

ON BOARD AGENDA: June 6, 2024
AGENDA ITEM: 8.B

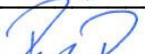


To: Board of Commissioners

From: Emily De La Guerra, Interim Chief Financial Officer

Submitted By: Chandrika Karur, Controller

Subject: Santa Clara County Housing Authority's Housing Assistance Payment, Operating and Capital Budget for the Fiscal Year Ending June 30, 2025

Approved		Date	March 31, 2024
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Recommendation

1. Approve the Housing Authority (Authority)'s Housing Assistance Payment (HAP) revenue and expenditure projections for the Fiscal Year (FY) ending June 30, 2025 (FY 2025), identified in **Attachments A and B**.
2. Approve the Authority's proposed Operating, Non-Operating and Use of Reserves Budget for the FY ending June 30, 2025, identified in **Attachments A and B**.
3. Approve the Authority's proposed Capital Budget for the FY ending June 30, 2025, identified in **Attachment C**.
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 2025 operating and capital expenditures, or up to \$1,975,236, with the authority to expire June 30, 2025.
5. Accept the report on the Authority's Comparison of the FY 2024 and FY 2025 HAP and Operating budgets, identified in **Attachment D**; and
6. Direct the Executive Director to continue providing the Board with quarterly variance reports on budget to actual HAP and operating revenues and expenditures.

Strategic Outcome

The FY 2025 Budget is intended to ensure that the Authority remains fiscally sound while investing in the Authority's future, and delivering services in accordance with our mission, the Authority's Strategic Plan, and the Community Plan to End Homelessness.

Included in the FY 2025 Budget are investments that will continue to further the proposed, long-term strategic goals of the Authority, 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 Authority's efficiency and effectiveness through technology, staff training and a cycle of continuous improvement.
 - Enhancing the customer experience of the 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 the Authority's Moving to Work (**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 the Authority's residents and developing programs and initiatives to help individuals and families achieve their goals.
- Relevance and Innovation
 - Creating an understanding of what the Authority does and who we 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 Authority.
- Partnerships
 - Creating a "data bank" of information about issues impacting the community, the Authority, and our residents that will allow the Authority 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 and 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 Authority residents.

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 FY 2025, 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 the HAP projections, operating, and capital budget, approved by its Board of Commissioners before the beginning of each FY (July 1 to June 30).
- The Authority has made some structural budget changes for FY 2025. The budget is organized into the following three major sections:
 - **HAP Budget** - HAP revenue and expenditure projections are developed for each FY in accordance with the required program regulations. Starting in FY 2025, the Board will approve and adopt the HAP revenue and expenditure for the FY.
 - **Operating Budget** - The operating budget is further categorized into:
 - **Administrative Operations** - This section includes the revenues and expenses for the following:
 - Federal Programs Administration: Housing Operations, Innovations & Impact.
 - Real Estate Administration: Development Operations, Asset Management Operations, Resident Services, and Supportive Housing Services. Resident Services and Supportive Housing Services are newly established departments for FY 2025.
 - Indirect Support Departments: Executive, Communications, Finance, Human Resources, Procurement, Information Technology and Facilities.
 - **Non-Administrative Operations** - This section includes revenues and expenses for the following:
 - Real Estate Activities: New cost center for the Authority's development and asset management activities.
 - Housing Authority Reserve Account (HARA).

- **Non-Operating Budget and Use of Reserves** - This section includes revenue and expenses related to the Authority's investments and loans. The use of reserves represents prior year program reserves used to cover funding shortfalls in FY 2025.
- **Capital Budget:** This includes the Authority's planned expenditures on long-term assets and projects which are expected to be used for several years focusing on investments that will have a long-term impact on the organization rather than covering day-to-day operating expenses.

HAP BUDGET – REVENUES AND EXPENDITURES

The Authority's predominant source of funds comes through the HUD MTW contracts, which sets forth a formula for calculating the total amount of MTW funds that we are eligible for. HUD calculates actual funding with reference to this eligibility amount, which is then prorated (up or down) according to funds Congress appropriates. HAP funding proration for Calendar Year (CY) 2024 is 99.5% of eligibility.

In addition to MTW HAP funds, we receive HUD funding for Special Purpose Vouchers (SPV), including Veterans Affairs Supportive Housing (VASH), Mainstream, Non-Elderly Disabled (NED), Family Unification Program (FUP), Foster Youth to Independence (FYI), Emergency Housing Voucher (EHV), Stability Vouchers, and Moderate Rehabilitation. Other federal grants include Public Housing operating subsidy and Family Self Sufficiency (FSS) grants to pay for FSS coordinator salaries and benefits.

Annual MTW Housing Choice Voucher (**HCV**) and SPV program revenues are projected to be \$511.2 million, an increase of \$2.8 million or 0.6% from prior year's budget. The projected increase in HAP revenues are due to a small increase in inflation factor (+1.6%) offset by a small decrease in funding due to proration (-0.5%).

HAP expenses, which are payments directly made to landlords on behalf of Authority participants, are projected to be \$504.8 million, an increase of \$23.4 million from the prior year's budget. This includes a \$10.0 million increase in HAP expenditures due to the additional lease up of tenant-based vouchers, which will provide new housing assistance to approximately 400 additional extremely low-income and very low-income households. In addition, \$13.4 million of this increase is related to costs included for estimated payment standard changes, utility arrears and security deposit assistance and interim housing rental assistance programs that are part of the strategic goals to be implemented in FY 2025. Overall, the Authority expects to serve over 20,000 households with rental assistance in FY 2025.

