

*Our Mission: To assist low and moderate income families with affordable housing opportunities as they strive to achieve stability and improve their quality of life.*

### **Housing Choice Vouchers (HCV)**

- Provide housing to low and moderate income renters through a housing voucher that can be used by the tenant anywhere in the County or nationwide.
- Entirely federally-funded through the United States Department of Housing and Urban Development (HUD).

### **Project-Based Assistance Housing Choice Vouchers**

- Provide housing and supportive services to low and moderate income renters through a payment contract for designated existing housing units in the County.

### **Housing Opportunities for Persons with AIDS (HOPWA)**

- Provide housing assistance, through a monthly rental subsidy, to families where the head of household or a family member has been diagnosed with HIV/AIDS.

### **Family Unification**

- Promote family unification by providing rental assistance to families where the lack of affordable housing is a primary factor in the separation of children from their families.

## **SIGNIFICANT BUDGET CHANGES**

The FY 2019 adopted expenditure budget for the Section 8 Fund is \$18,671,085, a two percent decrease from the FY 2018 adopted budget. The FY 2019 adopted budget reflects:

- ↓ Personnel decreases due to the following eliminations made as a result of administrative funding reductions implemented to produce administrative efficiencies and ensure financial sustainability:
  - A Housing Choice Supervisor (\$121,654, 1.0 FTE),
  - Housing Inspector (\$66,807, 1.0 FTE),
  - Two Housing Assistance Program Specialists (\$180,618, 2.0 FTEs), and
  - Transfer out of an Administrative Technician I (\$80,199, 1.0 FTE) to the Economic Independence Division in the Department of Human Services General Fund.

Personnel decreases are partially offset by a transfer in of an Administrative Assistant from Employment Services in the Economic Independence Division (\$23,521, 0.25 FTE), employee salary increases, an increase in the County's cost for employee health insurance, and retirement contributions based on current actuarial projections.

- ↓ Non-personnel decreases due to adjustments made as a result of administrative funding reductions (\$89,031) and a reduction in the annual expense for maintenance and replacement of County vehicles (\$4,290). The decrease is partially offset by increases in Sequoia Plaza rent (\$2,188), contracted services (\$5,500), cellular telephone and paging services (\$384), postage (\$900), and memberships (\$4,500).

- ↑ Housing Assistance Payments increase based on the projected 96 percent voucher lease-up rate of 1,588 vouchers (\$458,623) and an increase to the HOPWA Program (\$37,347), partially offset by the elimination of the Shelter Plus Care (Milestones) Program (\$329,818).
- ↑ Revenue increases due to the projected 96 percent voucher lease-up rate of 1,588 vouchers (\$458,623) and HOPWA Program (\$37,347), partially offset by the elimination of the Shelter Plus Care (Milestones) Program (\$329,818) and a decrease in administrative revenue (\$116,998).

