

HACSA 3a

H A C S A M E M O R A N D U M

TO: **HACSA Board of Commissioners**

FROM: **Larry Abel, Deputy Director**
 Chris Todis, Executive Director

AGENDA ITEM TITLE: **ORDER/In the Matter of Adopting the 2007/2008**
 Budget and Making Appropriations

AGENDA DATE: **September 26, 2007**

I. MOTION

IT IS MOVED THAT THE ORDER BE APPROVED WHICH ADOPTS THE 2007/2008
AGENCY BUDGET AND MAKES APPROPRIATIONS.

II. ISSUE

It is necessary for the Board to adopt the Agency FY 2008 budget
prior to October 1, 2007.

III. DISCUSSION

A. Background

This Order approves the Agency's budget for the
fiscal year beginning October 1, 2007.

B. Analysis

Attached is the Executive Director's memorandum
transmitting the proposed HACSA budget for FY 2008
and the budget documents.

C. Alternatives/Options

The Board can either approve the proposed budget
Motion as recommended or make changes before
adopting the budget.

D. Recommendation

Approval of the proposed Motion is recommended.

E. Timing

Upon Board approval, the proposed budget will become effective on October 1, 2007.

IV. IMPLEMENTATION/FOLLOW-UP

Same as Item III. E.

V. ATTACHMENTS

Memorandum
Budget

**IN THE BOARD OF COMMISSIONERS OF THE
HOUSING AND COMMUNITY SERVICES AGENCY
OF LANE COUNTY, OREGON**

ORDER NO.

**) IN THE MATTER OF ADOPTING THE
) 2007/2008 BUDGET AND
) MAKING APPROPRIATIONS**

WHEREAS, it is necessary for the Board to adopt a 2007/2008 fiscal year budget for the Housing And Community Services Agency of Lane County, Oregon; and

WHEREAS, the HACSA Executive Director has recommended approval of the proposed HACSA budget for the 2007/2008 fiscal year; and

WHEREAS, the Board having fully considered the Executive Director's recommendation, NOW, THEREFORE, IT IS HEREBY

ORDERED, that the 2007/2008 fiscal year budget for the Housing And Community Services Agency of Lane County, Oregon, as set forth below, is hereby adopted; and

FURTHER ORDERED, that the amounts for the fiscal year beginning October 1, 2007, and for the purposes shown below, are hereby appropriated:

GENERAL FUND

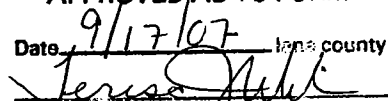
Community Services Division	\$ 3,880,000
Housing Division	6,034,000
Section 8 Division	<u>15,914,000</u>
Total	<u>\$25,828,000</u>

ADOPTED, by the Housing And Community Services Agency of Lane County, Oregon, this 26th day of September, 2007.

Chairperson, HACSA Board of Commissioners

IN THE MATTER OF ADOPTING THE 2007/2008 BUDGET AND MAKING APPROPRIATIONS

APPROVED AS TO FORM

Date 9/17/07 lane county

OFFICE OF LEGAL COUNSEL

H A C S A M E M O R A N D U M

TO: **HACSA Board of Commissioners**

FROM: **Chris Todis, Executive Director**
 Larry Abel, Deputy Director

SUBJECT: **Transmittal of Proposed HACSA Budget for FY 2008**

DATE: **September 12, 2007**

HACSA's FY 2008 budget is attached for your review and approval. It has been prepared in accordance with guidelines established by federal granting agencies, most particularly the Federal Department of Housing and Urban Development (HUD). The budget is balanced. Program summaries are shown for these divisions: Community Services, Housing, and Section 8. Federal funding accounts for 84% of HACSA's revenues. HUD funding alone comprises 79%.

This budget totals \$25,828,000, a net increase of \$1,536,000 from the FY 2007 budget. Net changes are itemized as follows.

1. Community Services Division. Net increase of \$1,204,000 due primarily to projected building improvements at the Norsemen Village Apartments and the Heeran Center, and significant increases in weatherization program funding.
2. Housing Division. Net increase of \$303,000 due primarily to an increase of capital fund expenditures and increases of operating expenses in all five housing programs.
3. Section 8 Division. Net increase of \$29,000 in Section 8 administrative expenses.

The Senate Appropriations Committee and the full House have both approved versions of the FY 2008 HUD funding bill. A continuing resolution is a certainty and there is widespread speculation that the HUD bill will get caught up in a large multi-bill (omnibus) appropriations package. In the meantime House/Senate conference negotiations are taking place. The Senate bill generally provides more funding.

As usual, the Agency's 708 units of public housing are included in the accompanying Housing Division proposed budget. FY 2008 will be the first year of project-based accounting under HUD's mandate to convert public housing to an asset management model. Consequently, there are six public housing AMP (asset management projects) budgets as well as a separate budget for the central office cost center. HUD requires Board approval for each of these budgets which are included in a separate agenda packet.

