

Memorandum

Housing Finance Authority

26750 US Highway 19 N., Suite 110

Clearwater, FL 33761

Phone: 727-223-6418



TO: Rodney S. Fischer, Chairman
And Members of the Housing Finance Authority

FROM: Kathryn Driver, Executive Director

SUBJECT: General Fund FY 2016 Budget Amendment

DATE: August 3, 2016

RECOMMENDATION: Staff recommends that the Authority approve the 2015/2016 Budget, as amended.

BACKGROUND: Staff has worked diligently with the outside accountants to ensure that the 2015/2016 Budget, as amended included up-to-date expectations of revenues and expenses. The accountants also advised that certain revenues and expenses (FHLB Revenue, SHIP Parity Releases, Amortized SF Investment and DPA Expense) that had been included in 2015/2016 Budget should not have been included as they are a part of the balance sheet, not a budgeted item.

There were some changes to the anticipated Revenues. We have reduced the Single Family Program Income (Distributions after bond issue) as there was not a bond refunding done in conjunction with our most recent single family bond issue so we did not receive the amount of this revenue as anticipated. Under General Fund Activities the anticipated revenues were increased based on revenues received to date. These revenues include: Extension Fees, Fee Income from Special Programs, and Interest Income. We have also added a line item entitled DPA Income which is income received from the FHFC DPA loans.

The change to the anticipated Expenses is to the Bond Participation (including COI). The most recent single family bond issue utilized a traditional bond structure so we needed to fund negative arbitrage and costs of issuance which exceeded what we had initially budgeted. Other line items were adjusted to more accurately reflect the expenditures for this fiscal year.

The NSP I, II and III grants are winding down so those amounts have been amended to more accurately reflect the revenues and expenditures for this fiscal year.