FY 2025 HAP revenues and expenditures are broken down by program in the table below:

HAP REVENUE AND EXPENDITURES BY PROGRAM

	HAP Revenue	HAP Expenditures	Excess / (Shortfall)
Housing Choice Voucher (HCV)	\$ 442,288,526	\$ 429,155,718	13,132,808
Veterans Affairs Supporting Housing (VASH)	24,354,250	25,131,381	(777,131)
Family Unification Program (FUP)	4,833,510	4,149,494	684,016
Non - Elderly Disabled (NED)	248,790	262,619	(13,829)
Mainstream	8,205,790	8,205,790	-
Moderate Rehabilitation	1,571,124	1,571,124	-
Foster Youth Independence Initiative (FYI)	946,763	1,151,960	(205,197)
Stability Vouchers	1,604,888	1,896,695	(291,807)
Emergency Housing Voucher (EHV)	27,128,727	28,071,512	(942,785)
Interim Housing Rental Subsidy Program	-	5,167,000	(5,167,000)
Total	\$ 511,182,368	\$ 504,763,293	\$ 6,419,075

OPERATING BUDGET

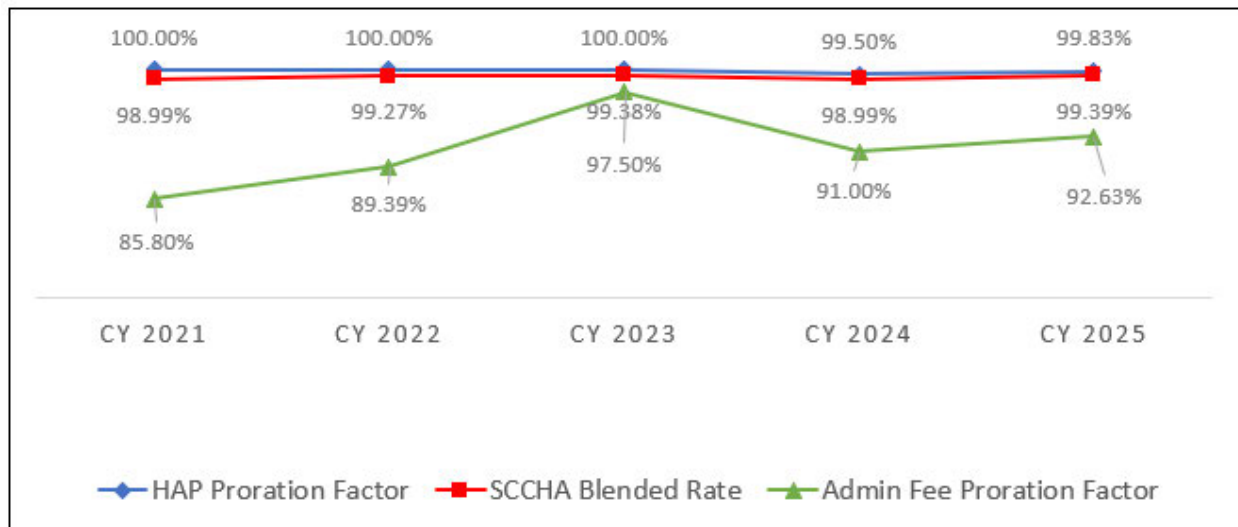
	Administrative Operations	Non-Administrative Operations	Total
Total Income	\$ 36,879,019	\$ 8,721,001	\$ 45,600,020
Total Expenses	37,689,467	1,237,852	38,927,319
Transfers In / (Out)	748,145	(748,145)	-
Use of Prior Year Reserves	62,303	-	62,303
Net Income (Loss)	\$ -	\$ 6,735,005	\$ 6,735,005

The proposed operating budget for FY 2025 has total revenues (operating and non-operating) of approximately \$45.6 million, consisting primarily of federal funds for our HCV program and developer fees for real estate development activities. Proposed expenses (operating and non-operating) are projected at \$38.9 million. Overall, net income from our administrative operations is zero and net income from our non-administrative operations (HARA and Real Estate activities) is \$6.7 million. These dollars will increase our HARA and Real Estate Reserves to be used to further the supply of affordable housing in Santa Clara County.

Operating Revenues

The Authority’s primary source of funds for our administrative operations is the HCV Administrative Fee, which is calculated by HUD using a funding formula. Similar to HAP funding, Congress typically appropriates less than 100% of our eligible Administrative Fee. The table below shows a 5-year historical trend of HAP and Administrative Fee proration:

HAP AND ADMINISTRATIVE FEE PRORATION TRENDS



The projected proration for Administrative Fee funding from HUD is at 91.0% of eligibility for CY 2024. This proration only applies for the first half of FY 2025 (July 2024 through December 2024). Since the proration factors for the period of January – June 2025 is not yet available from HUD, the Authority is using a three-year average Administrative Fee proration of 92.63% for the second half of the fiscal year.

While the MTW contracts provide separate funding for rental assistance versus administrative fees, 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. To cover the Administrative Fee funding shortfall, the Authority calculates the MTW subsidy for the fiscal year using a blended rate of HAP and HUD Administrative Fee funding prorations. This resulted in a HAP subsidy of \$3.9 million for FY 2025 to cover shortfalls in Administrative Fee funding from HUD.

In addition to MTW HCV funds, we also receive administrative fees for Special Purpose Vouchers, as described above.

The Authority budgeted operating revenues of \$42.0 million for FY 2025, an increase of \$4.7 million or 12.7% over last year’s budget. Of this, \$36.7 million are from Federal Programs Administration, \$0.07 million from Real Estate Administration, \$4.2 million from

Real Estate Activities (mostly developer fees), and \$1.0 million from HARA. See the table below for a breakdown of administrative and non-administrative operating revenues by program and revenue type.

ADMINISTRATIVE AND NON-ADMINISTRATIVE OPERATING REVENUES BY PROGRAM AND TYPE

	Administrative		Non-Administrative		Total
	Federal Programs Administration	Real Estate Administration	Real Estate Activities	HARA	
Administrative Fees	\$ 35,528,418	\$ -	\$ -	\$ -	\$ 35,528,418
Service Fee - EHV	379,011	-	-	-	379,011
Family Self Sufficiency (FSS) Coordinator Fees	576,681	-	-	-	576,681
Developer Fees	-	-	3,568,253	-	3,568,253
Asset Management Fees	-	-	599,703	-	599,703
Building Rent Income	-	-	-	971,792	971,792
Public Housing Operating Subsidy	20,257	-	-	-	20,257
Other Revenue	243,247	73,174	50,984	30,685	398,090
Total	\$ 36,747,614	\$ 73,174	\$ 4,218,940	\$ 1,002,477	\$ 42,042,205

Administrative Operations

Federal Programs

The operating revenue in Federal programs is projected to be \$36.7 million, an increase of \$1.7 million or 4.7% from last year's budget. This is primarily due to the following:

- Administrative Fee funding from HUD is budgeted at \$31.6 million, an increase of \$1.3 million from last year's budget due to a slight increase in proration and higher administrative fee rates. In addition, the Authority is budgeting an MTW subsidy of \$3.9 million, an increase of \$1.6 million from last year's budget, to address funding shortfall and cover the increase in operating expenses for FY 2025. Consequently, the total administrative fee budgeted for FY 2025 is \$35.5 million, as shown in the table above.
- EHV service fee revenue is budgeted at \$0.4 million, a decrease of \$1.2 million. These grant revenues are earned when qualifying service fee expenses are

incurred at the time of the voucher lease-up. Most of the vouchers were leased in FY24, so in FY 2025, the Authority anticipates lower expenditure levels for housing search assistance, security deposits, and owner incentive services.

