

Item H-1: PROPOSED AMENDMENTS TO REGULATION 322

May 15, 2024 | Regular Meeting of the Richmond Rent Board

Item H-1: Statement of the Issue

On April 17, 2024, the Rent Board directed staff to amend Regulation 322, to allow for the Rent Board or individual Rent Board members to present Agenda Items and Agenda Reports. Consistent with Rent Board direction, staff members are now presenting proposed amendments to Regulation 322, which will allow for the Rent Board or individual Board members to present Agenda Items and Agenda Reports.

Further, as a sidenote, upon review of Regulation 322, staff found one typographical/clerical error and one organizational error, which will be corrected.

Item H-1: Background – Current Regulation 322(A)

Currently, Regulation 322(A) states the following in the Consideration of Agenda Items:

- a. The Rent Board Clerk or Presiding Officer will read the title of the agenda item to be considered.
- b. A report will be presented by staff, if called for by the Presiding Officer.
- c. Rent Boardmembers may ask questions of staff.

Item H-1: Background – Proposal Regulation 322(A)

PROPOSAL to amend Regulation 322(A) -

- a. The Rent Board Clerk or Presiding Officer will read the title of the agenda item to be considered. **In addition to staff, agenda items may be submitted by individual Rent Board members or the Rent Board.**
- b. A report will be presented by staff **or Board member(s)**, if called for by the Presiding Officer.
- c. Rent Boardmembers may ask questions of staff **or Board member(s) who submitted the agenda item or presented the report.**

Item H-1: Recommended Action

AMEND Regulation 322(A) to allow the Rent Board or individual Board members to submit agenda items, agenda reports, and allow the Rent Board to ask questions to Board members who submitted the agenda item or agenda report.

Item H-1: AGENDA Action

Staff members recommend the Rent Board adopt the Proposed Amendments to Regulation 322(A)(a),(b), and (c).

PROPOSED FISCAL YEAR
2024-25 BUDGET AND
RENTAL HOUSING FEE

RENT PROGRAM

CITY OF RICHMOND RENT PROGRAM



ITEM J-1 | May 15, 2024, Special Rent Board Meeting
www.richmondrent.org

STATEMENT OF THE ISSUE

Statement of Issue:

Section 11.100.060(n) of the Rent Ordinance requires that the Board hold a public hearing and adopt an annual budget for the upcoming fiscal year no later than July 1. The annual budget is funded by the Residential Rental Housing Fee, the amount of which is determined by the City Council following a recommendation from the Rent Board. In consideration of this requirement, staff members have prepared a proposed Fiscal Year 2024-25 Budget with corresponding fees and a 10-year financial projection for its consideration and comment. The purpose of this item is to receive feedback from the Board on the proposed budget and for potential adoption by the July 1 deadline.

