



Staff Report

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Version: 1

Date: 9/12/2016
Item #: 3.2a.

TO: Chair and Housing Authority Commissioners

THROUGH: Steve Powers, Executive Director

FROM: Andrew Wilch, Housing Administrator

SUBJECT:

Adoption of FY 2016-17 operating budgets and HUD certification

Ward(s): All Wards

Commissioners(s): All Commissioners

Neighborhood(s): All Neighborhoods

ISSUE:

Shall the Authority adopt Resolution No. 2196 adopting the Salem Housing Authority's (SHA) FY 2016-17 consolidated operating budget and authorize the Commission Chair to execute the U.S. Housing and Urban Development (HUD) Public Housing Budget Certification?

RECOMMENDATION:

Staff recommends the Housing Authority Commission adopt Resolution No. 2196 adopting the SHA's consolidated operating budgets for fiscal year 2016-17 and authorize the Commission Chair to execute the U.S. Department of Housing and Urban Development (HUD) Public Housing Budget Certification

SUMMARY AND BACKGROUND:

SHA's next fiscal year begins October 1, 2016. The Authority prepares operating budgets each year for review by the Housing Advisory Committee (HAC) in August. The Housing Authority Board of Commissioners is asked to adopt the budgets in September. SHA is due to submit signed certifications pertaining to the Public Housing budget to HUD by September 30.

The HAC hosted a comprehensive review of the FY 2016-17 budgets on August 22, 2016. The HAC recommended adoption of the proposed budgets as submitted by staff.

SHA has prepared and attached the consolidated FY 2016-17 operating budgets for its Central Office, Owned Housing, HUD Housing Programs and Grant programs. This package includes all

programs and properties operated by SHA with the exception of seven properties managed by the Authority for non-profit corporations or partnerships that independently approve their operating budgets.

The proposed budgets are balanced and reflect funding projections based upon information provided by HUD, affordable housing industry sources and rate forecasts of suppliers of goods and services.

This budget provides the resources for the Authority to provide affordable rental housing to an estimated 3,745 low-income households and security deposits to landlords on behalf of an estimated 100 households.

The Capital Fund Program continues to permit the Authority to upgrade its Public Housing units and to make management improvements that contribute to the overall efficiency of the Authority's operations.

The Family Self Sufficiency Program continues to support families in their quest to become independent of governmental assistance. Grant writing success in Fiscal Year 2016 secured approximately \$481,043 in additional public and private funds to support the agency mission. Aggressive pursuit of additional grant funds is a priority.

FACTS AND FINDINGS:

The following summarizes the proposed consolidated budget:

PROPOSED FY 2016-17 OPERATING BUDGETS:

Central Office	\$1,291,901
Owned Housing	\$620,760
HUD Housing	\$21,731,145
<u>Grants</u>	<u>\$1,521,297</u>
Total	\$25,165,103

Information included in the attached budget packet is presented as follows:

Budget Message: Describes major issues facing the Authority and how the proposed budget addresses them. Also defines budget terms as they appear on the budget summary.

Organizational Chart: Displays the Authority's current organizational structure.

Consolidated Budget: Presents a consolidated financial summary for all programs, followed by expenditure detail by line item.

Program Budgets: Provides a narrative description and the budget detail for the Central Office Budget, Owned Housing, HUD Housing Programs and Grant budgets.

Consolidated Grant Budgets: Provides a narrative description and budget detail for capital improvement and family stabilization grant programs.

Managed Properties: Provides a narrative description of four properties managed by the Authority. The individual budgets are approved by the respective property owners.

Andrew Wilch
Housing Administrator

Attachments:

1. Exhibit 1 - FY 2016-17 Consolidated Budget
2. Exhibit 2 - HUD Form 53574
3. Exhibit 3 - Resolution No. 2196

09/12/2016