

HACSA 4a

H A C S A M E M O R A N D U M

TO: HACSA Board of Commissioners

FROM: Larry Abel, Deputy Director
Chris Todis, Executive Director

AGENDA ITEM TITLE: ORDER/In the Matter of Adopting the 2005/2006
Budget and Making Appropriations

AGENDA DATE: September 27, 2005

I. MOTION

IT IS MOVED THAT THE ORDER BE APPROVED WHICH ADOPTS THE 2005/2006
AGENCY BUDGET AND MAKES APPROPRIATIONS.

II. ISSUE

It is necessary for the Board to adopt the Agency FY2006 budget
prior to October 1, 2005.

III. DISCUSSION

A. Background

This Order approves the Agency's budget for the
fiscal year beginning October 1, 2005.

B. Analysis

Attached is the Executive Director's memorandum
transmitting the proposed HACSA budget for FY2006
and the budget documents.

C. Alternatives/Options

The Board can either approve the proposed budget
Motion as recommended or make changes before
adopting the budget.

D. Recommendation

Approval of the proposed Motion is recommended.

E. Timing

Upon Board approval, the proposed budget will become effective on October 1, 2005.

IV. IMPLEMENTATION/FOLLOW-UP

Same as Item III. E.

V. ATTACHMENTS

Memorandum
Budget

IN THE BOARD OF COMMISSIONERS OF THE
HOUSING AND COMMUNITY SERVICES AGENCY
OF LANE COUNTY, OREGON

ORDER NO.) IN THE MATTER OF ADOPTING THE
) 2005/2006 BUDGET AND
) MAKING APPROPRIATIONS

WHEREAS, it is necessary for the Board to adopt a 2005/2006 fiscal year budget for the Housing And Community Services Agency of Lane County, Oregon; and

WHEREAS, the HACSA Executive Director has recommended approval of the proposed HACSA budget for the 2005/2006 fiscal year; and

WHEREAS, the Board having fully considered the Executive Director's recommendation, NOW, THEREFORE, IT IS HEREBY

ORDERED, that the 2005/2006 fiscal year budget for the Housing And Community Services Agency of Lane County, Oregon, as set forth below, is hereby adopted; and

FURTHER ORDERED, that the amounts for the fiscal year beginning October 1, 2005, and for the purposes shown below, are hereby appropriated:

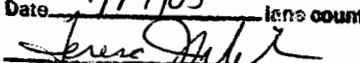
GENERAL FUND

Community Services Division	\$ 2,721,000
Housing Division	5,715,000
Section 8 Division	<u>15,847,000</u>
Total	<u>\$24,283,000</u>

ADOPTED, by the Housing And Community Services Agency of Lane County, Oregon, this 27th day of September, 2005.

Chairperson, HACSA Board of Commissioners

IN THE MATTER OF ADOPTING THE 2005/2006 BUDGET AND MAKING APPROPRIATIONS

APPROVED AS TO FORM
Date 9/19/05 Lane County

OFFICE OF LEGAL COUNSEL

H A C S A M E M O R A N D U M

TO: HACSA Board of Commissioners

FROM: Chris Todis, Executive Director
Larry Abel, Deputy Director

SUBJECT: Transmittal of Proposed HACSA Budget for FY2006

DATE: September 13, 2005

HACSA's FY2006 budget is attached for your review and approval. It has been prepared in accordance with guidelines established by federal granting agencies, most particularly the Federal Department of Housing and Urban Development (HUD). All program budgets are balanced. Program summaries are shown for these divisions: Community Services, Housing, and Section 8.

This budget totals \$24,283,000, a net decrease of \$2,603,000 from the FY05 budget. Net changes are itemized as follows:

1. Community Services. Net decrease of \$2,055,000 due primarily to the inclusion of the Norsemen Village Apartments acquisition in the FY05 budget.
2. Housing. Net decrease of \$289,000 due primarily to decreased funding of capital improvements and a decrease of 4.38 full-time equivalent positions.
3. Section 8. Net decrease of \$259,000 due primarily to a projected decrease in rental subsidies for the Section 8 Housing Choice Voucher Program.