**PROGRAM FINANCIAL SUMMARY**

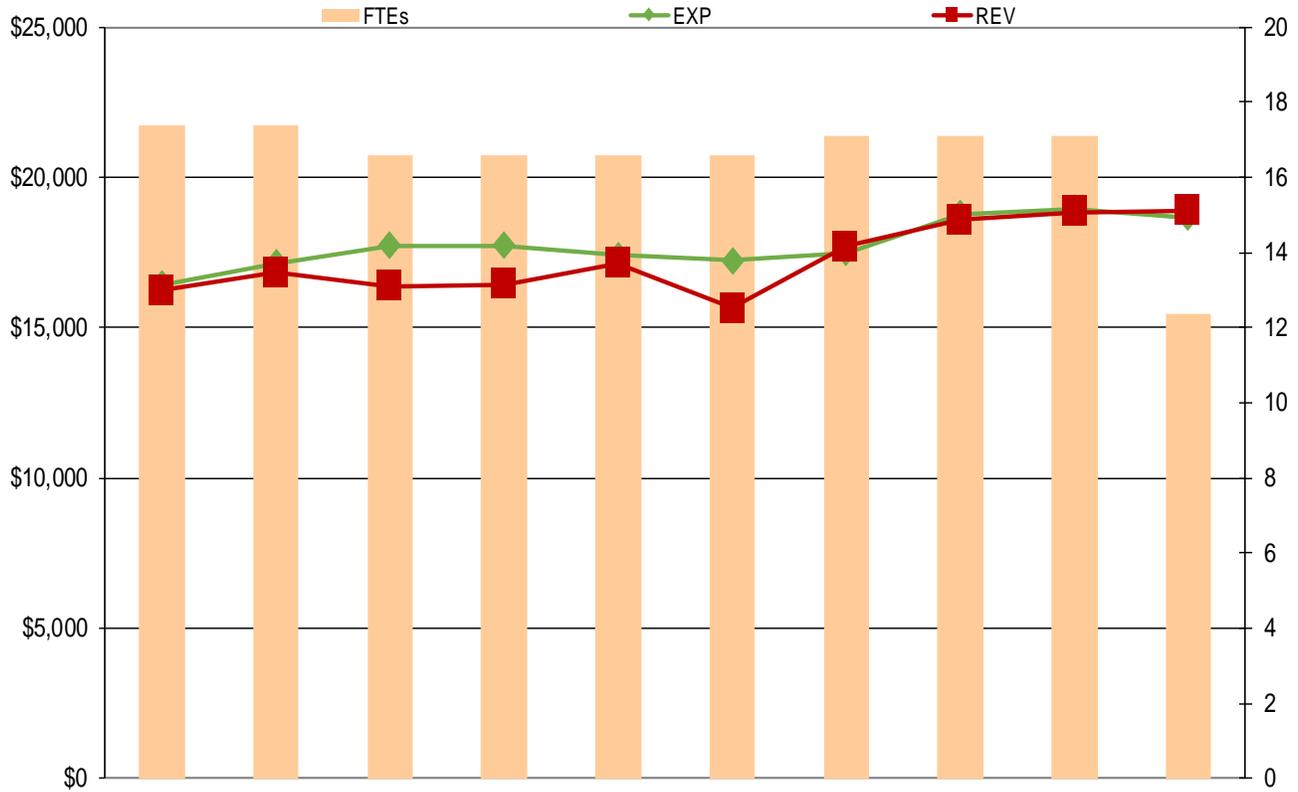
	FY 2017 Actual	FY 2018 Adopted	FY 2019 Adopted	% Change '18 to '19
Personnel	\$1,283,665	\$1,496,033	\$1,076,576	-28%
Non-Personnel	188,571	248,459	168,610	-32%
Housing Assistance Payments	17,319,011	17,220,201	17,425,899	1%
<b>Total Expenditures</b>	<b>18,791,247</b>	<b>18,964,693</b>	<b>18,671,085</b>	<b>-2%</b>
<b>Total Revenues</b>	<b>18,569,022</b>	<b>18,844,787</b>	<b>18,893,941</b>	<b>-</b>
<b>Change in Fund Balance</b>	<b>(\$222,225)</b>	<b>(\$119,906)</b>	<b>\$222,856</b>	<b>-286%</b>
Permanent FTEs	17.10	17.10	12.35	
Temporary FTEs	-	-	-	
<b>Total Authorized FTEs</b>	<b>17.10</b>	<b>17.10</b>	<b>12.35</b>	

**SECTION 8 HOUSING ASSISTANCE PROGRAM**  
**FUND STATEMENT**

	FY 2017 ACTUAL	FY 2018 ADOPTED	FY 2018 RE-ESTIMATE	FY 2019 ADOPTED
<b>Beginning Fund Balance July 1</b>	\$432,270	\$247,199	\$210,045	\$90,139
<b>REVENUE</b>				
Housing Assistance	16,823,601	16,865,568	16,865,568	17,324,191
Administrative Fees	1,338,919	1,544,140	1,544,140	1,427,142
Interest	10,420	-	-	-
Miscellaneous Revenue (Collections)	12,726	40,900	40,900	40,900
HOPWA	68,265	64,361	64,361	101,708
Shelter Plus Care (Milestones Program)	315,091	329,818	329,818	-
<b>TOTAL REVENUE</b>	<b>18,569,022</b>	<b>18,844,787</b>	<b>18,844,787</b>	<b>18,893,941</b>
<b>TOTAL BALANCE &amp; REVENUE</b>	<b>19,001,292</b>	<b>19,091,986</b>	<b>19,054,832</b>	<b>18,984,080</b>
<b>EXPENDITURES</b>				
Rental Assistance Payments	17,071,541	16,865,568	16,865,568	17,324,191
HOPWA	68,265	64,361	64,361	101,708
Shelter Plus Care (Milestones Program)	315,091	329,818	329,818	-
Administration & Operations	1,336,350	1,704,946	1,704,946	1,245,186
<b>TOTAL EXPENDITURES</b>	<b>18,791,247</b>	<b>18,964,693</b>	<b>18,964,693</b>	<b>18,671,085</b>
<b>Ending Fund Balance June 30</b>	<b>\$210,045</b>	<b>\$127,293</b>	<b>\$90,139</b>	<b>\$312,995</b>

Note: The FY 2017 CAFR reflects \$210,045 in deferred revenue which includes the rental assistance and administrative reserve funds.

