



To: Board of Commissioners
From: Tracewell Hanrahan, Deputy Executive Director
Submitted By: Baku Patel, CFO/Finance Director and Chandrika Karur, Controller
Subject: Santa Clara County Housing Authority's Operating and Capital Budget for the Fiscal Year Ending June 30, 2024

Approved

A handwritten signature in black ink, appearing to be "Baku Patel".

Date

5/25/23

Recommendation

1. Approve the Housing Authority (Authority)'s proposed Operating Budget for the Fiscal Year (FY) ending June 30, 2024 (FY 2024), identified in **Attachments A and B**.
2. Accept report on the Authority's Comparison of the FY 2023 and FY 2024 operating budgets **Attachment C**.
3. Approve the Authority's proposed Capital Budget for the FY ending June 30, 2024 (FY 2024) **Attachment D**.
4. Approve a delegation of authority to the Executive Director to authorize the use of additional funds to address unbudgeted expenditures and contingencies of up to five percent (5%) of approved FY 2024 operating and capital expenditures, or up to \$1,930,129, with the authority to expire June 30, 2024; and
5. Direct the Executive Director to continue providing the Board with quarterly variance reports on budget to actual operating revenues and expenditures.

Strategic Outcome

The FY24 Budget is intended to ensure that the Agency remains fiscally sound while investing in the Agency's future, and delivering services in accordance with our mission, the Agency's Strategic Plan, and the Community Plan to End Homelessness.

Included in the FY24 Budget are investments that will further the proposed, long-term strategic goals of the Agency, which are:

- Cultural Change
 - Promoting an organizational culture and work environment is supportive of employee's professional development goals and personal well-being.

- Increasing the Agency’s efficiency and effectiveness through technology, staff training and a cycle of continuous improvement
- Enhancing the customer experience of the Housing Authority’s internal and external clients and stakeholders
- Portfolio Growth
 - Developing quality, affordable housing that is responsive to the needs of Santa Clara County’s low-income and unhoused individuals and families
 - Securing additional funding and deploying creative financing solutions to accelerate the development of affordable housing.
 - Maximizing SCCHA’s MTW resources
 - Pursuing opportunities to increase the quality and supply of housing options for voucher (tenant-based and project-based) participants.
 - Assessing service needs of SCCHA residents and developing programs and initiatives to help individuals and families achieve their goals.
- Relevance and Innovation
 - Creating an understanding of what the Housing Authority does and who they are becoming utilizing various mediums and materials.
 - Engaging with our partners and the greater Santa Clara County community in the mission, vision and activities of the Housing Authority
- Partnerships
 - Creating a “data bank” of information about issues impacting the community, the Agency, and our residents that will allow the Agency to make data-informed decisions about programs, services and future partnerships
 - Continuing to collaborate with peer organizations and developers to expand affordable housing opportunities in Santa Clara County
 - Understanding & improving our governance model
 - Identifying and cultivating partnerships (both in the private and public sectors) that create additional opportunities for the expansion of quality affordable housing and services for SCCHA residents.

Staff will present additional information at the Board of Commissioners meeting to provide details on the strategic budget investments included in the FY24 Budget and the anticipated outcomes.

Budget Principles

As a community-based and resident-focused housing provider, we know the importance of efficient and effective use of our resources. One of the ways we ensure this is by having a well-planned budget. Budgeting is important because it helps us to prioritize our spending, allocate our resources effectively, and plan for the future.

For FY24, staff has implemented a more coordinated and streamlined approach to our annual planning processes, aligning our annual budget with our MTW Plan and Strategic Goals. This budget document, along with the corresponding staff presentation at the Board of Commissioners meeting, is intended to provide information about how the Authority is investing its resources to achieve its goals of providing affordable housing solutions to the members of our community.

The budget was created using the following guidelines:

- The Authority is required to adopt an operating budget, approved by its Board of Commissioners before the beginning of each FY (July 1 to June 30).
- Budget projections are developed for the Authority's operations, which include the following cost centers:
 - Federal Programs: Housing Choice Vouchers (HCV), Special Purpose Vouchers (SPV), Department of Impact & Innovation, Public Housing (PH) programs
 - Real Estate Programs: Development and Asset Management
 - Housing Authority Reserve Account (HARA)
 - Indirect Support Departments: Executive, Communications, Finance, Human Resources, Procurement, Information Technology and Facilities
- HAP revenue and expenditure projections are developed for each FY and presented in the budget document. Since the funds are paid in accordance with the required program regulations, the Board does not adopt this budget, but they would approve any discretionary expenditures of program funds, for example, non-traditional uses of Moving to Work (MTW) funds for development and preservation HUD-approved activities, and on an ad hoc basis as the funds are needed.
- The Authority primarily uses current year U.S. Department of Housing and Urban Development (HUD) administrative fee revenues, fees generated from its real estate programs to fund its operations. However, administrative fee funding shortfalls due to HUD's proration factor are covered by a HAP subsidy from our MTW program using funding flexibility.

Budget Highlights

The highlights of the upcoming budget include:

Annual operating revenues are projected to be \$37.3 million. Primarily due to:

- \$32.6 million in administrative fees, a net increase of \$3.4 million from FY 2023.
- \$1.6 million in service fees for the Emergency Housing Vouchers (EHV).
- \$1.0 million in developer fees from the Park Avenue Senior, Laurel Grove, and Alvarado Park projects.
- \$0.6 million grant revenue for the Family Self Sufficiency (FSS) program.
- \$0.6 million in building rent from the programs for the Julian Street office building.

Annual operating expenditures are projected to be \$38.6 million. Primarily due to:

- \$24.9 million in wages and benefits for the upcoming budget year. This represents 171 positions, which is 3 more positions than were included in the FY23 budget.
- \$3.0 million in administrative contracts which include \$0.9 million in housing search and inspection fees, \$0.5 million in professional fees for the EMS system conversion, and \$0.9 million in other consulting fees that will support the strategic goals of the Agency.
- \$2.4 million in Tenant services which include \$1.6 million in service costs for the EHV program and \$0.8 million for the FSS coordinator compensations.
- \$2.0 million investment in computer contracts including software license fees for the EMS system conversion, asset management database, an upgraded Human Resources Information System (HRIS) and other necessary technologies.
- \$1.3 million in rent for the Julian building and Almaden office space lease.
- \$0.5 million in staff training expense which includes a new agency-wide staff training and development program.

