



TACOMA HOUSING AUTHORITY

Date: June 23, 2010

To: THA Board of Commissioners

From: Ken Shalik, Director of Finance and Administration

Re: Fiscal Year 2011 Agency Budget Resolution No. 2010-6-23(1)

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 overall agency budget is based on individual department expense budgets for management purposes, with the expectation that each department director will manage and control their department budget in accordance with Federal, State and Local regulations.

The budget is based on numerous estimates and significant assumptions. I set out below the choices and principles we used to prepare this budget, some significant assumptions, and the main features of the budget. I also remain uncertain that will unfold through the year that require monitoring.

Budget Choices and Principles:

We propose this budget upon the following choices and principles:

- *Reserves:* We will balance this budget without dipping into reserves. We spent down our reserves last year to keep Salishan going. Instead, we must rebuild them.
- *Salishan:* We will continue with Salishan's rental construction. We cannot afford a stall this year any more than we could last year. We will finish all rental phases by the end of FY 2011.
- *Spend Non-Recurring Income:* This year we will have about \$750,000 net non-recurring income. We propose to spend it this year.
- *Limited Layoffs/Position Cuts:* We have cut about 10% from our operational expenses. This has required a layoff of three staff and will keep 6 other positions vacant. We have tried to limit these staffing cuts to preserve our level of service to families and our operational progress.

Some Budget Assumptions:

- We calculate the Public Housing Subsidy at 100%. We think this is likely because HUD recalibrated this subsidy and saved significant amounts.
- HAP Income calculated with a 2.0% increase and prorated at 99.5% for CY 2011.
- For the Housing Choice Voucher Program (Section 8), THA receives two separate types of funding: (1) Housing Assistance Payments (HAP), and (2) Administrative Fees. Funding has been calculated by HUD thorough December 31st. In CY 2011, our base funding will be set by HUD for the remainder of the Moving to Work contract (through 2018) and will be adjusted annually based on the Annual Adjustment Factor (AAF) for HAP and prorated at the same level as all other Housing Authorities. For CY 2011, HAP is being budgeted with a 2% increase in funding at a 99.5% pro-ration. Administrative fees are budgeted with a 1% increase in HUD funding, and a 92.5% proration factor. This reflects a loss of approximately \$203,000 of calculated administrative fees earned.
- The rental income for our LIPH and Local fund (Wedgewood, Stewart Court, Alaska 9 Homes, and North Shirley) properties is based on the January, 2010 rent roll and assumes 97% occupancy.
- Benefits were calculated based on the following assumptions:
 - Health Care benefits – Laborers trust for our maintenance staff has a 5% increase effective July 1st. We are calculating a 15% increase for benefit increases for the remainder of the staff effective January 1st.
 - Dental – 6% budgeted increase effective January 1st.
 - Retirement – Washington State employer portion of retirement plan remains budgeted at the current 5.29% level.

Major Budget Features

- *Salishan Developer Fee:* THA will receive approximately \$1,270,000 net income Development fees for Salishan 5, 6, and 7. These amounts represent the final development fee payments to THA.
- *Salishan Lot Sales Expenses:* Approximately \$560,000 is budgeted for expenses related to lots for sale in Salishan.
- *Changes to Voucher Occupancy Standards and minimum rents:* The budget contemplates a change to the Voucher Occupancy standards and the adoption of a minimum rent of \$50 per unit with an elimination of the related utility payment. The Board packet contains a memo from April with more detail on the policy reasons for the changes, responding to the Board discussion on June 5th.

We know the Board will require some additional discussion before deciding on some of these changes, especially the ones relating to the occupancy standards. We do not need the Board to decide on those changes now. Instead we will bring those proposals to the Board later this year. For purposes of the Budget, it is only necessary to expect that some combination of the changes will be acceptable to achieve the following savings: \$250,000 this year and \$750,000 per year going forward starting next year.

This should be a very plausible outcome because adopting both changes in their full form would give us more than enough savings for these purposes. It is likely therefore that the Board will find some version of each change that is both acceptable as a matter of policy and is enough to provide the savings we need:

These savings are important this year and following, for two reasons:

For this year and next year, they are necessary to sustain the level of services to present families. They would allow THA to serve more families once the full savings phase in over the next 2 – 3 years.

Without these savings, THA would layoff at least an additional 4 staff persons this year. This is additional to the 10% cut in expenses and loss of positions already built into this budget. These additional losses would notably diminish THA's level of services to families in case management and property management, and slow down our effort to improve our operations.

In addition, as explained above, THA faces a \$750,000 operational deficit in Fiscal Year 2012. The savings from these changes will fill that deficit. Because it takes at least two years to phase in the change, we need to begin the change this year if we are to realize the savings next year.

These savings and their use is one reason why THA sought MTW status, and is a common approach among other MTW agencies.

We ask the Board to adopt the budget as presented with the assumption of these changes. Please note that the Board must still adopt those changes in October as amendments to the various operational plans. If the Board does not adopt the changes then, we will use that occasion to review the budget and adjust it accordingly.

