Reinvestment Task Force had administrative savings of \$49,222 along with a greater award of new funding from the County of San Diego of \$10,000. This was partially offset by a reduced award of funding from the City of San Diego of \$15,000.

9. Special Purpose Housing

The net increase of \$818,091 results primarily from \$828,091 less Affordable Housing grants in FY07 on the Affordable Housing programs leading to more carryover than expected. This increase was partially offset by a \$10,000 CDBG grant that was declined by a non-profit.

Reserves

10. Reserves

The overall increase of \$8,452,226 in Reserves includes an increase of \$5,403,309 in Program Reserves, an increase of \$1,005,546 in Contingency Reserves and a \$2,043,371 increase in Unobligated Reserves. Each of these changes in Reserves is explained below.

The increase of \$5,403,309 in Program Reserves is due to four major causes.

1. The Section 8 reserves increased by \$2,038,537 due to a higher administrative fee rate provided by HUD and from the administrative fees to be earned on the additional Vouchers received for the last six months of FY08.
2. The Public Housing reserves increased by \$1,762,746 due to administrative and program savings and greater tenant rent and interest earnings in FY07.
3. Staff recommends that a Program Reserve of \$1,005,546 be established to provide for future extraordinary maintenance on the Public Housing that were deeded to the SDHC in November, 2007.
4. Administrative savings provide for the balance of the \$596,480 increase in Program Reserves. These administrative savings were primarily from \$440,567 of HOME savings and the increase of \$155,913 is due to small decreases/increases in seventeen other funds ranging from -\$140,312 to +\$214,280 in the other program reserves.

Staff recommends a specific increase in Contingency Reserves of \$1,005,546 for the development of 350 affordable units that HUD requires as a condition of approving the Public Housing disposition application.

The increase in Unobligated Reserves of \$2,043,371 results primarily from \$1,399,524 of additional income from bond, SRO and MCC fees, greater distribution from the Maya Apartments and SOFA rents, lease payments, parking, and interest income. In addition, there is \$629,336 of administrative and program savings. The proposed Unobligated Reserves of \$7.166 million are targeted to provide for the supplemental funding required in FY09 and FY10 for the administration and operation of programs with insufficient administrative funding and represent only 2.63% of the agency's FY08 Budget.

PREVIOUS FY08 BUDGET REVISIONS

<u>DATE OF REVISION</u>	<u>CHANGE TO THE FY08 BUDGET</u>	<u>APPROVING AUTHORITY</u>	<u>COMMENTS:</u>
	231,288,338		Approved Original Budget.
04/27/07	200,000	Housing Commission (Report HCR07-032)	Add \$200,000 to Resident Services for the newly awarded grant, Assets for Independence.
07/09/07		President & CEO	Transfer \$100,000 of HUD Lead Control Grant funding from Rehab Rental Housing to Rehab Owner Occupied to fund owner-occupied grants.
08/06/07	0	President & CEO	Transfer \$11,310 of Bond Program funds from Reserves to Financial Services for a consultant contract to study the Financial Services operating structure and staff assessments.
09/11/07	0	SD City Council (Report 07-137)	Transfer \$344,200 of Lease Sale Proceeds funds from Reserves to Special Purpose Housing for the Homeless Emergency Winter Shelter Program
09/21/07	50,000	President & CEO	Add the FY08 award of \$50,000 of CDBG Housing Finance funding to Rental Housing Production for the nonprofit, Barrio Station, to support the implementation of affordable housing elements of the Barrio Logan Community Land Use Plan.
10/17/07	0	President & CEO	Reallocate salaries & benefits within PM Routine Maintenance to accommodate the new Public Housing Asset Management requirements.
10/15/07	50,000	President & CEO	Add the FY07 award of \$50,000 of CDBG Housing Finance funding to Rental Housing Production for the nonprofit, Barrio Station, to support the implementation of affordable housing elements of the Barrio Logan Community Land Use Plan.
10/18/07	0	President & CEO	Transfer \$12,420 of Bond Program funds from Reserves to Financial Services to purchase defibrillator kits and 72 hr disaster survival kits for the office facility.
	<hr/> 231,588,338		

