

**ESCAMBIA COUNTY HOUSING FINANCE AUTHORITY
APPROVED BUDGET
OCTOBER 1, 2019 THROUGH SEPTEMBER 30, 2020**

	Approved FY18-19 Budget Oct 2018 - Sep 2019	% of Total Budget	Approved FY19-20 Budget Oct 2019 - Sep 2020	% of Total Budget	Variance From Prior Year	% Change from prior year Budget
Income:						
ISSUER FEES AND OTHER INCOME	207,000	4.67%	230,400	6.82%	23,400.00	11.30%
MULTI-FAMILY DEVELOPMENT PROGRAM INCOME ¹	213,000	4.80%	123,560	3.66%	(89,440.00)	-41.99%
URBAN INFILL PROGRAM INCOME ²	47,000	1.06%	36,000	1.07%	(11,000.00)	-23.40%
TBA PROGAM INCOME ³	1,736,000	39.14%	795,000	23.55%	(941,000.00)	-54.21%
SECOND MORTGAGE SATISFACTIONS ⁴	506,000	11.41%	550,000	16.29%	44,000.00	8.70%
INTEREST INCOME- BANKS	128,000	2.89%	66,700	1.98%	(61,300.00)	-47.89%
INTEREST INCOME-BOND ISSUES	236,000	5.32%	224,650	6.65%	(11,350.00)	-4.81%
INTEREST INCOME-LGIP	69,000	1.56%	70,000	2.07%	1,000.00	1.45%
NET REALIZED & UNREALIZED GAINS	(5,000)	-0.11%	(5,000)	-0.15%	0.00	0.00%
OTHER INCOME ⁵		0.00%		0.00%	0.00	0.00%
FROM RESERVES ⁶	1,298,800	29.28%	1,285,090	38.06%	(13,710.00)	-1.06%
Total Income	4,435,800	100%	3,376,400	100%	(1,059,400.00)	-23.88%
Expense:						
SALARIES AND RELATED BENEFITS ⁷	\$909,000.00	20.49%	897,300	26.58%	(11,700.00)	-1.29%
LEGAL, ACCTING & ADVISORY FEES	75,000	1.69%	78,500	2.32%	3,500.00	4.67%
OFFICE RENT	55,000	1.24%	56,400	1.67%	1,400.00	2.55%
GENERAL OPERATING & ADMINISTRATIVE ⁸	109,000	2.46%	89,000	2.64%	(20,000.00)	-18.35%
TRAVEL, LODGING & MEALS	42,000	0.95%	25,000	0.74%	(17,000.00)	-40.48%
DEPRECIATION	5,000	0.11%	5,200	0.15%	200.00	4.00%
MEMBERSHIPS, DUES, & SUBSCRIPTIONS	21,000	0.47%	21,000	0.62%	0.00	0.00%
EDUCATIONAL CONF. FEES & TRAINING ⁹	32,000	0.72%	25,000	0.74%	(7,000.00)	-21.88%
BOND ISSUANCE COSTS- ADVERTISING	20,000	0.45%	15,000	0.44%	(5,000.00)	-25.00%
TBA S/F LOAN PROGRAM COI ¹⁰	897,000	20.22%	1,204,000	35.66%	307,000.00	34.23%
BOND RELATED TRAVEL	5,000	0.11%	2,500	0.07%	(2,500.00)	-50.00%
MULTI-FAMILY DEVELEOPMENT EXPENSES ¹¹	500,000	11.27%	100,000	2.96%	(400,000.00)	-80.00%
URBAN INFILL PROGRAM EXPENSES	5,000	0.11%	5,000	0.15%	0.00	0.00%
GRANTS/MINI HOMES ¹²	200,000	4.51%	200,000	5.92%	0.00	0.00%
NON-AMORTIZING SECOND MORTGAGES ¹³	1,560,800	35.19%	652,500	19.33%	(908,300.00)	-58.19%
Total Expense	\$4,435,800	100%	3,376,400	100%	(1,059,400.00)	-23.88%
Net Income	\$0		\$0		0.00	

- (1) The Authority still holds a residual inducement retainers for the Springhill Project. The developers have received a commitment for tax credit funding. This budget reflects anticipated fees associated with issuing the related bonds.
- (2) During FY18-19, the Authority completed nine (9) Urban Infill projects with an additional twelve (12) in various stages of construction. With the added flexibility and the increase of the revolving fund to \$2,000,000, the budget estimates seventeen (17) Urban Infill homes will be completed during the 2019-2020 fiscal year. The administrative fee is 1.5% to 2.5% of the sale price of the home.
- (3) TBA revenue is based on Freddie Mac loans pooled/sold through the Best Efforts Program during the year and the expected sale of GNMA high interest loans. Past origination
- (4) Assumed prepayment rate of 6.5% of outstanding balance of TBA 0% 30 yr Deferred 2nd Mortgages based on total DPA outstanding and actual receipts through 08/31/2019 (net of Leon HFA sharing agreement). Past Origination volumes are not indicative of future volume.
- (5) Nothing is budgeted for MBS Sales/residuals for FY 19-20.
- (6) The FY2017-2018 Budget, as proposed, is estimated to require up to \$1,285,090 from reserves.
- (7) The salary budget includes estimates for reduce costs in benefits.
- (8) Includes computer budget for the further implementation of the IT Strategic Plan (i.e. upgrade telephone equipment, computer rotation, etc.) and the Host Policy budget of \$2,500 for "expenditure of Authority funds for certain employee recognition and appreciation activities, certain employee functions, and specified business relationship building activities."
- (9) Includes funds for a FY 2019-2020 Contribution to the Sadowski Educational Effort ("SEE") of \$15,000 pending approval of the Board when presented.
- (10) FY 19-20 TBA COI expenses based on issuance of the 2019B Bond and expenses related to the TBA Best Efforts Program. This budget line includes ongoing account fees for outstanding issues.
- (11) The Board appropriated \$1,000,000 for the Multi-Family Development Loan Program on December 9, 2014. The FY17-18 amount represents an extention of a portion of the balance of that appropriation.
- (12) The mini homes program was approved at the September 12, 2017 Board meeting. These funds will be used as needed to supplement the construction and sale of mini homes.
- (13) The FY19-20 TBA DPA budget is based on TBA loans pooled/sold of \$24,000,000 (18M Bond and 6M TBA).

(A) ANALYSIS OF CHANGE COMPARED TO AMENDED BUDGET						
Operations Expense (excludes TBA/Bond and Program Related Expenses)	\$1,248,000.00		1,197,400.00		(50,600.00)	-4.05%
Program Expense (TBA/Bond and Other Program Related Expenses)	\$3,187,800.00		\$2,179,000.00		(1,008,800.00)	-31.65%
Operations Net (Fees and Investments less Operation expenses)	(\$613,000.00)		(\$610,650.00)		2,350.00	-0.38%
Program Net (All Program Revenues less all Program Expenses)	(\$685,800.00)		(\$674,440.00)		11,360.00	-1.66%
TBA Only Net (Including DPA & Satisfactions)	(215,800.00)		(511,500.00)		(295,700.00)	137.03%