Annual MTW HCV and SPV program revenues are projected to be \$508.4 million, an increase of \$66.3 million from prior year's budget due primarily due to projected increase in funding eligibility, inflation factor, funding for new units, and projected increase in HAP expenditures. HAP payments directly made to landlords on behalf of SCCHA participants are projected to be \$481.4 million, an increase of \$48.1 million from prior year's budget. This includes a \$11.0 million increase in HAP expenditures due to the lease up of tenant-based vouchers, which will provide housing assistance to approximately 400 additional extremely low-income and very low-income households. In addition, \$8.4 million of this increase is related to costs included for estimated payment standard changes, utility arrears assistance, security deposit assistance and resident assistance programs that are part of the strategic goals to be implemented in FY 2024.

FY 2024 HAP revenues and expenditures are broken down by program in the table below:

HAP REVENUE AND EXPENDITURES BY PROGRAM

Program	HAP Revenue	HAP Expenditures	Excess / (Shortfall)
Housing Choice Voucher (HCV)	\$ 447,029,834	\$ 416,773,542	\$ 30,256,292
Veterans Affairs Supporting Housing (VASH)	23,863,469	24,337,055	(473,585)
Family Unification Program (FUP)	4,031,320	4,194,012	(162,693)
Non - Elderly Disabled (NED)	245,669	235,440	10,229
Mainstream	7,522,468	7,775,415	(252,946)
Moderate Rehabilitation	1,498,536	1,498,536	-
Foster Youth Independence Initiative (FYI)	1,629,179	876,854	752,325
Rental Assistance Demonstration (RAD)	329,060	246,990	82,070
Emergency Housing Voucher (EHV)	22,206,796	22,643,770	(436,974)
Interim Housing Rental Subsidy Program	-	2,800,000	(2,800,000)
TOTAL	\$ 508,356,331	\$ 481,381,614	\$ 26,974,718

Interim Housing Rental Subsidy Program - the Authority received HUD approval to implement MTW activity 2020-2: Interim Housing as a local, non-traditional activity to provide temporary housing for chronically homeless and homeless persons with disabilities waiting for their permanent home.

BUDGET LINE ITEM ANALYSIS

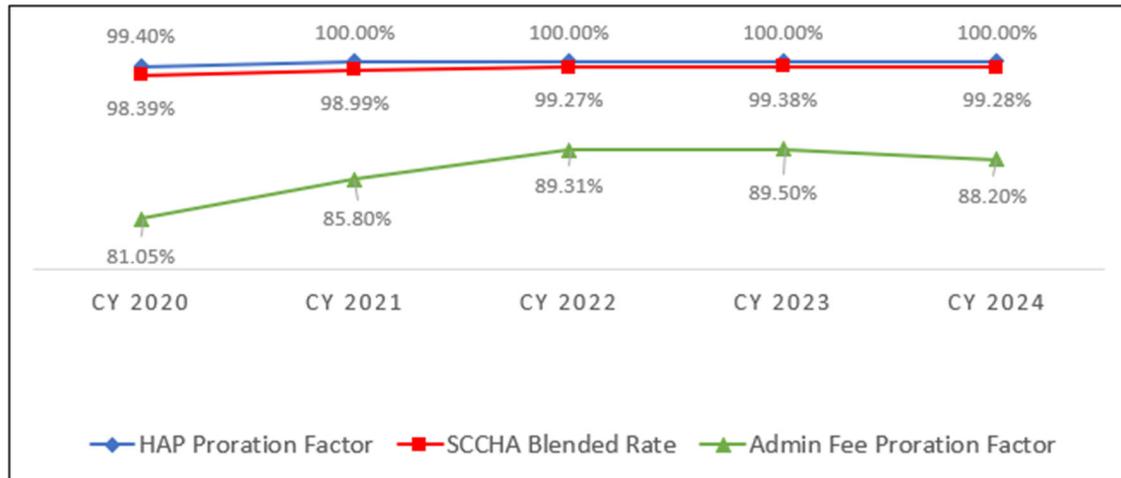
OPERATING REVENUES

The Authority’s predominant source of funds comes through the HUD MTW contracts, which sets forth two formulas for calculating the total amount of MTW funds that we are eligible for: one formula provides how our rental assistance or HAP will be calculated, and a second formula provides how administrative fee will be calculated¹. HUD calculates actual funding with reference to this eligibility amount, which is then prorated (up or down) according to funds Congress appropriates. For example, if renewal of the voucher program costs \$100 million, but HUD only makes \$95 million available, we would say it is a 95% pro-ration of HAP. Similarly, Congress typically appropriates much less than 100% of our eligible administrative fee, so the resulting administrative fee pro-ration is always

¹ Public housing or Section 9 funds are also paid under this contract but, given that we have only four public housing units, this is an immaterial part of our budget.

substantially lower than the HAP proration. The table below shows a 5-year historical trend of HAP and administrative fee proration:

HAP AND ADMINISTRATIVE FEE PRORATION TRENDS



HAP funding proration for Calendar Year (CY) 2023 is 100.0% of eligibility and the projected proration for administrative fee is at 89.5% of eligibility. Since the proration factors for the period of January – June 2024 are not yet available from HUD, the Authority is using a three-year average HAP proration of 100.0% and an administrative fee proration of 88.2%.

While the MTW contracts provide separate funding for rental assistance versus administrative fee, as an MTW agency we have the flexibility to combine the funds and use them for authorized purposes under the 1937 Housing Act and as authorized through our HUD-approved MTW Plans. Pursuant to Board direction, the Authority calculates the MTW operating revenues for the FY using a blended rate of HUD’s program and administrative fund prorations.

For FY 2024 we calculated revenues using blended proration of 99.33% derived from 99.38% for the first half of the FY, and 99.28% for the second half of the FY (see table above for the Authority’s blended rate trend). This results in a HAP subsidy of \$3.0 million to cover any shortfalls in administrative fees received from HUD. For the FY 2024 budget, the Authority is only budgeting \$2.3 million of the available HAP subsidy to cover the shortfall in administrative fees.

