



CITY OF LONG BEACH

DEPARTMENT OF HEALTH AND HUMAN SERVICES

2

HOUSING AUTHORITY
of the City of Long Beach

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October 8, 2019

HONORABLE HOUSING AUTHORITY COMMISSION
City of Long Beach
California

RECOMMENDATION:

Receive and file the Housing Authority Financial and Operational Performance Reports for July 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 July 2019.

This matter was reviewed by Revenue Management Officer Geraldine Alejo on September 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
EXECUTIVE DIRECTOR

HONORABLE HOUSING AUTHORITY COMMISSION

October 8, 2019

Page 2

FINANCIAL PERFORMANCE FOR THE PERIOD ENDING JULY 31, 2019

<u>HAP INCOME/(EXPENSE)</u>	July	
	<u>Month</u>	<u>Year-to-Date</u>
Housing Assistance Payments (HAP) Expended ²	\$ (7,345,361)	\$ (67,786,833)
HAP Due from HUD	6,659,310	65,137,670
HAP Due from Other Housing Authorities	97,051	1,081,634
Net HAP	\$ (589,000)	\$ (1,567,529)
 <u>OPERATING INCOME/(EXPENSE)</u>		
Administrative Fee Income	\$ 663,312	\$ 6,677,496
FSS Coordinator Grant	14,364	225,937
Miscellaneous Revenue	46,356	310,167
Operating Expense	(383,924)	(5,180,491)
Net Operating Income/(Loss)	\$ 340,108	\$ 2,033,109
 <u>NON-OPERATING INCOME/(EXPENSE)</u>		
Interest Income Total	11,428	146,150
Interest on HUD Advances	-	-
Total Non-Operating Income	\$ 11,428	\$ 146,150
 <u>TOTAL INCOME</u>	 <u>\$ (237,464)</u>	 <u>\$ 611,730</u>
 <u>AVAILABLE FUND BALANCE</u> ¹		
Operating Reserves Beginning of the Period-Admin	\$ 12,977,677	\$ 11,149,954
Operating Reserves Beginning of the Period-HAP	(889,353)	89,176
Total Income/(Loss) Admin Fee Reserves	351,536	2,179,259
Total Income Reserved for HAP	(589,000)	(1,567,529)
Balance in Reserve End of Period	<u>\$ 11,850,860</u>	<u>\$ 11,850,860</u>

¹ The unrestricted admin fee operating reserve at 7/31/19 is \$13,329,213. There is net income for the current year in the amount of \$611,730, which includes a decrease in HAP funding in the amount of (\$1,567,529). 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 7/31/19 is (\$1,478,352), of which (\$2,591,511) is restricted for the HCV program and \$1,113,159 is restricted for the VASH program. 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 \$6,083,879 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 \$4,605,527 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 \$2,179,259, 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 \$6,083,879 in program reserves held by HUD will be exhausted by October 2019. The Housing Authority is working with HUD to fund the projected \$3.2 million shortfall in HAP funding for the remainder of the 2019 calendar year.

HONORABLE HOUSING AUTHORITY COMMISSION

October 8, 2019

Page 3

OPERATIONAL PERFORMANCE FOR PERIOD ENDING JULY 31, 2019

- Leasing Performance

Total Households Authorized.....7,592

Total Households Served.....6,767

- Voucher Program

Total Authorized.....6,693

Total Households Served.....6,107

- Shelter Plus Care Performance

Total Households Authorized.....94

Total Households Served.....79

- VASH – Veterans' Affairs Supportive Housing ¹

Total Households Authorized.....805

Total Households Served.....581

- 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.....31

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.