



TACOMA HOUSING AUTHORITY

RESOLUTION 2014-12-17 (2)

Date: December 17, 2014
To: THA Board of Commissioners
From: Michael Mirra
Executive Director
Re: Fiscal Year 2015 Agency Budget

This resolution would adopt THA's budget for 2015. The details are set forth in the attachments A to D.

1. SOME BACKGROUND

By this resolution, the Board would adopt a THA budget for FY 2015. Each year THA budgets 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 budget denotes strategic choices. It shows individual department expenses. For management purposes, each department director will manage and control their department budget in accordance with Federal, State and Local regulations.

The Board provided direction for writing this budget through discussions with its Finance Committee and the chair. I provided additional direction to the staff based on those discussions, and the Finance Director facilitated multiple meetings with the other directors to devise a budget to present to both me, and now the Board. At its December 5th budget study session, the Board indicated approval of the budget that staff now submits. Here are some of its notable features:

- Like past budgets, we base this budget on conservative estimates. THA's past prudence in this way has allowed us to weather the continuing budget challenges. This approach should continue to serve the agency well especially since this year, again, we do not know what our HUD allocation will be. Accordingly, we budget to the lowest of the plausible Congressional budgets. This year that means we budget to the version of the national budget that the House of Representatives passed this year, which keeps funding for our programs at approximately 2014 levels. [As I write this resolution, the House has just passed another continuing resolution that, by preliminary accounts, is similar to what the House passed last year. The Senate has not yet acted.]

- The 2015 budget accounts for our strategic objectives.
- The 2015 budget fits recurring expenses within recurring income.
- The budget provides funding for ongoing Community Service support of our tenants, especially in the area of asset building and preparing for successful exits of our HOP participants at the end of their assistance. The Gates foundation has provided us with a year grant to assist us in continuing our education program, along with our youth asset activities.
- The budget invests in THA's financial future, and promotes redevelopment of additional affordable housing in the community by providing due diligence funds for existing and future opportunities
- As the board knows, we are postponing the further rent reform until later in 2015 or 2016.
- We are spending about 87% of our voucher dollars on rental assistance. The remaining 13% is on other forms of assistance, such as community services, public housing operations, capital expenditures, and administration costs. We serve 100% of our baseline of households.
- The 2015 Budget proposal leaves THA with adequate reserves of both MTW and non-MTW funds.

I am pleased to present this budget proposal to the Board. The proposed budget leaves THA in relatively good shape considering the Congressional budget uncertainties. It allows THA to continue core programs. It also allows THA to continue its special programs that continue to distinguish THA nationally for its innovation, such as the Education Project, children's savings accounts, community services to help families prosper, rapid rehousing, and assistance to TCC students who are homeless.

Please remember that, as I write this, Congress still has not passed a budget for 2015. While we are reasonable to presume upon the version of the budget that the House passed earlier this year, we may have to adjust to whatever Congress ends up enacting.

2. PRINCIPLES GUIDING THE BUDGET CHOICES

As it past years, staff used the following principles to guide the preparation of this budget proposal:

2.1 THA's strategic directives

THA's statement of vision, mission and values, and our strategic objectives remain our primary principles that guide our work, including budget choices. Each department considered the priority of programs and projects serving each strategic objective when proposing its own budget. The budget proposal allows us to proceed with our most important initiatives.

In general, this budget seeks to retain what is distinctive about THA: we do not confine our mission to being a landlord and disbursing monthly rental assistance checks. We also are real estate and community developers. We seek ways to spend our housing dollar to leverage other outcomes: increased earned income of our families, improved educational outcomes; improved asset building. Our efforts to do this have become signature attributes of THA. Even if budget cuts require us to curtail our programming, we would seek to retain a meaningful measure of these innovations, even on a reduced scale, to allow us to later regrow them.

2.2 Budget to the lowest of the plausible congressional appropriation levels

Congress is supposed to adopt a federal budget by October 1st. That schedule would be convenient because it would allow us to know our federal allocation in time to adopt our own budget by January 1st. Unfortunately, Congress is usually late. This forces us to guess what the final federal budget will be. We have always assumed on the most conservative of the plausible versions of the federal budget pending in Congress.

This year is no exception. Congress is late. For now we are operating under a “continuing resolution” that keeps us substantially at FY 2014 levels. The current continuing resolution expires on December 11th. We are budgeting on the assumption that the funding will remain substantially as it was in 2014. This conforms to the bipartisan budget deal that Congress enacted in 2013 that ended the last government shut-down. It also conforms to the version of the 2015 budget that the House has already passed.

2.3 Recurring income must cover recurring expenses

We do not seek to spend reserves on recurring expenses, because doing so is not sustainable. Instead, recurring expenses should fit within recurring income. The proposed budget does that. Our proposed budget will show an aggregate surplus of recurring income over recurring expenses in the amount of \$180,000.

This principle requires us to characterize expenses as either recurring or non-recurring. Some expenses are clearly one or the other. Capital expenses to build or fix up properties are non-recurring. Recurring expenses includes the cost of staff to administer THA’s mainline programs, such as the portfolio or our rental assistance programs. Recurring expenses also includes the basic administrative overhead, such as the cost of an executive director, a finance department and or an I.T. capacity.

We characterize other costs by examining their purpose and their duration. Nonrecurring expenses include the cost of staff who fill positions that will “sunset” and the cost of staff and consultants that support time limited projects or projects that may not produce results necessary to justify their continuation. The success or failure of these projects will determine if and when those expenditures

and the associated positions will end. Our analysis of the Real Estate Development Department is a good example of this characterization. We calculate that we will always need a core development capacity, which we characterize as a recurring expense. We use reserves to pay for additional development staff who work on projects that we judge to have a plausible chance of paying for themselves. As the next section explains, this use of reserves fits within the budget principle governing reserves.

2.4 Maintain adequate reserves and limit their use to nonrecurring purposes

We continue to identify minimum and optimal levels of reserves overall and for each type of reserve. This budget would keep us at approximately optimal levels for overall reserves. It would keep us above minimum levels for non-MTW reserves.

We do so pursuant to the principles that govern our use of reserves. It is wiser to spend reserves on nonrecurring rather than recurring expenses. The best use of reserves is to fund activities that have a plausible prospect of:

- saving us money (e.g, our fix up of the 902 building; our recent and continuing investment in our IT capacity)
- making us money; (e.g, buying rental property or investment in a development that would produce a fee.)
- making us more effective. (e.g, our investment in our business process improvement; our fix up of the L Street building, the FIC and the maintenance shop.)

Most of the spending of reserves is on development projects that we expect will earn us a developer fee in 2015 and beyond that will recoup the amounts we spend. We will also spend reserves for modernizing the 2nd floor of the administration building at 902 South L, the Family Investment Center, and the Salishan maintenance building. We will also be expending funds for a new IT platform for the agency.

3. NOTABLE BUDGET ASSUMPTIONS

All budgets rely on assumptions. These are the notable ones for this budget:

- **Budgeting at 2014 funding levels**
As I reviewed above, we are budgeting at the FY 2014 funding levels. This means we will receive about 86% of what HUD calculates is necessary to manage the public housing portfolio. This also means we will receive 79% of what HUD calculates it takes to manage the voucher program.

- **Housing occupancy rates**
The rental income for our LIPH is based on the September, 2014 rent roll and assumes an average of 97% occupancy. Our nine market rate homes are budgeted at 85% occupancy, as we continue to discuss whether we will sell them or not.