In addition to MTW HCV funds, we receive funds for specialized vouchers, including Veterans Affairs Supportive Housing (**VASH**), Mainstream, Non-Elderly Disabled (**NED**), Family Unification Program (**FUP**), Foster Youth to Independence (**FYI**), Rental Assistance Demonstration (**RAD**), Emergency Housing Voucher (**EHV**) and Moderate Rehabilitation.

The Authority also receives other federal grants, such as Public Housing operating subsidy and FSS grants to pay for FSS coordinator salaries and benefits.

The Authority’s budgeted operating revenues for FY 2024 are \$37.3 million, an increase of \$3.9 million or 11.8% over last year’s budget. Of this, \$35.0 million are from Federal Programs, \$1.6 million are from Real Estate Programs, and \$0.6 million from HARA. See the table below for a breakdown of operating revenues by program and revenue type.

OPERATING REVENUES BY PROGRAM AND TYPE

	Federal Programs	Real Estate Programs	HARA	Total
Administrative Fees Earned	\$ 32,574,613	\$ -	\$ -	\$ 32,574,613
Service Fee - Emergency Housing Voucher (EHV)	1,600,000	-	-	1,600,000
Family Self Sufficiency (FSS) Coordinator Fees	568,516	-	-	568,516
Developer Fees	-	1,000,752	-	1,000,752
Asset Management Fees	-	506,515	-	506,515
Building Rent Income	-	-	614,630	614,630
Public Housing Operating Subsidy	19,636	-	-	19,636
Other Revenue	267,108	137,466	30,685	435,259
TOTAL	\$35,029,873	\$ 1,644,734	\$ 645,315	\$ 37,319,922

Federal Programs

The operating revenue in Federal programs is projected to be \$35.0 million, an increase of \$4.1 million or 13.3% from last year’s budget. This is primarily due to the following:

- Administrative fee earned will be \$32.6 million, an increase of \$3.4 million due to higher administrative fee rate and an increase in projected number of units leased offset by a decrease in utilization of HAP subsidy derived from single fund flexibility to cover operating costs.
- Service fee revenue for the EHV program will be \$1.6 million, an increase of \$0.6 million due to an increase in lease up rates for the program.

Real Estate Programs

In addition to federal funds, \$1.6 million in revenues will be earned through the Authority’s development and asset management activities. Of this, \$1.0 million are from developer fees to be earned from Park Avenue Senior, Laurel Grove, and Alvarado Park projects. The remaining \$0.6 million relates to fees earned from Asset Management activities.

HARA

HARA is projected to earn building rent of \$0.6 million for the occupancy of the Julian office building by the Federal and Real Estate programs.

OPERATING EXPENDITURES

The majority of the Authority's operating expenditures are the recurring cost of salaries, benefits, administrative contracts, and software contracts. The Authority's budgeted operating expenditures for FY 2024 are \$38.6 million, a decrease of \$0.5 million or 1.2% from last year's budget. The table below shows a two-year comparison of operating expenditures by program. See **Attachment C** for a detailed two-year budget comparison.

OPERATING EXPENDITURES BY PROGRAM

	FY23 Budget	FY24 Budget	\$ Change	% Change
Federal Programs	\$ 20,490,739	\$ 20,915,038	\$ 424,299	2.1%
Real Estate Programs	4,105,204	4,455,922	350,717	8.5%
Indirect Departments	13,223,999	13,011,580	(212,419)	-1.6%
HARA	1,261,956	220,046	(1,041,910)	-82.6%
TOTAL	\$ 39,081,899	\$38,602,586	\$ (479,313)	-1.2%

Personnel

Wages & Benefits	FY23 Budget	FY24 Budget	\$ Change	% Change
Federal Programs	\$ 14,146,191	\$ 13,819,559	\$ (326,632)	-2.3%
Real Estate Programs	3,512,602	3,328,463	(184,139)	-5.2%
Indirect Departments	8,254,032	7,756,595	(497,437)	-6.0%
HARA	-	-	-	0.0%
TOTAL	\$ 25,912,825	\$24,904,617	\$ (1,008,208)	-3.9%

Personnel costs, which represent 64.5% of the Authority's operating expenditure, are projected to decrease by \$1.0 million or 3.9% from last year's budget. This decrease is primarily due to a \$3.5 million contingency (~9%) built in for vacancies and the one-time early retirement program to align the salaries and benefits budget more closely with

historical actual trends. This decrease is offset by an increase in compensation due to pay step increases and 2.5% Cost of Living Adjustment (COLA) for FY 2024.

The FY 2024 budget includes a total of 171 positions. This is an increase from the 168 positions budgeted in FY 2023 and an increase from the 155 currently filled positions. This increase is a result of the ongoing workforce analysis and staffing levels required to enhance resident and community engagement activities. Staff will regularly evaluate staffing levels and return to the board with recommendations, if necessary.

Administrative Expenses

Administrative expenses are projected to increase by \$1.3 million or 26.2% from last year’s budget. This is primarily due to the following:

Administrative	FY23 Budget	FY24 Budget	\$ Change	% Change
Federal Programs	\$ 1,851,571	\$ 2,393,365	\$ 541,794	29.3%
Real Estate Programs	286,979	440,610	153,630	53.5%
Indirect Departments	2,700,903	3,286,815	585,911	21.7%
HARA	30,842	27,846	(2,996)	-9.7%
TOTAL	\$ 4,870,296	\$ 6,148,635	\$ 1,278,339	26.2%

- \$0.8 million investment in computer contracts due to an increase in annual license fees to support the EMS system conversion.
- \$0.2 million increase in staff training to implement a new agency-wide staff training and development program.
- Other administrative expenses, which include legal fees, building rent, and recruitment expense, increased by \$0.4 million offset by \$0.2 million decrease in computer expense.

Tenant Services Expense

Tenant Services are projected to increase by \$0.6 million or 35.4% from last year’s budget. This is mainly due to an increase in service fee expenses (i.e. housing search services, tenant security deposits, owner incentives) to support the increase in lease up rates for the EHV program. These expenses are reimbursable, and the corresponding revenues are also budgeted in FY 2024.

Tenant Services	FY23 Budget	FY24 Budget	\$ Change	% Change
Federal Programs	\$ 1,767,166	\$ 2,392,008	\$ 624,842	35.4%
Real Estate Programs	-	-	-	0.0%
Indirect Departments	-	-	-	0.0%
HARA	-	-	-	0.0%
TOTAL	\$ 1,767,166	\$ 2,392,008	\$ 624,842	35.4%

Utilities and Maintenance & Operations Expenses

These expenses are projected to decrease by \$0.07 and \$0.1 million, respectively, from last year's budget primarily due to a decrease in these expenses from the sale of property in 2022.