BACKGROUND

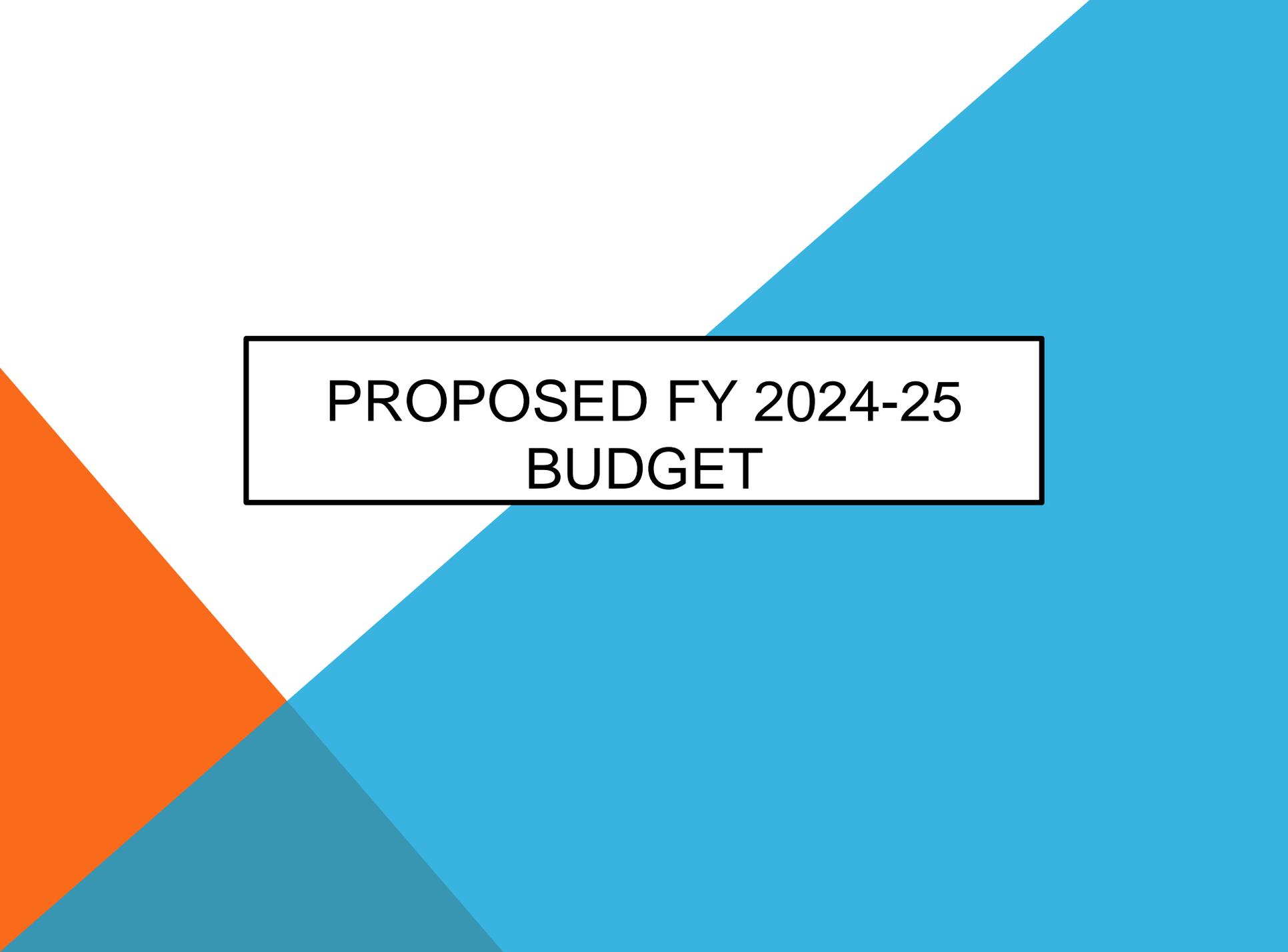
At the May 7, 2024, Special Rent Board Meeting, Item F-1 staff were directed to draft a Proposed Budget for Fiscal Year 2024-25; Option 2 in accordance with the presentation provided by Nicolas Traylor, Executive Director of the Rent Program.

The **Option 2** Budget proposal assumptions are listed below:

- Salary and step increases per each Memorandum of Understanding and Side Letter for SEIU Local 1021, IFPTE Local 21 Mid-Management, and IFPTE Local 21 Executive Management.
- Approximately double the mass mailing budget to four campaigns for the year.
- Increase and invest in new in-person interpretation service. A Request for Proposal to seek additional vendors for Fiscal Year 2024-25.
- Reclassifying vacant Office Assistant role in the Hearings Unit to an Administrative Trainee or equivalent; delay hire to the Second Quarter of the fiscal year.
- Add a Compliance Specialist, hired in the Second Quarter of the fiscal year.

FISCAL IMPACT

The proposed budget and Rental Housing Fee study for the 2024-25 fiscal year would authorize \$3,606,614 in expenses and \$3,706,614 in revenue. The Rental Housing Fee for the 2024-25 fiscal year is proposed: \$261 for Fully Covered Rental Units and \$148 for Partially Covered Rental Units.



PROPOSED FY 2024-25
BUDGET

PROPOSED FY2024-25 BUDGET SUMMARY

Category	Proposed FY 2024-25 Budget
Salaries and Wages	\$1,983,278
Fringe Benefits	\$1,002,435
Professional and Administrative Services	\$377,606
Cost Pool (Indirect Service Charges, Space at 440 Civic Center Plaza, General Liability)	\$156,295
Other Operating Expenses	\$77,000
Supplemental Liability Insurance Policy	\$9,500
Utilities	\$500
TOTAL EXPENSES	\$3,606,614

