



TACOMA HOUSING AUTHORITY

RESOLUTION 2012-08-22 (2)

Date: August 22, 2012
To: THA Board of Commissioners
From: Michael Mirra
Executive Director
Re: Fiscal Year 2012 Agency Budget Revision

Background

Each year the Housing Authority of the City of Tacoma (THA) prepares a budget for the upcoming fiscal year. The Annual Budget reflects an estimate of the expected revenues and expenditures for each of its departments and major programs. The Board approved the FY 2012 Budget in December 2011. THA normally reviews the annual budget in the middle of year. The mid-term budget review serves several purposes:

- It is a more formal occasion for the Board to review how its original budget is doing against original projections. The Board actually does this every month, but doing it halfway through the year is a good time to notice trends;
- The mid-term review is an occasion to adjust the budget. Adjustments may be necessary or desirable for any of several reasons: (i) to account for information that we did not have back in December when the Board adopted the original budget. For example, in December we had to make some assumptions and guesses about our income since Congress had not yet adopted a budget for HUD; (ii) to account for actual income and expenditures during the first half of the year and to project them for the second half; (iii) to reflect changing needs or opportunities.

By this resolution, the Board adopts the attached proposed revision. It is the same proposed revision that the Board reviewed in its Study Session on August 17th. The background material that Board received then also pertain to this resolution.

Recommendation

Approve Resolution 2012-8-22(2) to formally approve THA's Revised FY 2012 Budget.



TACOMA HOUSING AUTHORITY

RESOLUTION 2012-8-22(2) FISCAL YEAR 2012 ANNUAL BUDGET REVISION

Whereas, The Board of Commissioners of the Housing Authority of the City of Tacoma ("Authority) approved the FY 2012 Budget on December 14, 2011.

Whereas, Authority staff determined that the FY 2012 Budget should be revised on updated information on funding and expenditure needs.

Whereas, Authority staff has prepared and the the Board of Commissioners of the Housing Authority of the City of Tacoma as reviewed and provided input to the proposed Revised Fiscal Year 2012 annual budget:

Resolved by the Board of Commissioners of the Housing Authority of the City of Tacoma, Washington that:

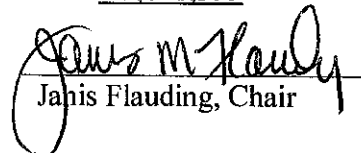
1. The Board of Commissioners of the Housing Authority of the City of Tacoma adopts the Revised FY 2012 Budget and authorizes the Executive Director to implement and execute said document. Revised expenses and other cash outflows are projected as follows:

<u>Expenses</u>	
Executive	530,509
Human Resources	361,213
Finance	870,139
Administration	1,032,005
Development	2,631,100
Community Services	1,558,339
Real Estate Management Overhead	1,310,993
Rental Assistance	34,129,382
Property Management	<u>5,896,184</u>
Subtotal	48,347,864

<u>Additional Cash Outflows</u>	
Capital Expenditures	4,756,276
Debt Service	<u>517,215</u>
Subtotal	5,273,491

TOTAL APPROVED BUDGET 53,621,355

Approved: August 22, 2012


Janis Flauding, Chair

**2012 Tacoma Housing Authority Mid-Year Budget
Agency Wide**

	Original Budget	Revised Budget	Budget Adjustment
INCOME			
1 Revenue - Dwelling rent	\$3,798,822	\$3,748,822	(\$50,000)
2 Tenant Revenue - Other	\$60,879	\$80,879	\$20,000
3 HUD grant - Section 8 HAP reimbursement	\$33,528,957	\$34,500,957	\$972,000
4 HUD grant - Section 8 Admin fee earned	\$2,526,859	\$2,694,859	\$168,000
5 HUD grant - Public Housing subsidy	\$1,813,264	\$2,021,264	\$208,000
6 HUD grant - Community Services	\$193,161	\$193,161	\$0
7 HUD grant - Capital Fund Operating Revenue	\$1,539,255	\$952,800	(\$586,455)
8 Management Fee Income	\$3,133,152	\$3,133,152	\$0
9 Other Government grants	\$422,677	\$370,677	(\$52,000)
10 Investment income	\$53,072	\$53,072	\$0
11 Fraud Recovery Income - Sec 8	\$35,000	\$60,000	\$25,000
12 Other Revenue- Developer Fee Income	\$530,000	\$530,000	\$0
13 Other Revenue	\$540,643	\$556,643	\$16,000
TOTAL OPERATING RECEIPTS	\$48,175,740	\$48,896,285	\$720,545

