



TACOMA HOUSING AUTHORITY

RESOLUTION 2011-6-22 (1)

Date: June 22, 2011
To: THA Board of Commissioners
From: Michael Mirra
Executive Director
Re: Revised FY 2011 Agency Budget

Background

Each year, the Housing Authority of the City of Tacoma, (THA) prepares an annual budget for its upcoming fiscal year. The Annual Budget reflects an estimate of expected revenues and expenditures for each of its major programs. It is also detailed by department, with the expectation that each Department Director will manage and control their department budget in accordance with Federal, State and Local regulations.

The original FY 2011 Budget was submitted and approved by the Board of Commissioners during the June, 2010 Board of Commissioners meeting. Subsequently, THA has received approval from HUD to **change its Fiscal Year to a calendar year**. In order to transition to a calendar year, THA's 2011 Fiscal year has been extended from 12 months to 18 months and will end on December 31. THA normally does a mid-year review where staff updates the budget based on more current information. Accordingly, THA is revising its FY 2011 budget to reflect the changes and extend the budget to **reflect the current Fiscal Year's 18 month period**.

The budget revision reflects actual expenses through December 31st, 2010, and projections for **Calendar Year 2011**. These projections are based on previous years' data, and what had been expended for the initial six month period. Since this is only a budget revision, we did not use a full budget development process; yet staff was consulted, and provided substantial input for the revisions **we are proposing for the board's approval**. A board study session was held on June 10, 2011 to discuss the revision.

Recommendation

Approve Resolution 2011-06-22 (1) to formally approve THA's Revised FY 2011 Budget.



TACOMA HOUSING AUTHORITY

RESOLUTION 2011-6-22 (1)

FISCAL YEAR 2011 BUDGET REVISION

Whereas, The Board of Commissioners of the Housing Authority of the City of Tacoma ("Authority") approved the FY 2011 Budget on June 23, 2010

Whereas, The THA 2011 Fiscal Year was changed to a Calendar Year in 2011, including a six month extension from June 30 to December 31.

Whereas, Authority staff determined that the FY 2011 Budget should be revised based on updated information on funding and expenditure needs.

Whereas, Authority staff has prepared, and the Board of Commissioners of the Housing Authority of the City Tacoma have reviewed and provided input to the proposed Revised FY 2011 budget:

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

1. The Board of Commissioners of the Housing Authority of the City of Tacoma adopts the Revised FY 2011 Budget and hereby authorizes the Executive Director to implement and execute said document. Revised expenses and other cash outflows are projected as follows:

<u>Expenses</u>	
Executive	\$ 641,691
Human Resources	529,083
Finance & Administration	2,525,468
Community Services	2,088,260
Development	2,454,662
Rental Assistance	51,539,700
Property Management	<u>9,540,913</u>
Subtotal	69,319,777
<u>Additional Cash Outflows</u>	
Capital Expenditures	15,671,523
Debt Service	<u>279,110</u>
Subtotal	15,950,633
TOTAL APPROVED BUDGET	<u>\$ 85,270,410</u>