- **HAP savings**
With our changes in occupancy standards, minimum rents and the elimination of utility reimbursement checks to our tenants, and continuing the Housing Opportunities Program (HOP) assistance, the budget estimates a savings of over \$3,000,000 since instituting the changes in 2011, and \$1,500,000 from 2012 to 2013. We realized minimal additional savings in 2014. We are not anticipating any additional savings in 2015, as additional rent reform will not occur until late in the year or in 2016. We are budgeting \$1,370,000 of the HAP savings to provide funds to providers to assist in the housing of special populations.

- **Wages and salaries**
For 2014, we are budgeting to include a small increase for OPEIU and non-represented staff, along with an extra 2.0% for Variable merit pay based on performance. The actual salary increase will be negotiated in 2015, and we will adjust accordingly at mid-year if needed. Our trades personnel is being budgeted for the 2.5% salary increase with a 1.0% variable pay amount that we recently negotiated. Scheduled increases are budgeted for July 1.

- **Employee benefits**
We calculated the costs of employee benefits on the following assumptions:
 - Health Care benefits*
We plan for a 5% increase in the Laborers trust for our maintenance staff, effective July 1st. For our OPEIU and non-represented staff we plan for a 4.5% increase over the 2014 budget. We are maintaining the same employee % for the employee contribution amount as in 2014.

 - Dental*
There is a 5% increase over 2014's costs.

 - Retirement*
Washington State employer portion of retirement plan is budgeted at the 9.19% that we incurred in 2014.

 - Short and Long Term Disability/Life Insurance*
The costs for these benefits remain at 2014 levels.

 - Unemployment Insurance*
THA pays out all unemployment claims and remains self-insured for 2014. We have reduced the accrual from 2.0% of salaries in 2014 to 1.25% in 2015. THA pays for all of the claims from this accrual.

Benefits, on average, remain approximately 42% of salary dollars. This has stabilized from 2012 due to the change in benefit plans.

4. SOME MORE BUDGET DETAIL

- **HAP Utilization:**
We intend to serve as many families as possible under THA's rental assistance programs. The budget assumes housing tenants at 100% of our Section 8 ACC authorization.
- **Special Program Initiatives**
The budget provides approximately \$1.4 million for special program initiatives that the Board will recognize from past discussions:
 - DSHS-PHA child welfare collaboration
 - Rapid rehousing for homeless families
 - Housing for unaccompanied youth without families
 - TCC homeless students program
 - Children's Savings Account programs

The funding for special programs represents housing an equivalent of approximately 140 families above our baseline.

- **HAP Funding**
Due to HUD's cash management requirements, we are estimating that HUD is holding approximately \$1.5 million dollars of THA's allocation in remaining HAP funding for 2014. We will receive this in 2015. For the 2015 budget, we are budgeting the \$1.5 million as non-recurring income.
- **Public Housing Portfolio**
Property Management, Asset Management and Finance worked together during the FY 2015 budget process to reduce costs within the portfolio. With this collaboration, the average Per Unit Per Year budgeted cost was reduced by approximately \$200 from the 2014 budget to approximately \$6,550 for FY 2015.
- **IT Improvements**
The budget provides \$600K for the new IT platform that will transition THA from our existing Yardi/Visual Homes platform. We also are budgeting approximately \$200K for sunset staff to assist us in the conversion process.
- **Community Service grants**
THA continues to move forward with both the Education and Children's Savings Account Program. We received funding from the Gates Foundation for both of these programs, along with other ancillary funding sources. We are looking to expand the education program within the next year or so. We are also looking at data to determine how our existing staff can best serve our tenants.

- **Bay Terrace Redevelopment**
 The Hillside redevelopment (Bay Terrace) phase 1 is complete and fully leased up. We will be receiving \$760K in developer fees next year when we convert the construction loan to permanent and we meet our debt-coverage ration commitments. We also anticipate moving forward with the 2nd phase of the project in 2015. We are applying for 9% tax credits for the project the 1st of the year. In 2015, we have budgeted \$266K in due diligence, and \$1.7 million in capital expenditures for this project.
- **Prairie Oaks (LASA)**
 Construction on Prairie Oaks will be complete by mid-year 2015. All funds from all sources flow through THA (approximately \$2.7 million will be fully expended next year.) THA will also contribute approximately \$145K of non-MTW funds to complete that project, and will receive a developer fee amount of \$160K for management of the project.
- **Hilop Lofts (Brown Star Grill site)**
 THA's intends to start this project in 2015. We will apply for tax credits the 1st of next year. In the budget, there is approximately \$100K of due diligence funds, and \$600K of Capital funds budgeted for the project.
- **Renovation of the Family Investment Center**
 THA has been discussing renovating the FIC since 2012. There have been numerous discussions on how to make the building more efficient for both Salishan Property Management staff and Community Services staff, along with providing sufficient space for the many public uses. With sequestration, this project was put on hold. \$300K was budgeted for 2014, but with a fresh eye and the latest plan, the budgeted amount for 2015 is \$579,500.
- **Continued renovation of 902 South L**
 In 2012, we finished the initial phase of the renovation of the THA administration building. This phase included a complete renovation of the lobby and the Rental Assistance area, along with a partial renovation of the administration area to include an IT training room. This budget would continue the renovation of the building. This fix up should save the escalating annual costs of repairing the failing HVAC system. The budget has increased from the original amount of \$700K, and has been discussed with the Board numerous times. The 2015 budget provides \$1.550 million for this endeavor. Funding will come from reserves and not operations.
- **Salishan Maintenance Shop**
 The budget includes \$286,500 to make the maintenance shop more effective for maintenance staff to use for repairs and to improve its use as a storage area.

- **Replacement of Aging Maintenance Vehicle Fleet**
THA has an aging maintenance vehicle fleet with many vehicles over 20 years old. In 2012, we started updating the fleet, with the expectation that we would continue replacing approximately 3 – 5 vehicles annually. This budget would spend \$120,000 for the purchase of new vehicles.

- **Uses of Reserves**
In the budget, we specify our uses of reserves. For the FY-2015 we made the following choices:
 - Fund the continued remodel of 902 South L in the amount of \$1.550 million from reserves.
 - Fund the FIC renovation in the amount of \$586,500 from reserves.
 - Fund the Salishan maintenance shop renovation in the amount of 286,500 from reserves.
 - Fund the purchase of \$120K of replacement of maintenance vehicles from reserves. \$25K is budgeted for replacement of a Community Services vehicle to come from reserves.
 - \$615K is budgeted to come from reserves to fix up our 34 PH scattered sites, and our 9 Market rate homes for sale. No income is budgeted in this budget for the sale. We anticipate that the sale of these properties could bring in approximately \$3 million into THA.
 - We still anticipate the purchase of the general partnership interest in New Look Apts. For that purpose, we budget \$100K out of reserves.
 - For the continued improvement in the IT area, we budget \$600K for the switchover away from our VisualHOMES platform. There is also a reserve request for the purchase of new hardware in the amount of \$23K.
 - We anticipate moving forward on Hilltop Lofts (Brown Star Grill) and have budgeted \$600K from THA to come from reserves.
 - In order to complete the Prairie Oaks project THA will loan the property \$145K from reserves.

- **Use of MTW flexibility**
Due to our MTW flexibilities, we are combining our Public Housing Operating subsidies, Public Housing Capital Funds and Section 8 Housing Choice Voucher Program assistance into a single authority-wide funding source. We will use this single funding source to fund Public Housing operations, the Public Housing Capital Fund and the Housing Choice Voucher programs to carry out the mission

of the MTW Demonstration program through activities that would otherwise be eligible under sections 8 and 9 of the 1937 act.