- *Capital Fund Program (CFP) Money for Operations:* Even under HUD's regular rules, a PHA can use up to 20% of its CFP funds for operations. THA has not used this authority to a significant extent. The last time THA used CFP for operations was in 2003, when we used \$90,000. We now propose to use \$309,000 of CFP funds for public housing operations, \$91,000 for Community Services, and \$45,000 for the Desk Manual Technical Writer

- *Limited Lay Offs/Positions Left Unfilled:* The budget proposes to remove funding for a net of 6 regular positions and 3 temporary positions. The 3 temporary positions will end at the end of the current fiscal year and the staff occupying them have already been notified. The lack of funding for the regular positions results in part from the disappointing news that we did not get the HOPE VI grant for Old Hillside Terrace. To make these cuts, we will leave some open positions unfilled and will lay-off other positions. We will extend one sunset position and fill the new position for Moving to Work Coordinator. These are critical positions for moving our projects forward.

We avoid more layoffs this year by the savings resulting from the changes to the occupancy standards and minimum rent policy, the spending of the non-recurring income and the use of the CFP funds for operational purposes.

In the meantime, we will watch our budget carefully throughout FY 2011. As part of this scrutiny, the Board will review the budget in January 2011. we also will carefully scrutinize any request to fill a vacancy.

- *Reserves:* This budget will leave us with the following reserves as indicated in Attachment A:
 ~ Public Housing/Voucher HAP Reserves \$5.241 million
 ~ Unrestricted Reserves: \$2.794 million
Please Note: These reserves do **not** include an additional \$3.3 million we have set aside, should it be necessary, for the cash pledge to Citibank for the Salishan infrastructure loan.

Budget Uncertainties

Here are the notable and largely unavoidable uncertainties about our budget:

- *Congressional Appropriations:* As always, we will not know our congressional appropriations for the second half of our budget year starting January 1st. Congress is due to pass its budget for that period by October 1st. It usually misses that deadline. This year is an election year so the federal budget may be later than usual.
- *Wage and Health Insurance Costs Reopeners:* THA and its two unions will be conferring about wage and health insurance reopeners. Any changes would be effective on July 1, 2010 for the Trades and January 1, 2011 for OPEIU.
- *Moving to Work:* We have only begun to explore our MTW flexibilities. As we learn, we may find other ways to use or save money.
- *Old Hillside Terrace:* We did not receive the Hillside HOPE VI grant. In the short term, this will require us to eliminate some positions (see above). We are devising a "Plan B" for the property. This may require further expenditures to pursue other

- sources of money and would save or bring in more money if we are successful. The possibilities include:
 - ~ apply for the next round of HOPE VI funding;
 - ~ apply for a Choice Neighborhoods grant;~ demolish Old Hillside Terrace in the meantime, for two reasons: (i) doing so would make us more competitive for HOPE VI or Choice Neighborhood funding because HUD regards vacant land as an advantage in making a project “ready” to go; (ii) Old Hillside is very expensive to operate. However, demolishing housing before we arrange the financing for its rebuilding will require extensive thought and community consultation.

Recommendation

I recommend that the Board adopt Resolution 2010-6-23(1) to formally approve THA’s Fiscal Year 2011 Annual Budget.



TACOMA HOUSING AUTHORITY

To: Tacoma Housing Authority Board of Commissioners
From: Michael Mirra, Executive Director
April Davis, Director of Real Estate Management and Housing Services
Date: June 23, 2010
Re: Pending proposal to change occupancy standards and minimum rent policies

1. INTRODUCTION

We write to further explain the proposal we expect to make to the Board making two changes in our housing programs. These changes will provide a smaller housing subsidy to some households. We believe these changes are necessary for two main purposes: (1) to accurately reflect the occupancy standards in the private market and encourage resident self-sufficiency; and, (2) to save THA money we need to preserve our level of service to present client households and, once the changes take full effect in three years, to increase the number of households we can serve.

This memo supplements my memo of June 5, 2010. I also respond to some of the questions and requests for information Commissioners posed at the June 5th discussion. The Board will have to approve these changes. I expect to ask that we seek this approval in October. By then we will have completed our community consultation and further analysis.

2. PROPOSAL

We expect to propose versions of two changes:

2.1 Occupancy Standards for the Housing Choice Voucher Program

The value of a Housing Voucher depends in part on the number of bedrooms it will cover. This in turn depends on the family size and composition. In general, the larger the family the more bedrooms its voucher will pay to rent. Presently, THA's occupancy standards generally allow one bedroom per family member, with exceptions. I propose we change the standard so that, in general but with exceptions, the voucher will pay for one bedroom for two persons. These are the changes.

THA Housing Choice Voucher Occupancy Standards		
Household Composition	Number of Bedrooms a Voucher Will Pay For	
	Present Policy	Proposed Policy
1 or 2 adults, no children	1	1
1 adult and:		
1 child	2	1
2 children, same gender	2	2
2 children, male and female	2 or 3	2
3 children, same gender	3	2
3 children, male and female	3	2
2 adults and:		
1 child	2	2
2 children, same gender	2 or 3	2
2 children, male and female	3	2
THA will allow exceptions as a reasonable accommodation to disabilities or to address hardships.		

2.2 Increase in Minimum Rents/Elimination of Utility Payments for Voucher and Public Housing Programs

Presently, THA charges no minimum rent for either its Voucher or Public Housing program. This means that households that report zero income pay zero. In addition, THA pays a utility reimbursement payment to these families and to others whose rent contributions are lower than the allowance. In effect, THA pays them to live in subsidized housing.

We will propose that THA eliminate any utility reimbursement payment to a tenant, and institute a minimum of \$50 actual tenant payment to the landlord per month.

FACTORS TO CONSIDER

We believe that several factors, taken together, support these proposals.