Approved: June 22, 2011



Dr. Arthur C. Banks, Chairman

**FY 2011 Tacoma Housing Authority Budget
Agency Wide**

	FY 2010 Actual	FY 2011 12 mth Budget	FY 2011 Jul-Dec10 Actual	FY 2011 Jan-Dec 11 Req	FY 2011 Final Request
INCOME					
1 Revenue - Dwelling rent	\$2,478,184	\$2,519,913	\$1,409,722	\$3,566,967	\$4,976,689
2 Tenant Revenue - Other	\$43,809	\$44,000	\$37,286	\$50,900	\$88,186
3 HUD grant - Section 8 HAP reimbursement	\$30,302,130	\$32,007,514	\$15,844,835	\$32,499,738	\$48,344,573
4 HUD grant - Section 8 Admin fee earned	\$2,545,263	\$2,642,264	\$1,331,472	\$2,463,582	\$3,795,054
5 HUD grant - Public Housing subsidy	\$2,609,959	\$2,279,701	\$1,180,879	\$2,234,600	\$3,415,479
6 HUD grant - Community Services/HOPE	\$599,907	\$425,961	\$247,239	\$433,527	\$680,766
7 HUD grant - Capital Fund Operating Revenue	\$336,167	\$790,259	\$622,316	\$203,814	\$826,130
8 Management Fee Income	\$1,994,809	\$2,248,894	\$1,258,578	\$3,113,635	\$4,372,213
9 Fee For Service Income	\$0	\$80,596	\$17,260	\$0	\$17,260
10 Other Government grants	\$98,621	\$319,872	\$149,959	\$243,118	\$393,077
11 Investment income	\$84,076	\$53,500	\$31,415	\$150,000	\$181,415
12 Fraud Recovery Income - Sec 8	\$21,952	\$31,375	\$21,200	\$37,500	\$58,700
13 Other Revenue- Developer Fee Income	\$1,468,934	\$2,509,657	\$0	\$2,509,657	\$2,509,657
14 Other Revenue	\$468,805	\$651,398	\$265,900	\$693,227	\$959,127
TOTAL OPERATING RECEIPTS	\$43,052,616	\$46,604,904	\$22,418,061	\$48,200,265	\$70,618,326

OPERATING EXPENDITURES

Administrative

15 Administrative Salaries	\$3,365,924	\$3,463,104	\$1,624,081	\$3,851,281	\$5,475,362
16 Administrative Personnel - Benefits	\$1,206,877	\$1,384,752	\$614,380	\$1,548,934	\$2,163,314
17 Accounting & Audit Fees	\$64,055	\$75,500	\$18,642	\$57,748	\$76,390
18 Management Fees	\$1,697,663	\$1,928,489	\$880,175	\$2,441,007	\$3,321,182
19 Rent	\$0	\$160,774	\$77,608	\$222,173	\$299,781
20 Advertising	\$16,240	\$12,550	\$811	\$15,900	\$16,711
21 Data Processing Expenses	\$148,294	\$304,595	\$90,999	\$213,658	\$304,657
22 Office Supplies	\$94,463	\$97,400	\$26,875	\$97,050	\$123,925
23 Publications & Memberships	\$41,642	\$44,875	\$24,154	\$49,985	\$74,139
24 Telephone	\$98,422	\$89,100	\$43,627	\$99,400	\$143,027
25 Postage	\$37,401	\$47,650	\$19,078	\$60,800	\$79,878
26 Leased Equipment & Repairs	\$44,770	\$72,155	\$25,802	\$65,169	\$90,971
27 Office Equipment Expensed	\$52,567	\$60,000	\$15,255	\$73,714	\$88,969
28 Legal	\$61,272	\$119,500	\$19,255	\$183,750	\$203,005
29 Local Mileage	\$10,716	\$16,390	\$2,340	\$17,040	\$19,380
30 Staff Training/ Out of Town Travel	\$108,010	\$180,045	\$30,469	\$191,843	\$222,312
31 Professional Services	\$298,426	\$386,350	\$138,703	\$545,350	\$684,053
32 Other Administrative Expenses	\$76,624	\$89,461	\$34,977	\$182,372	\$217,349
33 Due Diligence - Perspective Development	\$57,781	\$50,000	\$0	\$75,000	\$75,000
34 Contingency	\$0	\$2,500	\$0	\$0	\$0
Total Administrative Expenses	\$7,481,147	\$8,585,190	\$3,687,231	\$9,992,173	\$13,679,404