- **Reserves**
The budget will leave us with the following reserves as indicated in Attachment A:
 - MTW Reserves \$ 3,361,000
 - Business Activities (Non-MTW) reserves \$ 3,080,900
 - Bond Financed Property reserves \$ 53,300
 - Salishan 7 Reserves \$ 1,251,000

\$ 7,748,000

Recommendation

I recommend that the Board adopt Resolution 2014-12-17 (2) to formally approve THA's Fiscal Year 2015 Annual Budget.



TACOMA HOUSING AUTHORITY

RESOLUTION 2014-12-17(2)

FISCAL YEAR 2015 ANNUAL BUDGET

Whereas, The Housing Authority of the City of Tacoma (“Authority”) intends to incur expenses and other cash outflows for Fiscal Year 2015; and

Whereas, The U.S. Department of Housing and Urban Development (HUD) requires the Authority’s Board to approve it’s annual Site-based budgets;

Whereas, Authority staff has prepared and the Board of Commissioners of the Housing Authority of the City of Tacoma as reviewed and provided input to the proposed Fiscal Year 2015 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 attached FY 2015 Agency wide budget. The HUD required site-based budgets are also approved and are a subset of the overall agency wide budget. The Board of Commissioners hereby authorizes the Executive Director to implement and execute said budget. Expenses and other cash outflows are projected as follows:

<u>Expenses</u>	
Executive	\$ 661,972
Human Resources	643,736
Finance	1,058,976
Administration	1,914,765
Community Services	2,119,769
Development	2,483,425
REM&HS Overhead	1,970,740
Rental Assistance	34,393,273
Property Management	<u>5,167,332</u>
Subtotal	50,413,993
 <u>Additional Cash Outflows</u>	
Capital Expenditures	9,565,100
Debt Service	<u>195,240</u>
Subtotal	9,760,340
 TOTAL APPROVED BUDGET	 <u>\$60,174,333</u>

Approved: December 17, 2014


Stanley Rumbaugh, Chair



Attachment A

BOARD OF COMMISSIONER DECISION POINTS: THA FY-2015 BUDGET
December 5, 2014



The green boxes below denote the main decisions for the THA Board. The contents of the green boxes are staff proposals.

The yellow boxes below and other text contain information and staff proposals that will help the Board decide.

1. AVAILABLE RESERVES

Type/Purpose of Reserves	Projected Reserves 01/01/15
a. MTW Reserves	\$6,700,000
Business Activities (Non-MTW) reserves <small>*Includes Wedgewood sale proceeds</small>	\$4,850,000
c. Salishan 7 Reserves	\$740,000
d. Bond Financed Property Reserves	\$100,000
Totals	\$12,390,000

Minimum necessary and Optimal Reserves

Minimum	Optimal	Amount to Reserve
\$2,843,000	\$4,597,000	\$4,597,000
\$1,500,000	\$2,500,000	\$1,500,000
\$400,000	\$740,000	\$740,000
\$75,000	\$100,000	\$75,000
\$4,818,000	\$7,937,000	\$6,912,000

Amount of reserves available to use in FY015
\$2,103,000
\$3,350,000
\$0
\$25,000
\$5,478,000

=

Annual Amount	Minimum		Optimal	
	Period	Amount	A	Amount
\$29,035,000	1/2 month	\$ 1,210,000	1 month	\$ 2,420,000
\$3,141,000	3 months	\$ 785,000	4 months	\$ 1,047,000
\$3,390,000	3 months	\$ 848,000	4 months	\$ 1,190,000
Totals		Total \$ 2,843,000	Total \$	4,597,000

MTW Reserves

Section 8 HAP - Entry to MTW Program
Section 8 Administrative Expenses
PH AMP 1 - 6 Expenses

2. RECURRING OPERATIONAL INCOME AND EXPENSES FY-2015

	Recurring Income		Surplus or (Shortfall) in recurring operations ¹
MTW	\$42,584,000		\$159,000
Non-MTW	\$4,932,000		\$21,000
Total	\$47,516,000		\$180,000

	Cost of Recurring operations (with proposed savings)
	\$42,425,000
	\$4,911,000
	\$47,336,000

	MTW	\$6,700,000
	Non-MTW	\$159,000
	Total	\$6,859,000

3. BUDGET IMPACT - RESERVES - FY-2015

	MTW	Non - MTW			Total
		Business Activities	Bond Financed Properties	Salishan 7 Reserves	
Reserves - 01/01/15	\$6,700,000	\$4,850,000	\$100,000	\$740,000	\$12,390,000
Recurring Surplus/(Shortfall) ¹	\$159,000	(\$558,300)	\$68,300	\$511,000	\$180,000
Non-Recurring Income/(Expense)					Amount
a. Non Recurring Income - Operational ²	\$1,995,000	\$1,298,500			\$3,293,500
b. Non Recurring Income - Capital ³	\$1,629,000	\$3,092,000			\$4,721,000
c. Operations & Support Department Expenses - Operational ⁴	(\$1,202,900)	(\$1,035,000)			(\$2,237,900)
d. Operations & Support Departments Expenses- Capital ⁵	(\$4,113,100)		(\$115,000)		(\$4,228,100)
e. Development Department - Operational ⁶	(\$406,000)	(\$629,500)			(\$1,035,500)
f. Development Department - Capital ⁷	(\$1,400,000)	(\$3,937,000)			(\$5,337,000)
g. Special Transfer to Tax Credit Properties	\$0				\$0
<i>Projected Reserves - 12/31/15</i>	\$3,561,000	\$3,080,700	\$53,300	\$1,251,000	\$7,746,000

4. FY-2015 PROJECTED END OF YEAR RESERVE LEVELS

Type/Purpose of Reserves *	Projected Reserves 12/31/15	Minimum	Optimal	Excess/(Deficit) Reserves Over Optimal
a. MTW Reserves	\$3,361,000	\$2,843,000	\$4,597,000	(\$1,236,000)
b. Business Activities (Non-MTW) reserves	\$3,080,700	\$1,500,000	\$2,500,000	\$580,700
c. Salishan 7 Reserves	\$ 1,251,000	\$400,000	\$740,000	\$511,000
d. Bond Financed Property Reserves	\$ 53,300	\$75,000	\$100,000	(\$46,700)
Totals	\$7,746,000	\$4,818,000	\$7,937,000	(\$191,000)

Amount to Reserve	Excess/(Deficit) Reserves Over Amount to Reserve
\$2,843,000	\$518,000
\$1,500,000	\$1,580,700
\$740,000	\$511,000
\$75,000	(\$21,700)
\$5,158,000	

* Includes \$500K MTW funds for preparing PH Scatterred Sites, and \$115K for Market rate homes for sale, but does not include any Sales proceeds.