Utilities	FY23 Budget	FY24 Budget	\$ Change	% Change
Federal Programs	\$ 22,432	\$ 18,065	\$ (4,367)	-19.5%
Real Estate Programs	9,923	8,499	(1,424)	-14.4%
Indirect Departments	205,020	209,674	4,654	2.3%
HARA	72,090	-	(72,090)	-100.0%
TOTAL	\$ 309,465	\$ 236,238	\$ (73,228)	-23.7%

Maintenance & Operations	FY23 Budget	FY24 Budget	\$ Change	% Change
Federal Programs	\$ 120,612	\$ 80,916	\$ (39,696)	-32.9%
Real Estate Programs	30,357	43,865	13,508	44.5%
Indirect Departments	581,046	665,947	84,901	14.6%
HARA	196,130	-	(196,130)	-100.0%
TOTAL	\$ 928,145	\$ 790,728	\$ (137,417)	-14.8%

General Expenses

General expenses are projected to decrease by \$0.6 million or 47.0% from last year's budget primarily due to the following:

General	FY23 Budget	FY24 Budget	\$ Change	% Change
Federal Programs	\$ 178,511	\$ 266,745	\$ 88,234	49.4%
Real Estate Programs	113,449	235,005	121,556	107.1%
Indirect Departments	822,352	151,950	(670,402)	-81.5%
HARA	119,944	-	(119,944)	-100.0%
TOTAL	\$ 1,234,256	\$ 653,700	\$ (580,556)	-47.0%

- \$0.3 million decrease in COVID-19 related expenses.
- \$0.3 million decrease in insurance deductible.

Other Expenses

Other expenses are projected to decrease by \$0.6 million or 14.4% from last year's budget primarily due to the following:

Other Expenses	FY23 Budget	FY24 Budget	\$ Change	% Change
Federal Programs	\$ 2,404,256	\$ 1,944,380	\$ (459,876)	-19.1%
Real Estate Programs	151,894	399,480	247,586	163.0%
Indirect Departments	660,645	940,600	279,955	42.4%
HARA	842,950	192,200	(650,750)	-77.2%
TOTAL	\$ 4,059,745	\$ 3,476,660	\$ (583,085)	-14.4%

- \$0.6 million decrease in administrative contracts is primarily due to a decrease in professional services relating to housing search services, collection agency, and other projects.

NON-OPERATING REVENUES / (EXPENSES)

Non-Operating Revenues are projected to increase by \$1.2 million or 197.2% from last year's budget primarily due to additional investment income based on higher interest rates and additional funds available for investment.

Non-Operating Revenue / (Expenses)	FY23 Budget	FY24 Budget	\$ Change	% Change
Federal Programs	\$ 357,367	\$ 393,897	\$ 36,531	10.2%
Real Estate Programs	4,800	75,900	71,100	1481.3%
Indirect Departments	-	-	-	0.0%
HARA	222,174	1,266,953	1,044,779	470.3%
TOTAL	\$ 584,341	\$ 1,736,750	\$ 1,152,410	197.2%

USE OF RESERVES

To cover the administrative fee shortfall for the operations of the programs, the Authority plans to use the following reserve funds to balance the FY 2024 budgets:

	FY 2023 Budget	FY 2024 Budget	\$ Change
MTW	\$ 3,831,909	\$ -	\$ (3,831,909)
VASH	165,991	191,480	25,489
Moderate Rehabilitation	-	135,452	135,452
Emergency Housing Voucher	-	114,234	114,234
HARA	1,112,140	-	(1,112,140)
Total Use of Reserves	\$ 5,110,040	\$ 441,166	\$ (4,668,874)

CAPITAL EXPENDITURES

We are proposing a capital budget of \$0.5 million for FY 2024. The table below shows the breakdown of the budgeted capital projects:

Project	FY24
UPS (Uninterrupted Power Supply) hardware equipment	\$ 100,000
Elevator modernization	210,000
Electric Vehicle Charging Stations	150,000
Basement fan replacement	15,000
Total	\$ 475,000

Conclusion

Affordable housing continues to be a top priority in Santa Clara County and across the nation. As such, it is our top priority to ensure the Agency has the resources necessary to deliver on our core mission of providing safe, high-quality, affordable housing. The proposed FY24 Budget achieves the goals of ensuring long-term financial stability for the organization while providing affordable housing and improving quality of life for our residents. Furthermore, this budget ensures the Agency has the resources it needs to invest in strategies and innovations that will help us accelerate our progress and deliver impactful services to our residents and Santa Clara County.

Fiscal Impact

The impact of this budget is described in the above sections of this memo.

Attachments

- A. Operating Budget Summary for the year ending June 30, 2024
- B. Operating Budget Detail for the year ending June 30, 2024
- C. Two-Year Operating Budget Comparison – Agency Wide for the year ending June 30, 2024
- D. Capital Budget for the year ending June 30, 2024

ATTACHMENT A
SANTA CLARA COUNTY HOUSING AUTHORITY
OPERATING BUDGET SUMMARY
FOR THE YEAR ENDING JUNE 30, 2024

	HARA	Total Federal Programs	Total Real Estate Programs	Total Indirect Departments	Total FY24
TOTAL INCOME	\$ 645,315	\$ 35,029,873	\$ 1,644,734	\$ -	\$ 37,319,922
TOTAL EXPENSES	220,046	20,915,038	4,455,922	13,011,580	38,602,586
GROSS SURPLUS (DEFICIT)	425,269	14,114,835	(2,811,188)	(13,011,580)	(1,282,664)
TOTAL INDIRECT ALLOCATIONS	-	(11,133,130)	(1,878,450)	13,011,580	-
NET SURPLUS (DEFICIT)	425,269	2,981,705	(4,689,638)	-	(1,282,664)
TOTAL NON OPERATING REVENUE / (EXPENSE)	1,266,953	393,897	75,900	-	1,736,750
Transfers In	-	24,683,315	4,613,738	-	29,297,053
Transfers Out	(796,970)	(28,500,083)	-	-	(29,297,053)
TOTAL TRANSFERS IN / (OUT)	(796,970)	(3,816,768)	4,613,738	-	-
TOTAL NET INCOME / (LOSS) PRIOR TO RESERVES	895,252	(441,166)	-	-	454,086
Use of reserves - Prior year	-	441,166	-	-	441,166
Use of reserves - MTW	-	-	-	-	-
NET INCOME (LOSS)	\$ 895,252	\$ -	\$ -	\$ -	\$ 895,252
TOTAL HOUSING ASSISTANCE EARNED	\$ -	\$ 508,356,331	\$ -	\$ -	\$ 508,356,331
TOTAL HOUSING ASSISTANCE PAYMENTS	\$ -	\$ 481,381,614	\$ -	\$ -	\$ 481,381,614