Non-Administrative Operations

Real Estate Activities

The Real Estate activities revenues are budgeted at \$4.2 million, an increase of \$2.7 million over FY24. This is mainly due to the anticipated receipt of developer fees from Bellarmino Place, Buena Vista apartments, Buena Vista Mobile Home Park, Hawthorne Senior, Park Avenue Senior, and Laurel Grove projects.

HARA

HARA is projected to earn building rent of \$1.0 million for the Julian office building by the Authority's programs, which is an increase of \$0.4 million. This increase is to build up replacement reserves for future capital improvement projects at the Julian office building.

Operating Expenditures

The Authority's budgeted operating expenditures for FY 2025 are \$38.9 million, an increase of \$0.3 million or 0.8% from last year's budget. The table below shows a two-year comparison of operating expenditures by program. See **Attachment D** for a detailed two-year budget comparison.

OPERATING EXPENDITURES BY PROGRAM

	FY24 Budget	FY25 Budget	\$ Change	% Change
Federal Programs Administration	\$ 20,915,038	\$ 19,095,517	\$(1,819,521)	-8.7%
Real Estate Administration	4,455,922	5,904,280	1,448,358	32.5%
Indirect Support Departments	13,011,580	12,689,670	(321,910)	-2.5%
Real Estate Activities	-	910,253	910,253	100.0%
HARA	220,046	327,599	107,553	48.9%
Total	\$ 38,602,586	\$ 38,927,319	\$ 324,733	0.8%

Administrative Operations

Personnel

	FY24 Budget	FY25 Budget	\$ Change	% Change
Federal Programs Administration	\$ 13,819,559	\$ 13,249,612	\$ (569,947)	-4.1%
Real Estate Administration	3,328,463	4,286,439	957,976	28.8%
Indirect Support Departments	7,756,595	8,110,891	354,296	4.6%
Total	\$ 24,904,617	\$ 25,646,942	\$ 742,325	3.0%

Personnel costs, which represent 65.9% of the Authority's operating expenditure, are projected to increase by \$0.7 million or 3.0% from last year's budget. Administrative salaries and benefits are projected to increase by \$1.9 million due to salary schedule changes, step increases, 2.5% Cost of Living Adjustment (COLA), increase in wellness payment, and an increase in retiree benefits resulting from the Early Retirement Program (ERP) implemented in FY 2024. This is offset by an increase of \$1.2 million contingency built in for vacancies to align the salaries and benefits budget more closely with historical actual trends.

The FY 2025 budget includes a total of 172 positions, as compared to 171 positions budgeted in FY 2024. Staff regularly analyzes the workforce and evaluates the staffing levels required to enhance resident and community engagement activities. Overall, there are 36 vacant or new positions that we will be recruiting for in FY 2025, most of which are in the Housing, Resident Services, and Impact & Innovations departments in order to support our goals around Portfolio Growth, Culture Change and Partnerships.

Administrative Expenses

Administrative expenses are projected to increase by \$0.5 million or 8.5% from last year's budget. This is primarily due to the following:

	FY24 Budget	FY25 Budget	\$ Change	% Change
Federal Programs Administration	\$ 2,393,365	\$ 3,341,412	\$ 948,047	39.6%
Real Estate Administration	440,610	714,255	273,645	62.1%
Indirect Support Departments	3,286,815	2,583,451	(703,364)	-21.4%
Total	\$ 6,120,789	\$ 6,639,118	\$ 518,328	8.5%

- \$0.5 million in additional Julian building rent for replacement reserves and an increase in the Almaden office rent.
- \$0.2 million increase in software contracts such as Yardi license fees, Sharepoint document imaging system and wage verification services, offset by a decrease in other administrative expenses such as legal and consulting expenses.

Tenant Services Expense

Tenant Services are projected to decrease by \$1.2 million or 49.0% from last year's budget. These expenses are tied to the leasing of the EHV program, and the lease-ups were mostly completed in FY24. As such, the Authority will incur lower expenditure levels for housing search assistance, security deposits, and owner incentive services, unless there is unanticipated turnover in the vouchers and then the Authority would have to lease them again. These expenses are reimbursable, and the corresponding revenues are also budgeted in FY 2025.

	FY24 Budget	FY25 Budget	\$ Change	% Change
Federal Programs Administration	\$ 2,392,008	\$ 1,220,713	\$ (1,171,295)	-49.0%
Real Estate Administration	-	-	-	0.0%
Indirect Support Departments	-	-	-	0.0%
Total	\$ 2,392,008	\$ 1,220,713	\$ (1,171,295)	-49.0%

General Expenses

General expenses are projected to increase by \$0.5 million or 76.4% from last year's budget primarily due to an increase in project feasibility expenses related to development activities. This line item is generally for unanticipated costs that are not covered by a separate MTW loan or funding commitment.

	FY24 Budget	FY25 Budget	\$ Change	% Change
Federal Programs Administration	\$ 266,745	\$ 290,826	\$ 24,081	9.0%
Real Estate Administration	235,005	691,944	456,939	194.4%
Indirect Support Departments	151,950	170,466	18,516	12.2%
Total	\$ 653,700	\$ 1,153,236	\$ 499,536	76.4%

Other Expenses

Other expenses are projected to decrease by \$1.4 million or 43.6% from last year's budget primarily due to a decrease in administrative contracts related to housing search services, inspection services, and the Yardi system conversion.

