



MEMORANDUM-NEIGHBORHOOD RESOURCES DIVISION - PHAC MEMO NO. HD14-02

DATE: MARCH 27, 2014

TO: PUBLIC HOUSING AUTHORITY COMMISSION

THRU: RICH DLUGAS, CITY MANAGER *RD*
JEFF CLARK, FIRE CHIEF *JC*
JENNIFER MORRISON, NEIGHBORHOOD RESOURCES DIRECTOR *JM*

FROM: KURT KNUTSON, HOUSING AND REDEVELOPMENT MANAGER *KK*

SUBJECT: RESOLUTION NO. H0109 APPROVING THE HOUSING AND REDEVELOPMENT DIVISION'S OPERATING BUDGET OF \$13,128,530 FOR FISCAL YEAR 2014-2015 AND CERTIFYING TO THE RELATED REGULATIONS AND STATUTORY REQUIREMENTS

RECOMMENDATION: Staff and the Housing and Human Services Commission (HHSC) recommend that the Public Housing Authority Commission approve Resolution No. H0109 approving the Housing and Redevelopment Division's Operating Budget of \$13,128,530 for Fiscal Year 2014-2015 and certifying to the related regulations and statutory requirements.

BACKGROUND: Resolution No. H0109 approves the Public Housing, Housing Choice Voucher Program (Section 8) and related Housing budgets for the Housing and Redevelopment Division in Cost Center 4650. The recommended budget includes an expense level of \$2,934,000 for Public Housing, \$5,680,000 for the Section 8 Program, \$850,000 for Capital Programs, \$3,500,000 for contingency and \$164,530 for related housing support and development programs.

DISCUSSION: The United States Department of Housing and Urban Development (HUD) funds are principally used for the operation, maintenance and capital improvements for the Public Housing Developments and related housing programs. The budget also includes funding for the implementation and operation of the HUD funded Housing Choice Voucher Program subsidy program, the self-funded senior scattered site program operation, and the contingency account.

FINANCIAL IMPLICATIONS: Funding for Housing Programs in cost center 4650 is principally derived from grants from the United States Department of Housing and Urban Development and rent revenue. Approximately 4% of the Housing and Redevelopment budget is derived from other sources, including the City's General fund.

Housing Division Budget for Fiscal Year 14-15

Estimated Revenue Sources	Fund 101	Fund 224	Public Housing	Fund 230	Fund 233	Fund 234	Fund 236	Fund 240	Total
	Youth Program	Family Sites	Elderly/Scattered	PH Management	Section 8	Capital Fund Program	PR/Senior Housing	Contingency	
Rental Income		400,000	450,000				81,300		931,300
Management Fee Revenue			20,000	406,000			7,000		406,000
Other Income		48,000	525,000		20,000				95,000
Grant Funding		950,000			5,510,000	850,000			7,835,000
Transfers in from fund 234 for operations									
City Funded									
Other Grant Opportunities				135,000	150,000				361,230
Use of Reserves									3,500,000
Total Estimated Revenues	76,230	1,398,000	995,000	541,000	5,680,000	850,000	88,300	3,500,000	13,128,530
Expenditure Budget									
Administrative Salaries	46,259	180,134	115,084	372,021	242,733				956,231
Other Administrative Exp.		37,525	8,650	6,075	8,350				60,600
Resident Participation		10,000	1,000						11,000
Utilities		140,000	12,000	1,000			500		153,500
Maintenance Labor		167,593	75,624			20,000			263,217
Maintenance Materials		75,000	60,000			20,000	3,000		158,000
Professional / Contract		186,000	120,500	24,000	39,000	105,000	41,500		516,000
Insurance		14,500	21,000						35,500
Employee Benefits	19,971	164,767	92,922	134,658	129,452	2,528			544,298
Bad Debt Expense		20,000	20,000				6,000		40,000
Other General Expense	10,000	32,100	25,850	3,246	40,200	1,500			118,896
Property Betterments / Additions		20,000	26,000			650,000			696,000
Housing Rental Assistance Prnts.						40,000			4,902,000
Management Fees (transfer to fund 230)						10,972	16,410		421,410
Contingency							20,890		4,251,878
		135,000	115,000		4,902,000	40,000			4,902,000
		215,381	301,370		203,265				4,251,878
Total Estimated Expense	76,230	1,398,000	995,000	541,000	5,680,000	850,000	88,300	3,500,000	13,128,530

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: City of Chandler, Housing and Redevelopment Division PHA Code: AZ028

PHA Fiscal Year Beginning: 2014/2015 Board Resolution Number: H0109

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 Budgets approved by Board resolution on: 04/7/2014
- 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: Jay Tibshraeny	Signature:	Date:
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APPROVED AS TO FORM
Jay Tibshraeny
CITY ATTORNEY