ATTACHMENT B
SANTA CLARA COUNTY HOUSING AUTHORITY
OPERATING BUDGET DETAIL
FOR THE YEAR ENDING JUNE 30, 2024

	HARA	Total Federal Programs	Total Real Estate Programs	Total Indirect Departments	Total FY24
INCOME					
Tenant Rental Income	\$ -	\$ 23,580	\$ -	\$ -	\$ 23,580
Building Rent	614,630	-	-	-	614,630
Rental Income	614,630	23,580	-	-	638,210
Admin Fee - City	-	10,859,760	-	-	10,859,760
Admin Fee - County	-	19,349,172	-	-	19,349,172
Admin Fee Single Fund Flexibility - City	-	896,544	-	-	896,544
Admin Fee Single Fund Flexibility - County	-	1,446,138	-	-	1,446,138
Issuing Fees	-	23,000	-	-	23,000
HUD Administrative Fees	-	32,574,613	-	-	32,574,613
Service Fees	-	1,600,000	-	-	1,600,000
EHV Service Fee Revenue	-	1,600,000	-	-	1,600,000
FSS Coordinator Fees	-	568,516	-	-	568,516
FSS Coordinator Fees	-	568,516	-	-	568,516
Operating Subsidy	-	19,636	-	-	19,636
Operating Subsidy	-	19,636	-	-	19,636
Fraud Recovery	-	190,552	-	-	190,552
Compliance Administrator Fee	-	-	18,849	-	18,849
Interest Income - Ground Lease	-	2,376	-	-	2,376
Developer Fee	-	-	1,000,752	-	1,000,752
Land Lease	30,685	50,000	-	-	80,685
Other Misc. Income	-	600	137,466	-	138,066
Asset Management Fees	-	-	87,500	-	87,500
Management Oversight Fee	-	-	400,166	-	400,166
Other Operating Revenues	30,685	243,528	1,644,734	-	1,918,946
TOTAL INCOME	645,315	35,029,873	1,644,734	-	37,319,922
EXPENSES					
Administrative - Salaries	-	11,438,062	2,925,386	6,824,974	21,188,422
Vacancy - contingency	-	(1,915,235)	(485,029)	(1,131,580)	(3,531,844)
Benefits-Administrative	-	1,997,354	345,956	727,232	3,070,542
Benefits-CalPERS ER Contribution	-	1,030,307	236,255	581,961	1,848,523
Benefits - 457B ER Contribution	-	12,000	3,000	21,000	36,000
Workers Compensation Insurance	-	211,879	39,792	132,535	384,206
Payroll Taxes	-	868,548	208,586	471,129	1,548,263
Benefits - Retirees	-	176,643	54,517	129,344	360,504
Wages & Benefits	-	13,819,559	3,328,463	7,756,595	24,904,617
Legal Expense - General	20,000	67,500	103,000	138,000	328,500
Legal Expense - Employment	-	-	-	197,500	197,500
Staff Training Expense	-	79,250	13,143	368,231	460,624
Tuition Reimbursement	-	-	-	35,000	35,000
Business Travel Expense	-	79,900	33,384	179,130	292,413
Automobile Insurance	-	-	-	7,467	7,467

ATTACHMENT B
SANTA CLARA COUNTY HOUSING AUTHORITY
OPERATING BUDGET DETAIL
FOR THE YEAR ENDING JUNE 30, 2024

	HARA	Total Federal Programs	Total Real Estate Programs	Total Indirect Departments	Total FY24
Other Auto Expense	-	-	-	2,720	2,720
Staff Mileage Reimbursement	-	650	3,800	4,825	9,275
Financial Audit	1,346	106,018	12,579	-	119,943
Building Rent	-	-	-	1,340,314	1,340,314
Storage Facilities	-	1,750	2,724	20,237	24,711
Temporary Help	-	168,704	-	110,186	278,890
Office Supplies	-	50,216	4,513	26,505	81,234
Communication Expense	-	24,489	3,905	12,512	40,906
Internet / Wan Expense	-	20,886	3,579	57,727	82,192
Postage, Handling and Freight	-	170,745	250	2,500	173,495
Office Equipment Rental	-	67,890	8,837	21,056	97,783
Publication and Membership	6,500	-	-	91,424	97,924
Pre-Printed Forms	-	26,436	-	100	26,536
Benefit Administrative Fee	-	-	-	27,150	27,150
Recruitment Expense	-	69,300	100,000	42,150	211,450
Board Meeting Expense	-	-	-	7,500	7,500
Cellular Phone/Pagers	-	12,525	12,844	26,352	51,721
Agency Meeting Expense	-	8,100	2,000	68,150	78,250
Ergonomics Expense	-	15,826	2,712	6,461	24,999
Public Notices	-	4,000	-	13,500	17,500
Bank Charges	-	10	-	-	10
Payroll Expense	-	8,525	-	-	8,525
Computer Expense	-	12,661	2,170	7,969	22,800
Computer Contracts	-	1,397,935	131,170	472,148	2,001,253
Misc. Expense	-	50	-	-	50
Administrative	27,846	2,393,365	440,610	3,286,815	6,148,635
Admini. Salaries - FSS Coordinator	-	113,413	-	-	113,413
Admin Contract - Tenant Svcs-ROSS	-	640,687	-	-	640,687
Resident Programs	-	3,032	-	-	3,032
Service Fee - Housing Search Assistance	-	640,000	-	-	640,000
Service Fee - Security / Utility Deposit / Rental App	-	432,200	-	-	432,200
Service Fee - Owner Incentive	-	432,200	-	-	432,200
Service Fee - Other	-	95,600	-	-	95,600
Benefits FSS Coordinator	-	23,806	-	-	23,806
Worker Comp - FSS Coordinator	-	2,121	-	-	2,121
Payroll Taxes FSS	-	8,949	-	-	8,949
Tenant Services	-	2,392,008	-	-	2,392,008
Water	-	5,617	7,600	13,054	26,271
Electricity	-	1,595	792	171,420	173,807
Gas	-	111	-	22,000	22,111
Sewer Fee	-	10,742	107	3,200	14,049
Utilities	-	18,065	8,499	209,674	236,238
Appliance Parts	-	600	-	-	600
Electrical	-	300	-	-	300
Hardware	-	8,100	-	-	8,100
Plumbing	-	500	-	-	500
Landscaping Materials	-	500	8,000	-	8,500
Garbage Service	-	10,936	-	11,557	22,493
Janitorial Contracts	-	1,760	8,425	209,760	219,945
Grounds Contract	-	25,520	26,240	22,000	73,760