2.3 Effect on Participating Families

Both of these changes will reduce the amount of subsidy we provide to some households presently participating in our programs.

- The occupancy standard change will mean that some families will have a voucher that will diminish in value because it will pay for one less bedroom than presently. This will affect over one-third of THA voucher households. In those cases, the family will have the following choices:
 - ~ It can remain in its current unit and pay the difference out of its pocket. This difference will average about \$200 per month.
 - ~ It can move to another unit of the same number of bedrooms but that is less expensive so that its rent falls within the 2 bedroom payment standard or that the difference between its rent and the payment standard is less than the difference between 30% and 40% of the household's monthly adjusted income. Tacoma's rental market is presently fairly hospitable to voucher holders, in part because the vacancy rate is high, over 9%.
 - ~ The family can also move to another unit with fewer bedrooms and continue to pay the same amount as before.

These are trade-offs that a typical family would make. Families make the decision on a daily basis to reside in a smaller unit, with lower utilities, in an effort to live within their means.

In any case, the family would have ample time to prepare. The change would not take effect until the sooner of: (i) the family's move to another unit; (ii) the passage of two annual certifications. This means, for example, if the family has an annual

certification right after the change in policy, then it will have about a year before the change affects it. If its annual certification occurs just before the policy change, it will have about two years. This means that families who do not move will have an average of about 18 months to prepare for the change. They will have that time to budget to pay the difference, perhaps by increasing their earned income, or finding another unit.

Please note that the standards do not dictate how a household should assign bedrooms. The household that does not pay the difference to keep the larger unit and moves to a smaller unit can do what unsubsidized families do: use a living room as a sleeping area; a parent and a child may share a bedroom; two or even three children may do so.

We note the concern whether such arrangements may invite sexual misconduct, including incest. We did not receive reports of such incidents when THA used these tighter occupancy standards in 2004. King County Housing Authority, which uses these tighter standards, has not heard of such problems. A parent with a reason to fear such pathological disorders will still have the alternatives: sharing a room with a child, using the living room as a sleeping room, moving to a less expensive but larger unit, or paying the difference for a larger unit. Such troubled families facing such serious psychological or emotional disorders may also seek an exception from THA allowing for a larger voucher on those grounds.

- The change in minimum rents will require a \$50 monthly rental payment from families who presently pay zero for their housing and will ask them to forego a utility allowance payment they presently receive in an average amount of \$75 per month. Currently, 575 households pay zero rent and/or receive a utility reimbursement payment from THA.

These changes will no doubt pose a challenge to families, many of whom are already struggling on a tight budget. If there were no other factors to consider, we would probably not consider these changes. However, other important factors do recommend the change.

2.4 Occupancy Standards of the Community

The occupancy standards we use should account for those reasonable standards that our client population experiences on the private rental market and those it will experience when it leaves the program. This requires a balance. On the one hand we do not wish to adopt those aspects of the private rental market that our program is meant to relieve: unaffordable rent burden, excessive overcrowding, unsafe and unsanitary living conditions. On the other hand, we should not use standards that are unrealistically generous or unsustainable, especially if they are unaffordable for THA to subsidize. We believe that our proposed occupancy standard is a good balance.

Our present occupancy standards are considerably more generous than what most of our clients face in the unsubsidized private rental market. This would remain true even with the

changes I propose. Many families come to us from overcrowded housing, with families of four or more living in a one or two bedroom unit. Families also double or triple up with other families. Their receipt of our housing voucher under any standard is a very valuable relief to them.

Our proposal also is well within the norm of other PHAs and within our own past practice. The Seattle Housing Authority and the Pierce County Housing Authority use a standard similar to what THA presently uses. The King County Housing Authority uses a standard similar to what we will propose. THA has previously used a standard similar to what we now propose. In 2004, when we faced a serious shortfall of funding, we adopted such a standard to save money.

We must also note a point that resonates deeply with our staff. Presently, a mother and two children on our program would get a 3 bedroom voucher. This family would be eligible to keep the voucher until its income reached \$48,000 year. THA's Leasing and Occupancy Specialist or Case Worker positions earn salaries that start just under \$36,000 per year. Clerks and other staff earn less.

2.5 Standards of Self-Sufficiency and Focusing Assistance on the Neediest

Helping our families become self-sufficient and able and willing to live without our assistance is a primary THA goal, and an important statutory goal we accepted when we became an MTW agency. A companion goal is then to recycle our assistance to other lower income families.

The standards we will propose will support these efforts in two ways. **First**, the current standards keep a family on the program longer as its income rises and prevent THA from recycling the voucher to a lower income family. For example, two parents with a son and a daughter would currently receive a three bedroom voucher covering a unit that costs around \$1,200 per month. This family could earn up to \$48,000 annually before it was paying the full rent and receiving no subsidy under the voucher program (paying 30% of household income to rent). Only at that point would we withdraw the voucher and give it to another lower income family. If this same household were issued a two bedroom voucher they would be renting a unit that costs roughly \$900 per month. This household would then give up the voucher when its income reached \$36,000 per year. As we noted, this is also more than what many THA staff earn. The present standard allows families to stay in the larger sized unit and longer on the program when it is not really needed.

Second, our present occupancy standards set a standard of self-sufficiency that households are not likely to achieve or sustain.