5. MTW COMMITMENTS	Current Commitment - Resolution 2013-09-25(3)	Revised Commitment Amount Request
2nd Phase Bay Terrace Redevelopment (Includes 1.2 million rebenchmarking settlement)	\$2,420,000	\$2,420,000
b. Renovation/Remodel of 2nd Floor - Administrative Building	\$700,000	\$1,550,000
c. Renovation/Remodel of Family Investment Center Building	\$300,000	\$579,500
d. Renovation of Salishan Maintenance Shop		\$286,500
e. RAD Conversion Cost - Capital Contributions to Projects	\$1,000,000	\$1,500,000
f. Software Conversion of Yardi/Visual Homes Platform	\$600,000	\$600,000
g. Education Projects - McCarver and Others	\$310,000	\$310,000
h. Exigent Health & Safety Issue (Meth Remediation)	\$500,000	\$260,000
i. Hilltop Lofts (Brown Star Grill site)		\$2,500,000
		Either MTW or BA
Totals	\$5,830,000	\$10,006,000

Back-up Detail

6. Non-Recurring Income: FY-2014

	Original		Mid-Year Revision		Change	
	MTW -CFP	Non-MTW	MTW -CFP	Non-MTW	MTW -CFP	Non-MTW
Sources of Non-Recurring Income						
Operational²						
Hillside Terrace Operating Subsidy - 2015 will be the final year a. subsidy will be received	\$89,000					
b. 2014 HAP income carryover to 2015	\$1,500,000					
c. Capital Funds						
1. Transfer to MTW over 20% admin amount	\$0					
2. PH Rental Assistance Demonstration (RAD) conversion costs	\$140,000					
3. Due Diligence costs for next phase of Bay Terrace redevelopment	\$266,000					
d. Developer Fee Income						
1. Bay Terrace - Phase 1		\$759,500				
2. Prairie Oaks (LASA)		\$160,000				
3. Bay Terrace - Phase 2		\$274,000				
e. City of Tacoma Power - Salishan land sale		\$105,000				
f. Loan Interest received - Tax Credit Properties						
Operations Subtotal²	\$1,995,000	\$1,298,500	\$0	\$0	\$0	\$0
Capital³						
a. Bay Terrace - Phase 2 (CFP RHF)						
1. CFP RHF Funds	\$1,200,000					
2. TCRA funds		\$500,000				
b. CFP funds for PH capital work	\$429,000					
c. Prairie Oaks		\$2,592,000				
Capital Subtotal³	\$1,629,000	\$3,092,000	\$0	\$0	\$0	\$0

7. Non-recurring Operational/Support Department Costs Reserve Requests/Budget Changes

Operations & Support Departments

7.1 Operations & Support Department Non-Recurring - Operational*

	Original		Mid-Year Revision		Change	
	MTW -CFP	Non-MTW	MTW -CFP	Non-MTW	MTW -CFP	Non-MTW
a. Salaries						
1. Sunset positions identified in 9.1i	\$258,300	\$52,900				
2. New project oriented positions - 9.1n	\$34,300	\$199,900				
3. Existing project oriented Positions - 9.2m	\$510,800	\$528,500				
b. Advertising (Line 19)						
1. Advertising for Rent reform (REM&HS)	\$30,000					
c. Office Supplies (Line 21)						
1. Wait list opening (RA)	\$4,000					
2. Rent reform (REM&HS)	\$2,000					
d. Postage (Line 22)						
1. RA division - Postage for Wait list opening	\$11,000					
e. Office Equipment Expensed (Line 26)						
1. RA division. (Smart board, various other equip)	\$9,200					
f. Legal (Line 27)						
1. RAD Conversion (Admin)	\$10,000					
2. Tax Credit conversion assistance	\$50,000					
2. RA division - Deduct if in house counsel is hired	\$10,000					
g. Staff Training (Line 29)						
1. Placeholder for training needs identified via TCAM and HR	\$41,500	\$8,500				
h. Administrative Contracts (Line 30)						
1. Leadership Team Development (HR)	\$20,700	\$4,300				
2. Compensation Analysis (HR)	\$16,600	\$3,400				
3. ED 360 performance evaluation (HR)	\$2,900	\$600				
4. Employee Engagement Survey	\$3,500					
5. RAD financial consultants (Admin)	\$10,000					
6. Evaluation of Rent reform (REM&HS)	\$100,000					
7. MTW Design assistance (REM&HS)	\$20,000					
8. Grant Writer (CS) - will not need if hire Community Resource Planner		\$25,000				
i. Other Administrative Expenses (Line 31)						
1. Archiving (RA)	\$5,800	\$1,200				
2. Disaster recovery plan expenses (REM&HS)	\$8,300	\$1,700				
j. General Expenses						
1. Buyout incentives (HR)		\$180,000				
k. Extraordinary Maintenance for Properties (Reviewed Annually)						
1. Contingency will be reevaluated each year	\$44,000	\$29,000				
Operational Subtotal*	\$1,202,900	\$1,035,000	\$0	\$0	\$0	\$0

7.2 Operations & Support Departments - Capital⁵

	Original		Mid-Year Revision		Change	
	MTW -CFP	Non-MTW	MTW -CFP	Non-MTW	MTW -CFP	Non-MTW
a. 902 South L - Continue renovation (\$700K carryover from 2014)	\$1,550,000					
b. FIC Building Renovations (\$300K Carryover from 2014)	\$579,500					
c. Salishan Maintenance shop renovations	\$286,500					
d. Maintenance vehicle replacement with outfitting	\$120,000					
e. Community Service vehicle replacement	\$25,000					
f. Transition IT Platform to new system	\$600,000					
g. IT Hardware	\$23,100					
h. Water intrusion - Bergerson Terrace	\$304,000					
i. Window replacement - M St.	\$125,000					
j. PH Scattered Site homes - Prepare units for sale	\$500,000					
k. Market Rate homes - Prepare units for sale		\$115,000				
Capital Subtotal⁵	\$4,113,100		\$0	\$0	\$0	\$0

Development Department Activity

7.3 Development Department Nonrecurring - Operational⁶

	Original		Mid-Year Revision		Change	
	MTW -CFP	Non-MTW	MTW -CFP	Non-MTW	MTW -CFP	Non-MTW
a. Legal (Line 27)						
1. RAD	\$40,000					
2. New Look Apts.		\$20,000				
3. Other Acquisition		\$30,000				
b. Administrative Contracts (Line 30)						
1. Conversion Assistance to RAD.	\$100,000					
2. Design of GDE/PDA		\$50,000				
3. Miscellaneous		\$50,000				
c. Due Diligence - Development Opportunities						
1. Bay Terrace Phase 2 Redevelopment	\$266,000					
2. Hilltop Lofts		\$104,500				
3. Other Opportunities		\$200,000				
4. Salishan Core Planning		\$70,000				
5. New Look Apts.		\$100,000				
d. Contingency (Line 33)		\$5,000				
Development Activity - Operational - Subtotal⁶	\$406,000	\$629,500	\$0	\$0	\$0	\$0

	Original		Mid-Year Revision		Change	
	MTW -CFP	Non-MTW	MTW -CFP	Non-MTW	MTW -CFP	Non-MTW
7.4 Development Department - Capital⁷						
a. Bay Terrace - Phase 1 - Convert Construction loan to permanent note	\$200,000					
b. Bay Terrace - Phase 2						
1. CFP - RHF	\$1,200,000					
2. COT		\$500,000				
c. Prairie Oaks (LASA)						
1. HOME Funds		\$55,000				
2. 2163 Funds		\$86,000				
3. HTF Funds		\$2,439,000				
4. THA Loan to cover Construction costs		\$145,000				
d. Purchase of New Look Apts.		\$100,000				
e. Hilltop Lofts		\$600,000				
Development Activity - Capital - Subtotal⁷	\$1,400,000	\$3,937,000	\$0	\$0	\$0	\$0

8. Reserve Appropriations Requested

	Original		Mid-Year Revision		Change	
	MTW -CFP	Non-MTW	MTW -CFP	Non-MTW	MTW -CFP	Non-MTW
8.1 Operations						
a. Community Services expenses received Prior Year grants	\$0	\$24,700	\$0	\$0	\$0	\$0
Operations Subtotal	\$0	\$24,700	\$0	\$0	\$0	\$0