ATTACHMENT B
SANTA CLARA COUNTY HOUSING AUTHORITY
OPERATING BUDGET DETAIL
FOR THE YEAR ENDING JUNE 30, 2024

	HARA	Total Federal Programs	Total Real Estate Programs	Total Indirect Departments	Total FY24
Automatic Door Maintenance	-	-	-	6,288	6,288
Electrical Work	-	-	-	11,750	11,750
Electric Gates Maintenance	-	-	-	6,980	6,980
Elevator Service	-	-	-	12,135	12,135
Boiler Maintenance	-	-	-	11,929	11,929
Plumbing Work	-	-	-	6,750	6,750
Fumigation	-	3,830	-	7,200	11,030
Other Maintenance Contract	-	500	1,200	127,170	128,870
Painting and Decorating	-	500	-	-	500
Roof Repair	-	-	-	1,200	1,200
HVAC System	-	1,000	-	55,098	56,098
Protective Service - Materials	-	-	-	750	750
Protective Service Contracts	-	26,870	-	175,380	202,250
Maintenance & Operations	-	80,916	43,865	665,947	790,728
Commercial Package-Liability	-	77,175	12,975	29,458	119,608
Commercial Package-Casualty	-	-	-	75,165	75,165
Other Insurance	-	118,893	19,474	46,402	184,769
Payment In Lieu Of Taxes	-	1,297	-	-	1,297
City License Fee	-	-	-	925	925
Admin Fee - Port Out - City	-	25,094	-	-	25,094
Admin Fee - Port Out - County	-	44,286	-	-	44,286
Other General Expenses	-	-	2,556	-	2,556
Project Feasibility Expenses	-	-	200,000	-	200,000
General	-	266,745	235,005	151,950	653,700
Accounting Fees	-	504	-	-	504
Miscellaneous	-	-	-	1,265	1,265
Program Promotion	36,200	109,355	5,000	235,300	385,855
Administrative Contract	150,000	1,757,601	394,480	704,035	3,006,116
Property Management Fees	-	1,920	-	-	1,920
Scholarship Fund	6,000	75,000	-	-	81,000
Other Expense	192,200	1,944,380	399,480	940,600	3,476,660
TOTAL EXPENSES	220,046	20,915,038	4,455,922	13,011,580	38,602,586
GROSS SURPLUS (DEFICIT)	425,269	14,114,835	(2,811,188)	(13,011,580)	(1,282,664)
INDIRECT ALLOCATIONS					
Income - Indirect General Support	-	-	-	10,450,056	10,450,056
Income - Facility Support	-	-	-	2,561,525	2,561,525
Indirect General Support - Finance	-	(3,096,222)	(367,309)	-	(3,463,532)
Indirect General Support - Human Resources	-	(1,879,385)	(222,954)	-	(2,102,339)
Indirect General Support - Communications	-	(686,192)	(81,404)	-	(767,596)
Indirect General Support - Executive	-	(1,274,211)	(151,161)	-	(1,425,372)
Indirect General Support - ITU	-	(1,724,380)	(204,566)	-	(1,928,945)
Indirect General Support - Procurement	-	(681,433)	(80,839)	-	(762,272)
Facility Support - Main Bldg (Julian)	-	(1,324,836)	(569,645)	-	(1,894,481)
Facility Support - Almaden	-	(466,473)	(200,571)	-	(667,044)
TOTAL INDIRECT ALLOCATIONS	-	(11,133,130)	(1,878,450)	13,011,580	-
NET SURPLUS (DEFICIT)	425,269	2,981,705	(4,689,638)	-	(1,282,664)

ATTACHMENT B
SANTA CLARA COUNTY HOUSING AUTHORITY
OPERATING BUDGET DETAIL
FOR THE YEAR ENDING JUNE 30, 2024

	HARA	Total Federal Programs	Total Real Estate Programs	Total Indirect Departments	Total FY24
NON OPERATING REVENUE / (EXPENSE)					
Interest Income	157,200	432,797	75,900	-	665,897
Interest Income From Bond	1,109,753	-	-	-	1,109,753
Interest Expense - City Of S.J	-	(38,900)	-	-	(38,900)
TOTAL NON OPERATING REVENUE / (EXPENSE)	1,266,953	393,897	75,900	-	1,736,750
Transfers In	-	24,683,315	4,613,738	-	29,297,053
Transfers Out	(796,970)	(28,500,083)	-	-	(29,297,053)
TOTAL TRANSFERS IN / (OUT)	(796,970)	(3,816,768)	4,613,738	-	-
TOTAL NET INCOME / (LOSS) PRIOR TO RESERVES	895,252	(441,166)	-	-	454,086
Use of reserves - Prior year	-	441,166	-	-	441,166
Use of reserves - MTW	-	-	-	-	-
NET INCOME (LOSS)	\$ 895,252	\$ -	\$ -	\$ -	\$ 895,252
TOTAL HOUSING ASSISTANCE EARNED	\$ -	\$ 508,356,331	\$ -	\$ -	\$ 508,356,331
TOTAL HOUSING ASSISTANCE PAYMENTS	\$ -	\$ 481,381,614	\$ -	\$ -	\$ 481,381,614

