



# Fiscal Year 2012 Budget

## BOARD MEETING

January 26, 2012



Richard E. Constable III, Acting Commissioner  
HMFA Chairman

Anthony L. Marchetta  
Executive Director



**NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY  
STATEMENT OF REVENUES AND EXPENSES  
FOR FISCAL YEAR 2012**

	BUDGET FY 2011	% OF TOTAL REVENUES	ANNUALIZED 2011	% OF TOTAL REVENUES	DOLLARS OVER OR (UNDER)	PERCENTAGE OVER OR - UNDER	BUDGET FY 2012	PERCENTAGE OVER OR - UNDER
<b>REVENUES</b>								
<b>Investment Income:</b>								
1 Mortgage Interest	6,688,000	14%	6,765,333	14%	77,333	1.16%	6,299,000	-5.82%
2 Other Investments	3,088,000	6%	5,001,551	11%	1,913,551	61.97%	2,917,000	-5.54%
<b>Total Investment Income</b>	<b>9,776,000</b>	<b>20%</b>	<b>11,766,884</b>	<b>25%</b>	<b>1,990,884</b>	<b>20.37%</b>	<b>9,216,000</b>	<b>-5.73%</b>
<b>Production Revenue:</b>								
3 Section 8 Fees	2,290,000	5%	2,199,343	5%	(90,657)	-3.96%	2,289,000	-0.04%
4 Low Income Tax Credit Fees	2,895,000	6%	2,879,833	6%	(15,167)	-0.52%	3,687,000	27.36%
5 Single Family Production Fees	6,504,000	13%	3,245,490	7%	(3,258,510)	-50.10%	3,086,000	-52.55%
6 Other Revenues	4,683,000	9%	3,826,217	8%	(856,783)	-18.30%	4,734,000	1.09%
7 HUD Section 8 Contract Administration	11,569,000	23%	11,565,351	25%	(3,649)	-0.03%	9,143,000	-20.97%
<b>Total Production Revenue</b>	<b>27,941,000</b>	<b>56%</b>	<b>23,716,234</b>	<b>50%</b>	<b>(4,224,766)</b>	<b>-15.12%</b>	<b>22,939,000</b>	<b>-17.90%</b>
8 Bond Issue Reimbursement	11,781,000	24%	11,496,000	24%	(285,000)	-2.42%	10,511,000	-10.78%
<b>TOTAL REVENUES</b>	<b>49,498,000</b>	<b>100%</b>	<b>47,001,118</b>	<b>100%</b>	<b>(2,496,882)</b>	<b>-5.09%</b>	<b>42,666,000</b>	<b>-13.80%</b>



BUDGET  
12 VS. 11  
PERCENTAGE  
OVER  
OR  
- UNDER

BUDGET  
FY 2012

PERCENTAGE  
OVER  
OR  
- UNDER

DOLLARS  
OVER  
OR  
(UNDER)