	FY24 Budget	FY25 Budget	\$ Change	% Change
Federal Programs Administration	\$ 1,944,380	\$ 901,076	\$ (1,043,304)	-53.7%
Real Estate Administration	399,480	141,783	(257,697)	-64.5%
Indirect Support Departments	940,600	810,712	(129,888)	-13.8%
Total	\$ 3,284,460	\$ 1,853,571	\$ (1,430,889)	-43.6%

Non-Administrative Operations

Non-Administrative Operations are projected to increase by \$1.0 million from last year's budget primarily due to the newly acquired EZ-8 and Comfort Suites properties. The Authority expects to incur costs for protective services contracts, commercial liability insurance, utilities, taxes, and management fees that weren't otherwise budgeted in FY24.

	FY24 Budget	FY25 Budget	\$ Change	% Change
Real Estate Activities	\$ -	\$ 910,253	\$ 910,253	100.0%
HARA	220,046	327,599	107,553	48.9%
Total	\$ 220,046	\$ 1,237,852	\$ 1,017,806	462.5%

Non-Operating Revenues / (Expenses)

Non-Operating Revenues are projected to increase by \$1.8 million or 104.9% from last year's budget primarily due to \$1.9 million in interest income from development and asset management activities that were not part of the budget in prior years, offset by a decrease of \$0.1 million in interest income from investments.

	FY24 Budget	FY25 Budget	\$ Change	% Change
Interest Income	\$ 1,775,650	\$ 3,566,785	\$ 1,791,135	100.9%
Interest Expense	(38,900)	(8,969)	29,931	-76.9%
Total	\$ 1,736,750	\$ 3,557,816	\$ 1,821,066	104.9%

Use of Reserves

To cover the administrative fee shortfall for the operations of certain Special Purpose Voucher programs, the Authority plans to use the following program reserve funds to balance their FY 2025 budgets. There are sufficient reserves remaining for these programs' future needs.

	FY24 Budget	FY25 Budget	\$ Change
VASH	\$ 191,480	\$ 19,210	\$ (172,270)
Moderate Rehabilitation	135,452	30,464	(104,988)
Emergency Housing Voucher	114,234	12,629	(101,605)
Total Use of Reserves	\$ 441,166	\$ 62,303	\$ (378,863)

CAPITAL BUDGET

We are proposing a capital budget of \$0.6 million for the Julian office building, including new switches and server replacements for the IT department, elevator modernization and EV charging stations. These improvements will ensure that our systems and offices remain in safe and stable condition while investing in modernizations. The table below shows the breakdown of the budgeted capital projects:

Project	FY25
5x Model Switches Network device	\$ 50,000
Server replacement	100,000
Electric Vehicle Charging Stations	170,000
Elevator modernization and new cylinder	257,400
Total	\$ 577,400

Summary

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 Authority has the resources necessary to deliver on our core mission of providing safe, high-quality, affordable housing. The proposed FY 2025 Budget achieves the goals of ensuring long-term financial stability for the organization while providing affordable housing and improving the quality of life for our residents. Furthermore, this budget ensures the Authority 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. Housing Assistance Payments and Operating Budget Summary for the year ending June 30, 2025
- B. Housing Assistance Payments and Operating Budget Detail for the year ending June 30, 2025
- C. Capital Budget for the year ending June 30, 2025
- D. Two-Year Housing Assistance Payments and Operating Budget Comparison for the year ending June 30, 2025

ATTACHMENT A
SANTA CLARA COUNTY HOUSING AUTHORITY
HOUSING ASSISTANCE PAYMENT AND OPERATING BUDGET SUMMARY
FOR THE YEAR ENDING JUNE 30, 2025

	ADMINISTRATIVE			NON-ADMINISTRATIVE		Total FY25
	Federal Programs Administration	Real Estate Administration	Indirect Departments	Real Estate Activities	HARA	
TOTAL INCOME	\$ 36,747,614	\$ 73,174	\$ -	\$ 4,218,940	\$ 1,002,477	\$ 42,042,205
TOTAL EXPENSES	19,095,517	5,904,280	12,689,670	910,253	327,599	38,927,319
GROSS SURPLUS (DEFICIT)	17,652,097	(5,831,106)	(12,689,670)	3,308,687	674,878	3,114,886
TOTAL INDIRECT ALLOCATIONS	(10,710,591)	(1,840,529)	12,551,120	-	-	-
NET SURPLUS (DEFICIT)	6,941,506	(7,671,635)	(138,550)	3,308,687	674,878	3,114,886
TOTAL NON OPERATING REVENUE / (EXPENSE)	58,231	-	-	2,358,968	1,140,616	3,557,816
Transfers In	23,860,276	7,671,635	138,550	-	-	31,670,461
Transfers Out	(30,922,316)	-	-	-	(748,145)	(31,670,461)
TOTAL TRANSFERS IN / (OUT)	(7,062,040)	7,671,635	138,550	-	(748,145)	-
TOTAL NET INCOME / (LOSS) PRIOR TO RESERVES	(62,303)	-	-	5,667,655	1,067,350	6,672,702
Use of reserves - Prior year	62,303	-	-	-	-	62,303
NET INCOME (LOSS)	\$ -	\$ -	\$ -	\$ 5,667,655	\$ 1,067,350	\$ 6,735,005
TOTAL HOUSING ASSISTANCE EARNED	\$ 511,182,368	\$ -	\$ -	\$ -	\$ -	\$ 511,182,368
TOTAL HOUSING ASSISTANCE PAYMENTS	\$ 504,763,293	\$ -	\$ -	\$ -	\$ -	\$ 504,763,293

ATTACHMENT B
SANTA CLARA COUNTY HOUSING AUTHORITY
HOUSING ASSISTANCE PAYMENT AND OPERATING BUDGET DETAIL
FOR THE YEAR ENDING JUNE 30, 2025