	Original		Mid-Year Revision		Change	
	MTW -CFP	Non-MTW	MTW -CFP	Non-MTW	MTW -CFP	Non-MTW
8.2 Capital						
a. 902 South L - Continue renovation (\$700K carryover from 2014)	\$1,550,000					
b. FIC Building Renovations (\$300K Carryover from 2014)	\$579,500					
c. Salishan Maintenance shop renovations	\$286,500					
d. Maintenance vehicle replacement with outfitting	\$120,000					
e. Community Service vehicle replacement	\$25,000					
f. Transition JT Platform to new system	\$600,000					
g. IT Hardware	\$23,100					
h. PH Scattered Site homes - Prepare units for sale	\$500,000					
i. Market Rate homes - Prepare units for sale		\$115,000				
j. Bay Terrace - Phase 1 - Convert Construction loan to permanent note	\$200,000					
k. Purchase of New Look Apts.		\$100,000				
l. Hilltop Lofts		\$600,000				
m. THA Loan to Prairie Oaks		\$145,000				
Capital Subtotal	\$3,854,100	\$960,000	\$0	\$0	\$0	\$0

9. Notable Recurring Operational/Support Department Costs

	Increase/Decrease from previous year budget	Staff Positions		Change	Comments
		Original	Mid-Year Revision		
9.1 Position Changes - FY-2015					
<i>Currently Occupied</i>					
a. Sr. Project Manager (Development)		\$7,500			Internal Promotion from Project Manager.
b. <i>Subtotal</i>	0.00	\$7,500			
<i>New Positions - Recurring</i>					
c. Deputy Executive Director or Chief Operating Officer (Exec)	1.0	\$174,200			This position will assist in overseeing the operations of the agency, and free the Executive Director to focus on community efforts.
d. In house counsel (REM&HS)	1.0	\$121,200			This position is contingent upon further discussions and assessments. The position will assist with evictions, writing the lease, and overseeing contract language within the agency. It is anticipated this will eliminate most of THA's operational legal costs. We will rebid the contract to see how the costs change, and compare to what we would be able to hire an in house counsel for. If the contract cost increases dramatically we will consider moving in this direction.
e. <i>Subtotal</i>	2.00	\$295,400			
<i>Eliminated Positions</i>					
N/A					
<i>Sunset Positions</i>					
f. Business Process Improvement Analyst (Admin) - Carryover		\$111,600			Assist in business process improvement plan.
g. Data Requirements Specialist (Admin) - New	1.0	\$88,000			Assist agency in software conversion.
h. Software Implementation Manager (Admin) - New	1.0	\$111,600			Assist agency in software conversion.
i. <i>Subtotal</i>	2.00	\$311,200			
<i>New Positions - Project Oriented</i>					
j. Community Resource Planner (Admin)	1.0	\$114,000			Position will understand THA's needs. Further discussion required before moving forward.
k. Project Manager 1 (Dev)	1.0	\$78,800			New Position with internal staff promotion. Do not hire until further analysis completed.
l. Digital Librarian (Admin) - New (half year)	0.5	\$41,400			To assist agency in moving to paperless environment. Additional review will be required before moving forward.
m. <i>Subtotal</i>	2.50	\$234,200			
9.2 Project Oriented Positions (Non Grant funded)					
a. Project Manager-Asset Management (Admin)		\$88,000			MTW
b. Applications Architect (Admin)		\$102,600			MTW/BA
c. Sr. Project/Construction Manager (Dev) (3)		\$384,800			BA
d. Project Manager 1 (Dev)		\$84,200			BA
e. Project Manager 2 (CS)		\$109,900			MTW
f. After School Coordinator (2 PT) (CS)		\$24,500			MTW
g. Supply Chain Analyst (REM&HS)		\$90,000			MTW/BA
h. Marketing Specialist (REM&HS)		\$73,100			MTW/BA
i. Project Manager 1 (REM&HS)		\$82,200			MTW/BA
j. <i>Subtotal</i>	0.00	\$1,039,300			

9.3 Operations & Support Department - Notable Recurring Information

	Original		Mid-Year Revision		Change	
	MTW -CFP	Non-MTW	MTW -CFP	Non-MTW	MTW -CFP	Non-MTW
a.						
b. Special Program Assistance Payments						
1. Child Welfare Vouchers	\$192,000					
2. Rapid Rehousing for Homeless Families	\$600,000					
3. Unaccompanied Youth Vouchers	\$288,000					
4. TCC Homeless Students	\$150,000					
5. Bay Terrace Supplemental Rents	\$140,400					
c. FSS paypoints - Replaces HAP FSS escrow amounts (included with HAP)	\$50,000					
d. MTW Security Deposit Program	\$20,000	\$0				
e. Contamination Testing & Remediation PH Units *	\$260,000	\$0				
Totals	\$1,700,400	\$0				

* Contamination Testing amount is based on an average of \$15,000 per unit remediation and put back, and a reduction to 5% of our unit turns based on a THA Meth clean team doing an initial cleaning to reduce the number of units needed to be fully remediated.

10. A LOOK AHEAD TO FY-2016 (ADDITIONAL INCOME, SAVINGS OR EXPENSES TO EXPECT)

	Recurring FY016 Income	Recurring FY016 Expense	Amount
10.1			
a. Additional Rent Reform			???
b. Congressional FY-2016 Budget Appropriations - Possible sequestration cuts			(\$3,000,000)
10.2			
a. Developer Fee - Bay Terrace - Phase 2		Non-Recurring FY016 Expense	Amount
b. Developer Fee - Hilltop Lofts			\$275,000
			\$350,000

11. Emerging Needs and Opportunities

	MTW -CFP	Non-MTW
a. New Look Apts. - Includes any additional funds needed for rehab after initial purchase		???
b. THA Contribution to Purchase of Affordable Housing Up to 80% with THA contribution coming from proceeds from Salishan - Area 2B lots. Proceeds can be used for Affordable Housing purchase or RAD conversion.		\$3,000,000
c. Anticipated proceeds from Sale of PH Scattered Site Homes		\$3,000,000
d. Anticipated proceeds from Sale of Market Rate Homes		\$1,500,000
Total - Emerging Development Projects	\$0	\$7,500,000

**FY 2015 Tacoma Housing Authority Budget
Agency Total by Departmental Areas**

	Executive	Human Resources	Finance	Administration	Community Services	Development	REM Overhead	Rental Assistance	Property Budgets	Agency Total
INCOME										
1 Revenue - Dwelling rent	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,606,905	\$2,606,905
2 Tenant Revenue - Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$60,500	\$60,500
3 HUD grant - Section 8 HAP reimbursement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$36,331,959	\$0	\$36,331,959
4 HUD grant - Section 8 Admin fee earned	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,732,084	\$0	\$2,732,084
5 HUD grant - Public Housing subsidy	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,187,210	\$2,187,210
6 HUD grant - Community Services	\$0	\$0	\$0	\$0	\$353,493	\$0	\$0	\$0	\$0	\$353,493
7 HUD grant - Capital Fund Operating Revenue	\$0	\$0	\$0	\$240,000	\$0	\$813,824	\$0	\$0	\$0	\$1,053,824
8 Management Fee Income	\$147,980	\$104,136	\$543,890	\$529,601	\$82,045	\$0	\$1,594,419	\$128,644	\$0	\$3,130,714
9 Other Government grants	\$0	\$0	\$0	\$0	\$249,108	\$180,000	\$0	\$0	\$0	\$409,108
10 Investment income	\$0	\$0	\$7,250	\$0	\$0	\$0	\$0	\$25,000	\$6,525	\$38,775
11 Fraud Recovery Income - Sec 8	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$40,000	\$0	\$40,000
12 Other Revenue- Developer Fee Income	\$0	\$0	\$0	\$0	\$0	\$1,193,509	\$0	\$0	\$0	\$1,193,509
13 Other Revenue	\$0	\$0	\$36,300	\$0	\$561,164	\$8,000	\$0	\$42,500	\$24,104	\$672,068
TOTAL OPERATING RECEIPTS	\$147,980	\$104,136	\$587,440	\$769,601	\$1,245,810	\$2,175,333	\$1,594,419	\$39,300,187	\$4,885,244	\$50,810,148

