

*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.

### **Milestones**

- Stabilize housing, through a monthly rental subsidy, of chronically homeless individuals with serious mental illness.

### **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 2018 adopted expenditure budget for the Section 8 Fund is \$18,964,693, a six percent increase from the FY 2017 adopted budget. The FY 2018 adopted budget reflects:

- ↑ Personnel increases due to employee salary increases, an increase in the County's cost for employee health insurance, and retirement contributions based on current actuarial projections.
- ↑ Non-personnel increases due to Sequoia Plaza rent (\$2,401), offset by a decrease in the annual expense for maintenance and replacement of County vehicles (\$458).
- ↑ 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).
- ↑ 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).

**PROGRAM FINANCIAL SUMMARY**

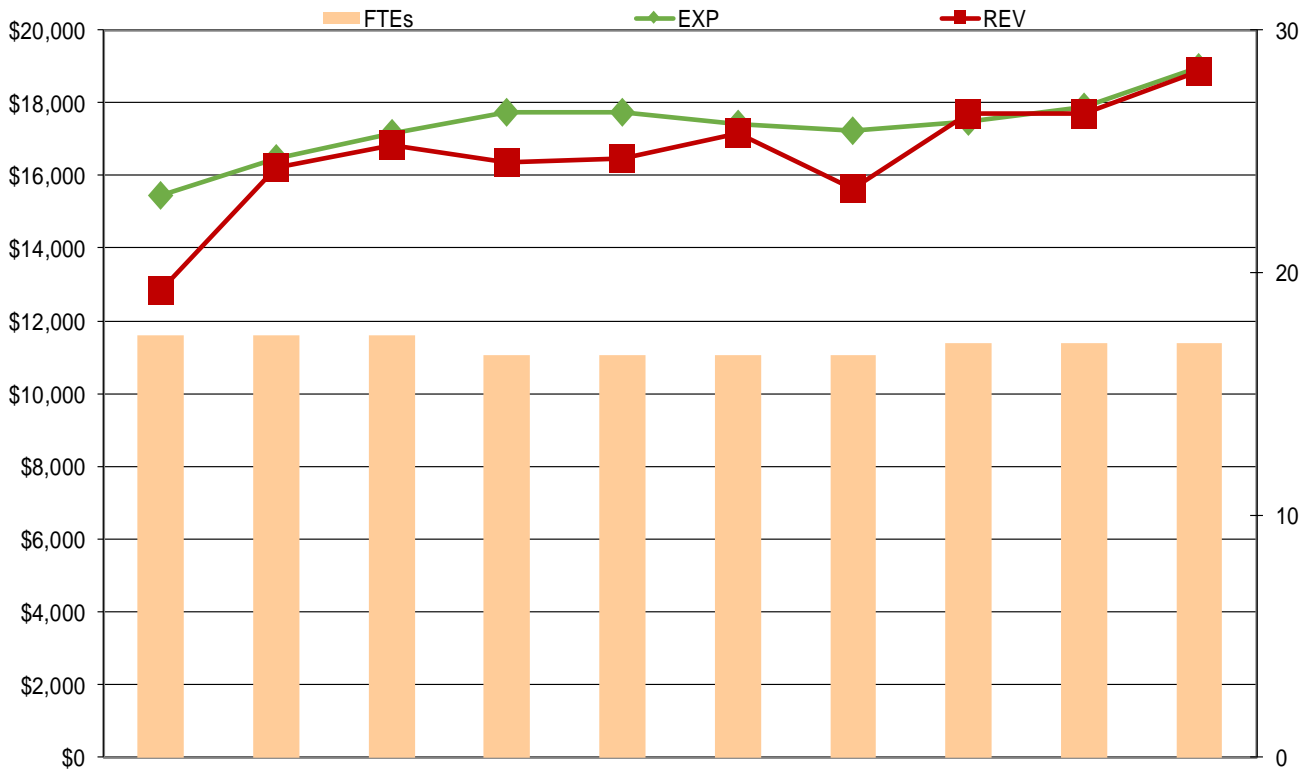
	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted	% Change '17 to '18
Personnel	\$1,314,624	\$1,441,056	\$1,496,033	4%
Non-Personnel	201,633	246,516	248,459	1%
Housing Assistance Payments	15,974,720	16,183,271	17,220,201	6%
<b>Total Expenditures</b>	<b>17,490,977</b>	<b>17,870,843</b>	<b>18,964,693</b>	<b>6%</b>
<b>Total Revenues</b>	<b>17,709,750</b>	<b>17,688,349</b>	<b>18,844,787</b>	<b>7%</b>
<b>Change in Fund Balance</b>	<b>\$218,773</b>	<b>(182,494)</b>	<b>(119,906)</b>	<b>-</b>
Permanent FTEs	17.10	17.10	17.10	
Temporary FTEs	-	-	-	
<b>Total Authorized FTEs</b>	<b>17.10</b>	<b>17.10</b>	<b>17.10</b>	