Third, my proposed change would also impel families to increase their earned income as a way to keep that extra bedroom. To earn the additional \$200 per month it would require would take an additional 25 hours of work a month at minimum wage. If families with work able but unemployed or underemployed members respond to this by working more, we would count that as a positive effect.

2.6 Cost Savings that Would Preserve Levels of Service and Increase Numbers of Families Served

Our two proposals will save THA substantial sums of money that we need for two reasons this year and in the following years: (i) it will fill an operational shortfall this year of \$250,000 and preserve our level of service to families. Otherwise, we will have to lay off another 4 staff, on top of the 10% cut this year's budget imposes. As the changes take effect over the next two years, they will save more money annually and fill the \$750,000 shortfall we will have next year. Otherwise, we will face much deeper cuts in staff and in the levels of service to families. To have these savings next year, we need to start the phase in of these changes this year; (2) once the changes are fully effective in three years, the savings will then be enough to fill those shortfalls and also allow us to increase the number of families we serve.

Project Annual Savings from Changes			
Fiscal Year	Change in Occupancy Standards	Implementation of \$0 minimum rent (including eliminating utility payments)	Total Savings
FY 2011	\$250,000 (effective 10/1/10)	\$86,250 (effective 1/1/11)	\$336,250
FY 2012	\$500,000	\$350,000	\$850,000
FY 2013	\$750,000	\$350,000	\$1.1 million

3. NOTICE AND CONSULTATIONS

Before we propose these changes formally to the Board, we will notify our client families and invite their comments. We will also consult with our Landlord Advisory Committee and with legal services. We have already begun these consultations. We have met with the Landlord Advisory Committee, which is generally supportive. One landlord stated that it is very common for him to see a single mother occupying a one bedroom unit with her children. They understand that people renting market rate units choose units with fewer bedrooms because that is what they can afford. The proposed new standards resemble what they already see in the market.

4. CONCLUSION

The changes fully support THA's Moving-to-Work initiatives and encourage resident self-sufficiency. They also allow THA to fill current and future operational gaps while setting the agency up to serve more low-income households in the future. In fact, we presently have no other way to do that.



TACOMA HOUSING AUTHORITY

RESOLUTION 2010-6-23 (1)

FISCAL YEAR 2011 ANNUAL BUDGET

Whereas, The Housing Authority of the City of Tacoma ("Authority") intends to incur expenses and other cash outflows for Fiscal Year 2011; and

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

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 Fiscal Year 2011 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 2011 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:

Expenses

Executive	436,379
Human Resources	355,111
Finance & Administration	1,588,076
Community Services	1,340,086
Development	1,683,986
Rental Assistance	34,066,594
Property Management	5,628,925
Moving to Work	232,107
Subtotal	45,331,264

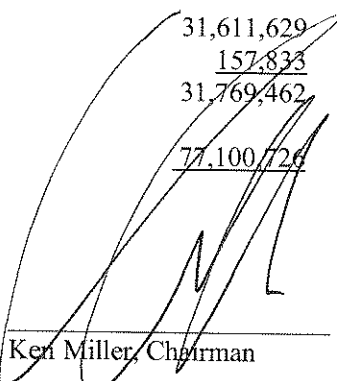
Additional Cash Outflows

Capital Expenditures	31,611,629
Debt Service	157,833
Subtotal	31,769,462

TOTAL APPROVED BUDGET

77,100,726

Approved: June 23, 2010


Ken Miller, Chairman

Attachment A. THA Resources and Planned Uses: FY 2011 Budget

	Restricted Programs					Unrestricted Programs					L. TOTAL (Column F + K)	
	A. Rental Assistance - HAP (Non MTW)	MTW Demonstration				F. Total Reserve with Restrictions	G. Local Funds	H. Community Service HUD Grants	I. Business Activities	J. Central Office Cost Center		K. Total Reserve without Restrictions
		B. Rental Assistance MTW	C. Low Income Public Housing	D. MTW Demonstration	E. Total MTW							
1 Beginning Reserve - 07/01/10	328,750	1,180,000	3,478,000	0	4,668,000	4,986,750	739,000	0	5,890,000	0	5,629,000	11,615,750
2 Projected HUD HAP Funding	1,021,310	30,986,204			30,986,204	32,007,514						32,007,514
3 Projected HUD HAP Expense	(1,021,310)	(30,482,645)			(30,482,645)	(31,503,954)						(31,503,954)
4 Projected FYE 2011 HAP Surplus/(Deficit)	0	503,559	0	0	503,559	503,559						503,559
5 Projected Operating Income		2,766,268	4,197,239	602,804	7,566,311	7,566,311	1,001,975	381,332	3,024,529	2,623,243	7,031,079	14,597,390
6 Projected Operating Expense		(2,522,160)	(4,274,138)	(1,019,312)	(7,815,610)	(7,815,610)	(756,851)	(381,332)	(1,623,556)	(3,207,924)	(6,011,700)	(13,827,311)
7 Projected FY 2011 Operational Surplus/(Deficit) (lines 4 + 5 + 6)		747,668	(76,899)	(416,509)	254,260	254,260	203,124	0	1,400,933	(584,678)	1,019,379	1,273,639
8 FY 2011 projected transfer for Development Loans/Capital Expenses									(1,320,226)		(1,320,226)	(1,320,226)
9 Projected FY 2011 Operating Surplus/ (Reserve Appropriation) (lines 7 + 8)		747,668	(76,899)	(416,509)	254,260	254,260	203,124	0	80,707	(584,678)	(300,847)	(46,587)
10 Salishan Area 3 Pledged Reserves *									(3,300,000)		(3,300,000)	(3,300,000)
11 FY 2011 Available Resources before projects/initiatives (Lines 1 + 9 + 10)	328,750	1,927,668	3,401,101	(416,509)	4,912,260	5,241,010	942,124	0	2,670,707	(584,678)	3,028,153	8,269,163
FY 2011 Projects/Initiatives/Funding												
Salishan Development												
12 Education Training & Retail Center									(234,000)		(234,000)	(234,000)
Other Initiatives												
13											0	0
14 Total FY2011 Initiatives	0	0	0	0	0	0	0	0	(234,000)	0	(234,000)	(234,000)
15 Ending Reserve (line 11 + 14)	328,750	1,927,668	3,401,101	(416,509)	4,912,260	5,241,010	942,124		2,436,707	(584,678)	2,794,153	8,035,163