PROPOSED SALARIES & WAGES FRINGE BENEFITS

<i>City Account Description</i>	FY 18-19 ACTUALS	FY 19-20 ACTUALS	FY 20-21 ACTUALS	FY 21-22 ACTUALS	FY 22-23 ACTUALS	FY 23-24 ADOPTED	FY 24-25 PROPOSED
EXPENSES							
Salaries & Wages/Executive	530,092	639,594	649,356	676,463	764,496	846,234	984,703
Salaries & Wages/Mgmts.-Local 21	294,152	263,080	183,838	147,008	307,266	367,225	467,164
Salaries & Wages/Local 1021	128,866	150,317	168,422	152,925	208,948	337,653	443,728
Salaries & Wages/PT-Temp	49,557	45,905	32,244	35,234	21,447	37,565	47,000
Overtime/General	4,778	2,094	1,312	1,793	802	2,500	2,500
Other Pay/Bilingual Pay	6,993	9,064	9,719	7,910	10,713	11,470	14,289
Other Pay/Auto Allowance	4,200	4,200	4,200	4,200	4,200	4,200	4,200
Other Pay/Medical-In Lieu of	2,700	1,500	-	-	-	-	-
Other Pay/Pension Credits	-	-	-	-	-	-	19,694
Comp Absences/WC-Prof-Mgt-Tec	1,486	5,328	-	-	-	-	-
Prior	-	-	-	34,200	-	63,615	-
Subtotal - Salaries & Wages	1,022,823	1,121,084	1,049,091	1,059,732	1,317,872	1,670,462	1,983,278
% Salaries & Wages to Total Expenses	50.0%	49.5%	48.9%	48.7%	51.1%	55.6%	55.0%
Subtotal Fringe Benefits	611,127	691,706	727,447	694,301	864,195	880,050	1,002,435
% of Fringe Benefits to Total Expenses	29.9%	30.5%	33.9%	31.9%	33.5%	29.3%	27.8%
TOTAL EXPENSES	2,047,186	2,264,738	2,143,246	2,175,258	2,581,531	3,004,698	3,606,614

PROPOSED PROFESSIONAL AND ADMINISTRATIVE SERVICES

- **Proposed \$377,606 includes the following allocations, prior year \$427,358:**
- **Professional Services Contracts (\$80,700):**
 - Interpretations (oral): \$41,700, increase of \$9,500 from prior year
 - Translation (written): \$19,000, increase of \$17,800 from prior year
 - Temporary Staffing: \$20,000 PIE Staff will be out on Leave in Q2
- **Community Services Agency Contracts (\$275,000):**
 - Eviction Defense Center (referrals to individuals who need assistance responding to Unlawful Detainer (eviction) lawsuits): \$200,000
 - Legal services for Landlords and Tenants: \$75,000
- **Services, Dues & Subscriptions (\$21,906):**
 - \$2,500 TRAKiT–City land management IT cost, \$2,025 California BAR Association dues, \$7,500 for DataTree and Legal research subscription, \$3,000 Ads & Promotions, Admin Exp/Program Supplies \$6,881

OTHER OPERATING

Proposed \$77,000 includes the following allocations, \$51,780 prior year:

- **Postage**: Rental Housing Fee invoices, Late Rental Housing Fee invoices, Printing the Notice of Apparent Lawful Rent Ceiling for Tenants and Landlords, Printing Rent Validation Reports for Tenants and Landlords, Guide to Rent Control for Tenants and Landlords, Postcards and general print materials: \$30,000, prior year \$15,355.
- **Printing**: Rental Housing Fee invoices, Late Rental Housing Fee invoices, Printing the Notice of Apparent Lawful Rent Ceiling for Tenants and Landlords, Printing Rent Validation Reports for Tenants and Landlords, Guide to Rent Control for Tenants and Landlords, Postcards, and general print materials: \$30,000, prior year \$15,425.
- \$9,000 for a lease combination of printers, scanners, copiers, and fax machines at the Rent Program office.
- \$8,000 Office supplies to operate Rent Program

COST POOL AND OTHER NON-CAPITAL

❖ Cost Pool:

- General Liability Insurance: \$99,980
- Administrative Charges (previously referred to as “Indirect Costs”): \$0
- Civic Center Allocation: \$56,315

• Non-Capital Expenses:

- Provision for Supplemental General Liability: \$9,500
- \$500 for mobile phone–Rent Program





**(3) FINANCIAL STATUS AND
10-YEAR PROJECTION**

10-YEAR FINANCIAL PROJECTION: BACKGROUND

- ❖ In February 2020, the Rent Program entered into a contract with Kevin W. Harper CPA and Associates to prepare 10-year financial projections for the Rent Program and issue recommendations in support of the agency's goal of achieving long-term financial stability.
- ❖ Financial projections are living documents:
 - ❖ As recommended by Kevin Harper, the financial projections will be updated continuously based on actual and projected expenses.
 - ❖ An updated 10-year financial projection based on the proposed FY 2024-25 budget was provided as an attachment to the proposed Budget Item.
- ❖ The financial projections allow for more informed decision making.