	ADMINISTRATIVE			NON-ADMINISTRATIVE		Total FY25
	Federal Programs Administration	Real Estate Administration	Indirect Departments	Real Estate Activities	HARA	
INCOME						
Tenant Rental Income	\$ 25,992	\$ -	\$ -	\$ -	\$ -	\$ 25,992
Rent Revenue Misc.	-	-	-	23,384	-	23,384
Building Rent	-	-	-	-	971,792	971,792
Rental Income	25,992	-	-	23,384	971,792	1,021,168
	-					
Admin Fee - City	11,348,400	-	-	-	-	11,348,400
Admin Fee - County	20,213,973	-	-	-	-	20,213,973
Admin Fee Single Fund Flexibility - City	1,585,898	-	-	-	-	1,585,898
Admin Fee Single Fund Flexibility - County	2,378,847	-	-	-	-	2,378,847
Issuing Fees	1,300	-	-	-	-	1,300
HUD Administrative Fees	35,528,418	-	-	-	-	35,528,418
Service Fees	379,011	-	-	-	-	379,011
EHV Service Fee Revenue	379,011	-	-	-	-	379,011
FSS Coordinator Fees	576,681	-	-	-	-	576,681
FSS Coordinator Fees	576,681	-	-	-	-	576,681
Operating Subsidy	20,257	-	-	-	-	20,257
Operating Subsidy	20,257	-	-	-	-	20,257
Fraud Recovery	119,420	-	-	-	-	119,420
Compliance Administrator Fee	-	-	-	18,849	-	18,849
Interest Income - Ground Lease	2,376	-	-	-	-	2,376
Developer Fee	-	-	-	3,568,253	-	3,568,253
Land Lease	50,000	-	-	27,600	30,685	108,285
Other Misc. Income	600	73,174	-	81,787	-	155,561
Asset Management Fees	-	-	-	87,500	-	87,500

	ADMINISTRATIVE			NON-ADMINISTRATIVE		Total FY25
	Federal Programs Administration	Real Estate Administration	Indirect Departments	Real Estate Activities	HARA	
Management Oversight Fee	-	-	-	411,567	-	411,567
FSS Escrow Forfeits	44,859	-	-	-	-	44,859
Other Operating Revenues	217,255	73,174	-	4,195,556	30,685	4,516,670
TOTAL INCOME	36,747,614	73,174	-	4,218,940	1,002,477	42,042,205
EXPENSES						
Administrative - Salaries	11,602,588	4,052,671	6,830,597	-	-	22,485,856
Vacancy - contingency	(2,886,601)	(975,411)	(828,797)	-	-	(4,690,809)
Benefits-Administrative	1,925,302	443,207	660,609	-	-	3,029,118
Benefits-CalPERS ER Contribution	1,013,084	319,242	573,493	-	-	1,905,819
Benefits - 457B ER Contribution	12,000	3,000	21,000	-	-	36,000
Workers Compensation Insurance	233,212	81,459	137,295	-	-	451,966
Payroll Taxes	885,607	290,324	468,499	-	-	1,644,430
Benefits - Retirees	464,420	71,947	248,195	-	-	784,562
Wages & Benefits	13,249,612	4,286,439	8,110,891	-	-	25,646,942
Legal Expense - General	7,500	38,000	112,000	-	20,000	177,500
Legal Expense - Employment	-	-	182,500	-	-	182,500
Staff Training Expense	66,705	35,793	238,962	-	-	341,459
Tuition Reimbursement	-	-	20,000	-	-	20,000
Business Travel Expense	76,913	42,078	160,974	-	-	279,965
Automobile Insurance	-	-	18,900	-	-	18,900
Other Auto Expense	-	-	9,180	-	-	9,180
Financial Audit	116,911	16,439	-	-	1,531	134,881
Building Rent	832,579	357,987	675,182	-	-	1,865,748
Storage Facilities	1,750	2,724	20,237	-	-	24,711
Temporary Help	153,704	-	71,294	-	-	224,998
Office Supplies	58,886	7,164	22,896	-	15,443	104,389
Communication Expense	24,527	4,119	12,260	-	-	40,906
Internet / Wan Expense	20,920	3,847	53,899	-	-	78,666
Postage, Handling and Freight	187,533	250	2,600	1,000	-	191,383
Office Equipment Rental	77,681	12,043	26,480	-	-	116,204
Publication and Membership	-	-	100,981	-	9,000	109,981

	ADMINISTRATIVE			NON-ADMINISTRATIVE		Total FY25
	Federal Programs Administration	Real Estate Administration	Indirect Departments	Real Estate Activities	HARA	
Pre-Printed Forms	23,905	-	-	-	-	23,905
Benefit Administrative Fee	-	-	28,975	-	-	28,975
Recruitment Expense	12,000	5,150	68,896	-	-	86,046
Board Meeting Expense	-	-	5,000	-	-	5,000
Cellular Phone/Pagers	27,692	21,335	40,462	-	-	89,489
Agency Meeting Expense	11,663	1,888	138,550	-	-	152,100
Ergonomics Expense	19,023	3,431	7,546	-	-	30,000
Public Notices	7,000	-	13,000	-	-	20,000
Bank Charges	75	-	-	-	-	75
Payroll Expense	9,033	-	-	-	-	9,033
Computer Expense	39,314	7,092	34,776	-	-	81,182
Computer Contracts	1,566,048	154,916	517,900	-	-	2,238,864
Misc. Expense	50	-	-	-	-	50
Administrative	3,341,412	714,255	2,583,451	1,000	45,974	6,686,091
Admini. Salaries - FSS Coordinator	117,835	-	-	-	-	117,835
Admin Contract - Tenant Svcs-ROSS	683,385	-	-	-	-	683,385
Resident Programs	3,044	-	-	-	-	3,044
Service Fee - Security / Utility Deposit / Rental App	126,337	-	-	-	-	126,337
Service Fee - Owner Incentive	126,337	-	-	-	-	126,337
Service Fee - Other	126,337	-	-	-	-	126,337
Benefits FSS Coordinator	25,832	-	-	-	-	25,832
Worker Comp - FSS Coordinator	2,368	-	-	-	-	2,368
Payroll Taxes FSS	9,238	-	-	-	-	9,238
Tenant Services	1,220,713	-	-	-	-	1,220,713
Water	1,497	7,800	12,840	21,600	-	43,737
Electricity	124	792	196,680	1,200	-	198,796
Gas	69	-	16,800	6,125	-	22,994
Sewer Fee	2,805	107	3,600	5,200	-	11,712
Utilities	4,495	8,699	229,920	34,125	-	277,239
Appliance Parts	1,400	-	-	-	-	1,400
Electrical	300	-	-	-	-	300