OPERATING EXPENDITURES**Administrative**

14 Administrative Salaries	\$3,860,846	\$3,944,846	\$84,000
15 Administrative Personnel - Benefits	\$1,677,781	\$1,677,781	\$0
16 Audit Fees	\$67,880	\$67,880	\$0
17 Management Fees	\$2,554,673	\$2,554,673	\$0
18 Rent	\$281,007	\$281,007	\$0
19 Advertising	\$5,565	\$5,565	\$0
20 Information Technology Expenses	\$198,589	\$240,589	\$42,000
21 Office Supplies	\$62,380	\$62,380	\$0
22 Publications & Memberships	\$45,265	\$45,265	\$0
23 Telephone	\$88,125	\$95,625	\$7,500
24 Postage	\$45,481	\$45,481	\$0
25 Leased Equipment & Repairs	\$51,607	\$57,607	\$6,000
26 Office Equipment Expensed	\$55,550	\$70,050	\$14,500
27 Legal	\$56,270	\$96,270	\$40,000
28 Local Mileage	\$8,220	\$8,220	\$0
29 Staff Training/ Out of Town Travel	\$118,570	\$161,570	\$43,000
30 Administrative Contracts	\$388,270	\$310,770	(\$77,500)
31 Other Administrative Expenses	\$85,933	\$91,433	\$5,500
32 Due Diligence - Prospective Development	\$250,000	\$795,500	\$545,500
33 Contingency	\$35,000	\$35,000	\$0
Total Administrative Expenses	\$9,937,012	\$10,647,512	\$710,500

Tenant Services

34 Tenant Services - Salaries	\$826,920	\$826,920	\$0
35 Tenant Service Personnel - Benefits	\$371,769	\$371,769	\$0
36 Relocation Costs	\$405,099	\$405,099	\$0
37 Tenant Service - other	\$70,302	\$100,302	\$30,000
Total Tenant Services	\$1,674,090	\$1,704,090	\$30,000

**2012 Tacoma Housing Authority Mid-Year Budget
Agency Wide**

	Original Budget	Revised Budget	Budget Adjustment
<i>Utilities</i>			
38 Water	\$123,490	\$123,490	\$0
39 Electric	\$200,525	\$200,525	\$0
40 Gas	\$66,580	\$66,580	\$0
41 Sewer	\$382,270	\$382,270	\$0
	\$772,865	\$772,865	\$0
<i>Ordinary Maintenance & Operations</i>			
42 Maintenance Salaries	\$578,507	\$634,507	\$56,000
43 Maintenance Personnel - Benefits	\$164,752	\$181,552	\$16,800
44 Maintenance Materials	\$193,477	\$209,977	\$16,500
45 Contract Maintenance	\$730,947	\$786,947	\$56,000
Total Routine Maintenance	\$1,667,684	\$1,812,984	\$145,300
<i>General Expenses</i>			
46 Protective Services	\$169,946	\$169,946	\$0
47 Insurance	\$202,837	\$202,837	\$0
48 Other General Expense	\$958,568	\$1,042,568	\$84,000
49 Payment in Lieu of Taxes	\$12,152	\$12,152	\$0
50 Collection Loss	\$39,720	\$39,720	\$0
51 Interest Expense	\$940,763	\$940,763	\$0
Total General Expenses	\$2,323,985	\$2,407,985	\$84,000
TOTAL OPERATING EXPENSES	\$16,375,635	\$17,345,435	\$969,800
<i>Nonroutine Expenses and Capital Expenditures</i>			
52 Ext Maint/Fac Imp/Gain/Loss prop sale	\$57,300	\$89,300	\$32,000
53 Casualty Loss	\$5,000	\$5,000	\$0
54 Section 8 HAP Payments	\$31,108,130	\$30,908,130	(\$200,000)
Total Nonroutine Expenditures	\$31,170,430	\$31,002,430	(\$168,000)
TOTAL EXPENSES	\$47,546,065	\$48,347,865	\$801,800
OPERATING SURPLUS/(DEFICIT)	\$629,675	\$548,420	(\$81,255)
55 Debt Service Principal Payments	(\$506,465)	(\$517,215)	(\$10,750)
Surplus/Deficit Before Reserve Appropriations	\$123,210	\$31,205	(\$92,005)
56 Reserve Appropriations - Operations	\$796,204	\$1,033,704	\$237,500
Surplus/Deficit Before Capital Expenditures	\$919,414	\$1,064,909	\$145,495
57 Revenue - Capital Grants	\$5,363,786	\$3,585,485	(\$1,778,301)
58 Capitalized Items/Development Projects	(\$5,898,577)	(\$4,756,276)	\$1,142,301
59 Reserve Appropriations - Capital	\$0	\$502,791	\$502,791
THA BUDGET SURPLUS/(DEFICIT)	\$384,623	\$396,909	\$12,286