%  
OF  
TOTAL  
REVENUES

ANNUALIZED  
2011

%  
OF  
TOTAL  
REVENUES

BUDGET  
FY 2011

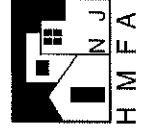
**OPERATING EXPENSES**

**Salaries by Division:**

Administration	1,116,000	2%	904,205	2%	(211,795)	-18.98%	1,001,000	-10.30%
Audit	498,000	1%	478,243	1%	(19,757)	-3.97%	411,000	-17.47%
Capital Markets	429,000	1%	423,617	1%	(5,383)	-1.25%	494,000	15.15%
Executive	987,000	2%	1,026,326	2%	39,326	3.98%	1,013,000	2.63%
Finance	1,312,000	3%	1,117,038	2%	(194,962)	-14.86%	1,152,000	-12.20%
HMFA Multi-Family Property Mgmt	2,468,000	5%	2,385,877	5%	(82,123)	-3.33%	2,345,000	-4.98%
Housing Affordability Service	552,000	1%	486,306	1%	(65,694)	-11.90%	539,000	-2.36%
HUD Multi-Family Project Management (CA)	1,787,000	4%	1,633,886	3%	(153,114)	-8.57%	1,499,000	-16.12%
Human Resources	370,000	1%	273,991	1%	(96,009)	-25.95%	384,000	3.78%
Information Technology	1,390,000	3%	1,107,024	2%	(282,976)	-20.36%	1,274,000	-8.35%
Multi-Family Programs	750,000	2%	590,560	1%	(159,440)	-21.26%	720,000	-4.00%
Multi-Family Preservation Lending	266,000	1%	164,002	0%	(101,998)	-38.35%	249,000	-6.39%
Foreclosure Prevention & Assistance	886,000	2%	618,583	1%	(267,417)	-30.18%	624,000	-29.57%
Regulatory Affairs	951,000	2%	934,322	2%	(16,678)	-1.75%	852,000	-10.41%
Single Family Loan Production	1,541,000	3%	1,540,167	3%	(833)	-0.05%	1,662,000	7.85%
Supported Housing Production	544,000	1%	474,912	1%	(69,088)	-12.70%	499,000	-8.27%
Tax Credits Allocation & Compliance	689,000	1%	647,592	1%	(41,408)	-6.01%	697,000	1.16%
Technical Services	1,112,000	2%	1,087,415	2%	(24,585)	-2.21%	1,118,000	0.54%
Personnel Reserve	354,000	1%	0	0%	(354,000)	-100.00%	354,000	0.00%
<b>Total Salaries</b>	<b>18,002,000</b>	<b>36%</b>	<b>15,894,067</b>	<b>34%</b>	<b>(2,107,933)</b>	<b>-11.71%</b>	<b>16,887,000</b>	<b>-6.19%</b>

**Related Benefits:**

Payroll Taxes	1,470,000	3%	1,280,106	3%	(189,894)	-12.92%	1,552,000	5.58%
Health Benefits	3,726,000	8%	3,514,365	7%	(211,635)	-5.68%	4,105,000	10.17%
Dental Insurance	208,000	0%	174,511	0%	(33,489)	-16.10%	171,000	-17.79%
Prescription Insurance & Vision	1,195,000	2%	1,026,915	2%	(168,085)	-14.07%	1,288,000	7.78%
Pension, Life Insurance	1,823,000	4%	2,048,808	4%	225,808	12.39%	2,433,000	33.46%
Long Term & Temporary Disability	63,000	0%	47,492	0%	(15,508)	-24.62%	74,000	17.46%
Education Assistance	125,000	0%	124,365	0%	(635)	-0.51%	125,000	0.00%
<b>Total Benefits</b>	<b>8,610,000</b>	<b>17%</b>	<b>8,216,563</b>	<b>17%</b>	<b>(393,437)</b>	<b>-4.57%</b>	<b>9,748,000</b>	<b>13.22%</b>
<b>Total Salaries &amp; Benefits</b>	<b>26,612,000</b>	<b>54%</b>	<b>24,110,630</b>	<b>51%</b>	<b>(2,501,370)</b>	<b>-9.40%</b>	<b>26,635,000</b>	<b>0.09%</b>



BUDGET  
12 VS. 11  
PERCENTAGE  
OVER  
OR  
- UNDER

DOLLARS  
OVER  
OR  
(UNDER)

%  
OF  
TOTAL  
REVENUES

ANNUALIZED  
2011

%  
OF  
TOTAL  
REVENUES

BUDGET  
FY 2011

BUDGET  
FY 2012

PERCENTAGE  
OVER  
OR  
- UNDER

Professional Serv. & Financing Costs:

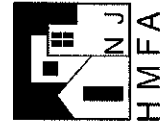
10	✓ Legal	765,000	2%	965,000	2%	200,000	26.14%	957,000	25.10%
	✓ Audit and Accounting	260,000	1%	159,425	0%	(100,575)	-38.68%	160,000	-38.46%
	✓ Program Consultants	244,000	0%	241,825	1%	(2,175)	-0.89%	261,000	6.97%
	✓ Cash Flow & Bond Financing Consulting	0	0%	95,750	0%	95,750	0.00%	200,000	0.00%
	Trustee Fees for Existing Bond Resolutions	7,000	0%	7,000	0%	0	0.00%	7,000	0.00%
	Housing Affordability Service	29,000	0%	27,505	0%	(1,495)	-5.16%	25,000	-13.79%
	Housing Resource Center	0	0%	0	0%	0	0.00%	82,000	0.00%
	DCA Unit	695,000	1%	649,314	1%	(45,686)	-6.57%	643,000	-7.48%
	Governor's Authorities Assessment	30,000	0%	30,167	0%	167	0.56%	30,000	0.00%
	<b>Total Professional Services &amp; Costs</b>	<b>2,280,000</b>	<b>5%</b>	<b>2,175,986</b>	<b>5%</b>	<b>(104,014)</b>	<b>-4.56%</b>	<b>2,365,000</b>	<b>3.73%</b>