The HACSA proposed budget has been conservatively prepared based on the information that we currently have. We will keep you apprised of future developments that result in significant changes.

HOUSING AND COMMUNITY SERVICES AGENCY OF LANE COUNTY, OREGON

COMPARATIVE SUMMARY OF RESOURCES AND EXPENDITURES

	<u>2004-05</u> <u>ACTUAL</u>	<u>2005-06</u> <u>ACTUAL</u>	<u>2006-07</u> <u>BUDGET</u>	<u>2007-08</u> <u>PROPOSED</u>
RESOURCES				
Fund Balance	\$ 179,361	(\$ 582,354)		
Loans		1,122,646		\$ 800,000
Revenues:				
Federal grants	20,562,030	20,658,527	\$20,680,900	\$21,128,300
Rent	2,394,372	2,513,567	2,561,900	2,594,900
Interest	219,141	262,242	150,600	271,600
Other	826,244	813,739	898,600	1,033,200
	<u>\$24,181,148</u>	<u>\$24,788,367</u>	<u>\$24,292,000</u>	<u>\$25,828,000</u>
EXPENDITURES				
Personal Services	\$ 5,214,941	\$ 5,382,445	\$ 5,205,824	\$ 5,395,038
Materials and Services	17,283,530	16,889,437	17,491,343	17,977,185
Capital Outlay	1,187,884	1,878,120	881,992	1,748,607
Debt Service	594,793	638,365	712,841	707,170
	<u>\$24,281,148</u>	<u>\$24,788,367</u>	<u>\$24,292,000</u>	<u>\$25,828,000</u>
PROGRAM EXPENDITURES				
Community Services	\$ 2,576,187	\$ 3,788,504	\$ 2,676,000	\$ 3,880,000
Housing	6,040,416	5,897,432	5,731,000	6,034,000
Section 8	15,664,545	15,102,431	15,885,000	15,914,000
	<u>\$24,281,148</u>	<u>\$24,788,367</u>	<u>\$24,292,000</u>	<u>\$25,828,000</u>
FULL-TIME EQUIVALENT POSITIONS				
	<u>86.00</u>	<u>84.00</u>	<u>79.75</u>	<u>80.10</u>

PROGRAM SUMMARY

COMMUNITY SERVICES

STATEMENT OF PURPOSE

The Community Services Division is comprised of all Agency programs, other than HUD-assisted housing programs. The Low-income Weatherization Program helps qualified Lane County homeowners and renters conserve energy and save money by providing comprehensive conservation services at no cost to the household. Cost effective measures are installed by private contractors and paid for with public and private funds from federal grants and participating electric and natural gas utilities. The Development Program works with the Lane County Intergovernmental Housing Policy Board to create permanent, affordable low-income housing in Lane County.

FISCAL YEAR 2007-2008 OBJECTIVES

1. Provide cost effective weatherization services to 400 households.
2. Maintain strong program partnerships with local utilities and service organizations.
3. Install 25 solar water heating systems for low-income families in partnership with EWEB.
4. Expand appliance replacement program to include horizontal access washing machines for low-income families throughout Lane County.
5. Complete the development of New Winds Apartments, an 18-unit apartment complex in Florence for adults with severe, persistent mental illness.
6. Complete the development of the 27-unit Turtle Creek affordable housing project for families in Eugene.
7. Initiate rehabilitation program at the Norsemen Apartments, a 44-unit apartment complex in Junction City for seniors and people with disabilities.

PROGRAM SUMMARY (continued)

COMMUNITY SERVICES

	<u>2004-05</u> <u>ACTUAL</u>	<u>2005-06</u> <u>ACTUAL</u>	<u>2006-07</u> <u>BUDGET</u>	<u>2007-08</u> <u>PROPOSED</u>
EXPENDITURES				
Personal Services	\$ 960,548	\$ 1,001,630	\$ 952,424	\$ 942,413
Materials and Services	1,441,197	1,630,414	1,456,576	1,823,487
Capital Outlay	19,363	979,229		850,000
Debt Service	155,080	177,231	267,000	264,100
	<u>\$2,576,188</u>	<u>\$3,788,504</u>	<u>\$2,676,000</u>	<u>\$3,880,000</u>
FULL-TIME EQUIVALENT POSITIONS				
	<u>13.25</u>	<u>13.00</u>	<u>12.81</u>	<u>12.62</u>

PROGRAM SUMMARY

HOUSING

STATEMENT OF PURPOSE

The Housing Division provides for the coordinated management and maintenance of 955 Agency-owned low-income housing units.

