

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

	Approved FY19-20 ECHFA Budget Oct 2019 - Sep 2020	% of Total Budget	Amended FY19-20 Total Budget Oct 2019 - Sep 2020	% of Total Budget	Variance From Approved Budget	% Change from prior year Budget
<b>Income:</b>						
ISSUER FEES AND OTHER INCOME	230,400	6.82%	217,072	7.10%	(13,328.00)	-5.78%
MULTI-FAMILY DEVELOPMENT PROGRAM INCOME <sup>1</sup>	123,560	3.66%	153,753	5.03%	30,193.00	24.44%
URBAN INFILL PROGRAM INCOME <sup>2</sup>	36,000	1.07%	31,785	1.04%	(4,215.00)	-11.71%
TBA PROGAM INCOME <sup>3</sup>	795,000	23.55%	1,019,785	33.36%	224,785.00	28.27%
SECOND MORTGAGE SATISFACTIONS <sup>4</sup>	550,000	16.29%	808,888	26.46%	258,888.17	47.07%
INTEREST INCOME- BANKS	66,700	1.98%	66,700	2.18%	0.00	0.00%
INTEREST INCOME-BOND ISSUES	224,650	6.65%	197,476	6.46%	(27,174.18)	-12.10%
INTEREST INCOME-LGIP	70,000	2.07%	40,791	1.33%	(29,209.36)	-41.73%
NET REALIZED & UNREALIZED GAINS	(5,000)	-0.15%	1,097	0.04%	6,096.71	-121.93%
OTHER INCOME <sup>5</sup>		0.00%		0.00%	0.00	0.00%
FROM RESERVES <sup>6</sup>	1,285,090	38.06%	519,118	16.98%	(765,972.03)	-59.60%
<b>Total Income</b>	<b>3,376,400</b>	<b>100%</b>	<b>3,056,464</b>	<b>100%</b>	<b>(319,935.69)</b>	<b>-9.48%</b>
<b>Expense:</b>						
SALARIES AND RELATED BENEFITS <sup>7</sup>	897,300	26.58%	897,300	29.36%	0.00	0.00%
LEGAL, ACCTING & ADVISORY FEES	78,500	2.32%	63,880	2.09%	(14,620.50)	-18.62%
OFFICE RENT	56,400	1.67%	56,168	1.84%	(232.20)	-0.41%
GENERAL OPERATING & ADMINISTRATIVE <sup>8</sup>	89,000	2.64%	54,954	1.80%	(34,046.34)	-38.25%
TRAVEL, LODGING & MEALS	25,000	0.74%	126	0.00%	(24,874.09)	-99.50%
DEPRECIATION	5,200	0.15%	5,200	0.17%	0.00	0.00%
MEMBERSHIPS, DUES, & SUBSCRIPTIONS	21,000	0.62%	19,667	0.64%	(1,333.10)	-6.35%
EDUCATIONAL CONF. FEES & TRAINING <sup>9</sup>	25,000	0.74%	17,513	0.57%	(7,487.00)	-29.95%
BOND ISSUANCE COSTS- ADVERTISING	15,000	0.44%	6,445	0.21%	(8,555.00)	-57.03%
TBA S/F LOAN PROGRAM COI <sup>10</sup>	1,204,000	35.66%	932,512	30.51%	(271,488.04)	-22.55%
BOND RELATED TRAVEL	2,500	0.07%	151	0.00%	(2,348.75)	-93.95%
MULTI-FAMILY DEVELEOPMENT EXPENSES <sup>11</sup>	100,000	2.96%	664	0.02%	(99,335.98)	-99.34%
URBAN INFILL PROGRAM EXPENSES	5,000	0.15%	1,557	0.05%	(3,443.15)	-68.86%
GRANTS/MINI HOMES <sup>12</sup>	200,000	5.92%	0	0.00%	(200,000.00)	-100.00%
NON-AMORTIZING SECOND MORTGAGES <sup>13</sup>	652,500	19.33%	1,000,328	32.73%	347,828.46	53.31%
<b>Total Expense</b>	<b>\$3,376,400</b>	<b>100%</b>	<b>3,056,464</b>	<b>100%</b>	<b>(319,935.69)</b>	<b>-9.48%</b>
<b>Net Income</b>	<b>\$0</b>		<b>\$0</b>		<b>0.00</b>	

- (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 volumes are not necessarily indicative of future volume. TBA revenue also includes TBA S/F Lender Extension Fee Income (\$2,500).
- (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 FY2019-2020 Budget, as proposed, is estimated to require up to \$1,285,090 from reserves.
- (7) The salary budget includes estimates for reduced costs in benefits due to staff attrition.
- (8) Includes computer budget for basic IT purchases (equipment maintenance, 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 FY19-20 amount represents an extension 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 \$19,000,000 (16M Bond and 3M TBA).

<b>(A) ANALYSIS OF CHANGE COMPARED TO AMENDED BUDGET</b>						
Operations Expense (excludes TBA/Bond and Program Related Expenses)	\$1,197,400.00		1,114,806.77		(82,593.23)	-6.90%
Program Expense (TBA/Bond and Other Program Related Expenses)	\$2,179,000.00		\$1,941,657.54		(237,342.46)	-10.89%
Operations Net (Fees and Investments less Operation expenses)	(\$610,650.00)		(\$591,671.60)		18,978.40	-3.11%
Program Net (All Program Revenues less all Program Expenses)	(\$674,440.00)		\$72,553.63		746,993.63	-110.76%