	ADMINISTRATIVE			NON-ADMINISTRATIVE		Total FY25
	Federal Programs Administration	Real Estate Administration	Indirect Departments	Real Estate Activities	HARA	
Hardware	6,250	-	-	-	-	6,250
Plumbing	2,000	-	-	-	-	2,000
Landscaping Materials	500	26,537	-	-	-	27,037
Garbage Service	7,729	-	12,350	-	-	20,079
Janitorial Contracts	2,100	9,823	211,506	-	-	223,429
Grounds Contract	4,420	23,600	22,536	58,575	-	109,131
Automatic Door Maintenance	-	-	9,400	-	-	9,400
Electrical Work	-	-	8,750	-	-	8,750
Electric Gates Maintenance	-	-	6,980	-	-	6,980
Elevator Service	-	-	12,494	-	-	12,494
Boiler Maintenance	-	-	13,929	-	-	13,929
Plumbing Work	-	-	10,450	-	-	10,450
Fumigation	2,034	-	7,200	-	-	9,234
Other Maintenance Contract	-	1,200	197,735	-	-	198,935
Painting and Decorating	56,500	-	-	-	-	56,500
Roof Repair	-	-	1,550	-	-	1,550
HVAC System	4,000	-	81,038	-	-	85,038
Protective Service - Materials	-	-	700	-	-	700
Protective Service Contracts	150	-	187,612	620,070	-	807,832
Maintenance & Operations	87,383	61,160	784,230	678,645	-	1,611,418
Commercial Package-Liability	71,241	12,651	26,398	111,933	-	222,223
Commercial Package-Casualty	-	-	72,322	-	-	72,322
Other Insurance	148,205	26,737	58,786	750	-	234,478
Payment In Lieu Of Taxes	2,000	-	-	-	-	2,000
City License Fee	-	-	960	-	-	960
State Fee	-	-	-	-	25	25
Admin Fee - Port Out - City	25,094	-	-	-	-	25,094
Admin Fee - Port Out - County	44,286	-	-	-	-	44,286
Property Taxes/Assessments	-	-	-	27,000	-	27,000
Bond Commision/Admini. Costs	-	-	12,000	-	-	12,000
Other General Expenses	-	2,556	-	-	-	2,556
Project Feasibility Expenses	-	650,000	-	-	-	650,000
General	290,826	691,944	170,466	139,683	25	1,292,944

	ADMINISTRATIVE			NON-ADMINISTRATIVE		Total FY25
	Federal Programs Administration	Real Estate Administration	Indirect Departments	Real Estate Activities	HARA	
Accounting Fees	504	-	-	-	-	504
Program Promotion	90,630	5,000	189,800	10,000	48,100	343,530
Administrative Contract	733,022	136,783	620,912	-	150,000	1,640,717
Property Management Fees	1,920	-	-	46,800	-	48,720
Scholarship Fund	75,000	-	-	-	83,500	158,500
Other Expense	901,076	141,783	810,712	56,800	281,600	2,191,971
TOTAL EXPENSES	19,095,517	5,904,280	12,689,670	910,253	327,599	38,927,319
GROSS SURPLUS (DEFICIT)	17,652,097	(5,831,106)	(12,689,670)	3,308,687	674,878	3,114,886
INDIRECT ALLOCATIONS						
Income - Indirect General Support	-	-	10,876,416	-	-	10,876,416
Income - Facility Support	-	-	1,674,704	-	-	1,674,704
Indirect General Support - Finance	(3,217,912)	(450,995)	-	-	-	(3,668,907)
Indirect General Support - Human Resources	(1,747,403)	(244,901)	-	-	-	(1,992,304)
Indirect General Support - Communications	(560,358)	(78,535)	-	-	-	(638,893)
Indirect General Support - Executive	(1,552,337)	(217,562)	-	-	-	(1,769,900)
Indirect General Support - ITU	(1,682,311)	(235,778)	-	-	-	(1,918,089)
Indirect General Support - Procurement	(779,127)	(109,196)	-	-	-	(888,323)
Facility Support - Main Bldg (Julian)	(1,088,162)	(467,882)	-	-	-	(1,556,044)
Facility Support - Almaden	(82,981)	(35,680)	-	-	-	(118,661)
TOTAL INDIRECT ALLOCATIONS	(10,710,591)	(1,840,529)	12,551,120	-	-	-
NET SURPLUS (DEFICIT)	6,941,506	(7,671,635)	(138,550)	3,308,687	674,878	3,114,886
NON OPERATING REVENUE / (EXPENSE)						
Interest Income	67,200	-	-	2,358,968	345,269	2,771,438
Interest Income From Bond	-	-	-	-	795,347	795,347
Interest Expense - City Of S.J	(8,969)	-	-	-	-	(8,969)
TOTAL NON OPERATING REVENUE / (EXPENSE)	58,231	-	-	2,358,968	1,140,616	3,557,816
Transfers In	23,860,276	7,671,635	138,550	-	-	31,670,461

	ADMINISTRATIVE			NON-ADMINISTRATIVE		Total FY25
	Federal Programs Administration	Real Estate Administration	Indirect Departments	Real Estate Activities	HARA	
Transfers Out	(30,922,316)	-	-	-	(748,145)	(31,670,461)
TOTAL TRANSFERS IN / (OUT)	(7,062,040)	7,671,635	138,550	-	(748,145)	-
TOTAL NET INCOME / (LOSS) PRIOR TO RESERVES	(62,303)	-	-	5,667,655	1,067,350	6,672,702
Use of reserves - Prior year	62,303	-	-	-	-	62,303
NET INCOME (LOSS)	\$ -	\$ -	\$ -	\$ 5,667,655	\$ 1,067,350	\$ 6,735,005
HOUSING ASSISTANCE EARNED						
Hap Earned - City	182,063,302	-	-	-	-	182,063,302
Hap Earned - County	333,083,811	-	-	-	-	333,083,811
Hap Earned - Single Fund Flexibility - City	(1,585,898)	-	-	-	-	(1,585,898)
Hap Earned - Single Fund Flexibility - County	(2,378,847)	-	-	-	-	(2,378,847)
TOTAL HOUSING ASSISTANCE EARNED	\$ 511,182,368	\$ -	\$ -	\$ -	\$ -	\$ 511,182,368
HOUSING ASSISTANCE PAYMENTS						
HAP-Occupied- City	179,695,201	-	-	-	-	179,695,201
HAP Occupied - County	318,261,206	-	-	-	-	318,261,206
HAP- FSS Escrow Vouchers - City	607,993	-	-	-	-	607,993
HAP- FSS Escrow Vouchers - County	1,031,893	-	-	-	-	1,031,893
Interim Housing Rental Subsidy Payment	5,167,000	-	-	-	-	5,167,000
TOTAL HOUSING ASSISTANCE PAYMENTS	\$ 504,763,293	\$ -	\$ -	\$ -	\$ -	\$ 504,763,293