ATTACHMENT C
SANTA CLARA COUNTY HOUSING AUTHORITY
TWO-YEAR OPERATING BUDGET COMPARISON - AGENCY WIDE
FOR THE YEAR ENDING JUNE 30, 2024

	FY23 Budget	FY24 Budget	\$ Change	% Change
INCOME				
Tenant Rental Income	\$ 17,088	\$ 23,580	\$ 6,492	38%
Rent Revenue Misc.	33,141	-	(33,141)	-100%
Building Rent	604,630	614,630	10,000	2%
Rental Income	654,859	638,210	(16,649)	-3%
Admin Fee Earned (Main Stream)	388,396	-	(388,396)	-100%
Admin Fee Earned (HUD -VASH)	1,515,692	-	(1,515,692)	-100%
Admin Fee Earned - FUP	196,165	-	(196,165)	-100%
Admin Fee Earned - Non Elderly with Disabilities	14,057	-	(14,057)	-100%
Admin Fee - City	9,080,599	10,859,760	1,779,161	20%
Admin Fee - County	14,643,241	19,349,172	4,705,931	32%
Admin Fee Single Fund Flexibility - City	3,363,148	896,544	(2,466,604)	-73%
Admin Fee Single Fund Flexibility - County	-	1,446,138	1,446,138	100%
Issuing Fees	-	23,000	23,000	100%
HUD Administrative Fees	29,201,298	32,574,613	3,373,315	12%
Service Fees	991,680	1,600,000	608,320	61%
EHV Service Fee Revenue	991,680	1,600,000	608,320	61%
FSS Coordinator Fees	562,814	568,516	5,702	1%
FSS Coordinator Fees	562,814	568,516	5,702	1%
Operating Subsidy	19,343	19,636	293	2%
Operating Subsidy	19,343	19,636	293	2%
Fraud Recovery	-	190,552	190,552	100%
Compliance Administrator Fee	18,849	18,849	-	0%
Interest Income - Ground Lease	2,450	2,376	(74)	-3%
Developer Fee	1,209,000	1,000,752	(208,248)	-17%
Land Lease	146,685	80,685	(66,000)	-45%
Other Misc. Income	120,488	138,066	17,578	15%
Asset Management Fees	87,500	87,500	-	0%
Management Oversight Fee	373,566	400,166	26,600	7%
Other Operating Revenues	1,958,538	1,918,946	(39,592)	-2%
TOTAL INCOME	33,388,532	37,319,922	3,931,389	12%
EXPENSES				
Administrative - Salaries	18,982,733	21,188,422	2,205,690	12%
Vacancy - contingency	-	(3,531,844)	(3,531,844)	-100%

ATTACHMENT C
SANTA CLARA COUNTY HOUSING AUTHORITY
TWO-YEAR OPERATING BUDGET COMPARISON - AGENCY WIDE
FOR THE YEAR ENDING JUNE 30, 2024

	FY23 Budget	FY24 Budget	\$ Change	% Change
Benefits-Administrative	3,239,736	3,070,542	(169,194)	-5%
Benefits-CalPERS ER Contribution	1,561,724	1,848,523	286,800	18%
Benefits - 457B ER Contribution	36,000	36,000	-	0%
Workers Compensation Insurance	370,744	384,206	13,462	4%
Payroll Taxes	1,390,069	1,548,263	158,194	11%
Benefits - Retirees	331,819	360,504	28,685	9%
Wages & Benefits	25,912,825	24,904,617	(1,008,208)	-4%
Legal Expense - General	375,100	328,500	(46,600)	-12%
Legal Expense - Employment	100,000	197,500	97,500	98%
Staff Training Expense	235,953	460,624	224,671	95%
Tuition Reimbursement	35,000	35,000	-	0%
Business Travel Expense	156,810	292,413	135,603	86%
Automobile Insurance	6,493	7,467	974	15%
Other Auto Expense	1,300	2,720	1,420	109%
Staff Mileage Reimbursement	8,700	9,275	575	7%
Mileage Reimbursements	150	-	(150)	-100%
Financial Audit	116,575	119,943	3,368	3%
Building Rent	1,200,346	1,340,314	139,968	12%
Storage Facilities	26,110	24,711	(1,399)	-5%
Temporary Help	269,703	278,890	9,187	3%
Office Supplies	70,953	81,234	10,281	14%
Communication Expense	43,665	40,906	(2,759)	-6%
Internet / Wan Expense	37,373	82,192	44,819	120%
Postage, Handling and Freight	131,865	173,495	41,630	32%
Office Equipment Rental	101,748	97,783	(3,965)	-4%
Publication and Membership	87,982	97,924	9,942	11%
Pre-Printed Forms	28,065	26,536	(1,529)	-5%
Benefit Administrative Fee	21,700	27,150	5,450	25%
Recruitment Expense	133,537	211,450	77,913	58%
Board Meeting Expense	9,500	7,500	(2,000)	-21%
Cellular Phone/Pagers	56,634	51,721	(4,913)	-9%
Agency Meeting Expense	82,000	78,250	(3,750)	-5%
Ergonomics Expense	15,000	24,999	9,999	67%
Public Notices	4,000	17,500	13,500	338%
Bank Charges	30,650	10	(30,640)	-100%
Payroll Expense	8,529	8,525	(4)	0%
Computer Expense	225,800	22,800	(203,000)	-90%
Software Purchases	3,000	-	(3,000)	-100%
Computer Contracts	1,246,005	2,001,253	755,248	61%
Misc. Expense	50	50	-	0%
Administrative	4,870,296	6,148,635	1,278,339	26%
Admini. Salaries - FSS Coordinator	108,301	113,413	5,112	5%

ATTACHMENT C
SANTA CLARA COUNTY HOUSING AUTHORITY
TWO-YEAR OPERATING BUDGET COMPARISON - AGENCY WIDE
FOR THE YEAR ENDING JUNE 30, 2024