SCHEDULE OF AGENCY RESERVES

Type of Reserve	FY08 Proposed Use	FY07 Amount	FY08 Original	FY08 Current	FY08 Proposed
I Program Reserves					
The Program Reserves provide for future personnel, 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. This reserve also includes a sinking fund for the future purchase of State units.					
CafHOME Program	Administration for FY09	28,124	11,755	11,755	4,344
CDBG Housing Finance	Administration for FY08	1,000	0	10,000	0
Coastal, Condo & NCFUA	Administration for FY08	531,065	0	0	0
HOME	Administration for FY09 & FY10	2,015,933	936,536	936,536	1,377,103
Inclusionary Housing Fund	Administration for FY09 & FY10	1,088,391	250,000	250,000	464,280
Lead Hazard Control Grant	Administration for FY09	1,176,306	370,180	370,180	355,571
Property Mgmt - City Properties Mgmt	Administration for FY09	2,535	0	0	722
Property Mgmt - Maya Apartments	Future Extraordinary Maintenance	693,080	633,555	633,555	804,260
Property Mgmt - State Rental	Future Extraordinary Maintenance	263,005	294,536	294,536	297,213
Property Mgmt - State Rental Local Funds	Provide Sinking Fund for State Units	2,000,000	2,000,000	2,000,000	2,000,000
Property Mgmt - University Canyon Management	Future Extraordinary Maintenance	1,513,261	1,460,407	1,460,407	1,320,095
Property Mgmt - SDHC Local Units	Future Extraordinary Maintenance	0	0	0	1,005,545
Public Housing - Capital Funds	Administration for FY09 & FY10	267,747	329,645	329,645	329,645
Public Housing - Local Funds	Provide Public Housing Support	1,000,000	1,000,000	1,000,000	1,000,000
Public Housing - Management/AMPS	Future Extraordinary Maintenance	3,711,299	1,863,669	1,863,669	3,626,415
Public Housing - ROSS Neighborhood Networks	Administration for FY09	5,251	30,000	30,000	30,000
Public Housing - ROSS PH Family Self Sufficiency	Administration for FY09	65,000	65,000	65,000	65,000
Public Housing - ROSS RSDM	Administration for FY09	68,661	32,500	32,500	32,500
Redevelopment Agency - CCDC Homeownership	Administration for FY09	46,000	41,500	41,500	41,500
Redevelopment Agency - City Heights Redevelopment	Administration for FY09 & FY10	237,949	275,944	275,944	221,271
Redevelopment Agency - Crossroads HELP	Administration for FY09	71,495	53,051	53,051	45,441
Redevelopment Agency - Linda Vista	Administration for FY09	36,419	39,244	39,244	44,915
Redevelopment Agency - Market Street Redevelopment	Administration for FY09	11,942	13,961	13,961	14,392
Redevelopment Agency - SEDC Mt Hope Rehabilitation	Administration for FY09	8,258	9,283	9,283	15,496
Redevelopment Agency - SEDC Southcrest	Administration for FY09	14,886	14,647	14,647	12,452
San Diego Association of Realtors	Administration for FY09	878	700	700	0
Section 8 - HCV FSS Coordinator	Administration for FY09	130,000	130,000	130,000	130,000
Section 8 - HCV FSS Homeownership Coordinator	Administration for FY09	65,000	65,000	65,000	65,000
Section 8 - Local Funds	Provide for Section 8 Support	1,900,000	1,900,000	1,900,000	1,900,000
Section 8 Surplus Admin Fees	Administration for FY08	1,119,089	0	0	2,038,537
Shelter Plus Care	Administration for FY09 & FY10	65,274	43,781	43,781	36,744
State REO	Administration for FY09 & FY10	20,163	21,046	21,046	20,808
	Subtotal	18,158,011	11,885,940	11,895,940	17,299,249
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	2,000,000	2,000,000	2,000,000	2,000,000
Local Funds	Provide for the development of new affordable units	0	0	0	1,005,546
	Subtotal	2,600,000	2,600,000	2,600,000	3,605,546
III Unobligated Reserves					
The Unobligated Reserves include amounts that are available for any unanticipated housing purpose.					
Local Funds	Unanticipated Needs	4,028,608	5,491,200	5,123,270	7,166,641
Total Program, Contingency & Unobligated Reserves		24,786,619	19,977,140	19,619,210	28,071,436