* Total Salishan Area 3 Citibank pledged commitment is for \$3,300,000. Even though included in Operations, based on proposed bond restructuring, interest payments will reduce the pledge amount

Transfer to Development Loans/Capital Expenditures		Amount
Salishan Development		
Salishan 5		0
Salishan 6 - Loan Conversion to Permanent		(80,000)
Salishan 7 - Loan Conversion to Permanent		(1,240,226)
Salishan Infrastructure 2B		0
Line 6 - Projected Transfer to Capital		(1,320,226)

**FY 2011 Tacoma Housing Authority Budget
Agency Total by Department**

	Executive	Human Resources	Finance/ Administration	Community Services	Development	Rental Assistance	REM	MTW including Transition	Agency Total
INCOME									
1 Tenant Revenue - Dwelling rent	\$0	\$0	\$0	\$0	\$0	\$0	\$2,519,913	\$0	\$2,519,913
2 Tenant Revenue - Other	\$0	\$0	\$0	\$0	\$0	\$0	\$44,000	\$0	\$44,000
3 HUD grant - Section 8 HAP reimbursement	\$0	\$0	\$0	\$0	\$0	\$32,007,514	\$0	\$0	\$32,007,514
4 HUD grant - Section 8 Admin fee earned	\$0	\$0	\$0	\$12,000	\$0	\$2,630,264	\$0	\$0	\$2,642,264
5 HUD grant - Public Housing subsidy	\$0	\$0	\$0	\$0	\$0	\$0	\$2,279,701	\$0	\$2,279,701
6 HUD grant - Community Services/HOPE	\$0	\$0	\$0	\$425,961	\$0	\$0	\$0	\$0	\$425,961
7 HUD grant - Capital Fund Operating Revenue	\$0	\$0	\$45,000	\$91,109	\$345,150	\$0	\$309,000	\$0	\$790,259
8 Management Fee Income	\$0	\$0	\$643,297	\$0	\$315,150	\$0	\$1,290,447	\$0	\$2,248,893
9 Fee For Service Income	\$0	\$0	\$40,000	\$0	\$0	\$0	\$40,596	\$0	\$80,596
10 Other Government grants	\$0	\$0	\$0	\$127,225	\$192,647	\$0	\$0	\$0	\$319,872
11 Investment Income	\$0	\$0	\$45,000	\$0	\$0	\$0	\$8,500	\$0	\$53,500
12 Fraud Recovery Income - Sec 8	\$0	\$0	\$0	\$0	\$0	\$31,375	\$0	\$0	\$31,375
13 Other Revenue- Developer Fee Income	\$0	\$0	\$0	\$0	\$2,509,657	\$0	\$0	\$0	\$2,509,657
14 Other Revenue	\$0	\$0	\$42,980	\$266,544	\$95,000	\$48,000	\$198,874	\$0	\$651,398
TOTAL OPERATING RECEIPTS	\$0	\$0	\$816,277	\$922,840	\$3,457,604	\$34,717,153	\$6,691,031	\$0	\$46,604,904