Federal funding accounts for approximately 86% of HACSA's revenues. HUD funding alone comprises 81.5%. Decreases in HUD administrative funding during the last two years have resulted in a 10% reduction of full-time equivalent positions (9 FTE's). Resident services programs have been reduced in our housing division and funding for capital improvements has been cut back. Decreases in HUD funding of rental subsidies has caused a reduction (by attrition) of 26 families that we are serving in the Section 8 Program. There are about 7,000 families on our Section 8 waiting list. To house them all will take about 3 ½ years. We will temporarily close the waiting list next month.

The House approved the FY2006 HUD Appropriations Bill before their July recess. The Senate was scheduled to take up their version of the bill during the third week in September. Now everything is delayed until issues surrounding Hurricane Katrina are dealt with and a new Supreme Court Chief Justice is in place. A continuing resolution is a certainty. The attached budget projects the funding that we are scheduled to receive from October to December through the end of our fiscal year (September 30, 2006).

HOUSING AND COMMUNITY SERVICES AGENCY OF LANE COUNTY, OREGON

COMPARATIVE SUMMARY OF RESOURCES AND EXPENDITURES

	<u>2002-03</u> <u>ACTUAL</u>	<u>2003-04</u> <u>ACTUAL</u>	<u>2004-05</u> <u>BUDGET</u>	<u>2005-06</u> <u>PROPOSED</u>
RESOURCES				
Fund Balance	(\$ 272,749)	\$ 381,331	\$ 100,000	
Loans			2,564,000	
Revenues:				
Federal grants	21,394,317	21,144,301	20,928,130	\$20,932,605
Rent	2,339,831	2,286,456	2,405,320	2,473,410
Interest	243,186	143,702	95,500	121,600
Other	593,471	1,833,310	793,050	755,385
	<u>\$24,298,056</u>	<u>\$25,789,100</u>	<u>\$26,886,000</u>	<u>\$24,283,000</u>
EXPENDITURES				
Personal Services	\$ 5,128,418	\$ 5,291,329	\$ 5,314,151	\$ 5,297,852
Materials and Services	17,120,995	17,305,747	17,464,837	17,465,323
Capital Outlay	1,478,442	1,772,274	3,498,362	841,185
Debt Service	570,201	1,419,750	608,650	678,640
	<u>\$24,298,056</u>	<u>\$25,789,100</u>	<u>\$26,886,000</u>	<u>\$24,283,000</u>
PROGRAM EXPENDITURES				
Community Services	\$ 2,909,608	\$ 3,190,256	\$ 4,776,000	\$ 2,721,000
Housing	5,866,621	6,579,870	6,004,000	5,715,000
Section 8	15,521,827	16,018,974	16,106,000	15,847,000
	<u>\$24,298,056</u>	<u>\$25,789,100</u>	<u>\$26,886,000</u>	<u>\$24,283,000</u>
FULL-TIME EQUIVALENT POSITIONS				
	<u>89.50</u>	<u>90.00</u>	<u>84.15</u>	<u>81.00</u>

PROGRAM SUMMARY

COMMUNITY SERVICES

STATEMENT OF PURPOSE

The Community Services Division is comprised of all Agency programs, other than HUD-assisted housing programs. The Low-income Weatherization Program helps qualified Lane County homeowners and renters conserve energy and save money by providing comprehensive conservation services at no cost to the household. Cost effective measures are installed by private contractors and paid for with public and private funds from federal grants and participating electric and natural gas utilities. The Development Program works with the Lane County Intergovernmental Housing Policy Board to create permanent, affordable low-income housing in Lane County.

FISCAL YEAR 2005-2006 OBJECTIVES

1. Provide cost effective weatherization services to 400 households.
2. Maintain strong program partnerships with local utilities and service organizations.
3. Pursue funding options for solar water heating project with EWEB for low-income weatherization program.
4. Conduct energy audits on all Agency owned housing units.
5. Initiate development of New Winds Apartments, an 18-unit apartment complex in Florence for adults with severe, persistent mental illness.
6. Initiate rehabilitation program at the Norsemen Apartments, a 44-unit apartment complex in Junction City for seniors and people with disabilities.
7. Carry out the development of the 27-unit Turtle Creek affordable housing project for families in Eugene.