OPERATING EXPENDITURES										
<i>Administrative</i>										
14 Administrative Salaries	\$408,964	\$224,238	\$682,868	\$1,091,755	\$0	\$678,632	\$825,984	\$1,191,717	\$364,609	\$5,468,766
15 Administrative Personnel - Benefits	\$124,221	\$79,144	\$287,130	\$394,769	\$0	\$242,223	\$334,947	\$538,274	\$181,217	\$2,181,925
16 Audit Fees	\$0	\$0	\$17,500	\$0	\$0	\$9,000	\$0	\$30,000	\$25,213	\$81,713
17 Management Fees	\$0	\$0	\$0	\$0	\$301,406	\$304,161	\$91,907	\$1,249,028	\$600,229	\$2,546,731
18 Rent	\$0	\$0	\$0	\$0	\$0	\$24,000	\$0	\$104,200	\$0	\$128,200
19 Advertising	\$0	\$0	\$0	\$0	\$0	\$500	\$30,000	\$0	\$782	\$31,282
20 Information Technology Expenses	\$1,000	\$0	\$0	\$159,150	\$35,696	\$0	\$0	\$10,200	\$15,688	\$221,734
21 Office Supplies	\$3,500	\$1,200	\$4,000	\$7,000	\$6,000	\$1,800	\$5,000	\$25,000	\$5,888	\$59,387
22 Publications & Memberships	\$33,065	\$2,105	\$1,020	\$200	\$3,290	\$1,100	\$1,500	\$1,000	\$0	\$43,280
23 Telephone	\$4,800	\$1,200	\$0	\$37,060	\$6,100	\$8,000	\$14,040	\$5,420	\$34,939	\$109,560
24 Postage	\$700	\$100	\$2,250	\$300	\$4,500	\$500	\$11,000	\$35,000	\$4,463	\$58,815
25 Leased Equipment & Repairs	\$250	\$0	\$650	\$54,380	\$6,100	\$0	\$15,000	\$18,000	\$24,408	\$116,788
26 Office Equipment Expensed	\$1,500	\$0	\$1,500	\$28,500	\$14,800	\$0	\$1,500	\$5,000	\$16,235	\$68,835
27 Legal	\$10,000	\$15,000	\$1,000	\$60,000	\$0	\$90,000	\$0	\$10,000	\$29,588	\$215,588
28 Local Mileage	\$0	\$100	\$275	\$0	\$3,600	\$500	\$3,000	\$1,500	\$2,147	\$11,123
29 Staff Training/ Out of Town Travel	\$25,000	\$41,400	\$22,750	\$31,679	\$26,010	\$16,750	\$115,500	\$27,200	\$0	\$306,289
30 Administrative Contracts	\$5,000	\$83,350	\$30,600	\$26,000	\$167,000	\$200,000	\$165,000	\$21,000	\$14,777	\$712,727
31 Other Administrative Expenses	\$18,500	\$7,550	\$2,000	\$1,900	\$0	\$4,000	\$41,880	\$14,000	\$4,717	\$94,547
32 Due Diligence - Perspective Development	\$0	\$0	\$0	\$0	\$0	\$740,500	\$0	\$0	\$0	\$740,500
33 Contingency	\$20,000	\$5,000	\$0	\$15,000	\$0	\$5,000	\$15,000	\$5,000	\$8,000	\$73,000
Total Administrative Expenses	\$656,499	\$460,387	\$1,053,541	\$1,907,694	\$574,302	\$2,324,668	\$1,671,258	\$3,289,539	\$1,312,879	\$13,250,771

<i>Tenant Services</i>										
34 Tenant Services - Salaries	\$0	\$0	\$0	\$0	\$1,000,072	\$0	\$0	\$0	\$0	\$1,000,072
35 Tenant Service Personnel - Benefits	\$0	\$0	\$0	\$0	\$411,616	\$0	\$0	\$0	\$0	\$411,616
36 Relocation Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$17,670	\$17,670
37 Tenant Service - other	\$2,000	\$0	\$0	\$0	\$124,068	\$0	\$3,000	\$1,000	\$6,506	\$136,574
Total Tenant Services	\$2,000	\$0	\$0	\$0	\$1,535,756	\$0	\$3,000	\$1,000	\$24,176	\$1,565,932

**FY 2015 Tacoma Housing Authority Budget
Agency Total by Departmental Areas**

	Executive	Human Resources	Finance	Administration	Community Services	Development	REM Overhead	Rental Assistance	Property Budgets	Agency Total
Utilities										
38 Water	\$0	\$0	\$0	\$0	\$0	\$5,000	\$5,500	\$0	\$106,250	\$116,750
39 Electric	\$0	\$0	\$0	\$0	\$0	\$4,000	\$36,000	\$0	\$159,800	\$199,800
40 Gas	\$0	\$0	\$0	\$0	\$0	\$1,100	\$2,000	\$0	\$52,450	\$55,550
41 Sewer	\$0	\$0	\$0	\$0	\$0	\$8,200	\$12,500	\$0	\$282,190	\$302,890
Total Project Utilities	\$0	\$0	\$0	\$0	\$0	\$18,300	\$56,000	\$0	\$600,690	\$674,990
Ordinary Maintenance & Operations										
42 Maintenance Salaries	\$0	\$0	\$0	\$0	\$0	\$0	\$50,000	\$0	\$653,229	\$703,227
43 Maintenance Personnel - Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$17,795	\$0	\$232,484	\$250,279
44 Maintenance Materials	\$0	\$0	\$0	\$0	\$0	\$5,000	\$14,000	\$2,400	\$188,471	\$209,871
45 Contract Maintenance	\$0	\$0	\$0	\$0	\$0	\$10,000	\$87,000	\$2,000	\$524,089	\$623,089
Total Routine Maintenance	\$0	\$0	\$0	\$0	\$0	\$15,000	\$168,795	\$4,400	\$1,598,273	\$1,786,466
General Expenses										
46 Protective Services	\$0	\$0	\$0	\$0	\$0	\$1,000	\$22,000	\$0	\$75,350	\$98,350
47 Insurance	\$3,473	\$1,349	\$5,435	\$7,071	\$9,711	\$4,083	\$18,687	\$29,223	\$131,348	\$210,380
48 Other General Expense	\$0	\$182,000	\$0	\$0	\$0	\$5,000	\$31,000	\$116,642	\$1,005,675	\$1,340,317
49 Payment in Lieu of Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$13,803	\$13,803
50 Collection Loss	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$25,000	\$52,138	\$77,138
51 Interest Expense	\$0	\$0	\$0	\$0	\$0	\$115,376	\$0	\$0	\$0	\$115,376
Total General Expenses	\$3,473	\$183,349	\$5,435	\$7,071	\$9,711	\$125,459	\$71,687	\$170,865	\$1,278,314	\$1,855,364
TOTAL OPERATING EXPENSES	\$881,972	\$643,736	\$1,058,976	\$1,914,765	\$2,119,769	\$2,483,425	\$1,970,740	\$3,465,804	\$4,814,332	\$19,133,523
Nonroutine Expenses and Capital Expenditures										
52 Ext Maint/Fac Imp/Gain/Loss prop sale	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$335,000	\$335,000
53 Casualty Loss	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$18,000	\$18,000
54 Section 8 HAP Payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$30,927,469	\$0	\$30,927,469
Total Nonroutine Expenditures	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$30,927,469	\$353,000	\$31,280,469
TOTAL EXPENSES	\$881,972	\$643,736	\$1,058,976	\$1,914,765	\$2,119,769	\$2,483,425	\$1,970,740	\$34,393,273	\$5,167,332	\$50,413,993
OPERATING SURPLUS/(DEFICIT)	(\$513,992)	(\$539,800)	(\$471,536)	(\$1,145,164)	(\$873,959)	(\$308,092)	(\$376,322)	\$4,906,914	(\$282,088)	\$396,155
55 Debt Service Principal Payments	\$0	\$0	\$0	\$0	\$0	(\$182,740)	\$0	\$0	(\$12,500)	(\$195,240)
56 Special Transfer to Tax Credit Properties									\$0	\$0
Surplus/Deficit Before Reserve Appropriations	(\$513,992)	(\$539,800)	(\$471,536)	(\$1,145,164)	(\$873,959)	(\$490,832)	(\$376,322)	\$4,906,914	(\$294,588)	\$200,915
57 Reserve Appropriations - Operations/Transfers	\$0	\$0	\$0	\$0	\$24,710	\$0	\$0	\$0	\$0	\$24,710
Surplus/Deficit Before Capital Expenditures	(\$513,992)	(\$539,800)	(\$471,536)	(\$1,145,164)	(\$849,249)	(\$490,832)	(\$376,322)	\$4,906,914	(\$294,588)	\$225,625
58 Capitalized Items/Development Projects	\$0	\$0	\$0	(\$623,100)	(\$25,000)	(\$6,887,000)	(\$986,000)	\$0	(\$1,044,000)	(\$9,565,100)
59 Revenue - Capital Grants	\$0	\$0	\$0	\$0	\$0	\$4,292,000	\$0	\$0	\$429,000	\$4,721,000
60 Reserve Appropriations - Capital	\$0	\$0	\$0	\$623,100	\$25,000	\$2,595,000	\$986,000	\$0	\$615,000	\$4,844,100
AGENCY WIDE BUDGET SURPLUS/(DEFICIT)	(\$513,992)	(\$539,800)	(\$471,536)	(\$1,145,164)	(\$849,249)	(\$490,832)	(\$376,322)	\$4,906,914	(\$294,588)	\$225,625