OPERATING EXPENDITURES

Administrative

15 Administrative Salaries	\$211,772	\$154,204	\$939,755	\$90,954	\$326,824	\$911,474	\$773,121	\$55,000	\$3,463,104
16 Administrative Personnel - Benefits	\$72,828	\$64,164	\$351,239	\$26,946	\$120,475	\$392,153	\$334,947	\$22,000	\$1,384,752
17 Accounting & Audit Fees	\$0	\$0	\$12,500	\$0	\$21,500	\$19,500	\$22,000	\$0	\$75,500
18 Management Fees	\$0	\$0	\$0	\$110,593	\$425,134	\$866,290	\$526,472	\$0	\$1,928,489
19 Rent	\$0	\$0	\$0	\$7,014	\$51,830	\$89,906	\$0	\$12,024	\$160,774
20 Advertising	\$0	\$0	\$0	\$4,300	\$2,500	\$0	\$5,750	\$0	\$12,550
21 Data Processing Expenses	\$18,440	\$0	\$60,426	\$31,000	\$10,500	\$37,519	\$56,710	\$70,000	\$304,595
22 Office Supplies	\$7,000	\$1,400	\$12,500	\$17,500	\$5,000	\$32,000	\$22,000	\$0	\$97,400
23 Publications & Memberships	\$30,055	\$5,400	\$3,020	\$350	\$2,500	\$1,000	\$2,550	\$0	\$44,875
24 Telephone	\$3,000	\$1,400	\$28,700	\$7,500	\$3,000	\$1,500	\$44,000	\$0	\$89,100
25 Postage	\$600	\$150	\$2,500	\$8,100	\$750	\$25,000	\$8,550	\$2,000	\$47,650
26 Leased Equipment & Repairs	\$250	\$0	\$21,214	\$4,100	\$16,915	\$18,056	\$11,620	\$0	\$72,155
27 Office Equipment Expensed	\$0	\$0	\$39,500	\$3,000	\$1,000	\$12,000	\$1,000	\$3,500	\$60,000
28 Legal	\$10,000	\$27,000	\$0	\$0	\$50,000	\$3,000	\$24,500	\$5,000	\$119,500
29 Local Mileage	\$500	\$140	\$1,000	\$2,300	\$2,500	\$2,500	\$7,450	\$0	\$16,390
30 Staff Training/ Out of Town Travel	\$28,800	\$16,045	\$43,000	\$7,600	\$19,050	\$16,450	\$31,850	\$17,250	\$180,045
31 Professional Services	\$13,000	\$68,900	\$27,100	\$59,200	\$95,000	\$31,750	\$46,400	\$45,000	\$386,350
32 Other Administrative Expenses	\$23,000	\$15,250	\$2,500	\$8,111	\$2,500	\$8,500	\$29,600	\$0	\$89,461
33 Due Diligence - Development Proj Abandon	\$0	\$0	\$0	\$0	\$50,000	\$0	\$0	\$0	\$50,000
34 Contingency	\$2,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,500
Total Administrative Expenses	\$421,745	\$354,053	\$1,564,954	\$388,568	\$1,206,978	\$2,468,598	\$1,948,520	\$231,774	\$8,585,190

**FY 2011 Tacoma Housing Authority Budget
Agency Total by Department**

	Executive	Human Resources	Finance/ Administration	Community Services	Development	Rental Assistance	REM	MTW including Transition	Agency Total
Tenant Services									
35 Tenant Services - Salaries	\$0	\$0	\$0	\$592,226	\$0	\$0	\$0	\$0	\$592,226
36 Tenant Service Personnel - Benefits	\$0	\$0	\$0	\$227,884	\$0	\$0	\$0	\$0	\$227,884
37 Relocation Costs	\$0	\$0	\$0	\$0	\$25,000	\$0	\$11,500	\$0	\$36,500
38 Tenant Service - other	\$12,000	\$0	\$0	\$116,200	\$0	\$2,000	\$9,100	\$0	\$139,300
Total Tenant Services	\$12,000	\$0	\$0	\$936,310	\$25,000	\$2,000	\$20,600	\$0	\$995,910
Utilities									
39 Water	\$0	\$0	\$0	\$0	\$0	\$0	\$89,126	\$0	\$89,126
40 Electric	\$0	\$0	\$0	\$0	\$0	\$0	\$183,588	\$0	\$183,588
41 Gas	\$0	\$0	\$0	\$0	\$0	\$0	\$61,367	\$0	\$61,367
42 Sewer	\$0	\$0	\$0	\$0	\$30,720	\$0	\$249,684	\$0	\$280,404
Total Project Utilities	\$0	\$0	\$0	\$0	\$30,720	\$0	\$583,765	\$0	\$614,485
Ordinary Maintenance & Operations									
43 Maintenance Salaries	\$0	\$0	\$0	\$0	\$0	\$0	\$576,182	\$0	\$576,182
44 Maintenance Personnel - Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$162,941	\$0	\$162,941
45 Maintenance Materials	\$0	\$0	\$0	\$0	\$0	\$6,000	\$169,200	\$0	\$175,200
46 Contract Maintenance	\$0	\$0	\$0	\$0	\$69,000	\$3,900	\$652,500	\$0	\$725,400
Total Routine Maintenance	\$0	\$0	\$0	\$0	\$69,000	\$9,900	\$1,560,823	\$0	\$1,639,723
General Expenses									
47 Protective Services	\$0	\$0	\$0	\$0	\$0	\$0	\$120,400	\$0	\$120,400
48 Insurance	\$2,634	\$1,058	\$23,122	\$15,208	\$4,289	\$27,142	\$122,274	\$333	\$196,059
49 Other General Expense	\$0	\$0	\$0	\$0	\$0	\$55,000	\$815,312	\$0	\$870,312
50 Payment in Lieu of Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$14,843	\$0	\$14,843
51 Collection Loss	\$0	\$0	\$0	\$0	\$0	\$0	\$26,500	\$0	\$26,500
52 Interest Expense	\$0	\$0	\$0	\$0	\$348,000	\$0	\$315,890	\$0	\$663,890
Total General Expenses	\$2,634	\$1,058	\$23,122	\$15,208	\$352,289	\$82,142	\$1,415,218	\$333	\$1,892,003
TOTAL OPERATING EXPENSES	\$436,379	\$355,111	\$1,588,076	\$1,340,086	\$1,683,986	\$2,562,640	\$5,528,925	\$232,107	\$13,727,311
Nonroutine Expenses and Capital Expenditures									
53 Ext Maint/Fac Imp/Gain/Loss prop sale	\$0	\$0	\$0	\$0	\$0	\$0	\$100,000	\$0	\$100,000
54 Casualty Loss	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
55 Section 8 HAP Payments	\$0	\$0	\$0	\$0	\$0	\$31,503,954	\$0	\$0	\$31,503,954
Total Nonroutine Expenditures	\$0	\$0	\$0	\$0	\$0	\$31,503,954	\$100,000	\$0	\$31,603,954
TOTAL EXPENSES	\$436,379	\$355,111	\$1,588,076	\$1,340,086	\$1,683,986	\$34,066,594	\$5,628,925	\$232,107	\$45,331,264
OPERATING SURPLUS/(DEFICIT)	(\$436,379)	(\$355,111)	(\$771,800)	(\$417,246)	\$1,773,618	\$650,558	\$1,062,105	(\$232,107)	\$1,273,640
56 THA Transfer to Development Projects	\$0	\$0	\$0	\$0	(\$1,554,226)	\$0	\$0	\$0	(\$1,554,226)
57 Reserve Appropriations	\$0	\$0	\$0	\$58,333	\$234,000	\$0	\$0	\$0	\$292,333
Surplus/Deficit	(\$436,379)	(\$355,111)	(\$771,800)	(\$358,914)	\$453,392	\$650,558	\$1,062,105	(\$232,107)	\$11,746

