



**MEMORANDUM COMMUNITY AND NEIGHBORHOOD SERVICES DEPARTMENT - PHAC
MEMO NO. HD15-02**

DATE: MARCH 26, 2015

TO: PUBLIC HOUSING AUTHORITY COMMISSION

THRU: RICH DLUGAS, CITY MANAGER RD
NACHIE MARQUEZ, ASSISTANT CITY MANAGER ^{NM}
JENNIFER MORRISON, COMMUNITY & NEIGHBORHOOD SERVICES
DIRECTOR *JM*

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

SUBJECT: RESOLUTION NO. H0115 APPROVING THE HOUSING AND
REDEVELOPMENT DIVISION'S OPERATING BUDGET OF \$12,971,590
FOR FISCAL YEAR 2015-2016 AND CERTIFYING TO THE RELATED
REGULATIONS AND STATUTORY REQUIREMENTS

RECOMMENDATION: Staff and the Housing and Human Services Commission (HHSC) recommend to the Public Housing Authority Commission approval of Resolution No. H0115 approving the Housing and Redevelopment Division's Operating Budget of \$12,971,590 for Fiscal Year 2015-2016 and certifying to the related regulations and statutory requirements.

BACKGROUND: Resolution No. H0115 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 \$3,000,676 for Public Housing, \$5,800,000 for the Section 8 Program, \$800,000 for Capital Programs, \$3,000,000 for contingency and \$370,914 for related housing support and development programs.

DISCUSSION: Funds from the United States Department of Housing and Urban Development (HUD) 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, the self-funded, nonfederal affordable housing rental program operation, and the contingency account.

FINANCIAL IMPLICATIONS: Funding for Housing Programs in cost center 4650 is principally derived from grants from HUD and rent revenue. Approximately 4% of Housing

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)

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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: 2015/2016 Board Resolution Number: H0115

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: 04/13/2015
- 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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Previous editions are obsolete

Approved as to Form:
Kay Bigelow
Chandler City Attorney

form HUD-52574 (08/2005)

Housing Division Budget for Fiscal Year 15-16

	Youth Program		Family Sites		Public Housing		PH Management		Voucher Choice		Capital Fund Program		PR/ Senior Housing		Fund 240 Contingency		Total
	Fund 101	Fund 224	Fund 227	Fund 230	Fund 233	Fund 234	Fund 236	Fund 238	Fund 240	Fund 242	Fund 244	Fund 246	Fund 248	Fund 250	Fund 252	Fund 254	
Estimated Revenue Sources																	
Rental Income		450,000	450,000											95,000			995,000
Management Fee Revenue				406,000													406,000
Other Income		48,000	20,000		40,000									7,000			115,000
Grant Funding		900,000	475,000		5,610,000						800,000						7,785,000
City Funded	67,099			135,000	150,000												352,099
Other Grant Opportunities															3,000,000		3,000,000
Use of Reserves				116,676										201,815			318,491
Total Estimated Revenues	67,099	1,398,000	945,000	657,676	5,800,000	800,000	303,815	3,000,000	12,971,590								
Expenditure Budget																	
Administrative Salaries	45,396	159,077	102,554	460,153	219,165									8,834			995,179
Other Administrative Exp.		38,025	15,400	8,275	9,850												71,550
Resident Participation		500	500											1,000			1,000
Utilities		140,000	15,000	1,000													157,000
Maintenance Labor		174,219	80,725								20,260						275,204
Maintenance Materials		75,000	60,000								20,000			3,000			158,000
Professional / Contract		187,675	122,185	20,000	38,645						105,000			22,000			495,505
Insurance		14,500	21,000														35,500
Employee Benefits	11,703	228,975	90,172	164,998	119,691						2,691			5,981			624,211
Bad Debt Expense		20,000	20,000								300			6,000			40,000
Other General Expense	10,000	33,450	25,700	3,250	43,500						600,000			250,000			1,222,000
Property Betterments / Additions																	850,000
Housing Rental Assistance Pmts.					4,922,000												4,922,000
Management Fees (transfer to fund 230)		135,000	115,000		115,000						38,000			7,000			410,000
Contingency		191,579	276,764		332,149						13,749			3,000,000			3,814,241
Total Estimated Expense	67,099	1,398,000	945,000	657,676	5,800,000	800,000	303,815	3,000,000	12,971,590								