2015 Tacoma Housing Authority Portfolio Budget

12/12/14

	AMP 1	AMP 2	AMP 3	AMP 4	AMP 6	Tax Credit AMPS	LIPH Total	Sal 7	Market Rate	Portfolio Total
	K, M & G St. Apts. Elderly Disabled 160 Units	Fawcett, Wight, 6th St. Apts. (Elderly/Disabled) 152 Units	Lawrence, Bergerson Terrace, Doon Village 144 Units	Hilside Terrace (1800 & 2500 Blocks) Demo'd 104 Units demo'd	Single Family Homes 34 Units			90 Units	10 Units	
INCOME							by n			
1 Revenue - Dwelling rent	\$420,540	\$402,012	\$433,116	\$0	\$81,580	\$0	\$1,317,228	\$1,158,597	\$133,080	\$2,606,905
2 Tenant Revenue - Other	\$8,000	\$7,600	\$8,750	\$0	\$3,400	\$0	\$27,750	\$30,000	\$2,750	\$60,500
3 HUD grant - Section 8 HAP reimbursement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4 HUD grant - Section 8 Admin fee earned	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5 HUD grant - Public Housing subsidy	\$379,053	\$326,070	\$321,527	\$88,835	\$116,270	\$955,455	\$2,187,210	\$0	\$0	\$2,187,210
6 HUD grant - Community Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
7 HUD grant - Capital Fund Operating Reven	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8 Management Fee Income	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
9 Other Government grants	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10 Investment income	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$8,000	\$525	\$8,525
11 Fraud Recovery Income - Sec 8	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
12 Other Revenue- Developer Fee Income	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
13 Other Revenue	\$11,755		\$2,985	\$0	\$0	\$0	\$14,720	\$0	\$0	\$14,720
TOTAL OPERATING RECEIPTS	\$819,348	\$735,682	\$766,358	\$88,835	\$181,230	\$955,455	\$3,546,908	\$1,192,597	\$136,355	\$4,875,860
OPERATING EXPENDITURES										
Administrative										
14 Administrative Salaries	\$101,858	\$97,271	\$84,533	\$0	\$19,000	\$0	\$302,462	\$58,571	\$5,576	\$364,809
15 Administrative Personnel - Benefits	\$43,827	\$41,775	\$37,274	\$0	\$11,248	\$0	\$134,121	\$24,588	\$2,506	\$161,217
16 Audit Fees	\$3,220	\$3,108	\$3,010	\$750	\$715	\$4,278	\$15,081	\$10,000	\$132	\$25,213
17 Management Fees	\$183,629	\$174,447	\$135,318	\$0	\$29,135	\$0	\$522,529	\$89,131	\$8,569	\$600,229
18 Rent	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
19 Advertising	\$201	\$221	\$60	\$0	\$0	\$0	\$482	\$200	\$100	\$782
20 Information Technology Expenses	\$3,880	\$4,740	\$5,550	\$0	\$930	\$0	\$15,100	\$300	\$288	\$15,688
21 Office Supplies	\$1,360	\$1,292	\$957	\$0	\$201	\$0	\$3,809	\$2,000	\$59	\$5,868
22 Publications & Memberships	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
23 Telephone	\$10,716	\$12,069	\$9,089	\$0	\$734	\$0	\$33,508	\$1,175	\$256	\$34,939
24 Postage	\$1,586	\$1,434	\$852	\$0	\$147	\$0	\$4,019	\$400	\$43	\$4,463
25 Leased Equipment & Repairs	\$11,856	\$3,660	\$5,562	\$0	\$1,399	\$0	\$22,497	\$1,500	\$411	\$24,408
26 Office Equipment Expensed	\$6,118	\$5,813	\$2,784	\$0	\$402	\$0	\$15,117	\$1,000	\$118	\$16,235
27 Legal	\$4,482	\$9,156	\$9,200	\$0	\$1,500	\$0	\$24,338	\$5,000	\$250	\$29,588
28 Local Mileage	\$793	\$754	\$446	\$0	\$80	\$0	\$2,073	\$50	\$24	\$2,147
29 Staff Training/ Out of Town Travel	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
30 Administrative Contracts	\$4,167	\$3,133	\$3,489	\$0	\$899	\$0	\$11,868	\$2,854	\$255	\$14,777
31 Other Administrative Expenses	\$714	\$654	\$2,399	\$0	\$500	\$0	\$4,267	\$250	\$200	\$4,717
32 Due Diligence - Perspective Development	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
33 Contingency	\$2,000	\$1,500	\$4,000	\$0	\$0	\$0	\$7,500	\$0	\$500	\$8,000
Total Administrative Expenses	\$380,208	\$381,045	\$305,402	\$750	\$66,890	\$4,278	\$1,118,572	\$175,020	\$19,287	\$1,312,879
Tenant Services										
34 Tenant Services - Salaries	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
35 Tenant Service Personnel - Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
36 Relocation Costs	\$4,800	\$4,560	\$4,320	\$0	\$1,020	\$0	\$14,700	\$2,700	\$270	\$17,870
37 Tenant Service - other	\$885	\$1,157	\$2,964	\$0	\$500	\$0	\$5,508	\$1,000	\$0	\$6,506
Total Tenant Services	\$5,685	\$5,717	\$7,284	\$0	\$1,520	\$0	\$20,208	\$3,700	\$270	\$24,178

