

HACSA T. 4.b.

HACSA MEMORANDUM

TO: HACSA Board of Commissioners
PRESENTED BY: Laurie Larson-Lewis, Finance Manager
AGENDA ITEM TITLE: ORDER/RESOLUTION/In the Matter of Approving the Public Housing Operating Budget for the Fiscal Year Ending September 30, 2010
AGENDA DATE: September 29, 2009

I. MOTION

IT IS MOVED THAT THE ORDER/RESOLUTION BE ADOPTED APPROVING THE PUBLIC HOUSING OPERATING BUDGET FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2010.

II. ISSUE

HUD requires the Board to review and approve the Public Housing Operating Budget.

III. DISCUSSION

A. Background

This Order/Resolution approves our FY 2010 operating budget for the Public Housing Program. FY 2010 will be the third year of project-based accounting under HUD's mandate to convert public housing to an asset management model. Consequently, there are six public housing asset management project (AMP) budgets as well as a separate budget for the central office cost center (COCC). HUD requires Board approval for each of these budgets.

B. Analysis

Attached is a site budget for each of the Agency's asset management projects (AMPs). Each AMP budget is balanced.

When HUD implemented asset management, they revised the calculations of public housing operating subsidies, and all Oregon PHAs received decreases. HUD has approved HACSA's conversion to asset management, which "stopped

our loss” of operating subsidy at \$96,000 per year. Also, since overall (nation-wide) eligibility has exceeded appropriations in the last several years, the subsidy is subject to proration. In Calendar year 2009 the proration (subject to revision) is 88.4%. HUD has not released its subsidy proration for CY 2010, but we anticipate funding at about 95%.

Also attached is a balanced budget for the Agency’s central office cost center (COCC). Under HUD’s model, the COCC is analogous to the administrative office of a private property management company. Accordingly, the revenue of the COCC includes certain fees. Management, bookkeeping and asset management fees are charged to the AMPs. These fees have been limited by HUD (e.g. the management fee is \$44.67 per occupied unit per month). Revenue of the COCC also consists of a fee for service (charged to the AMPs) for certain specialized maintenance employees. Administrative fees are also included to compensate COCC staff for administering the Agency’s Capital Fund and Housing Choice Voucher programs.

C. Alternatives/Options

HUD requires the Board to approve next fiscal year’s Public Housing Operating budget by September 30, 2010.

D. Recommendation

Approval of the proposed Motion is recommended.

E. Timing

Upon approval by the Board, the Public Housing Operating Budget will be effective on October 1, 2009.

IV. IMPLEMENTATION/FOLLOW-UP

Same as Item III. E.

V. Attachments

Public Housing Site Budgets
Budget for Central Office Cost Center
HUD form 52574 PHA Board/Resolution

Housing And Community Services Agency of Lane County

Site Budgets

10/1/09 - 9/30/10

(All amounts rounded to the nearest \$100)

AMP 100 AMP 200 AMP 300 AMP 400 AMP 500 AMP 600 TOTAL

REVENUE

Dwelling Rentals	\$ 80,000	\$ 480,000	\$ 280,000	\$ 400,000	\$ 205,000	\$ 185,000	\$ 1,630,000
Investment Income	400	2,500	1,500	1,800	1,000	1,100	8,300
Other Income	3,800	20,500	15,000	12,400	5,200	5,800	62,700
Operating Subsidy	49,700	474,600	440,200	297,100	276,200	262,300	1,800,100
Total Revenue	\$ 133,900	\$ 977,600	\$ 736,700	\$ 711,300	\$ 487,400	\$ 454,200	\$ 3,501,100

EXPENSES

Administrative Salaries	\$ 10,300	\$ 147,500	\$ 73,700	\$ 84,300	\$ 50,900	\$ 39,100	\$ 405,800
Benefits	6,500	96,900	47,600	55,400	32,700	25,000	264,100
Staff Training	100	100	100	100	100	100	600
Travel Expense	300	400	1,500	1,000	300	1,000	4,500
Audit	600	3,600	2,300	2,000	1,700	1,800	12,000
Legal	300	500	1,000	100	200	200	2,300
Management Fee	16,000	114,700	68,600	79,900	47,700	49,800	376,700
Bookkeeping Fee	2,700	19,300	11,500	13,400	8,000	8,400	63,300
Sundry							
Stationary, Copier, Office Supplies	600	1,600	1,500	1,500	1,500	1,500	8,200
Telephone	3,500	2,400	3,500	5,100	5,500	5,500	25,500
Postage	100	100	100	100	100	100	600
Publications, Dues, Fees	100	100	100	100	100	100	600
Computer Expense	100	300	200	300	200	200	1,300
Background Checks	200	800	600	600	500	500	3,200
Misc. Sundry	2,000	400	100	200	100	100	2,900
Total Sundry	6,600	5,700	6,100	7,900	8,000	8,000	42,300
Total Administrative	\$ 43,400	\$ 388,700	\$ 212,400	\$ 244,100	\$ 149,600	\$ 133,400	\$ 1,171,600