**2010 Tacoma Housing Authority Budget
LIPH**

	AMP 1 K, M & G St. Apts. Elderly Disabled 160 Units	AMP 2 Fawcett, Wright, 6th St. Apts. (Elderly/Disabled) 152 Units	AMP 3 Lawrence, Bergerson Terrace, Dixon Village 144 Units	AMP 4 Hillside Terrace (1800 & 2500 Blocks) 104 Units	AMP 5 Old Salishan (Demo'd)	AMP 6 Single Family Homes 34 Units	Tax Credit AMPS	LIPH Total
INCOME								
1 Tenant Revenue - Dwelling rent	\$420,252	\$401,902	\$422,746	\$223,873	\$0	\$69,165	\$0	\$1,537,938
2 Tenant Revenue - Other	\$6,000	\$7,500	\$13,000	\$7,000	\$0	\$500	\$0	\$34,000
3 HUD grant - Section 8 HAP reimbursement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4 HUD grant - Section 8 Admin fee earned	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5 HUD grant - Public Housing subsidy	\$362,279	\$308,071	\$313,711	\$279,181	\$0	\$91,084	\$925,375	\$2,279,701
6 HUD grant - Community Services/HOPE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
7 HUD grant - Capital Fund Operating Revenue	\$46,942	\$103,688	\$52,571	\$92,079	\$0	\$13,720	\$0	\$309,000
8 Management Fee Income	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
9 Fee For Service Income	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10 Other Government grants	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11 Investment income	\$1,500	\$1,250	\$1,875	\$1,875	\$0	\$0	\$0	\$6,500
12 Fraud Recovery Income - Sec 8	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
13 Other Revenue- Developer Fee Income	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
14 Other Revenue	\$10,000	\$8,100	\$2,000	\$10,000	\$0	\$0	\$0	\$30,100
TOTAL OPERATING RECEIPTS	\$846,973	\$830,511	\$805,903	\$614,008	\$0	\$174,469	\$925,375	\$4,197,239

OPERATING EXPENDITURES

Administrative

15 Administrative Salaries	\$125,245	\$140,329	\$87,714	\$73,981	\$0	\$24,660	\$0	\$451,929
16 Administrative Personnel - Benefits	\$54,411	\$57,763	\$43,231	\$39,570	\$0	\$13,190	\$0	\$208,165
17 Accounting & Audit Fees	\$3,600	\$3,985	\$4,000	\$2,725	\$0	\$890	\$5,000	\$20,200
18 Management Fees	\$113,158	\$107,500	\$101,842	\$73,553	\$0	\$24,046	\$59,074	\$479,173
19 Rent	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
20 Advertising	\$1,500	\$500	\$1,000	\$0	\$0	\$0	\$0	\$3,000
21 Data Processing Expenses	\$10,336	\$10,223	\$12,281	\$10,668	\$0	\$1,560	\$0	\$45,068
22 Office Supplies	\$4,513	\$4,513	\$4,012	\$4,259	\$0	\$503	\$0	\$17,800
23 Publications & Memberships	\$200	\$150	\$200	\$0	\$0	\$0	\$0	\$550
24 Telephone	\$14,544	\$12,018	\$8,490	\$4,104	\$0	\$866	\$0	\$40,022
25 Postage	\$1,500	\$800	\$1,500	\$1,000	\$0	\$250	\$0	\$5,050
26 Leased Equipment & Repairs	\$3,392	\$3,361	\$2,142	\$2,784	\$0	\$363	\$0	\$12,040
27 Office Equipment Expensed	\$500	\$0	\$0	\$0	\$0	\$0	\$0	\$500
28 Legal	\$4,000	\$5,000	\$5,000	\$2,500	\$0	\$1,000	\$0	\$17,500
29 Local Mileage	\$804	\$1,052	\$798	\$535	\$0	\$1,211	\$0	\$4,401
30 Staff Training/ Out of Town Travel	\$4,000	\$5,000	\$5,000	\$3,500	\$0	\$750	\$0	\$18,250
31 Professional Services	\$8,733	\$9,870	\$8,060	\$6,383	\$0	\$2,430	\$2,000	\$37,475
32 Other Administrative Expenses	\$7,754	\$6,388	\$6,364	\$4,263	\$0	\$1,086	\$0	\$25,855
33 Due Diligence - Development Proj Abandon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
34 Contingency	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Administrative Expenses	\$358,189	\$368,452	\$291,634	\$229,823	\$0	\$72,805	\$66,074	\$1,386,977

