



INFORMATIONAL REPORT

DATE ISSUED: February 13, 2009
REPORT NO: HCR 09-011
SUBJECT: Second Quarter Budget Status Report

NO ACTION IS REQUIRED ON THE PART OF THE HOUSING COMMISSION

SUMMARY

The total amount available for expenditure in FY09 is \$294.8 million; this amount includes the FY09 budget of \$265.4 million plus the \$29.4 million of continuing appropriations from the previous year's balance of vendor/contractor commitments. The FY09 data indicates that the Housing Commission's overall expenditures and commitments remaining are more than budget expectation due to prior year commitments and less expenditures in salaries, benefits, services and supplies. Overall revenues received are more than budget expectation due to the carryover of Section 8, Public Housing, Restricted Local, Local and Affordable Housing Funds.

BACKGROUND

The purpose of the Quarterly Budget Status Report is to show expenditure and revenue trends and possible deviations from the FY09 Budget plan. If funds were expended and revenues received equally throughout the year, it would be expected that, at the end of the second quarter, approximately 50% of the expenditures/commitments and revenues would be achieved.

DISCUSSION

There are three attachments to this report that show the status of expenditures and revenues for the second quarter of FY09. A summary of the Agency's Expenditures and Commitments by Activity as of December 31, 2008 is provided in Attachment 1. This attachment identifies by activity, the FY09 Original Budget, Revisions, Current Budget, Prior Year Continuing Appropriations, Expenditures, Commitments and the Remaining Balance of the budget and commitments. An overview of this attachment shows the balance for Housing Services higher than expectation due to expenditures in Property Management and Workforce & Economic Development lower than second quarter expectation. In Housing Development, the balance remaining is higher than expectation; projects are in the early planning stages resulting in lower expenditures and commitments. In Housing Finance, the balance remaining is lower than expectation due to commitments of \$30.6 million for rental housing finance, homeownership, rehabilitation and

special purpose projects. Operation's balance remaining is on pace with expectation. The Agency's expenditures and remaining commitments for all activities are \$129.4 million, or 44% of the \$294.8 million total budget plus continuing appropriations. Of this amount, expenditures are \$96.0 million and remaining commitments are \$33.4 million.

Attachment 2 is a summary of the Agency's Expenditures and Commitments by Major Account as of December 31, 2008. This attachment identifies by major account, the FY09 Original Budget, Revisions, Current Budget, Prior Year Continuing Appropriations, Expenditure and Commitments and the Remaining Balance of the budget and commitments. An overview of this attachment shows that the balance remaining in Salaries & Benefits is slightly greater than budget expectation due to position vacancies. The Supplies & Services balance is greater than expectation. Audit and computer equipment expenses will occur later in the fiscal year and legal and sundry expenses are less than budget expectation. In Housing Programs, the loans and grants balance remaining is less than expectation due to the commitment of \$27.3 million while the other housing programs relocation, site acquisition and extraordinary maintenance balances are more that expectation. The relocation budget is funded by the asset management repositioning fees and will only be used for relocation related to the public housing conversion. Site acquisition and extraordinary maintenance expenses will increase as projects move from planning to purchase or rehabilitation.

Attachment 3 is a summary of the Agency's revenues as of December 31, 2008 by major revenue classification. This attachment identifies by major revenue source, the FY09 Original Budget, Revisions, Current Budget, Prior Year Continuing Appropriations, Revenues Received and the Percent Received. An overview of this attachment shows Restricted Revenues received are at 61% of budget. This is the result of significant carryover of Section 8, Other HUD and Restricted Local funds. CDBG has carryover of foreclosure funds but revenues are less than expectation. The contract for the FY09 Citywide award of CDBG to the Housing Commission is pending approval and no expenses will be incurred in this fund until the approval process is completed. State carryover funds are on pace with expectation. Unrestricted Revenues received are 79% of budget due to more carryover of Local and Affordable Housing Funds while HOME current year revenues received are less than expectation. The Agency's revenues received were \$193.7 million or 66% of the \$294.8 million total budget plus continuing appropriations.

