



February 10, 2009

Agenda Item 4
Page 1

HONORABLE HOUSING AUTHORITY
City of Long Beach
California

RECOMMENDATION:

Receive and file the Housing Authority Financial and Operational Reports for November 2008 and December 2008. (Citywide)

DISCUSSION

The Housing Authority receives funds from the Federal Department of Housing and Urban Development (HUD) to provide subsidies for low-income individuals and families, so they can afford to obtain decent, safe, and sanitary housing.

Attached are performance and financial reports for the Housing Authority for November 2008 and December 2008.

This letter was reviewed by Budget Management Officer Victoria Bell on January 23, 2009.

TIMING CONSIDERATIONS

This matter is not time critical.

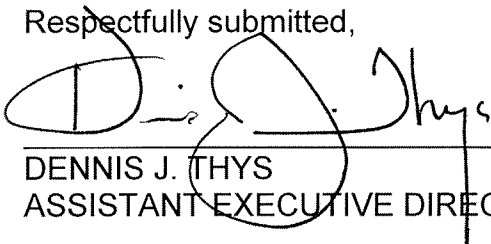
FISCAL IMPACT

There is no fiscal impact associated with this suggested action.


SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,


DENNIS J. THYS
ASSISTANT EXECUTIVE DIRECTOR

APPROVED:


PATRICK H. WEST
EXECUTIVE DIRECTOR

FINANCIAL PERFORMANCE FOR THE PERIOD ENDING NOVEMBER 30, 2008

<u>HAP INCOME/(EXPENSE)</u>	November	
	<u>Month</u>	<u>Year-to-Date</u>
Housing Assistance Payments (HAP) Expended	\$ (5,109,000)	\$ (10,302,417)
HAP: Due from HUD	4,297,855	8,451,045
HAP Due from Other Housing Authorities	67,973	135,561
Net HAP	\$ (743,172.00)	\$ (1,715,811.00)
<u>OPERATING INCOME/(EXPENSE)</u>		
Administrative Fee Income	\$ 523,570.00	\$ 1,054,920.00
FSS Coordinator Grant	-	-
Miscellaneous Revenue	-	-
Operating Expense	(551,973)	(991,365)
Net Operating Income/(Loss)	\$ (28,403.00)	\$ 63,555.00
<u>NON-OPERATING INCOME/(EXPENSE)</u>		
Interest Income Total	4,294	8,338
Less: Interest on HUD Advances	29,375	61,516
Total Non-Operating Income	33,669	69,854
<u>TOTAL INCOME/(LOSS)</u>	\$ (737,906)	\$ (1,582,402)
<u>AVAILABLE FUND BALANCE 1</u>		
Operating Reserves Beginning of Period-Admin	\$ 2,628,073	\$ 2,532,071
Operating Reserves Beginning of the Period-HAP	\$ 11,839,877	\$ 12,780,375
Total Income/(Loss) Admin Fee Reserves	(24,109)	71,893
Total Income Reserved for HAP	(713,797)	(1,654,295)
Balance in Reserve End of Period	\$ 13,730,044	\$ 13,730,044

1 Available Admin Fee Fund Balance includes funds from a \$2,900,000 loan from the City to the Housing Authority in 2004. Excluding these funds, the unreserved admin fee operating reserve at 11/30/08 is (\$296,036). There is net loss for the current year in the amount of (\$1,582,402), which includes interest earned on HUD advances not utilized for FY05 - FY09 of \$61,516 plus a reduction of HAP funding in the amount of (\$1,715,811). These funds plus prior year HAP reserves of \$12,780,375 are reserved for future HAP payments and may be subject to recapture. The net HAP restricted fund balance at 11/30/08 is \$11,126,080. It is HUD's policy that the Housing Authority may use the restricted HAP reserves to pay for any excess HAP expenses over and above the amount of HAP subsidy received from HUD and since HUD had over-funded in prior years, they will be under-funding the Housing Authority in this fiscal year so that the HAP reserves can be utilized. The current fiscal year administrative fee net income is \$71,893, which is calculated by subtracting administrative expenses from the total administrative fees earned by HUD.