10-YEAR FINANCIAL PROJECTION

Object #	City Account Description	Historical Actuals					Projected		
		2018-19	2019-20	2020-21	2021-22	2022-23	2023-24 Actuals to 4/30/24	2023-24 May and June	2023-24 Fiscal Year End
REVENUES									
340445	Fees/Admin Fees (a)	2,189,703	2,681,689	2,764,961	2,332,429	2,553,651	2,667,987	80,000	2,747,987
361701	Int & Invest Pooled-All Other	367	11,537	6,096	9,894	31,647	47,738	8,000	55,738
364867	Revenue from Collections	133	13,042	24,796	14,366	50,078	26,235	14,000	40,235
	Total Revenues	2,190,203	2,706,268	2,795,854	2,356,688	2,635,376	2,741,960	102,000	2,843,960
EXPENSES									
Salaries & Wages									
400001	Salaries & Wages/Executive	530,092	639,594	649,356	676,463	764,496	719,389	153,933	873,323
400002	Salaries & Wages/Mgmt-Local 21	294,152	263,080	183,838	147,008	307,266	327,964	71,400	399,364
400003	Salaries & Wages/Local 1021	128,866	150,317	168,422	152,925	208,948	196,692	41,709	238,392
400005	Salaries & Wages/PT-Temp	49,557	45,905	32,244	35,234	21,447	39,339	10,275	49,614
400031	Overtime/General	4,778	2,094	1,312	1,793	802	352	134	486
400048	Other Pay/Bilingual Pay	6,993	9,064	9,719	7,910	10,713	10,991	1,879	12,869
400049	Other Pay/Auto Allowance	4,200	4,200	4,200	4,200	4,200	3,500	700	4,200
400050	Other Pay/Medical-In Lieu of	2,700	1,500	-	-	-	14,224	3,053	17,277
400053/8	Pension Credits / OTHER PAY/Bonuses	-	-	-	34,200	-	2,000	-	2,000
400079	Comp Absences/WC-Prof-Mgt-Tec	1,486	5,328	-	-	-	-	-	-
	Subtotal - Salaries & Wages	1,022,823	1,121,084	1,049,091	1,059,732	1,317,872	1,314,441	283,083	1,597,524
Fringe Benefits									
400103	P-Roll Ben/Medicare Tax-ER Shr	14,937	16,389	15,313	15,435	19,219	18,929	4,109	23,038
400104	P-Roll Ben/PERS Benefits	-	-	-	-	-	-	-	-
400105	P-Roll Ben/Health Insurance Be	146,557	136,575	128,611	168,100	238,838	217,215	46,276	263,491
400106	P-Roll Ben/Dental Insurance	16,652	17,021	17,534	13,509	16,624	13,873	2,775	16,648
400109	P-Roll Ben/Employee Assistance	430	473	422	244	217	184	37	220
400110	P-Roll Ben/Professional Dev-Mg	3,728	5,200	1,500	250	1,500	1,297	1,500	2,797
400111	P-Roll Ben/Vision	2,106	2,095	2,049	1,588	1,985	1,664	333	1,997
400112	P-Roll Ben/Life Insurance	5,557	4,006	3,433	3,336	3,894	3,275	655	3,930
400114	P-Roll Ben/Long Term Disabilit	9,408	10,100	9,259	6,952	6,472	6,517	1,404	7,921
400116	P-Roll Ben/Unemployment Ins	1,860	5,100	4,960	4,440	6,042	5,700	1,140	6,840
400117	P-Roll Ben/Personal/Prof Dev	750	1,493	1,500	1,140	2,250	430	1,134	1,565
400118	P-Roll Ben/Worker Comp-Injury Appt	-	-	692	-	-	-	-	-
400121	P-Roll Ben/Worker Comp-Clerica	13,806	12,154	14,541	9,042	14,807	8,874	1,831	10,705
400122	P-Roll Ben/Worker Comp-Prof	69,352	60,744	74,891	47,762	72,880	92,220	20,299	112,519
400124	P-Roll Ben/CON-MEDICL EE Share	-	-	-	-	-	-	-	-
400127	P-Roll Ben/CPPEB	39,338	43,623	42,145	40,276	34,620	20,241	4,172	24,413
400130	P-Roll Ben/PARS Benefits	642	434	500	398	520	511	134	645
400149	P-Roll Ben/Misc	123,021	140,616	139,314	128,986	162,492	173,575	37,353	210,928