ATTACHMENT C
SANTA CLARA COUNTY HOUSING AUTHORITY
CAPITAL BUDGET
FOR THE YEAR ENDING JUNE 30, 2025

Project	FY25
5x Model Switches Network device	\$ 50,000
Server replacement	100,000
Electric Vehicle Charging Stations	170,000
Elevator modernization and new cylinder	257,400
TOTAL CAPITAL BUDGET	\$ 577,400

ATTACHMENT D
SANTA CLARA COUNTY HOUSING AUTHORITY
TWO-YEAR HOUSING ASSISTANCE PAYMENTS AND OPERATING BUDGET COMPARISON
FOR THE YEAR ENDING JUNE 30, 2025

	FY24 Budget	FY25 Budget	\$ Change	% Change
INCOME				
Tenant Rental Income	\$ 23,580	\$ 25,992	\$ 2,412	10%
Rent Revenue Misc.	-	23,384	23,384	100%
Building Rent	614,630	971,792	357,162	58%
Rental Income	638,210	1,021,168	382,958	60%
Admin Fee - City	10,859,760	11,348,400	488,640	4%
Admin Fee - County	19,349,172	20,213,973	864,801	4%
Admin Fee Single Fund Flexibility - City	896,544	1,585,898	689,354	77%
Admin Fee Single Fund Flexibility - County	1,446,138	2,378,847	932,709	64%
Issuing Fees	23,000	1,300	(21,700)	-94%
HUD Administrative Fees	32,574,613	35,528,418	2,953,805	9%
Service Fees	1,600,000	379,011	(1,220,989)	-76%
EHV Service Fee Revenue	1,600,000	379,011	(1,220,989)	-76%
FSS Coordinator Fees	568,516	576,681	8,165	1%
FSS Coordinator Fees	568,516	576,681	8,165	1%
Operating Subsidy	19,636	20,257	621	3%
Operating Subsidy	19,636	20,257	621	3%
Fraud Recovery	190,552	119,420	(71,132)	-37%
Compliance Administrator Fee	18,849	18,849	-	0%
Interest Income - Ground Lease	2,376	2,376	-	0%
Developer Fee	1,000,752	3,568,253	2,567,501	257%
Land Lease	80,685	108,285	27,600	34%
Other Misc. Income	138,066	155,561	17,495	13%
Asset Management Fees	87,500	87,500	-	0%
Management Oversight Fee	400,166	411,567	11,401	3%
FSS Escrow Forfeits	-	44,859	44,859	100%
Other Operating Revenues	1,918,946	4,516,670	2,597,724	135%
TOTAL INCOME	37,319,922	42,042,205	4,722,283	13%
EXPENSES				
Administrative - Salaries	21,188,422	22,485,856	1,297,434	6%
Vacancy - contingency	(3,531,844)	(4,690,809)	(1,158,965)	33%
Benefits-Administrative	3,070,542	3,029,118	(41,424)	-1%
Benefits-CalPERS ER Contribution	1,848,523	1,905,819	57,296	3%
Benefits - 457B ER Contribution	36,000	36,000	-	0%
Workers Compensation Insurance	384,206	451,966	67,760	18%
Payroll Taxes	1,548,263	1,644,430	96,167	6%
Benefits - Retirees	360,504	784,562	424,058	118%
Wages & Benefits	24,904,617	25,646,942	742,325	3%

	FY24 Budget	FY25 Budget	\$ Change	% Change
Legal Expense - General	328,500	177,500	(151,000)	-46%
Legal Expense - Employment	197,500	182,500	(15,000)	-8%
Staff Training Expense	460,624	341,459	(119,165)	-26%
Tuition Reimbursement	35,000	20,000	(15,000)	-43%
Business Travel Expense	292,413	279,965	(12,448)	-4%
Automobile Insurance	7,467	18,900	11,433	153%
Other Auto Expense	2,720	9,180	6,460	238%
Staff Mileage Reimbursement	9,275	-	(9,275)	-100%
Financial Audit	119,943	134,881	14,938	12%
Building Rent	1,340,314	1,865,748	525,434	39%
Storage Facilities	24,711	24,711	-	0%
Temporary Help	278,890	224,998	(53,892)	-19%
Office Supplies	81,234	104,389	23,154	29%
Communication Expense	40,906	40,906	0	0%
Internet / Wan Expense	82,192	78,666	(3,526)	-4%
Postage, Handling and Freight	173,495	191,383	17,888	10%
Office Equipment Rental	97,783	116,204	18,421	19%
Publication and Membership	97,924	109,981	12,057	12%
Pre-Printed Forms	26,536	23,905	(2,631)	-10%
Benefit Administrative Fee	27,150	28,975	1,825	7%
Recruitment Expense	211,450	86,046	(125,404)	-59%
Board Meeting Expense	7,500	5,000	(2,500)	-33%
Cellular Phone/Pagers	51,721	89,489	37,768	73%
Agency Meeting Expense	78,250	152,100	73,850	94%
Ergonomics Expense	24,999	30,000	5,001	20%
Public Notices	17,500	20,000	2,500	14%
Bank Charges	10	75	65	650%
Payroll Expense	8,525	9,033	508	6%
Computer Expense	22,800	81,182	58,382	256%
Computer Contracts	2,001,253	2,238,864	237,611	12%
Misc. Expense	50	50	-	0%
Administrative	6,148,635	6,686,091	537,456	9%
Admini. Salaries - FSS Coordinator	113,413	117,835	4,422	4%
Admin Contract - Tenant Svcs-ROSS	640,687	683,385	42,698	7%
Resident Programs	3,032	3,044	12	0%
Service Fee - Housing Search Assistance	640,000	-	(640,000)	-100%
Service Fee - Security / Utility Deposit / Rental App	432,200	126,337	(305,863)	-71%
Service Fee - Owner Incentive	432,200	126,337	(305,863)	-71%
Service Fee - Other	95,600	126,337	30,737	32%
Benefits FSS Coordinator	23,806	25,832	2,026	9%
Worker Comp - FSS Coordinator	2,121	2,368	247	12%
Payroll Taxes FSS	8,949	9,238	289	3%
Tenant Services	2,392,008	1,220,713	(1,171,295)	-49%
Water	26,271	43,737	17,467	66%
Electricity	173,807	198,796	24,989	14%
Gas	22,111	22,994	883	4%
Sewer Fee	14,049	11,712	(2,337)	-17%

