



CITY OF LONG BEACH

DEPARTMENT OF HEALTH AND HUMAN SERVICES

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HOUSING AUTHORITY
of the City of Long Beach

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February 11, 2020

HONORABLE HOUSING AUTHORITY COMMISSION
City of Long Beach
California

RECOMMENDATION:

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

This matter was reviewed by Budget Analysis Officer Julissa José-Murray on January 27, 2020.

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 NOVEMBER 30, 2019

<u>HAP INCOME/(EXPENSE)</u>	NOVEMBER	
	<u>Month</u>	<u>Year-to-Date</u>
Housing Assistance Payments (HAP) Expended	\$ (7,827,941)	\$ (15,509,694)
HAP Due from HUD	7,403,129	14,435,173
HAP Due from Other Housing Authorities	119,568	219,901
Net HAP	\$ (305,244)	\$ (854,620)
<u>OPERATING INCOME/(EXPENSE)</u>		
Administrative Fee Income	\$ 698,111	\$ 1,345,932
FSS Coordinator Grant	20,457	44,946
Miscellaneous Revenue	9,285	15,246
Operating Expense	(618,114)	(767,677)
Net Operating Income/(Loss)	\$ 109,739	\$ 638,447
<u>NON-OPERATING INCOME/(EXPENSE)</u>		
Interest Income Total	9,476	20,145
Interest on HUD Advances	-	-
Total Non-Operating Income	\$ 9,476	\$ 20,145
<u>TOTAL INCOME</u>	\$ (186,029)	\$ (196,028)
<u>AVAILABLE FUND BALANCE</u>¹		
Operating Reserves Beginning of the Period-Admin	\$ 14,186,932	\$ 13,647,555
Operating Reserves Beginning of the Period-HAP	(549,376)	-
Total Income/(Loss) Admin Fee Reserves	119,215	658,592
Total Income Reserved for HAP	(305,244)	(854,620)
Balance in Reserve End of Period	\$ 13,451,527	\$ 13,451,527

1 The unrestricted admin fee operating reserve at 11/30/19 is \$14,306,147. There is net loss for the current year in the amount of (\$196,028), which includes a decrease in HAP funding in the amount of (\$854,620). The net HAP restricted fund balance at 11/30/19 is (\$854,620), and is comprised of (\$1,524,184) that is restricted for the HCV program and \$669,564 that is restricted for the VASH program. Even though the amounts are tracked separately, they are combined together 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 (\$854,620). 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 (\$242,704) in deficit HUD funding that is now unavailable for use by the Housing Authority and is currently being held by HUD in a program reserve. As a result, the total in deficit HAP HUD funds available for use in the HAP reserves plus the program reserve is (\$1,097,324). The current fiscal year administrative fee net income is \$658,592, which is calculated by subtracting administrative expenses from the total administrative fees earned by HUD.

Note: Currently, the Housing Authority is experiencing higher HAP costs than the funding provided by HUD. The (\$242,704) in program reserves held by HUD will be exhausted as of 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 and has been awarded the \$2.8 million to cover the deficit of (\$1,097,324) as of 11/30/19 with a remaining \$1.7 million to fund the deficit for 12/31/19.

HONORABLE HOUSING AUTHORITY COMMISSION

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OPERATIONAL PERFORMANCE FOR PERIOD ENDING NOVEMBER 30, 2019

- Leasing Performance
 - Total Households Authorized.....7,592
 - Total Households Served.....6,781
- Voucher Program
 - Total Authorized.....6,693
 - Total Households Served.....6,111
- Shelter Plus Care Performance
 - Total Households Authorized.....94
 - Total Households Served.....68
- VASH – Veterans' Affairs Supportive Housing ¹
 - Total Households Authorized.....805
 - Total Households Served.....602
- Portability Program ²
 - Port-In Households Served.....7
 - Port-Out Households Served by Other Jurisdictions.....131
- Housing Opportunities for Persons with AIDS (HOPWA)
Program Leasing Performance
 - Total Households Served.....49

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- 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.