400151	P-Roll Ben/Misc (UAL)	162,985	235,683	271,234	252,844	282,084	199,425	39,019	238,444
	Subtotal Fringe Benefits	611,127	691,706	727,447	694,301	864,195	763,931	162,171	926,102
Prof & Admin Services									
400201	Prof Svcs/Professional Svcs	32,112	38,241	10,957	10,460	12,649	16,686	3,212	19,899
400206	Prof Svcs/Legal Serv Cost	137,614	193,742	149,994	183,326	164,576	149,994	33,332	183,326
400220	Prof Svcs/Info Tech Services	2,375	-	2,142	2,205	-	-	-	-
400241	Travel & Trng/Meal Allowance	359	-	-	-	-	-	-	-
400242	Travel & Trng/Mileage	1,284	17	-	-	-	-	-	-
400243	Travel & Trng/Conf, Mtng Trng	280	-	-	-	-	-	-	-
400245	Travel & Trng/Tuition Rmb/Cert	800	800	-	-	3,250	1,556	1,046	2,601
400261	Dues & Pub/Memberships & Dues	824	1,590	1,453	1,437	1,689	649	-	649
400263	Dues & Pub/Subscription	1,500	-	-	-	-	-	-	-
400271	Ad & Promo/Advertising & Promo	1,559	2,106	1,702	3,928	649	1	-	1
400272	Ad & Promo/Advertising & Promo	1,563	1,722	-	-	-	-	-	-
400280	Adm Exp/Program Supplies	5,292	1,600	3,432	1,126	4,374	4,639	1,008	5,647
	Subtotal Prof & Admin Services	185,563	239,819	169,680	202,481	187,187	173,525	38,598	212,122
Other Operating									
400231	Off Exp/Postage & Mailing	10,849	5,905	6,528	14,981	5,794	5,988	9,000	14,988
400232	Off Exp/Printing & Binding	12,071	3,295	3,428	735	2,377	4,727	10,000	14,727
400233	Off Exp/Copying & Duplicating	46	-	236	-	-	-	-	-
400304	Rental Exp/Equipment Rental	8,721	4,532	2,488	2,554	3,255	954	-	954
400321	Misc Exp/Misc Contrib	3,000	-	1,500	1,500	-	1,915	-	1,915
400322	Misc Exp/Misc Exp	3,061	2,262	-	173	-	103	500	603
400341	Off Supp/Office Supplies	8,721	6,024	1,891	6,457	627	1,829	1,500	3,329
400344	Off Supp/Computer Supplies	19	783	-	-	6,316	4,276	-	4,276
	Subtotal Other Operating	46,486	22,801	16,072	26,400	18,369	19,793	21,000	40,793
400201	Carry forward from FY 2022-23 - System	13,328	-	-	-	-	-	-	-
400401	Utilities/Tel & Telegraph	254	414	551	498	-	-	-	-
400538	Contract Svcs/Other Contract Svcs	-	-	103	150	112	56	-	56
400562	Prov Fr Ins Loss/Ins Gen Liab	8,029	8,765	9,047	8,991	9,163	9,195	-	9,195
400574	Cost Pool/(ISF)-Gen Liab	55,701	75,144	69,513	79,937	83,934	181,454	36,290	217,744
400586	Cost Pool/(CAP)-Admin Charges	51,454	51,454	51,454	52,481	52,481	43,735	8,746	52,481
400591	Cost Pool/(IND)-Civ. Ctr Alloc	52,420	47,000	50,289	50,286	48,217	50,206	10,042	60,248
400601	Noncap Asst/Comp Hrdware<5K	-	6,526	-	-	-	-	-	-
391994	TRANSFER IN/From Gen Fund - Subsidy	-	-	-	-	-	(125,000)	(25,000)	(150,000)
	TOTAL EXPENSES	2,047,186	2,264,738	2,143,246	2,175,258	2,581,530	2,431,336	534,929	2,966,265
	Net Operating Surplus (Deficit)	143,017	441,530	652,608	181,430	53,846	310,625	(432,929)	(122,305)
	Starting Fund Balance	178	125,341	509,296	425,157	584,010	-	-	985,692
	True up - Projections to Actuals	-	-	-	-	2,777	355,114	-	-
	Annual Contribution to Reserves	-	-	500,000	25,354	116,569	-	-	109,251
	RESERVE BALANCE \$	55,339	-	500,000	525,354	641,922	-	-	751,172
	RESERVE BALANCE %	-	-	23%	24%	25%	-	-	25%
	<i>Minimum Necessary Starting Fund Balance (b)</i>				362,543	430,255			494,378