**FY 2011 Tacoma Housing Authority Budget
Agency Wide**

	FY 2010 Actual	FY 2011 12 mth Budget	FY 2011 Jul-Dec10 Actual	FY 2011 Jan-Dec 11 Req	FY 2011 Final Request
Tenant Services					
35 Tenant Services - Salaries	\$777,391	\$592,226	\$304,752	\$803,468	\$1,108,220
36 Tenant Service Personnel - Benefits	\$287,812	\$227,884	\$124,428	\$313,582	\$438,010
37 Relocation Costs	\$65,667	\$36,500	\$1,270	\$18,000	\$19,270
38 Tenant Service - other	\$270,686	\$139,300	\$108,548	\$105,597	\$214,145
Total Tenant Services	\$1,401,556	\$995,910	\$538,998	\$1,240,647	\$1,779,645
Utilites					
39 Water	\$101,628	\$89,126	\$48,727	\$127,711	\$176,438
40 Electric	\$211,581	\$183,588	\$90,782	\$190,714	\$281,496
41 Gas	\$76,702	\$61,367	\$28,276	\$63,204	\$91,480
42 Sewer	\$324,636	\$280,404	\$155,105	\$360,002	\$515,107
Total Project Utilities	\$714,547	\$614,485	\$322,890	\$741,631	\$1,064,521
Ordinary Maintenance & Operations					
43 Maintenance Salaries	\$654,925	\$576,182	\$295,394	\$611,265	\$906,659
44 Maintenance Personnel - Benefits	\$276,245	\$162,941	\$83,172	\$178,514	\$261,686
45 Maintenance Materials	\$259,983	\$175,200	\$76,497	\$160,500	\$236,997
46 Contract Maintenance	\$715,890	\$725,400	\$315,273	\$670,106	\$985,379
Total Routine Maintenance	\$1,907,043	\$1,639,723	\$770,336	\$1,620,385	\$2,390,721
General Expenses					
47 Protective Services	\$346,816	\$120,400	\$69,867	\$143,661	\$213,528
48 Insurance	\$186,206	\$196,060	\$83,729	\$179,644	\$263,373
49 Other General Expense	\$653,460	\$870,312	\$386,874	\$1,005,199	\$1,392,073
50 Payment in Lieu of Taxes	\$14,902	\$14,843	\$6,341	\$15,403	\$21,744
51 Collection Loss	\$80,739	\$26,500	\$5,404	\$25,000	\$30,404
52 Interest Expense	\$0	\$663,890	\$430,638	\$750,890	\$1,181,528
Total General Expenses	\$1,282,123	\$1,892,004	\$982,853	\$2,119,796	\$3,102,649
TOTAL OPERATING EXPENSES	\$12,786,416	\$13,727,311	\$6,302,308	\$15,714,633	\$22,016,941
Nonroutine Expenses and Capital Expenditures					
53 Ext Maint/Fac Imp/Gain/Loss prop sale	\$101,305	\$100,000	\$26,268	\$61,000	\$87,268
54 Casualty Loss	\$363	\$0	\$25,321	\$500	\$25,821
55 Section 8 HAP Payments	\$30,302,130	\$31,503,954	\$15,166,015	\$32,023,732	\$47,189,747
Total Nonroutine Expenditures	\$30,403,798	\$31,603,954	\$15,217,604	\$32,085,232	\$47,302,836
TOTAL EXPENSES	\$43,190,214	\$45,331,265	\$21,519,912	\$47,799,865	\$69,319,777
OPERATING SURPLUS/(DEFICIT)	(\$137,598)	\$1,273,639	\$898,149	\$400,400	\$1,298,550
56 Capitalized Items/Development Projects	\$0	(\$1,554,226)	(\$218,455)	(\$891,685)	(\$1,110,140)
57 Reserve Appropriations	\$0	\$292,333	\$212,717	\$1,366,350	\$1,579,067
THA BUDGET SURPLUS/(DEFICIT)	(\$137,598)	\$11,746	\$892,411	\$875,065	\$1,767,476

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.12/31/2012)

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: July 1, 2010 Board Resolution Number: 2011-06-22 (1)

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: _____
- Operating Budget submitted to HUD, if applicable, on: _____
- Operating Budget revision approved by Board resolution on: 06/22/11
- 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: Arthur C. Banks	Signature: 	Date: 06/22/2011
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