	AMP 1	AMP 2	AMP 3	AMP 4	AMP 6	Tax Credit AMPS	LIPH Total	Sa17	Market Rate	Portfolio Total
	K, M & G St. Apts. Elderly Disabled	Fawcett, Wright, 6th St. Apts. (Elderly/Disabled)	Lawrence, Bergenson Terrace, Decon Village	Hilside Terrace (1800 & 2500 Blocks) Dumo'd	Single Family Homes					
Utilities										
38 Water	\$24,000	\$20,500	\$31,250	\$0	\$1,000	\$0	\$76,750	\$29,000	\$500	\$106,250
39 Electric	\$66,250	\$59,300	\$28,750	\$0	\$1,250	\$0	\$155,550	\$3,250	\$1,000	\$159,800
40 Gas	\$29,650	\$16,250	\$5,500	\$0	\$400	\$0	\$51,800	\$400	\$250	\$52,450
41 Sewer	\$75,940	\$63,250	\$88,500	\$0	\$3,500	\$0	\$231,190	\$50,000	\$1,000	\$282,190
Total Project Utilities	\$195,840	\$159,300	\$154,000	\$0	\$6,150	\$0	\$515,290	\$82,650	\$2,750	\$600,690
Ordinary Maintenance & Operations										
42 Maintenance Salaries	\$186,395	\$167,378	\$181,902	\$0	\$43,094	\$0	\$588,767	\$52,822	\$11,840	\$853,229
43 Maintenance Personnel - Benefits	\$66,338	\$59,569	\$68,298	\$0	\$15,337	\$0	\$209,542	\$18,789	\$4,143	\$232,484
44 Maintenance Materials	\$29,513	\$39,369	\$66,889	\$0	\$23,000	\$0	\$158,671	\$22,500	\$7,100	\$188,471
45 Contract Maintenance	\$135,873	\$95,034	\$120,032	\$0	\$29,700	\$0	\$380,439	\$128,650	\$15,000	\$524,089
Total Routine Maintenance	\$417,920	\$361,348	\$447,221	\$0	\$111,131	\$0	\$1,337,619	\$222,771	\$37,883	\$1,598,273
General Expenses										
46 Protective Services	\$30,850	\$26,750	\$17,500	\$0	\$0	\$0	\$75,100	\$0	\$250	\$75,350
47 Insurance	\$33,265	\$32,918	\$28,441	\$0	\$11,282	\$0	\$106,864	\$20,463	\$4,001	\$131,348
48 Other General Expense	\$2,463	\$1,634	\$2,281	\$0	\$0	\$912,887	\$919,275	\$86,400	\$0	\$1,005,875
49 Payment in Lieu of Taxes	\$2,497	\$2,381	\$2,285	\$0	\$531	\$5,108	\$12,803	\$1,000	\$0	\$13,803
50 Collection Loss	\$8,411	\$8,040	\$8,662	\$0	\$1,231	\$0	\$28,344	\$23,132	\$2,662	\$52,138
51 Interest Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total General Expenses	\$77,486	\$71,722	\$66,179	\$0	\$13,024	\$917,996	\$1,140,406	\$130,895	\$6,913	\$1,278,314
TOTAL OPERATING EXPENSES	\$1,077,137	\$959,132	\$974,086	\$750	\$198,714	\$922,274	\$4,132,093	\$615,137	\$67,103	\$4,814,332
Nonroutine Expenses and Capital Expenditures										
52 Ext Maint/Fac Imp/Gain/Loss prop sale	\$80,000	\$60,000	\$85,000	\$0	\$40,000	\$0	\$285,000	\$50,000	\$0	\$335,000
53 Casualty Loss	\$4,000	\$4,000	\$4,000	\$0	\$1,000	\$0	\$13,000	\$4,000	\$1,000	\$18,000
54 Section 8 HAP Payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Nonroutine Expenditures	\$84,000	\$64,000	\$89,000	\$0	\$41,000	\$0	\$298,000	\$54,000	\$1,000	\$353,000
TOTAL EXPENSES	\$1,161,137	\$1,043,132	\$1,063,086	\$750	\$239,714	\$922,274	\$4,430,893	\$669,137	\$68,103	\$5,167,332
OPERATING SURPLUS/(DEFICIT)	(\$341,789)	(\$307,449)	(\$296,728)	\$88,085	(\$58,484)	\$33,181	(\$883,185)	\$523,480	\$68,252	(\$201,472)
55 Debt Service Principal Payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$12,500)	\$0	(\$12,500)
Surplus/Deficit Before Reserve Appropriations	(\$341,789)	(\$307,449)	(\$296,728)	\$88,085	(\$58,484)	\$33,181	(\$883,185)	\$510,980	\$68,252	(\$303,972)
57 Reserve Appropriations - Operations/Trans	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Surplus/Deficit Before Capital Expenditures	(\$341,789)	(\$307,449)	(\$296,728)	\$88,085	(\$58,484)	\$33,181	(\$883,185)	\$510,980	\$68,252	(\$303,972)
58 Capitalized Items/Development Projects	(\$125,000)	\$0	(\$304,000)	\$0	(\$500,000)	\$0	(\$929,000)	\$0	(\$115,000)	(\$1,044,000)
59 Revenue - Capital Grants	\$125,000	\$0	\$304,000	\$0	\$0	\$0	\$429,000	\$0	\$0	\$429,000
60 Reserve Appropriations - Capital	\$0	\$0	\$0	\$0	\$500,000	\$0	\$500,000	\$0	\$115,000	\$615,000
Surplus/Deficit	(\$341,789)	(\$307,449)	(\$296,728)	\$88,085	(\$58,484)	\$33,181	(\$883,185)	\$510,980	\$68,252	(\$303,972)

FY15 Budget - Supporting Schedule for Housing Development Capital Expenditures
January 1, 2015 through December 31, 2015

Project	Funding Source	Total	MTW/CFP	MTW RHF	State & Local Grants	Reserves & Program Income
Bay Terrace redevelopment - All phases						
	THA - MTW (CFP) - Phase 1 closeout	200,000				200,000
	THA - Phase 2 Development	1,200,000		1,200,000		
	THA - CFP RHF					
	City of Tacoma Bond					
	HTF					
	TCRA	500,000			500,000	
	SUBTOTAL	1,900,000		1,200,000	500,000	200,000
Prairie Oaks (LASA development)						
	HOME Funds	55,000			55,000	
	2163 Funds	98,000			98,000	
	HTF	2,439,000			2,439,000	
	THA ownership interest in LASA	145,000				145,000
	SUBTOTAL	2,737,000			2,592,000	145,000
RAD Conversion						
	THA Capital Funds					
	SUBTOTAL					
THA Portfolio						
	M Street Windows - CFP	125,000	125,000			
	Bergerson Terrace Waller Intrusion - CFP	304,000	304,000			
	Prepare Scattered Site homes for sale - Reserves	500,000				500,000
	Prepare Market Rate homes for sale - Reserves	115,000				115,000
	SUBTOTAL	1,044,000	429,000			615,000
Renovations - THA Administration						
	902 2nd Floor Remodel - Reserves	1,550,000				1,550,000
	Family Investment Center Remodel - Reserves	579,500				579,500
	Salishan Maintenance Shop renovations - Reserves	286,500				286,500
	SUBTOTAL	2,416,000				2,416,000
Hilltop Lofts (Brown Star)						
	THA Funds - Reserves	600,000				600,000
	SUBTOTAL	600,000				600,000
New Look Apts.						
		100,000				100,000
		100,000				100,000
	Total Capital Expenditures:	8,797,000	429,000	1,200,000	3,092,000	4,076,000

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. 04/30/2016)

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 Authority City of Tacoma PHA Code: WA005

PHA Fiscal Year Beginning: January 1, 2015 Board Resolution Number: 2014-12-17 (2)

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 approved by Board resolution on: 12/17/2014
- 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: Stanley Rumbaugh	Signature: 	Date: 12/17/2014
--	--	---------------------