	FY23 Budget	FY24 Budget	\$ Change	% Change
Admin Contract - Tenant Svcs-ROSS	630,000	640,687	10,687	2%
Resident Programs	2,672	3,032	360	13%
Service Fee - Housing Search Assistance	347,088	640,000	292,912	84%
Service Fee - Security / Utility Deposit / Rental App	297,504	432,200	134,696	45%
Service Fee - Owner Incentive	297,504	432,200	134,696	45%
Service Fee - Other	49,584	95,600	46,016	93%
Benefits FSS Coordinator	23,657	23,806	149	1%
Worker Comp - FSS Coordinator	2,235	2,121	(114)	-5%
Payroll Taxes FSS	8,621	8,949	328	4%
Tenant Services	1,767,166	2,392,008	624,842	35%
Water	63,516	26,271	(37,246)	-59%
Electricity	205,352	173,807	(31,545)	-15%
Gas	21,183	22,111	928	4%
Sewer Fee	19,414	14,049	(5,365)	-28%
Utilities	309,465	236,238	(73,228)	-24%
Appliance Parts	600	600	-	0%
Electrical	250	300	50	20%
Hardware	7,000	8,100	1,100	16%
Plumbing	1,000	500	(500)	-50%
Landscaping Materials	10,000	8,500	(1,500)	-15%
Garbage Service	21,283	22,493	1,210	6%
Janitorial Contracts	120,323	219,945	99,622	83%
Grounds Contract	104,997	73,760	(31,237)	-30%
Automatic Door Maintenance	4,563	6,288	1,725	38%
Electrical Work	10,750	11,750	1,000	9%
Electric Gates Maintenance	6,700	6,980	280	4%
Elevator Service	19,575	12,135	(7,440)	-38%
Boiler Maintenance	11,605	11,929	324	3%
Plumbing Work	6,500	6,750	250	4%
Fumigation	8,812	11,030	2,218	25%
Other Maintenance Contract	174,800	128,870	(45,930)	-26%
Painting and Decorating	500	500	-	0%
Roof Repair	10,000	1,200	(8,800)	-88%
HVAC System	55,338	56,098	760	1%
Protective Service - Materials	10,875	750	(10,125)	-93%
Protective Service Contracts	342,674	202,250	(140,424)	-41%
Maintenance & Operations	928,145	790,728	(137,417)	-15%
Commercial Package-Liability	108,406	119,608	11,202	10%
Commercial Package-Casualty	144,631	75,165	(69,466)	-48%
Insurance - Flood	7,008	-	(7,008)	-100%
Other Insurance	164,822	184,769	19,947	12%

ATTACHMENT C
SANTA CLARA COUNTY HOUSING AUTHORITY
TWO-YEAR OPERATING BUDGET COMPARISON - AGENCY WIDE
FOR THE YEAR ENDING JUNE 30, 2024

	FY23 Budget	FY24 Budget	\$ Change	% Change
Insurance Deductible	325,000	-	(325,000)	-100%
Payment In Lieu Of Taxes	1,116	1,297	181	16%
City License Fee	1,039	925	(114)	-11%
State Fee	100	-	(100)	-100%
Admin Fee - Port Out - City	26,362	25,094	(1,268)	-5%
Admin Fee - Port Out - County	76,856	44,286	(32,570)	-42%
Other General Expenses	2,556	2,556	-	0%
COVID-19 Expenses	276,360	-	(276,360)	-100%
Project Feasibility Expenses	100,000	200,000	100,000	100%
General	1,234,256	653,700	(580,556)	-47%
Accounting Fees	456	504	48	11%
Miscellaneous	1,073	1,265	192	18%
Program Promotion	256,255	385,855	129,600	51%
Administrative Contract	3,494,291	3,006,116	(488,175)	-14%
Property Management Fees	52,920	1,920	(51,000)	-96%
Scholarship Fund	80,750	81,000	250	0%
Moving Expense	174,000	-	(174,000)	-100%
Other Expense	4,059,745	3,476,660	(583,085)	-14%
TOTAL EXPENSES	39,081,899	38,602,586	(479,313)	-1%
GROSS SURPLUS (DEFICIT)	(5,693,366)	(1,282,664)	4,410,702	77%
INDIRECT ALLOCATIONS				
Income - Indirect General Support	10,428,731	10,450,056	21,325	0%
Income - Facility Support	2,795,268	2,561,525	(233,744)	-8%
Indirect General Support - Finance	(3,639,353)	(3,463,532)	175,821	-5%
Indirect General Support - Human Resources	(2,079,315)	(2,102,339)	(23,023)	1%
Indirect General Support - Communications	-	(767,596)	(767,596)	-100%
Indirect General Support - Executive	(2,230,378)	(1,425,372)	805,006	-36%
Indirect General Support - ITU	(1,959,857)	(1,928,945)	30,912	-2%
Indirect General Support - Procurement	(519,828)	(762,272)	(242,444)	47%
Facility Support - Main Bldg (Julian)	(2,795,268)	(1,894,481)	900,787	-32%
Facility Support - Almaden	-	(667,044)	(667,044)	-100%
TOTAL INDIRECT ALLOCATIONS	-	-	-	0%
NET SURPLUS (DEFICIT)	(5,693,366)	(1,282,664)	4,410,702	77%
NON OPERATING REVENUE / (EXPENSE)				
Interest Income	443,492	665,897	222,406	50%
Interest Income From Bond	179,749	1,109,753	930,004	517%
Interest Expense - City Of S.J	(38,900)	(38,900)	-	0%

ATTACHMENT C
SANTA CLARA COUNTY HOUSING AUTHORITY
TWO-YEAR OPERATING BUDGET COMPARISON - AGENCY WIDE
FOR THE YEAR ENDING JUNE 30, 2024

	FY23 Budget	FY24 Budget	\$ Change	% Change
TOTAL NON OPERATING REVENUE / (EXPENSE)	584,341	1,736,750	1,152,410	197%
TRANSFERS IN/(OUT)				
Transfers In	31,800,514	29,297,053	(2,503,461)	-8%
Transfers Out	(31,800,514)	(29,297,053)	2,503,461	8%
TOTAL TRANSFERS IN / (OUT)	-	-	-	0%
TOTAL NET INCOME / (LOSS) PRIOR TO RESERVES	\$ (5,109,026)	\$ 454,086	\$ 5,563,112	109%

ATTACHMENT D
SANTA CLARA COUNTY HOUSING AUTHORITY
CAPITAL BUDGET
FOR THE YEAR ENDING JUNE 30, 2024

Project	FY24
UPS (Uninterrupted Power Supply) hardware equipment	\$ 100,000
Elevator modernization	210,000
Electric Vehicle Charging Stations	150,000
Basement fan replacement	15,000
TOTAL CAPITAL BUDGET	\$ 475,000