EXPENDITURE, REVENUE, AND FULL-TIME EQUIVALENT TRENDS



	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
\$ in 000s	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Adopted Budget	Adopted Budget
<b>EXP</b>	\$16,450	\$17,153	\$17,738	\$17,734	\$17,413	\$17,219	\$17,491	\$18,791	\$18,965	\$18,671
<b>REV</b>	\$16,221	\$16,831	\$16,366	\$16,448	\$17,139	\$15,644	\$17,710	\$18,569	\$18,845	\$18,894
<b>FTEs</b>	17.40	17.40	16.60	16.60	16.60	16.60	17.10	17.10	17.10	12.35
<b>Change in Fund Balance</b>	(\$229)	(\$322)	(\$1,372)	(\$1,286)	(\$274)	(\$1,575)	\$219	(\$222)	(\$120)	\$223

Fiscal Year	Description	FTEs
FY 2010	<ul style="list-style-type: none"> <li>▪ Housing Assistance Payments decrease primarily due to cost savings as a result of the transfer of administrative responsibility for the New Construction (\$134,497) and Sub-Rehabilitation (\$760,923) Projects effective April 1, 2008 to a Performance Based Contract Administrator in accordance with the U.S. Department of Housing and Urban Development (HUD) nation-wide directives. The tenants were unaffected by this change. There is also a \$36,000 decrease in the Housing Opportunities for Persons with AIDS Program (HOPWA). The HOPWA program is decreasing due to fewer clients and a reduction in federal funding. These decreases are partially offset by increases in the Housing Choice Voucher Program (\$601,698) due to the Fair Market Rate increase of 4 percent and a projection that 97 percent of allowable units from HUD will be leased by program participants, and the HUD approved increased allocation for the Moderate Rehabilitation Project (\$15,036). In addition, the Shelter Plus Care (Milestones Program) increases by \$24,688 due to additional participants in the program.</li> </ul>	
FY 2011	<ul style="list-style-type: none"> <li>▪ Housing Assistance Payments increase by \$377,468 due to lower tenant incomes resulting from current economic conditions, from increases in the Housing Choice Voucher Program due to the Fair Market Rate increase of 3 percent, and the Department of Housing and Urban Development (HUD) approved increase for the Moderate Rehabilitation Project.</li> </ul>	
FY 2012	<ul style="list-style-type: none"> <li>▪ 50 vouchers awarded for participants in the Family Unification Program, which promotes family unification by providing rental assistance to families where the lack of affordable housing is a primary factor in the separation of children from their families.</li> <li>▪ Transfer of 0.8 FTE to the Management and Administration section of the Economic Independence Division.</li> </ul>	(0.80)
FY 2013	<ul style="list-style-type: none"> <li>▪ Housing Assistance Payments increase by \$925,356 due to a 100 percent voucher lease-up rate, and also because of the allocations for the Family Unification Program (50 vouchers) and the Moderate Rehabilitation 2 Program (35 vouchers).</li> <li>▪ Revenue decrease due to the Department of Housing and Urban Development instructions to significantly spend down the FY 2012 Fund Balance.</li> </ul>	
FY 2014	<ul style="list-style-type: none"> <li>▪ Housing Assistance Payments increase by \$385,192 due to a 100 percent voucher lease-up rate (\$362,988), and also because of the increased allocation for Shelter Plus Care (Milestones Program) (\$22,204).</li> <li>▪ Revenue increase by \$949,671 due to a 100 percent voucher lease-up rate (\$908,771) and additional Treasury collections (\$40,900).</li> </ul>	
FY 2015	<ul style="list-style-type: none"> <li>▪ Reduced the annual expense for maintenance and replacement of County vehicles (\$5,767); increased Sequoia plaza rent (\$2,240).</li> <li>▪ Housing Assistance Payments decrease due to a 95 percent voucher</li> </ul>	

