



**MEMORANDUM COMMUNITY AND NEIGHBORHOOD SERVICES DEPARTMENT - PHAC  
MEMO NO. HD16-05**

**DATE:** APRIL 11, 2016

**TO:** PUBLIC HOUSING AUTHORITY COMMISSION

**THRU:** MARSHA REED, ACTING CITY MANAGER *MR*  
NACHIE MARQUEZ, ASSISTANT CITY MANAGER *NM*

**FROM:** LEAH POWELL, ACTING HOUSING AND REDEVELOPMENT MANAGER *LP*

**SUBJECT:** RESOLUTION NO. HO126 APPROVING THE HOUSING AND REDEVELOPMENT DIVISION'S OPERATING BUDGET OF \$12,906,461 FOR FISCAL YEAR 2016-2017 AND CERTIFYING TO THE RELATED REGULATIONS AND STATUTORY REQUIREMENTS

**RECOMMENDATION:** Staff and the Housing and Human Services Commission recommend to the Public Housing Authority Commission approval of Resolution No. HO126 approving the Housing and Redevelopment Division's Operating Budget of \$12,906,461 for Fiscal Year 2016-2017 and certifying to the related regulations and statutory requirements.

**BACKGROUND:** Resolution No. HO126 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 \$3,269,342 for Public Housing, \$5,631,846 for the Section 8 Program, \$850,000 for Capital Programs, \$3,000,000 for contingency and \$155,273 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.



**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: 2016/2017 Board Resolution Number: HO126

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: 04/11/2016
- 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:
---	------------	-------

APPROVED AS TO FORM

### Housing Division Budget for Fiscal Year 16-17

	Public Housing				Fund 233 Section 8 Voucher Choice	Fund 234 Capital Fund Program	Fund 236 PR/ Senior Housing	Fund 240 Contingency	Total
	Fund 101 Youth Program	Fund 224 Family Sites	Fund 227 Elderly/Scattered	Fund 230 PH Management					
<b>Estimated Revenue Sources</b>									
Rental Income		460,000	475,000				110,000		1,045,000
Management Fee Revenue				409,540					409,540
Other Income		58,000	26,000		44,000		21,000		149,000
Grant Funding		900,000	500,000		5,050,000	850,000			7,300,000
City Funded	85,386			135,000	150,000				370,386
Other Grant Opportunities								3,000,000	3,000,000
Use of Reserves		98,184	70,260	137,358	387,846				693,648
<b>Total Estimated Revenues</b>	<b>85,386</b>	<b>1,516,184</b>	<b>1,071,260</b>	<b>681,898</b>	<b>5,631,846</b>	<b>850,000</b>	<b>131,000</b>	<b>3,000,000</b>	<b>12,967,574</b>
<b>Expenditure Budget</b>									
Administrative Salaries	47,095	201,020	116,635	469,458	225,044		9,166		1,068,418
Other Administrative Exp.	1,350	21,329	19,154	7,825	58,080		200		107,938
Resident Participation		500	500						1,000
Utilities		140,000	15,000	1,000			1,000		157,000
Maintenance Labor		192,404	72,673			20,260			285,337
Maintenance Materials		75,000	60,000			20,000	3,000		158,000
Professional / Contract	500	253,618	234,413	25,000	42,968	148,693	26,000		731,192
Insurance		14,500	21,000				2,500		38,000
Employee Benefits	28,329	167,507	89,706	167,615	120,009	3,704	5,221		582,091
Bad Debt Expense		20,000	20,000						40,000
Other General Expense	8,112	57,250	28,050	11,000	8,250	300	5,800		118,762
Property Betterments / Additions		32,000				606,307	10,000		648,307
Housing Rental Assistance Pmts.					4,730,000				4,730,000
Management Fees (transfer to fund 230)		135,000	116,000		115,000	38,000	7,000		411,000
Contingency		206,056	278,129		332,495	12,736		3,000,000	3,829,416
<b>Total Estimated Expense</b>	<b>85,386</b>	<b>1,516,184</b>	<b>1,071,260</b>	<b>681,898</b>	<b>5,631,846</b>	<b>850,000</b>	<b>69,887</b>	<b>3,000,000</b>	<b>12,906,461</b>
		1,516,184	1,071,260		5,631,846	850,000	69,887		