



August 11, 2020

HONORABLE HOUSING AUTHORITY COMMISSION
City of Long Beach
California

RECOMMENDATION:

Receive and file the Housing Authority Financial and Operational Performance Reports for May 2020. (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 May 2020.

This matter was reviewed by Revenue Management Officer Geraldine Alejo on July 24, 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
EXECUTIVE DIRECTOR

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FINANCIAL PERFORMANCE FOR THE PERIOD ENDING MAY 31, 2020

<u>HAP INCOME/(EXPENSE)</u>	MAY	
	<u>Month</u>	<u>Year-to-Date</u>
Housing Assistance Payments (HAP) Expended	\$ (8,161,553)	\$ (63,582,325)
HAP Due from HUD	7,476,084	60,304,788
HAP Due from Other Housing Authorities	317,845	1,756,602
Net HAP	\$ (367,624)	\$ (1,520,935)
<u>OPERATING INCOME/(EXPENSE)</u>		
Administrative Fee Income	\$ 729,504	\$ 5,750,401
FSS Coordinator Grant	29,699	161,824
Miscellaneous Revenue	13,743	184,517
Operating Expense	(640,900)	(3,768,334)
Net Operating Income/(Loss)	\$ 132,046	\$ 2,328,408
<u>NON-OPERATING INCOME/(EXPENSE)</u>		
Interest Income Total	14,392	103,059
Interest on HUD Advances	-	-
Total Non-Operating Income	\$ 14,392	\$ 103,059
<u>TOTAL INCOME</u>	\$ (221,186)	\$ 910,532
<u>AVAILABLE FUND BALANCE</u> ¹		
Operating Reserves Beginning of the Period-Admin	\$ 15,932,584	\$ 13,647,555
Operating Reserves Beginning of the Period-HAP	(1,153,311)	-
Total Income/(Loss) Admin Fee Reserves	146,438	2,431,467
Total Income Reserved for HAP	(367,624)	(1,520,935)
Balance in Reserve End of Period	\$ 14,558,087	\$ 14,558,087

¹ The unrestricted admin fee operating reserve at 5/31/20 is \$16,079,022. There is net income for the current year in the amount of \$910,532, which is comprised of a decrease in HAP funding of (\$1,520,935) and administrative fee net income of \$2,431,467. Administrative fee net income is calculated by subtracting administrative expenses from the total administrative fees earned by HUD. The net HAP restricted fund balance at 5/31/20 is (\$1,520,935). 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. Since the Housing Authority has a deficit in HAP reserves, a request of funds can be made to HUD to cover the difference from the program reserve. The program reserve balance is \$1,148,211. These are funds that belong to the Housing Authority, but are held by HUD. The total HAP HUD funds currently available for use is (\$372,724) which is the total of the restricted fund balance and program reserve. See note below for information relating to this decrease in HAP funds and HUD covering the deficit with short-fall funding.

Note: Currently, the Housing Authority is experiencing higher HAP costs than the funding provided by HUD. The CY 2020 renewal funding is based off CY 2019 HAP expenses, so there may be a gap between the funding available and the HAP expenses incurred since the Housing Authority is still able to lease the project-based and VASH vouchers. We are working with the shortfall prevention team at HUD to fund any deficits.

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OPERATIONAL PERFORMANCE FOR PERIOD ENDING MAY 31, 2020

- Leasing Performance

Total Households Authorized 7,637

Total Households Served..... 6,809

- Voucher Program

Total Authorized 6,713

Total Households Served..... 6,112

- Shelter Plus Care Performance

Total Households Authorized 94

Total Households Served..... 77

- VASH – Veterans’ Affairs Supportive Housing ¹

Total Households Authorized 830

Total Households Served..... 620

- Portability Program ²

Port-In Households Served 113

Port-Out Households Served by Other Jurisdictions..... 123

- Housing Opportunities for Persons with AIDS (HOPWA)

- Program Leasing Performance

Total Households Served 50

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.