**SECTION 8 HOUSING ASSISTANCE PROGRAM  
FUND STATEMENT**

	<b>FY 2016 ACTUAL</b>	<b>FY 2017 ADOPTED</b>	<b>FY 2017 RE-ESTIMATE</b>	<b>FY 2018 ADOPTED</b>
<b>Beginning Balance July 1</b>	\$213,497	\$549,177	\$432,270	\$247,199
<b>REVENUE</b>				
Housing Assistance	15,916,562	15,859,708	15,859,708	16,865,568
Administrative Fees	1,434,479	1,395,407	1,395,407	1,544,140
Interest	9,682	-	-	-
Miscellaneous Revenue (Collections)	19,100	40,900	40,900	40,900
HOPWA	50,303	52,600	50,023	64,361
Shelter Plus Care (Milestones Program)	279,624	339,734	339,734	329,818
<b>TOTAL REVENUE</b>	<b>17,709,750</b>	<b>17,688,349</b>	<b>17,685,772</b>	<b>18,844,787</b>
<b>TOTAL BALANCE &amp; REVENUE</b>	<b>17,923,247</b>	<b>18,237,526</b>	<b>18,118,042</b>	<b>19,091,986</b>
<b>EXPENDITURES</b>				
Rental Assistance Payments	15,680,983	15,859,708	15,859,708	16,865,568
HOPWA	50,303	50,023	50,023	64,361
Shelter Plus Care (Milestones Program)	279,624	339,734	339,734	329,818
Administration & Operations	1,480,067	1,621,378	1,621,378	1,704,946
<b>TOTAL EXPENDITURES</b>	<b>17,490,977</b>	<b>17,870,843</b>	<b>17,870,843</b>	<b>18,964,693</b>
<b>Ending Fund Balance June 30</b>	<b>\$432,270</b>	<b>366,683</b>	<b>247,199</b>	<b>127,293</b>

Note: \$432,270 in revenue was deferred from FY 2016 to FY 2017. Therefore, the FY 2016 CAFR reflects a fund balance of zero.

EXPENDITURE, REVENUE, AND FULL-TIME EQUIVALENT TRENDS



	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
\$ in 000s	Actual	Actual	Actual	Actual	Actual	Actuals	Actuals	Actuals	Adopted Budget	Adopted Budget
EXP	\$15,437	\$16,450	\$17,153	\$17,738	\$17,734	\$17,413	\$17,219	\$17,491	\$17,871	\$18,965
REV	\$12,842	\$16,221	\$16,831	\$16,366	\$16,448	\$17,139	\$15,644	\$17,710	\$17,688	\$18,845
FTEs	17.40	17.40	17.40	16.60	16.60	16.60	16.60	17.10	17.10	17.10

Fiscal Year	Description	FTEs
FY 2009	<ul style="list-style-type: none"> <li>▪ Housing assistance payments increase due to a higher voucher lease-up rate and increased Fair Market Rents (\$572,985). This increase is partially offset by a reduction in the Housing Opportunities for Persons with AIDS (HOPWA) program (\$30,000). The HOPWA program is decreasing due to fewer clients and a reduction in federal funding.</li> </ul>	
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 2015	<ul style="list-style-type: none"> <li>▪ Reduced the annual expense for maintenance and replacement of County</li> </ul>	

Fiscal Year	Description	FTEs
	<ul style="list-style-type: none"> <li>vehicles (\$5,767); increased Sequoia plaza rent (\$2,240).</li> <li>▪ Housing Assistance Payments decrease due to a 95 percent voucher lease-up rate of 1,469 vouchers (\$1,264,026).</li> <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> </ul>	

**Fiscal  
Year**

**Description**

**FTEs**

- 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).