OPERATIONAL PERFORMANCE FOR PERIOD ENDING NOVEMBER 30, 2008

• <u>Leasing Performance</u>		
Total Households Authorized		6409
Total Households Served		6167
• <u>Voucher Program</u>		
Total Authorized		6261
Total Households Served		6084
• <u>Shelter Plus Care Performance</u>		
Total Households Authorized		78
Total Households Served		82
• <u>VASH – Veterans’ Affairs Supportive Housing¹</u>		
Total Households Authorized		70
Total Households Served		1
• <u>Portability Program²</u>		
Port-In Households Served		0
Port-Out Households Served by Other Jurisdictions		91
• <u>Housing Opportunities for Persons with AIDS (HOPWA) Program Leasing Performance</u>		
Total Households Served		37

1 Incoming “Portabilities” are households moving into the City of Long Beach from another Public Housing Authority and Outgoing Portabilities are households holding City of Long Beach vouchers or certificates who are moving to another city.

2 New collaborative program between HUD & Veterans’ Affairs (VA) Admin effective 5/08. Slow start up because referrals for assistance come thru VA case management. When the program began there weren’t any case managers assigned. One was hired in 8/08 and the second hired 1/09.

FINANCIAL PERFORMANCE FOR THE PERIOD ENDING DECEMBER 31, 2008

<u>HAP INCOME/(EXPENSE)</u>	December	
	<u>Month</u>	<u>Year-to-Date</u>
Housing Assistance Payments (HAP) Expended	\$ (5,126,935)	\$ (15,429,352)
HAP: Due from HUD	4,235,096	12,686,141
HAP Due from Other Housing Authorities	70,622	206,183
Net HAP	\$ (821,217.00)	\$ (2,537,028.00)
<u>OPERATING INCOME/(EXPENSE)</u>		
Administrative Fee Income	\$ 529,487.00	\$ 1,584,407.00
FSS Coordinator Grant	-	-
Miscellaneous Revenue	-	-
Operating Expense	(449,616)	(1,440,981)
Net Operating Income/(Loss)	\$ 79,871.00	\$ 143,426.00
<u>NON-OPERATING INCOME/(EXPENSE)</u>		
Interest Income Total	4,826	13,164
Less: Interest on HUD Advances	25,399	86,915
Total Non-Operating Income	30,225	100,079
<u>TOTAL INCOME/(LOSS)</u>	\$ (711,121)	\$ (2,293,523)
<u>AVAILABLE FUND BALANCE</u> ¹		
Operating Reserves Beginning of Period-Admin	\$ 2,603,964	\$ 2,532,071
Operating Reserves Beginning of the Period-HAP	\$ 11,126,080	\$ 12,780,375
Total Income/(Loss) Admin Fee Reserves	84,697	156,590
Total Income Reserved for HAP	(795,818)	(2,450,113)
Balance in Reserve End of Period	\$ 13,018,923	\$ 13,018,923

¹ Available Admin Fee Fund Balance includes funds from a \$2,900,000 loan from the City to the Housing Authority in 2004. Excluding these funds, the unreserved admin fee operating reserve at 12/31/08 is (\$211,339). There is net loss for the current year in the amount of (\$2,293,523), which includes interest earned on HUD advances not utilized for FY05 - FY09 of \$86,915 plus a reduction of HAP funding in the amount of (\$2,537,028). These funds plus prior year HAP reserves of \$12,780,375 are reserved for future HAP payments and may be subject to recapture. The net HAP restricted fund balance at 12/31/08 is \$10,330,262. It is HUD's policy that the Housing Authority may use the restricted HAP reserves to pay for any excess HAP expenses over and above the amount of HAP subsidy received from HUD and since HUD had over-funded in prior years, they will be under-funding the Housing Authority in this fiscal year so that the HAP reserves can be utilized. The current fiscal year administrative fee net income is \$156,590, which is calculated by subtracting administrative expenses from the total administrative fees earned by HUD.

OPERATIONAL PERFORMANCE FOR PERIOD ENDING DECEMBER 31, 2008

- Leasing Performance

Total Households Authorized	6409
Total Households Served	6165

- Voucher Program

Total Authorized	6261
Total Households Served	6081

- Shelter Plus Care Performance

Total Households Authorized	78
Total Households Served	81

- VASH – Veterans’ Affairs Supportive Housing¹

Total Households Authorized	70
Total Households Served	3

- Portability Program²

Port-In Households Served	0
Port-Out Households Served by Other Jurisdictions	76

- Housing Opportunities for Persons with AIDS (HOPWA)
- Program Leasing Performance

Total Households Served	37
-------------------------	----

1 New collaborative program between HUD & Veterans’ Affairs (VA) Admin effective 5/08. Slow start up because referrals for assistance come thru VA case management. When the program began there weren’t any case managers assigned. One was hired in 8/08 and the second hired 1/09.

2 Incoming “Portabilities” are households moving into the City of Long Beach from another Public Housing Authority and Outgoing Portabilities are households holding City of Long Beach vouchers or certificates who are moving to another city.