COUNTY OF HUMBOLDT

For the meeting of: 7/8/2025

File #: 25-782

To: Board of Supervisors

From: Planning and Building Department

Agenda Section: Consent

Vote Requirement: 4/5th

SUBJECT:
Supplemental Budget in the Amount of $14,000 for Administration of the Calhome Program for Fiscal Year 2024-25(4/5 Vote Required)

RECOMMENDATION(S):
That the Board of Supervisors:

1. Approve the supplemental budget for the CalHome Program Income, budget unit 1100282301 (4/5 Vote Required).

STRATEGIC PLAN:
This action supports the following areas of your Board's Strategic Plan.

Area of Focus: Housing for All
Strategic Plan Category: 4002 - Increase and prioritize housing development

DISCUSSION:
The Board of Supervisors is being asked to approve a supplemental budget to allow additional grant income to be allocated to this year's budget associated with the work the department has already accomplished that is an eligible expense under the CalHome grant.

The CalHome grant provides funding for the owner-occupied rehabilitation and accessory dwelling unit loan program. The cost to administer the loans is factored into and covered by the grant. The grant allows for up to 20% activity delivery fees per loan ($20,000 maximum) to come out of the current grant (1100282302) and up to 5% for general administration to come out of the program income (1100282301). The distinction of which budget unit should be charged for activity delivery versus general administration was misunderstood during budget development. Therefore, a supplemental budget is needed to increase the salaries for general administration in the program income.

The Housing division was able to process more loans than anticipated during the first half of FY 2024-25 which resulted in an overage of the budgeted amount for operating and office expenses related to the program. A supplemental budget is needed to account for a small overage in what was spent on office supplies.

SOURCE OF FUNDING:
The source of funding will be from CalHome Program Income contained in fund 3959. Due to the misunderstanding stated above there is program income in 1100282302. This program income should have been placed in 3959 and a journal transfer will be undertaken to correct this leaving sufficient money in this fund to cover these expenses.

FINANCIAL IMPACT:

Expenditures (1100282301)	**FY24-25**	**FY25-26 Projected***	**FY26-27 Projected***
Budgeted Expenses	11,401.00	24,000.00	24,000.00
Additional Appropriation Requested	14,000.00		
Total Expenditures	25,401.00	24,000.00	24,000.00

**Projected amounts are estimates and are subject to change.*

Funding Sources (1100282301)	**FY24-25**	**FY25-26 Projected***	**FY26-27 Projected***
General Fund			
State/Federal Funds	25,401.00	24,000.00	24,000.00
Fees/Other			
Use of Fund Balance			
Contingencies			
Total Funding Sources	25,401.00	24,000.00	24,000.00

**Projected amounts are estimates and are subject to change.*

Narrative Explanation of Financial Impact:
The CalHome program income will cover the office expenses charged and most of the staff salaries. There is a portion of salaries that is covered by the General Fund. However, the portion of CalHome salaries that will not be covered by the CalHome funding has already been factored into the existing General Plan allocation.

Narrative Explanation of Staffing Impact:
There are no impacts to staffing.

OTHER AGENCY INVOLVEMENT:
None

ALTERNATIVES TO STAFF RECOMMENDATIONS:
The Board can choose to deny this request, however, this is not recommended because it would result in CalHome 1100282301 being over budget.

ATTACHMENTS:
Attachment A: CalHome 1100282301 Supplemental Budget

PREVIOUS ACTION/REFERRAL:
Meeting of: n/a
File No.: n/a