Fiscal Year	Description	FTEs
	<p>lease-up rate of 1,469 vouchers (\$1,264,026).</p> <ul style="list-style-type: none"> <li>▪ Revenue decreases include administrative revenue (\$87,651) and Housing Assistance Payments (\$1,264,026). These decreases are based on a 95 percent voucher lease-up rate, due to Department of Housing and Urban Development sequestration reductions, as well as the Department of Housing and Urban Development's directive to spend down the Fund Balance.</li> </ul>	
FY 2016	<ul style="list-style-type: none"> <li>▪ <i>Added a Housing Specialist (\$44,628) based on additional funding for the Shelter Plus Care (Milestones Program).</i></li> <li>▪ Removed the Family Unification Program administrative budget (\$60,354); increased Sequoia Plaza rent (\$2,241).</li> <li>▪ Housing Assistance Payments increased based upon 95 percent voucher lease-up rate of 1,469 vouchers (\$969,110), as well as a Shelter Plus Care (Milestone Program) increase (\$50,680).</li> <li>▪ Decreased HOPWA expenses based on the FY 2015 grant award (\$24,935).</li> <li>▪ Revenue increases include Housing Assistance Payments based on 95 percent voucher lease-up rate of 1,469 (\$969,110) and the Shelter Plus Care (Milestones Program) (\$95,308). Decreases in revenue for HOPWA based on the FY 2015 grant award (\$424,935) and administrative revenue (\$354,622) based on the 95 percent voucher lease-up rate.</li> </ul>	0.5
FY 2017	<ul style="list-style-type: none"> <li>▪ Increased Sequoia plaza rent (\$1,453) and the annual expense for maintenance and replacement of County vehicles (\$237).</li> <li>▪ Housing Assistance Payments decreased based on projected 92 percent voucher lease-up rate of 1,588 vouchers (\$124,756), a Shelter Plus Care (Milestones Program) decrease (\$27,344), and HOPWA decrease (\$15,042) based on the FY 2016 grant award.</li> <li>▪ Revenue decreases include Housing Assistance Payment based on projected 92 percent voucher lease-up rate of 1,588 vouchers (\$124,756), reductions in Shelter Plus Care (Milestones Programs) (\$5,778) and HOPWA (\$12,465) based upon FY 2016 grant awards. Revenue increases due to increased administrative revenue (\$29,093) based on the 92 percent voucher lease-up rate.</li> </ul>	
FY 2018	<ul style="list-style-type: none"> <li>▪ Increased Sequoia plaza rent (\$2,401), offset by a decrease in the annual expense for maintenance and replacement of County vehicles (\$458).</li> <li>▪ Housing Assistance Payments increases based on the projected 94 percent voucher lease-up rate of 1,588 vouchers (\$1,005,860), and increases to the HOPWA (\$14,338) and the Shelter Plus Care (Milestones) Programs (\$16,732).</li> <li>▪ Revenue increases due to the projected 94 percent voucher lease-up rate of 1,588 vouchers (\$1,005,860), administrative revenue (\$148,733), and HOPWA (\$11,761). These increases are partially offset by a decrease in the Shelter Plus Care (Milestones) Program (\$9,916).</li> </ul>	

Fiscal Year	Description	FTEs
FY 2019	<ul style="list-style-type: none"> <li>▪ Several reductions were made as a result of administrative funding reductions implemented to produce administrative efficiencies and ensure financial sustainability. These include the elimination of a Housing Choice Supervisor (\$121,654, 1.0 FTE), a Housing Inspector (\$66,807, 1.0 FTE), two Housing Assistance Program Specialists (\$180,618, 2.0 FTEs), the transfer out of an Administrative Technician I (\$80,199, 1.0 FTE) to the Economic Independence Division in the Department of Human Services General Fund, partially offset by a transfer of an Administrative Assistant from Employment Services in the Economic Independence Division (\$23,521, 0.25 FTE).</li> <li>▪ Non-personnel decreases due to adjustments made as a result of administrative funding reductions (\$89,031).</li> <li>▪ Housing Assistance Payments increase based on the projected 96 percent voucher lease-up rate of 1,588 vouchers (\$458,623) and an increase to the HOPWA Program (\$37,347), partially offset by the elimination of the Shelter Plus Care (Milestones) Program (\$290,272).</li> <li>▪ Revenue increases due to the projected 96 percent voucher lease-up rate of 1,588 vouchers (\$458,623) and HOPWA Program (\$37,347), partially offset by the elimination of the Shelter Plus Care (Milestones) Program (\$329,818), decrease in administrative revenue (\$116,998), and elimination of the budget for Fund Balance used due to a change in the reporting process (\$119,906).</li> </ul>	(4.75)