2010 Tacoma Housing Authority Budget
LIPH

	AMP 1	AMP 2	AMP 3	AMP 4	AMP 5	AMP 6	LIPH Total
Tenant Services							
35 Tenant Services - Salaries	\$21,326	\$20,258	\$5,462	\$0	\$0	\$0	\$47,045
36 Tenant Service Personnel - Benefits	\$5,681	\$5,396	\$1,455	\$0	\$0	\$0	\$12,532
37 Relocation Costs	\$1,500	\$2,500	\$2,500	\$2,500	\$0	\$2,500	\$11,500
38 Tenant Service - other	\$3,847	\$3,794	\$2,712	\$2,727	\$0	\$536	\$13,615
Total Tenant Services	\$32,353	\$31,948	\$12,129	\$5,227	\$0	\$3,036	\$84,692
Utilities							
39 Water	\$17,299	\$16,459	\$23,489	\$23,550	\$0	\$311	\$81,109
40 Electric	\$57,957	\$50,781	\$26,687	\$15,838	\$0	\$2,167	\$153,430
41 Gas	\$35,444	\$18,249	\$6,993	\$340	\$0	\$711	\$61,736
42 Sewer	\$49,098	\$50,732	\$65,179	\$58,454	\$0	\$282	\$223,746
Total Project Utilities	\$159,798	\$136,222	\$122,348	\$98,182	\$0	\$3,472	\$520,022
Ordinary Maintenance & Operations							
43 Maintenance Salaries	\$94,691	\$98,584	\$138,703	\$94,309	\$0	\$37,536	\$463,822
44 Maintenance Personnel - Benefits	\$26,024	\$26,606	\$38,482	\$25,936	\$0	\$11,511	\$128,559
45 Maintenance Materials	\$28,044	\$26,641	\$32,439	\$31,228	\$0	\$8,509	\$126,862
46 Contract Maintenance	\$116,138	\$121,955	\$117,275	\$102,363	\$0	\$22,273	\$480,003
Total Routine Maintenance	\$264,896	\$273,786	\$326,900	\$253,836	\$0	\$79,829	\$1,199,246
General Expenses							
47 Protective Services	\$29,286	\$22,546	\$38,607	\$10,610	\$0	\$2,667	\$103,717
48 Insurance	\$23,914	\$21,056	\$21,897	\$18,865	\$0	\$8,098	\$93,830
49 Other General Expense	\$2,200	\$1,000	\$2,000	\$1,000	\$0	\$1,250	\$781,862
50 Payment in Lieu of Taxes	\$2,524	\$2,500	\$2,400	\$1,750	\$0	\$560	\$5,109
51 Collection Loss	\$1,500	\$4,000	\$4,500	\$4,000	\$0	\$2,500	\$0
52 Interest Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total General Expenses	\$59,423	\$51,103	\$69,404	\$36,226	\$0	\$15,075	\$786,971
TOTAL OPERATING EXPENSES	\$874,659	\$861,510	\$822,415	\$623,293	\$0	\$174,217	\$4,209,138
Nonroutine Expenses and Capital Expenditures							
53 Ext Maint/Fac Imp/Gain/Loss prop sale	\$20,000	\$20,000	\$10,000	\$10,000	\$0	\$5,000	\$65,000
54 Casualty Loss	\$0	\$0	\$0	\$0	\$0	\$0	\$0
55 Section 8 HAP Payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Nonroutine Expenditures	\$20,000	\$20,000	\$10,000	\$10,000	\$0	\$5,000	\$65,000
TOTAL EXPENSES	\$894,659	\$881,510	\$832,415	\$633,293	\$0	\$179,217	\$4,274,138
OPERATING SURPLUS/(DEFICIT)	(\$47,686)	(\$50,998)	(\$26,512)	(\$19,285)	\$0	(\$4,748)	(\$76,899)
56 THA Transfer to Development Projects	\$0	\$0	\$0	\$0	\$0	\$0	\$0
57 Reserve Appropriations	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Surplus/Deficit	(\$47,686)	(\$50,998)	(\$26,512)	(\$19,285)	\$0	(\$4,748)	(\$76,899)

[illegible]

Ludwig, Bergerson, Dixon
902 So. I Street
Capital Funds

TOTAL	110,000	110,000	110,000	
10) Area 2B Infrastructure	110,000	110,000		
THA Program Income	-	-	-	
Utility Reimbursements	-	-	-	
City "TIF"	250,000	-	250,000	
EDI YF 09 approp	-	-	-	
FHWY	235,000	-	235,000	
Bridge Loan	-	-	-	
10 Appropriation	-	-	-	
State Cap Budget	980,000	-	980,000	
ABHOW	-	-	-	
TOTAL	1,465,000	235,000	1,230,000	
11) Salishan Seven				
TCAP	1,041,312	-	1,041,312	
Construction Loan	3,078,672	-	-	
Housing Trust Fund	-	-	-	
City of Tacoma/TCRA HOME	-	-	-	
THA Program Income	1,240,226	-	1,240,226	
TOTAL	5,360,210	3,078,672	1,041,312	1,240,226
Grand Total Capital Expenditures:	31,611,629	10,751,124	3,356,472	6,325,501
		1,500,000	3,124,306	1,554,226
				2,000,000
				3,000,000