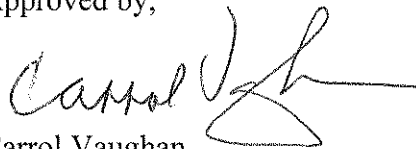
Since the original Housing Commission budget was approved on April 25, 2008, the FY09 Budget has been revised from \$265,032,348 to \$265,430,249. The increase in the FY09 Budget of \$397,901, which occurred in the first quarter, is mainly due to the addition of \$300,000 of Assets for Independence funds, this program assists low-income families gain economic independence through comprehensive financial education and asset acquisition. In addition, \$61,600 of ROSS Neighborhood Networks carryover funds were added to the Workforce & Economic Development budget and \$36,301 was added to the Special Purpose Housing budget for the Winter Shelter. There were also thirteen revisions that transferred funds among activities and/or major line items.

Respectfully submitted,



John Pfeiffer
Chief Financial Officer

Approved by,



Carrol Vaughan
Executive Vice President & Chief Operating Officer

Montague (578-7732)

Attachments:

1. FY09 Summary of Expenditures and Remaining Commitments by Activity as of December 31, 2008.
2. FY09 Summary of Expenditures and Remaining Commitments by Account as of December 31, 2008.
3. FY09 Summary of Revenues Received as of December 31, 2008.
4. FY09 Second Quarter Budget Amendments

SECOND QUARTER BUDGET STATUS REPORT

FY09 EXPENDITURES AND CONTINUING APPROPRIATIONS BY ACTIVITY AS OF 12/31/08

ACTIVITY GROUPS	FY09 ORIGINAL BUDGET (A)	FY09 REVISIONS (B)	FY09 CURRENT BUDGET (C)	FY09 PRIOR YEARS CONTINUING APPROPRIATIONS (D)	TOTAL BUDGET & CONTINUING APPROPRIATIONS AS OF 12/31/08 (E)	FY09 EXPENSES AS OF 12/31/08 (F)	FY09 COMMITMENTS AS OF 12/31/08 (G)	FY09 BALANCE AS OF 12/31/08 (H)	% REMAINING BALANCE (I)
			(A+B=C)	(D)	(C+D=E)	(F)	(G)	(E-F-G=H)	(H/E=I)
HOUSING SERVICES	171,604,370	858,857	172,460,227	1,287,120	173,747,347	76,843,615	1,618,970	95,284,762	55%
Rental Assistance	157,017,065	0	157,017,065	36,507	157,053,572	71,079,040	148,175	85,826,357	55%
Property Management	11,975,790	564,857	12,540,647	1,148,483	13,689,130	4,871,920	1,165,699	7,651,511	56%
Workforce & Economic Dev	2,608,515	294,000	2,902,515	102,130	3,004,645	892,655	305,096	1,806,894	60%
HOUSING DEVELOPMENT	3,477,507	0	3,477,507	198,800	3,676,307	131,450	166,740	3,378,117	92%
Rental Housing Development	3,477,507	0	3,477,507	198,800	3,676,307	131,450	166,740	3,378,117	92%
HOUSING FINANCE	42,755,034	44,301	42,799,335	27,022,180	69,821,515	14,210,397	30,557,762	25,053,356	36%
Rental Housing Finance	22,454,805	0	22,454,805	19,052,777	41,507,582	5,605,135	22,819,476	13,082,971	32%
Homeownership	5,497,280	0	5,497,280	4,849,370	10,346,650	4,041,483	3,005,318	3,299,849	32%
Rehabilitation	6,657,761	0	6,657,761	418,477	7,076,238	1,908,343	631,246	4,536,649	64%
Portfolio Servicing & Occupancy Monitoring	2,564,635	8,000	2,572,635	0	2,572,635	415,402	0	2,157,233	84%
Special Purpose Housing	5,580,553	36,301	5,616,854	2,701,556	8,318,410	2,240,034	4,101,722	1,976,654	24%
OPERATIONS	12,210,031	20,000	12,230,031	858,059	13,088,090	4,805,859	1,035,310	7,246,921	55%
Board & Executive Functions	901,094	0	901,094	0	901,094	490,433	0	410,661	46%
Support Services	10,033,100	20,000	10,053,100	732,444	10,785,544	3,778,563	925,348	6,081,633	56%
Policy & Public Affairs	1,275,837	0	1,275,837	125,615	1,401,452	536,863	109,962	754,627	54%
PROGRAM & CONTINGENCY RESERVES	34,988,406	(525,257)	34,463,149	0	34,463,149	0	0	34,463,149	100%
TOTAL	265,032,348	397,901	265,430,249	29,366,159	294,796,408	95,991,321	33,378,782	165,426,305	56%