FISCAL YEAR 2007-2008 OBJECTIVES

1. Provide opportunities that will positively affect residents' quality of life and their involvement in Division activities, by continuing the use of newsletters, resident handbooks, notices, meetings and trainings. Also provide a multitude of services to residents, including leadership skills development, community organizing, access to computers and the internet, resident groups at individual housing developments, feedback from elected Resident Representatives at the Tenant Advisory Group (TAG) meetings, use of an Agency "Hot Line," and the services of an Agency Ombudsman, as funding allows.
2. Continue to protect the Division's assets, through a concerted effort to maintain and upgrade Agency-owned housing units on a regular basis. In accordance with HUD's mandate, implement the project based/asset management reorganization for our 708 public housing units.
3. Integrate the Agency's allocation of capital funds into all aspects of the Division's operations, including occupancy, management, and maintenance, as regulations allow.
4. Maintain our "high achiever" Public Housing Assessment System (PHAS) ratings.
5. Continue resident requested and planned physical improvements to Agency-owned housing units, required under Section 504 of the Rehabilitation Act of 1973, as amended, and the Americans with Disabilities Act (ADA).
6. Family Self-Sufficiency Program: Continue to provide ongoing case management services and referrals to appropriate community services for enrolled families, under their Training and Services Plans (TSPs). Continue outreach efforts to Public Housing residents to encourage enrollment and growth toward self-sufficiency.
7. Continue providing safe and decent housing with extensive applicant screening, review of daily police calls for service and maintaining a zero tolerance for drug activity.

PROGRAM SUMMARY (continued)

HOUSING

	<u>2004-05 ACTUAL</u>	<u>2005-06 ACTUAL</u>	<u>2006-07 BUDGET</u>	<u>2007-08 PROPOSED</u>
EXPENDITURES				
Personal Services	\$2,647,090	\$2,711,357	\$2,595,796	\$2,730,522
Materials and Services	1,841,017	1,848,916	1,807,371	1,961,801
Capital Outlay	1,134,756	876,026	881,992	898,607
Debt Service	417,553	461,133	445,841	443,070
	<u>\$6,040,416</u>	<u>\$5,897,432</u>	<u>\$5,731,000</u>	<u>\$6,034,000</u>
FULL-TIME EQUIVALENT POSITIONS				
	<u>42.75</u>	<u>42.00</u>	<u>40.96</u>	<u>41.39</u>

PROGRAM SUMMARY

SECTION 8

STATEMENT OF PURPOSE

Currently, there are three programs in the Section 8 Division:

1. Housing Choice Voucher: This is the largest program in the division with 2639 families participating. Section 8 applicants who are at the top of the waiting list receive a voucher which is a rent subsidy grant based on their family size and income levels. This grant subsidy is paid directly to a participating landlord on the private rental market. While providing decent and safe housing for low income families, the rental subsidy will funnel approximately 14 million federal dollars in Lane County during the next fiscal year.
2. Home Ownership: In the home ownership program the subsidy is paid directly to the bank to subsidize the mortgage payment. With Home Ownership we will increase the housing options for participants who have been on the program for at least one year and are in good standing.
3. Family Self-Sufficiency (FSS). In the Family Self-Sufficiency Program, participants receive a package of supportive services, tailored to the individual family's need. The services are provided to assist the family in meeting it's long term (up to 5 years) self-sufficiency goals. The goal of this program is to help families become self-sufficient of TANF and other government sponsored programs.

FISCAL YEAR 2007-2008 OBJECTIVE

1. With continued increases in area rents and reduction in funding, the Section 8 Division will strive to maximize limited resources to maintain approximately a 100% lease rate which augments low income housing resources in the community.
2. The Section 8 waiting list will remain closed until there is a significant reduction in the waiting time for applicants.
3. Increase the number of participants in the home ownership program through education, counseling and partnership with local housing providers and lenders.
4. Continue to maintain positive working relationships with area property managers/owners to achieve a wide choice of housing opportunities for our low-income, elderly and disabled clients.
5. Emphasize self-sufficiency for clients and families, facilitating access to education, employment and services to assist them in reaching their self-sufficiency goals.
6. Continue to educate staff, landlords and other service providers regarding the laws and regulations pertaining to reasonable accommodation for disabled individuals.
7. Provide outreach and accessibility to all housing programs to members of the community.

PROGRAM SUMMARY (continued)

SECTION 8

	<u>2004-05</u> <u>ACTUAL</u>	<u>2005-06</u> <u>ACTUAL</u>	<u>2006-07</u> <u>BUDGET</u>	<u>2007-08</u> <u>PROPOSED</u>
EXPENDITURES				
Personal Services	\$ 1,607,304	\$ 1,669,460	\$ 1,657,604	\$ 1,722,103
Materials and Services	14,001,336	13,410,106	14,227,396	14,191,897
Capital Outlay	33,765	22,865		
Debt Service	22,140			
	<u>\$15,664,545</u>	<u>\$15,102,431</u>	<u>\$15,885,000</u>	<u>\$15,914,000</u>
FULL-TIME EQUIVALENT POSITIONS				
	<u>30.00</u>	<u>29.00</u>	<u>25.98</u>	<u>26.09</u>