



CITY OF LONG BEACH

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DEPARTMENT OF HEALTH AND HUMAN SERVICES

HOUSING AUTHORITY
of the City of Long Beach

521 E. 4TH STREET • LONG BEACH, CALIFORNIA 90802 • (562) 570-6985 • FAX: (562) 499-1052

December 10, 2019

HONORABLE HOUSING AUTHORITY COMMISSION
City of Long Beach
California

RECOMMENDATION:

Receive and file the Housing Authority Financial and Operational Performance Reports for September 2019. (Citywide)

DISCUSSION

The Housing Authority receives funds from the U.S. 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 the Financial and Operational Performance Reports for the Housing Authority for September 2019.

This matter was reviewed by Revenue Management Officer Geraldine Alejo on November 19, 2019.

TIMING CONSIDERATIONS

Action on this matter is not time critical.

FISCAL IMPACT

There is no fiscal or local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

KELLY COLOPY
ASSISTANT EXECUTIVE DIRECTOR

APPROVED:

THOMAS B. MODICA
ACTING EXECUTIVE DIRECTOR

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FINANCIAL PERFORMANCE FOR THE PERIOD ENDING SEPTEMBER 30, 2019

<u>HAP INCOME/(EXPENSE)</u>	September	
	<u>Month</u>	<u>Year-to-Date</u>
Housing Assistance Payments (HAP) Expended	\$ (7,790,077)	\$ (83,067,204)
HAP Due from HUD	7,641,763	81,694,402
HAP Due from Other Housing Authorities	105,523	1,283,626
Net HAP	\$ (42,791)	\$ (89,176)
<u>OPERATING INCOME/(EXPENSE)</u>		
Administrative Fee Income	\$ 696,770	\$ 8,052,167
FSS Coordinator Grant	39,209	289,452
Miscellaneous Revenue	124,628	522,947
Operating Expense	(868,832)	(6,536,437)
Net Operating Income/(Loss)	\$ (8,225)	\$ 2,328,129
<u>NON-OPERATING INCOME/(EXPENSE)</u>		
Interest Income Total	11,056	169,472
Interest on HUD Advances	-	-
Total Non-Operating Income	\$ 11,056	\$ 169,472
<u>TOTAL INCOME</u>	\$ (39,960)	\$ 2,408,425
<u>AVAILABLE FUND BALANCE</u> ¹		
Operating Reserves Beginning of the Period-Admin	\$ 13,644,724	\$ 11,149,954
Operating Reserves Beginning of the Period-HAP	42,791	89,176
Total Income/(Loss) Admin Fee Reserves	2,831	2,497,601
Total Income Reserved for HAP	(42,791)	(89,176)
Balance in Reserve End of Period	\$ 13,647,555	\$ 13,647,555

¹ The unrestricted admin fee operating reserve at 9/30/19 is \$13,647,555. There is net income for the current year in the amount of \$2,408,425, which includes a decrease in HAP funding in the amount of (\$89,176). This decrease in HAP funds plus prior year HAP reserves of \$89,176 are reserved for future HAP payments and may be subject to recapture. The net HAP restricted fund balance at 9/30/19 is \$0, of which (\$900,535) is restricted for the HCV program and \$900,535 is restricted for the VASH program. Even though we track them separately, they are combined as one program under HCV. They have the same CFDA # and are reported to HUD as one program. Therefore, the net HAP restricted fund balance is \$0. 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. In addition, there is \$1,875,277 in excess HUD funding that is available for use by the Housing Authority but is currently being held by HUD in a program reserve. Therefore, there is a total of \$1,875,277 in excess HAP HUD funds available for use in the HAP reserves plus the program reserve. The current fiscal year administrative fee net income is \$2,497,601, which is calculated by subtracting administrative expenses from the total administrative fees earned by HUD.

² Currently, the Housing Authority is experiencing higher HAP costs than the funding provided by HUD. The \$1,875,277 in program reserves held by HUD will be exhausted by October/November 2019. The Housing Authority is working with HUD to fund the projected \$2.8 million shortfall in HAP funding for the remainder of the 2019 calendar year.

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OPERATIONAL PERFORMANCE FOR PERIOD ENDING SEPTEMBER 30, 2019

- Leasing Performance
 - Total Households Authorized.....7,592
 - Total Households Served.....6,783

- Voucher Program
 - Total Authorized.....6,693
 - Total Households Served.....6,121

- Shelter Plus Care Performance
 - Total Households Authorized.....94
 - Total Households Served.....76

- VASH – Veterans’ Affairs Supportive Housing ¹
 - Total Households Authorized.....805
 - Total Households Served.....586

- Portability Program ²
 - Port-In Households Served.....0
 - Port-Out Households Served by Other Jurisdictions.....138

- Housing Opportunities for Persons with AIDS (HOPWA)
Program Leasing Performance
 - Total Households Served.....39

1 Program between HUD & Veterans’ Affairs (VA) Administration effective 5/08. Referrals for assistance come thru VA case management.

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.