10-YEAR FINANCIAL PROJECTION

Object #	City Account Description	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
	REVENUES	Proposed						
340445	Fees/Admin Fees (a)	3,606,614	3,738,035	3,875,852	4,018,727	4,167,733	4,323,155	4,485,294
361701	Int & Invest/Pooled-All Other	50,000	51,000	52,020	53,060	54,122	55,204	56,308
364867	Revenue from Collections	50,000	30,000	30,000	30,000	30,000	30,000	30,000
	Total Revenues	3,706,614	3,819,035	3,957,872	4,101,788	4,251,855	4,408,359	4,571,602
	EXPENSES							
	Salaries & Wages							
400001	Salaries & Wages/Executive	984,703	1,033,939	1,085,635	1,139,917	1,196,913	1,256,759	1,319,597
400002	Salaries & Wages/Mgmt-Local 21	467,164	490,522	515,048	540,801	567,841	596,233	626,044
400003	Salaries & Wages/Local 1021	443,728	465,915	489,210	513,671	539,354	566,322	594,638
400006	Salaries & Wages/PT-Temp	47,000	49,350	51,818	54,408	57,129	59,985	62,984
400031	Overtime/General	2,500	2,625	2,756	2,894	3,039	3,191	3,350
400048	Other Pay/Bilingual Pay	14,289	15,003	15,753	16,541	17,368	18,236	19,148
400049	Other Pay/Auto Allowance	4,200	4,200	4,200	4,200	4,200	4,200	4,200
400050	Other Pay/Medical-In Lieu of	-	-	-	-	-	-	-
400053/8	Pension Credits / OTHER PAY/Bonuses	19,694	20,679	21,713	22,798	23,938	25,135	26,392
400079	Comp Absences/WC-Prof-Mgt-Tec	-	-	-	-	-	-	-
	Subtotal - Salaries & Wages	1,983,278	2,082,232	2,186,134	2,295,230	2,409,782	2,530,061	2,656,354
	Fringe Benefits							
400103	P-Roll Ben/Medicare Tax-ER Shr	26,457	26,986	27,526	28,076	28,638	29,211	29,795
400104	P-Roll Ben/PERS Benefits	-	-	-	-	-	-	-
400105	P-Roll Ben/Health Insurance Be	326,838	333,375	340,042	346,843	353,780	360,856	368,073
400106	P-Roll Ben/Dental Insurance	19,418	19,806	20,202	20,607	21,019	21,439	21,868
400109	P-Roll Ben/Employee Assistance	252	257	262	267	273	278	284
400110	P-Roll Ben/Professional Dev-Mg	6,750	6,885	7,023	7,163	7,306	7,453	7,602
400111	P-Roll Ben/Vision	2,324	2,370	2,418	2,466	2,516	2,566	2,617
400112	P-Roll Ben/Life Insurance	4,047	4,128	4,210	4,295	4,381	4,468	4,558
400114	P-Roll Ben/Long Term Disabilit	13,025	13,286	13,551	13,822	14,099	14,381	14,668
400116	P-Roll Ben/Unemployment Ins	6,384	6,512	6,642	6,775	6,910	7,048	7,189
400117	P-Roll Ben/Personal/Prof Dev	3,750	3,825	3,902	3,980	4,059	4,140	4,223
400118	P-Roll Ben/Worker Comp-Injury Appt	-	-	-	-	-	-	-
400121	P-Roll Ben/Worker Comp-Clerica	-	-	-	-	-	-	-
400122	P-Roll Ben/Worker Comp-Prof	94,187	96,070	97,992	99,952	101,951	103,990	106,069
400124	P-Roll Ben/CON-MEDICL EE Share	-	-	-	-	-	-	-
400127	P-Roll Ben/OPEB	-	-	-	-	-	-	-
400130	P-Roll Ben/PARS Benefits	-	-	-	-	-	-	-
400149	P-Roll Ben/Misc	240,175	244,979	249,878	254,876	259,973	265,173	270,476
400151	P-Roll Ben/Misc (UAL)	258,828	264,005	269,285	274,670	280,164	285,767	291,482
	Subtotal Fringe Benefits	1,002,435	1,022,483	1,042,933	1,063,792	1,085,068	1,106,769	1,128,904