Building Operations:

12	Utilities	250,000	1%	249,679	1%	(321)	-0.13%	250,000	0.00%
	Telephone	269,000	1%	266,627	1%	(2,373)	-0.88%	269,000	0.00%
	PILOT - 637 South Clinton Ave	200,000	0%	200,000	0%	0	0.00%	200,000	0.00%
	Building Operations	922,000	2%	921,089	2%	(911)	-0.10%	922,000	0.00%
	<b>Total Building Operations</b>	<b>1,641,000</b>	<b>3%</b>	<b>1,637,394</b>	<b>3%</b>	<b>(3,606)</b>	<b>-0.22%</b>	<b>1,641,000</b>	<b>0.00%</b>

Equipment Leases/Rentals:

14	Equipment Rental/Lease	151,000	0%	151,347	0%	347	0.23%	155,000	2.65%
	Storage	23,000	0%	27,097	0%	4,097	17.81%	28,000	21.74%
	Rent Disaster Recovery	0	0%	0	0%	0	0.00%	4,000	0.00%
	<b>Total Equipment Leases/Rentals</b>	<b>174,000</b>	<b>0%</b>	<b>178,443</b>	<b>0%</b>	<b>4,443</b>	<b>2.55%</b>	<b>187,000</b>	<b>7.47%</b>



BUDGET  
12 VS. 11  
PERCENTAGE  
OVER  
OR  
- UNDER

BUDGET  
FY 2012

PERCENTAGE  
OVER  
OR  
- UNDER

DOLLARS  
OVER  
OR  
(UNDER)

%  
OF  
TOTAL  
REVENUES

ANNUALIZED  
2011

%  
OF  
TOTAL  
REVENUES

BUDGET  
FY 2011

Other General & Administrative Expenses:

General Operation:

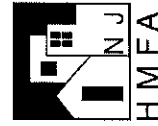
ADP/Payroll Services	49,000	0%	47,989	0%	(1,011)	-2.06%	46,000	-6.12%
Postage & Couriers	98,000	0%	99,163	0%	1,163	1.19%	109,000	11.22%
Insurance	590,000	1%	589,500	1%	(500)	-0.08%	545,000	-7.63%
Gas, Mileage, Meals, Travel	90,000	0%	96,975	0%	6,975	7.75%	100,000	11.11%
Automobile Maintenance	46,000	0%	46,749	0%	749	1.63%	47,000	2.17%
<b>Total General Operation</b>	<b>873,000</b>	<b>2%</b>	<b>880,376</b>	<b>2%</b>	<b>7,376</b>	<b>0.84%</b>	<b>847,000</b>	<b>-2.98%</b>

Supplies:

Office Supplies	106,000	0%	105,721	0%	(279)	-0.26%	109,000	2.83%
Duplicating Maintenance/Supplies	65,000	0%	64,565	0%	(435)	-0.67%	64,000	-1.54%
Computer Maintenance/Supplies	555,000	1%	554,029	1%	(971)	-0.17%	533,000	-3.96%
General Printing/Stationery	15,000	0%	14,854	0%	(146)	-0.97%	15,000	0.00%
<b>Total Supplies</b>	<b>741,000</b>	<b>1%</b>	<b>739,168</b>	<b>2%</b>	<b>(1,832)</b>	<b>-0.25%</b>	<b>721,000</b>	<b>-2.70%</b>

Printing & Advertising:

Public Outreach	184,000	0%	183,878	0%	(122)	-0.07%	184,000	0.00%
Advertising	7,000	0%	6,564	0%	(436)	-6.23%	7,000	0.00%
<b>Total Printing &amp; Advertising</b>	<b>191,000</b>	<b>0%</b>	<b>190,442</b>	<b>0%</b>	<b>(558)</b>	<b>-0.29%</b>	<b>191,000</b>	<b>0.00%</b>