SECOND QUARTER BUDGET STATUS REPORT
FY09 SUMMARY OF REVENUES RECEIVED AS OF 12/31/08

	FY09 ORIGINAL BUDGET (A)	FY09 REVISIONS (B)	FY09 CURRENT BUDGET (A+B=C) (C)	PRIOR YEARS CONTINUING APPROPRIATIONS (D)	TOTAL BUDGET & CONTINUING APPROPRIATIONS (E) (C+D=E)	ACTUAL REVENUE RECEIVED (F)	% RECEIVED (G) (F/E=G)
REVENUES							
Restricted Revenues							
Section 8	162,871,642	0	162,871,642	147,612	163,019,254	99,031,358	61%
Other HUD	10,658,799	111,600	10,770,399	2,146,977	12,917,376	10,904,272	84%
State	1,926,817	0	1,926,817	205,106	2,131,923	1,112,949	52%
CDBG	3,129,615	0	3,129,615	304,677	3,434,292	1,020,679	30%
Restricted Local	34,866,598	250,000	35,116,598	2,059,339	37,175,937	21,664,253	58%
Restricted Revenues Sub-total	213,453,471	361,600	213,815,071	4,863,711	218,678,782	133,733,511	61%
Unrestricted Revenues							
Rental Rehabilitation	37,788	0	37,788	2,659	40,447	6,071	15%
Local	20,713,400	36,301	20,749,701	1,118,106	21,867,807	22,351,362	102%
Affordable Housing Fund	12,984,862	0	12,984,862	9,596,790	22,581,652	24,994,391	111%
HOME	17,842,827	0	17,842,827	13,784,893	31,627,720	12,648,260	40%
Unrestricted Revenues Sub-total	51,578,877	36,301	51,615,178	24,502,448	76,117,626	60,000,084	79%
TOTAL REVENUES	\$265,032,348	\$397,901	\$265,430,249	\$29,366,159	\$294,796,408	\$193,733,595	66%

Second Quarter FY09 Budget Amendments

I. Budget Revisions

Approved by

Expense

Activity

Amount Source

0 Total Budget Revisions

II. Budget Transfers

Approved by

Transfer Amount

To Activity/Line Item

From Activity/Line Item

Amount Source

1	0	Various	Reserves / Reserves	Human Resources / Contract Consultant	95,000	Housing Commission
2	0	Other HUD	Reserves / Reserves	Construction Services / Dwelling Equipment	23,604	President & CEO
3	0	Local Funds	Reserves / Reserves	Rehab Owner Occupied / Loans & Grants	26,358	President & CEO
4	0	Other HUD	Rehab / Various	Rehab Owner Occupied / Loans & Grants	50,000	President & CEO
5	0	Other HUD	Rehab / Various	Rehab Owner Occupied / Loans & Grants	70,000	President & CEO
6	0	Local Funds	Reserves / Reserves	Construction Services / Dwelling Equipment	12,913	President & CEO
7	0	Local Funds	Reserves / Reserves	Board & Executive Functions / Sundry	40,000	President & CEO
8	0	Restricted Local Funds	Construction Services / Ext Maintenance	Construction Services / Contract Consultant	1,741	President & CEO
	<u>0</u>	Total Budget Transfers				

0 Grand Total Budget Revisions & Transfers