	Prof & Admin Services							
400201	Prof Svcs/Professional Svcs	80,700	82,314	83,960	85,639	87,352	89,099	90,881
400206	Prof Svcs/Legal Serv Cost	275,000	280,500	286,110	291,832	297,669	303,622	309,695
400220	Prof Svcs/Info Tech Services	2,500	2,550	2,601	2,653	2,706	2,760	2,815
400241	Travel & Trng/Misc Allowance	-	-	-	-	-	-	-
400242	Travel & Trng/Mileage	-	-	-	-	-	-	-
400243	Travel & Trng/Conf, Mtng Trng	-	-	-	-	-	-	-
400245	Travel & Trng/Tuition Rmb/Cert	-	-	800	800	800	800	800
400261	Dues & Pub/Memberships & Dues	2,025	2,066	2,107	2,149	2,192	2,236	2,280
400263	Dues & Pub/Subscription	7,500	7,650	7,803	7,959	8,118	8,281	8,446
400271	Ad & Promo/Advertising & Promo	3,000	3,060	3,121	3,184	3,247	3,312	3,378
400272	Ad & Promo/Advertising & Promo	-	-	-	-	-	-	-
400280	Adm Exp/Program Supplies	6,881	7,019	7,159	7,302	7,448	7,597	7,749
	Subtotal Prof & Admin Services	377,606	385,158	393,661	401,519	409,533	417,708	426,046
	Other Operating							
400231	Off Exp/Postage & Mailing	30,000	30,600	31,212	31,836	32,473	33,122	33,785
400232	Off Exp/Printing & Binding	30,000	30,600	31,212	31,836	32,473	33,122	33,785
400233	Off Exp/Copying & Duplicating	-	-	-	-	-	-	-
400304	Rental Exp/Equipment Rental	9,000	9,180	9,364	9,551	9,742	9,937	10,135
400321	Misc Exp/Misc Contrib	-	-	-	-	-	-	-
400322	Misc Exp/Misc Exp	-	-	-	-	-	-	-
400341	Off Supp/Office Supplies	8,000	8,160	8,323	8,490	8,659	8,833	9,009
400344	Off Supp/Computer Supplies	-	-	-	-	-	-	-
	Subtotal Other Operating	77,000	78,540	80,111	81,713	83,347	85,014	86,715
400201	Carry forward from FY 2022-23 - System	-	-	-	-	-	-	-
400401	Utilities/Tel & Telegraph	500	510	520	531	541	552	563
400538	Contract Svcs/Other Contract Svcs	-	-	-	-	-	-	-
400552	Prov Fr Ins Loss/Ins Gen Liab	9,500	9,690	9,884	10,081	10,283	10,489	10,699
400574	Cost Pool/(ISF)-Gen Liab	99,980	101,980	104,019	106,100	108,222	110,386	112,594
400586	Cost Pool/(CAP)-Admin Charges	-	-	-	-	-	-	-
400591	Cost Pool/(IND) Civic Ctr Alloc	56,315	57,441	58,590	59,762	60,957	62,176	63,420
400601	Noncap Asst/Comp Hrdware<5K	-	-	-	-	-	-	-
391994	TRANSFER IN/From Gen Fund - Subsidy	-	-	-	-	-	-	-
	TOTAL EXPENSES	3,606,614	3,738,035	3,875,852	4,018,727	4,167,733	4,323,155	4,485,294
	Net Operating Surplus (Deficit)	100,000	81,000	82,020	83,060	84,122	85,204	86,308
	Starting Fund Balance	754,137	844,137	915,137	985,157	1,053,218	1,122,339	1,192,543
	True up - Projections to Actuals	-	-	-	-	-	-	-
	Annual Contribution to Reserves	10,000	10,000	12,000	15,000	15,000	15,000	15,000
	RESERVE BALANCE \$	761,172	771,172	783,172	798,172	813,172	828,172	843,172
	RESERVE BALANCE %	21%	21%	20%	20%	20%	19%	19%
	<i>Minimum Necessary Starting Fund Balance</i>	<i>601,102</i>	<i>623,006</i>	<i>645,975</i>	<i>669,788</i>	<i>694,622</i>	<i>720,526</i>	<i>747,549</i>