Resident Services Salaries

Benefits (53%)	\$ 1,600	\$ 11,700	\$ 7,100	\$ 8,200	\$ 4,900	\$ 5,100	\$ 38,600
Other	1,000	7,300	4,500	5,200	3,100	3,200	24,300
Total Resident Services	\$ 3,300	\$ 24,300	\$ 14,800	\$ 17,200	\$ 10,200	\$ 10,600	\$ 80,400

Housing And Community Services Agency of Lane County
 COCC
 Budget 10/01/09 - 9/30/10

REVENUE	ANNUAL BUDGET
Management Fees	376,700
Bookkeeping Fees	63,200
Asset Management Fee	85,000
Capital Fund Administrative Fee	127,000
ROSS PH Family Self-Sufficiency Grant	65,500
Housing Choice Voucher Program Admin Fee	340,000
Section 236 and S8 New Construction Overhead Reimb.	126,000
Other Programs Overhead Reimbursement	281,500
Maintenance Fee for Service	196,000
Interest Income	4,400
Total Revenue	1,665,300
EXPENSES	
Administrative Salaries	769,300
Administrative Employee Benefits	430,300
Audit	500
Legal	500
Staff Training	3,800
Travel	1,800
Computer Expense	10,000
Telephone	10,000
Postage	15,000
Office Expense	15,000
Other	20,000
Total Administrative	1,276,200
Water/Sewer	5,000
Electric	17,000
Total Utilities	22,000
Maintenance Labor	95,100
Maintenance Employee Benefits	95,100
Materials	5,200
Contracts	168,700
Total Maintenance	364,100
Insurance	3,000
Total General Expenses	3,000
Total Expenses	1,665,300
Cash Flow from Operations	-

ORDER
PHA Board Resolution
Approving Operating Budget

U.S. Department of Housing
and Urban Development
Office of Public and Indian Housing -
Real Estate Assessment Center (PIH-REAC)

OMB No. 2577-0026
(exp. 10/31/2009)

In the Matter of Approving the Public Housing Operating Budget for the Fiscal Year Ending
September 30, 2010

Public reporting burden for this collection of information is estimated to average 10 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

This information is required by Section 6(c)(4) of the U.S. Housing Act of 1937. The information is the operating budget for the low-income public housing program and provides a summary of the proposed/budgeted receipts and expenditures, approval of budgeted receipts and expenditures, and justification of certain specified amounts. HUD reviews the information to determine if the operating plan adopted by the public housing agency (PHA) and the amounts are reasonable, and that the PHA is in compliance with procedures prescribed by HUD. Responses are required to obtain benefits. This information does not lend itself to confidentiality.

PHA Name: Housing And Community Services Agency of Lane County PHA Code: OR006

PHA Fiscal Year Beginning: October 1, 2009 Board Resolution Number: _____

Acting on behalf of the Board of Commissioners of the above-named PHA as its Chairperson, I make the following certifications and agreement to the Department of Housing and Urban Development (HUD) regarding the Board's approval of (check one or more as applicable):

DATE

- Operating Budget ~~for~~ all AMPs and COCC approved by Board resolution on: _____
- Operating Budget submitted to HUD, if applicable, on: _____
- Operating Budget revision approved by Board resolution on: _____
- Operating Budget revision submitted to HUD, if applicable, on: _____

I certify on behalf of the above-named PHA that:

1. All statutory and regulatory requirements have been met;
2. The PHA has sufficient operating reserves to meet the working capital needs of its developments;
3. Proposed budget expenditure are necessary in the efficient and economical operation of the housing for the purpose of serving low-income residents;
4. The budget indicates a source of funds adequate to cover all proposed expenditures;
5. The PHA will comply with the wage rate requirement under 24 CFR 968.110(c) and (f); and
6. The PHA will comply with the requirements for access to records and audits under 24 CFR 968.110(i).

I hereby certify that all the information stated within, as well as any information provided in the accompaniment herewith, if applicable, is true and accurate.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012.31, U.S.C. 3729 and 3802)

Print Board Chairperson's Name:	Signature:	Date:
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