BUDGET  
12 VS. 11  
PERCENTAGE  
OVER  
OR  
- UNDER

BUDGET  
FY 2012

PERCENTAGE  
OVER  
OR  
- UNDER

DOLLARS  
OVER  
OR  
(UNDER)

%  
OF  
TOTAL  
REVENUES

ANNUALIZED  
2011

%  
OF  
TOTAL  
REVENUES

BUDGET  
FY 2011

	BUDGET FY 2011	% OF TOTAL REVENUES	ANNUALIZED 2011	% OF TOTAL REVENUES	DOLLARS OVER OR (UNDER)	PERCENTAGE OVER OR - UNDER	BUDGET FY 2012	PERCENTAGE OVER OR - UNDER
Subscriptions & Publications	52,000	0%	50,070	0%	(1,930)	-3.71%	50,000	-3.85%
Recertifications and Licenses	9,000	0%	9,000	0%	0	0.00%	9,000	0.00%
Training	79,000	0%	75,628	0%	(3,372)	-4.27%	76,000	-3.80%
Dues and Memberships	8,000	0%	8,000	0%	0	0.00%	8,000	0.00%
Conferences	23,000	0%	18,882	0%	(4,118)	-17.90%	19,000	-17.39%
Miscellaneous	68,000	0%	67,866	0%	(134)	-0.20%	68,000	0.00%
<b>Total Other</b>	<b>239,000</b>	<b>0%</b>	<b>229,447</b>	<b>0%</b>	<b>(9,553)</b>	<b>-4.00%</b>	<b>230,000</b>	<b>-3.77%</b>
<b>Total Other General &amp; Administrative Exp.</b>	<b>2,044,000</b>	<b>4%</b>	<b>2,039,433</b>	<b>4%</b>	<b>(4,567)</b>	<b>-0.22%</b>	<b>1,989,000</b>	<b>-2.69%</b>
Operating Contingency	300,000	1%	130,900	0%	(169,100)	-56.37%	300,000	0.00%
Capital Additions	185,000	0%	185,000	0%	0	0.00%	59,000	-68.11%
Information Technology	260,000	1%	259,289	1%	(711)	-0.27%	280,000	7.69%
<b>TOTAL OPERATING EXPENSES</b>	<b>33,496,000</b>	<b>68%</b>	<b>30,717,075</b>	<b>65%</b>	<b>(2,778,925)</b>	<b>-8.30%</b>	<b>33,456,000</b>	<b>-0.12%</b>
<b>Federal Hardest Hit Program Grant Income *</b>	<b>1,279,310</b>	<b>3%</b>	<b>0</b>	<b>0%</b>	<b>(1,279,310)</b>	<b>-100.00%</b>	<b>1,167,108</b>	<b>-8.77%</b>
<b>Federal Hardest Hit Program Grant Expenses *</b>	<b>(1,279,310)</b>	<b>-3%</b>	<b>0</b>	<b>0%</b>	<b>1,279,310</b>	<b>-100.00%</b>	<b>(1,167,108)</b>	<b>-8.77%</b>

\* The Federal Fund Hardest Hit Program is being implemented by HMFA for a 3-5 year period therefore the administrative expenditures covered by the Program will conclude upon program completion.

**NON-BONDED PROGRAM EXPENSES**

Single Family Construction Program	15,000,000	30%	5,010,000	11%	(9,990,000)	-66.60%	8,835,000	-41.10%
<b>TOTAL NON-BONDED PROGRAM EXP.</b>	<b>15,667,000</b>	<b>32%</b>	<b>15,976,872</b>	<b>34%</b>	<b>309,872</b>	<b>1.98%</b>	<b>8,875,000</b>	<b>-43.35%</b>
<b>TOTAL REVENUES</b>	<b>49,498,000</b>	<b>100%</b>	<b>47,001,118</b>	<b>100%</b>	<b>(2,496,882)</b>	<b>-5.04%</b>	<b>42,666,000</b>	<b>-13.80%</b>
<b>NET INCREASE IN CASH</b>	<b>335,000</b>	<b>1%</b>	<b>307,171</b>	<b>1%</b>	<b>(27,829)</b>	<b>-8.31%</b>	<b>335,000</b>	<b>0.00%</b>