10-YEAR FINANCIAL PROJECTION: HIGH-LEVEL SUMMARY

- ❖ Financial projection forecasts revenue and expenses through Fiscal Year 2030-31
- ❖ Assumes that costs will increase 2-5 percent per year, unless otherwise specified, and the fee will increase based off FY 2024-25 proposed amounts to support the Rent Program's annual cost
- ❖ Allows the Rent Program to maintain reserves in the range recommended by the Board (18-25%)
- ❖ As compliance with Property Enrollment and fee payment increases, reserves may accrue faster than the projection indicates – as such, fees may not necessarily need to increase each year
- ❖ Displays the target ending fund balance amount that will ensure the agency has funds available to cover expenses in the first two months of the fiscal year in the event revenue collection is delayed

10-YEAR FINANCIAL PROJECTION: RESERVE POLICY

- ❖ Reserve Policy established as a part of the recommendation – Resolution No. 21-01
- ❖ Reserve Policy: monitor its finances with the intent to end each fiscal year with a fund balance equivalent to a minimum of two months, and maximum of three months, of budgeted expenses for the next fiscal year. These funds shall not be considered part of the Rent Board’s reserve balance.

Cash on Hand - April 2024	1,551,884
Estimated Deficit at June 30, 2024	(122,305)
Estimated Net Cash on Hand - End of Fiscal Year	1,429,579

Balance of Unrestricted Committed Fund Balance	641,922	as of FY2022-23 Funding
Fund Balance/Net Cash - Projected to 6/30/2024 net of Reserves	787,657	Less < 3 months:

Budgeted expenses 2024-25	3,606,614
2 months of 2024-25 Budgeted Expense	601,102
3 months of 2024-25 Budgeted Expense	901,654

for 2 months	601,102	Minimum
for 3 months	901,654	Maximum



(4) PROPOSED RENTAL
HOUSING FEE STUDY

APPLICABLE UNIT COUNTS

STATUS	2023-24 TOTAL	CHANGE	2024-25 TOTAL
Fully Covered Units	7,749	+108	7,857
Partially Covered Units (EXCLUDING GOV SUBSIDIZED RENTAL UNITS)	5,898	+148	6,046
Governmentally Subsidized Units	4,487	-48	4,439
Total Applicable Units	18,134	+208	18,342

PROPOSED BUDGET AND RENTAL HOUSING FEES

		Proposed for FY 2024-25	Change from FY 2023-24
TOTAL BUDGET:¹		\$3,606,614	+\$601,919 (+20%)
Fully Covered Units²	7,857	\$261	+\$41 (+18.7%)
Partially Covered Units (<i>including subsidized units</i>)³	10,485	\$148	+\$23 (+18.6%)
TOTAL REVENUE⁴:		\$3,706,614	\$631,917 (+20.6%)

^[1] Total expenditures for operating as directed by the Rent Board

^[2] Includes suspected Fully Covered rental units

^[3] Includes suspected Partially Covered rental units

^[4] Fees rounded to the nearest full dollar; includes revenue from collections agency and interest

EXPENSE AND REVENUE SUMMARY

Fiscal Year	Budgeted Amount	Revenue Collected	Funds Expended	Collection Rate
2017-18	1,150,443			
	2,425,338	2,753,351	1,967,834	77%
2018-19	2,804,925	2,190,203	2,047,186	78%
2019-20	2,923,584	2,706,268	2,264,738	93%
2020-21	2,609,775	2,795,854	2,143,246	107%
2021-22	2,938,314	2,356,688	2,175,258	80%
2022-23	3,106,687	2,635,376	2,581,531	85%
2023-24	3,074,398	2,741,960	2,966,265	89%
		(1)	(2)	

[1] Actual Revenues collected up to April 30, 2024

[2] Projected expenses to June 30, 2024 – actual expenses up to April 30, 2024

COMPARISON OF PROPOSED FY 2024-25 RENTAL HOUSING FEE TO PRIOR YEARS

FISCAL YEAR	FULLY COVERED RENTAL UNITS	PARTIALLY COVERED RENTAL UNITS	GOVERNMENTALLY SUBSIDIZED RENTAL UNITS
2017-18	\$145	\$145	N/A
2018-19	\$207	\$100	\$50
2019-20	\$212	\$112	N/A
2020-21	\$219	\$124	N/A
2021-22	\$218	\$123	N/A
2022-23	\$226	\$127	N/A
2023-24	\$220	\$125	N/A
2024-25 (Proposed)	\$261	\$148	N/A

2018-19 Includes Governmentally Subsidized Rental Units

NEXT STEPS

- Receive feedback from the Board on the proposed budget presented and make revisions as it may deem advisable.
- The Board shall determine the time for the holding of a public hearing thereon (meeting date to discuss potential adoption by the July 1 deadline).
- Published a notice thereof not less than ten days prior to said hearing, by at least one insertion in the official newspaper.
- Adoption of the Fiscal Year 2024-25 Residential Rental Housing Fee by the City Council, the fee will be incorporated into the Master Fee Schedule then invoicing accordance with the Rent Ordinance.

RECOMMENDED ACTION

(1) RECEIVE a draft Proposed Fiscal Year 2024-25 Rent Program Budget and corresponding 10-year financial projection and (2) DETERMINE adoption of the Fiscal Year 2024-25 Budget and approval of the fees consistent with Sections 11.100.060(n) and (l) of the Rent Ordinance.

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