AGENCY SUMMARY OF REVENUES

	Current FY08 Budget (Column A)	Proposed FY08 Revisions (Column B)	Revised FY08 Budget (Column C)	% of Chg Rev/Curr (Column D)
Revenues				
Assets for Independence	200,000	0	200,000	0%
Bond Program	9,176,048	898,880	10,074,928	10%
Cal State Housing Trust Fund	0	604	604	0%
CalHome EAGR	0	33,942	33,942	0%
CalHOME Program	33,703	1,168	34,871	3%
Capital Fund & Capital AMP Funds	3,313,950	(1,639,012)	1,674,938	-49%
Central Office Cost Center	3,057,645	(1,445,420)	1,612,225	-47%
Centre City Development Corporation	46,000	420	46,420	1%
CDBG	3,451,474	35,645	3,487,119	1%
City Heights Redevelopment	1,626,503	238,593	1,865,096	15%
City's Properties Management	95,220	722	95,942	1%
Coastal Housing/FUA	602,555	62,656	665,211	10%
Community Outreach Partnership Center	19,100	0	19,100	0%
Condo Conversion/Density Bonus	201,982	129,450	331,432	64%
County CDBG RTF	65,000	10,000	75,000	15%
Discretionary	8,793,807	1,077,417	9,871,224	12%
Family Health Centers of San Diego	30,572	0	30,572	0%
HCV FSS Coordinator	390,000	0	390,000	0%
HCV FSS Homeownership Coordinator	195,000	0	195,000	0%
HOME Program	16,701,134	8,977,482	25,678,616	54%
Housing Rehabilitation Trust Fund	536,133	360,929	897,062	67%
HTF - CDBG	533,612	68,900	602,512	13%
HTF - Linkage Fees	2,785,000	2,389,353	5,174,353	86%
HTF - Redevelopment Agency	24,681	15,994	40,675	65%
HTF - TOT	0	26,433	26,433	0%
HUD Development	5,443,207	0	5,443,207	0%
HUD Lead Hazard Control Grant Program	3,158,367	30,906	3,189,273	1%
Inclusionary Housing Fund	8,424,722	2,516,823	10,941,545	30%
Lease Sale Proceeds	4,011,056	68,248	4,079,304	2%
Market Street Redevelopment	122,133	3,306	125,439	3%
Maya Apartments	2,028,402	170,705	2,199,107	8%
National City CDBG RTF	0	49,222	49,222	0%
North County Future Urbanizing Area (NCFUA)	215,266	18,204	233,470	8%
Public Housing Asset Management Projects (AMPS)	8,344,168	(94,934)	8,249,234	-1%
Redevelopment Agency - Crossroads HELP	358,109	35,810	393,919	10%
Redevelopment Agency - Linda Vista	253,605	103,502	357,107	41%
Rental Rehabilitation	34,848	0	34,848	0%
ROSS Neighborhood Networks	228,252	0	228,252	0%
ROSS PH FSS Coordinator	195,000	0	195,000	0%
ROSS Resident Services Delivery Model	665,946	0	665,946	0%
SD Association of Realtors	18,381	(18,381)	0	-100%
San Diego Housing Commission Local Units	0	7,691,118	7,691,118	0%
Section 8 Disaster Voucher	135,968	(2,239)	133,729	-2%
Section 8 Mariner's Cove	1,369,854	(1,369,854)	0	-100%
Section 8 Moderate Rehabilitation	578,654	(2,410)	576,244	0%
Section 8 Voucher	134,488,440	20,761,640	155,250,080	15%
SEDC Mt Hope Rehabilitation	25,148	74,830	99,978	298%
SEDC Southcrest Redevelopment Agency	105,209	37,978	143,187	36%
Shea Homes	18,706	5,875	24,581	31%
Shelter Plus Care	1,225,904	7,474	1,233,378	1%
State Rental	995,914	2,677	998,591	0%
State REO	21,046	(238)	20,808	-1%
University Canyon Management	7,242,914	(140,312)	7,102,602	-2%
Total Budget	231,588,338	41,194,106	272,782,444	18%

AGENCY SUMMARY OF EXPENDITURES

	Current FY08 Budget (Column A)	Proposed FY08 Revisions (Column B)	Revised FY08 Budget (Column C)	% of Chg Rev/Curr (Column D)
Staffing	238.00	0.00	238.00	0%
Expenditures				
1 Salaries & Benefits	17,838,859	0	17,838,859	0%
Services & Supplies				
2 Legal	683,861	0	683,861	0%
3 Training	175,092	0	175,092	0%
4 Travel	112,947	0	112,947	0%
5 Audit	94,000	0	94,000	0%
6 Contract/Consultant	2,657,167	44,222	2,701,389	2%
7 Office & Building Rent	1,898,678	0	1,898,678	0%
8 Sundry	1,893,567	0	1,893,567	0%
9 PH & Capital AMP Fees	0	752,900	752,900	0%
10 Insurance	521,992	0	521,992	0%
11 Office Equipment	595,795	0	595,795	0%
Total Services & Supplies	8,633,099	797,122	9,430,221	9%
Housing Programs				
12 Resident Services Expenses	1,036,605	0	1,036,605	0%
13 Maintenance Expenses	2,915,238	0	2,915,238	0%
14 Utilities	1,977,635	0	1,977,635	0%
15 PILOT & Property Taxes	28,200	0	28,200	0%
16 Collection Loss	124,156	0	124,156	0%
17 Mortgage Payments	5,127,073	0	5,127,073	0%
18 Protective Services	402,837	0	402,837	0%
19 Rent to Owners	128,476,578	17,348,600	145,825,178	14%
20 Loans & Grants	30,853,918	14,684,099	45,538,017	48%
21 Relocation	752,074	488,104	1,240,178	65%
22 Site Acquisition & Housing Development	9,124,126	148,395	9,272,521	2%
23 Extraordinary Maintenance	4,363,000	(704,452)	3,658,548	-16%
24 Dwelling Equipment	315,730	(19,988)	295,742	-6%
Total Housing Programs	185,497,170	31,944,758	217,441,928	17%
Program & Contingency Reserves	19,619,210	8,452,226	28,071,436	43%
Total Budget	231,588,338	41,194,106	272,782,444	18%