	FY24 Budget	FY25 Budget	\$ Change	% Change
Utilities	236,238	277,239	41,002	17%
Appliance Parts	600	1,400	800	133%
Electrical	300	300	-	0%
Hardware	8,100	6,250	(1,850)	-23%
Plumbing	500	2,000	1,500	300%
Landscaping Materials	8,500	27,037	18,537	218%
Garbage Service	22,493	20,079	(2,414)	-11%
Janitorial Contracts	219,945	223,429	3,484	2%
Grounds Contract	73,760	109,131	35,371	48%
Automatic Door Maintenance	6,288	9,400	3,112	49%
Electrical Work	11,750	8,750	(3,000)	-26%
Electric Gates Maintenance	6,980	6,980	-	0%
Elevator Service	12,135	12,494	359	3%
Boiler Maintenance	11,929	13,929	2,000	17%
Plumbing Work	6,750	10,450	3,700	55%
Fumigation	11,030	9,234	(1,796)	-16%
Other Maintenance Contract	128,870	198,935	70,065	54%
Painting and Decorating	500	56,500	56,000	11200%
Roof Repair	1,200	1,550	350	29%
HVAC System	56,098	85,038	28,940	52%
Protective Service - Materials	750	700	(50)	-7%
Protective Service Contracts	202,250	807,832	605,582	299%
Maintenance & Operations	790,728	1,611,418	820,690	104%
Commercial Package-Liability	119,608	222,223	102,615	86%
Commercial Package-Casualty	75,165	72,322	(2,843)	-4%
Other Insurance	184,769	234,478	49,709	27%
Payment In Lieu Of Taxes	1,297	2,000	703	54%
City License Fee	925	960	35	4%
State Fee	-	25	25	100%
Admin Fee - Port Out - City	25,094	25,094	-	0%
Admin Fee - Port Out - County	44,286	44,286	-	0%
Property Taxes/Assessments	-	27,000	27,000	100%
Bond Commision/Admini. Costs	-	12,000	12,000	100%
Other General Expenses	2,556	2,556	-	0%
Project Feasibility Expenses	200,000	650,000	450,000	225%
General	653,700	1,292,944	639,244	98%
Accounting Fees	504	504	-	0%
Miscellaneous	1,265	-	(1,265)	-100%
Program Promotion	385,855	343,530	(42,325)	-11%
Administrative Contract	3,006,116	1,640,717	(1,365,399)	-45%
Property Management Fees	1,920	48,720	46,800	2438%
Scholarship Fund	81,000	158,500	77,500	96%
Other Expense	3,476,660	2,191,971	(1,284,689)	-37%
TOTAL EXPENSES	38,602,586	38,927,319	324,733	1%
GROSS SURPLUS (DEFICIT)	(1,282,664)	3,114,886	4,397,551	343%

	FY24 Budget	FY25 Budget	\$ Change	% Change
INDIRECT ALLOCATIONS				
Income - Indirect General Support	10,450,056	10,876,416	426,360	4%
Income - Facility Support	2,561,525	1,674,704	(886,820)	-35%
Indirect General Support - Finance	(3,463,532)	(3,668,907)	(205,375)	6%
Indirect General Support - Human Resources	(2,102,339)	(1,992,304)	110,034	-5%
Indirect General Support - Communications	(767,596)	(638,893)	128,703	-17%
Indirect General Support - Executive	(1,425,372)	(1,769,900)	(344,528)	24%
Indirect General Support - ITU	(1,928,945)	(1,918,089)	10,856	-1%
Indirect General Support - Procurement	(762,272)	(888,323)	(126,051)	17%
Facility Support - Main Bldg (Julian)	(1,894,481)	(1,556,044)	338,437	-18%
Facility Support - Almaden	(667,044)	(118,661)	548,383	-82%
TOTAL INDIRECT ALLOCATIONS	-	-	-	0%
NET SURPLUS (DEFICIT)	(1,282,664)	3,114,886	4,397,551	343%
NON OPERATING REVENUE / (EXPENSE)				
Interest Income	665,897	2,771,438	2,105,540	316%
Interest Income From Bond	1,109,753	795,347	(314,406)	-28%
Interest Expense - City Of S.J	(38,900)	(8,969)	29,931	77%
TOTAL NON OPERATING REVENUE / (EXPENSE)	1,736,750	3,557,816	1,821,065	105%
Transfers In	29,297,053	31,670,461	2,373,408	8%
Transfers Out	(29,297,053)	(31,670,461)	(2,373,408)	-8%
TOTAL TRANSFERS IN / (OUT)	-	-	-	0%
TOTAL NET INCOME / (LOSS) PRIOR TO RESERVES	454,086	6,672,702	6,218,616	1369%
Use of reserves - Prior year	441,166	62,303	(378,863)	-86%
NET INCOME (LOSS)	\$ 895,252	\$ 6,735,005	\$ 5,839,753	652%
HOUSING ASSISTANCE EARNED				
Hap Earned - City	181,606,660	182,063,302	456,642	0%
Hap Earned - County	329,092,353	333,083,811	3,991,458	1%
Hap Earned - Single Fund Flexibility - City	(896,544)	(1,585,898)	(689,354)	77%
Hap Earned - Single Fund Flexibility - County	(1,446,138)	(2,378,847)	(932,709)	64%
TOTAL HOUSING ASSISTANCE EARNED	\$ 508,356,331	\$ 511,182,368	\$ 2,826,037	1%
HOUSING ASSISTANCE PAYMENTS				
HAP-Occupied- City	172,933,794	179,695,201	6,761,407	4%
HAP Occupied - County	304,423,243	318,261,206	13,837,963	5%
HAP- FSS Escrow Vouchers - City	461,847	607,993	146,146	32%
HAP- FSS Escrow Vouchers - County	762,730	1,031,893	269,163	35%
Interim Housing Rental Subsidy Payment	2,800,000	5,167,000	2,367,000	85%
TOTAL HOUSING ASSISTANCE PAYMENTS	\$ 481,381,614	\$ 504,763,293	\$ 23,381,679	5%