PROGRAM SUMMARY (continued)

COMMUNITY SERVICES

	<u>2002-03</u> <u>ACTUAL</u>	<u>2003-04</u> <u>ACTUAL</u>	<u>2004-05</u> <u>BUDGET</u>	<u>2005-06</u> <u>PROPOSED</u>
EXPENDITURES				
Personal Services	\$ 906,430	\$ 922,319	\$ 877,537	\$ 844,617
Materials and Services	1,594,861	1,261,716	1,364,663	1,609,393
Capital Outlay	239,461	15,006	2,364,000	
Debt Service	168,856	991,215	169,800	266,990
	<u>\$2,909,608</u>	<u>\$3,190,256</u>	<u>\$4,776,000</u>	<u>\$2,721,000</u>
FULL-TIME EQUIVALENT				
POSITIONS	<u>13.50</u>	<u>13.75</u>	<u>12.52</u>	<u>13.55</u>

PROGRAM SUMMARY

HOUSING

STATEMENT OF PURPOSE

The Housing Division provides for the coordinated management and maintenance of 955 Agency-owned low-income housing units.

FISCAL YEAR 2005-2006 OBJECTIVES

1. Provide opportunities that will positively affect residents' quality of life and their involvement in Division activities, by continuing the use of newsletters, resident handbooks, notices, meetings and trainings. Also provide a multitude of services to residents, including leadership skills development, community organizing, access to computers and the internet, resident groups at individual housing developments, feedback from elected Resident Representatives at the Tenant Advisory Group (TAG) meetings, use of an Agency "Hot Line," and the services of an Agency Ombudsman.
2. Continue to protect the Division's assets, through a concerted effort to maintain and upgrade Agency-owned housing units on a regular basis. Begin transition to project based accounting and budgeting.
3. Integrate the Agency's allocation of capital funds into all aspects of the Division's operations, including occupancy, management, and maintenance.
4. Maintain our "high achiever" Public Housing Assessment System (PHAS) ratings by training staff to understand and implement recent changes in the PHAS rules.
5. Continue resident requested and planned physical improvements to Agency-owned housing units, required under Section 504 of the Rehabilitation Act of 1973, as amended, and the Americans with Disabilities Act (ADA).
6. Family Self-Sufficiency Program: Continue to provide ongoing case management services and referrals to appropriate community services for enrolled families, under their Training and Services Plans (TSPs). Continue outreach efforts to Public Housing residents to encourage enrollment and growth toward self-sufficiency.
7. Continue providing safe and decent housing with extensive applicant screening, review of daily police calls for service and maintaining a zero tolerance for drug activity.

PROGRAM SUMMARY (continued)

HOUSING

	<u>2002-03 ACTUAL</u>	<u>2003-04 ACTUAL</u>	<u>2004-05 BUDGET</u>	<u>2005-06 PROPOSED</u>
EXPENDITURES				
Personal Services	\$2,520,827	\$2,625,896	\$2,822,199	\$2,752,638
Materials and Services	1,720,168	1,797,046	1,708,589	1,731,627
Capital Outlay	1,224,281	1,728,394	1,056,362	841,185
Debt Service	401,345	428,534	416,850	389,550
	<u>\$5,866,621</u>	<u>\$6,579,870</u>	<u>\$6,004,000</u>	<u>\$5,715,000</u>
FULL-TIME EQUIVALENT POSITIONS				
	<u>46.50</u>	<u>46.25</u>	<u>44.93</u>	<u>40.55</u>

PROGRAM SUMMARY

Section 8

STATEMENT OF PURPOSE

Currently, there are three programs in the Section 8 Division:

1. **Housing Choice Voucher:** This is the largest program in the division with 2639 families participating. Section 8 applicants who are at the top of the waiting list receive a voucher which is a rent subsidy grant based on their family size and income levels. This grant subsidy is paid directly to a participating landlord in the private rental market. While providing decent and safe housing for low income families, the rental subsidy will funnel approximately 13.5 million federal dollars to Lane County during the next fiscal year.
2. **Home Ownership:** In the home ownership program the subsidy payment is paid directly to the bank to subsidize the mortgage payment. The Home Ownership program is designed to increase the housing options for participants who have been on the program for at least one year and are otherwise eligible.
3. **Family Self-Sufficiency (FSS).** In the Family Self-Sufficiency Program, participants receive a package of supportive services, tailored to the individual family's need. The services are provided to assist the family in meeting it's long term (up to 5 years) self-sufficiency goals. The goal of the program is to help families become self-sufficient of Temporary Assistance for Needy Families (TANF) and other government-sponsored programs.

OVERALL SECTION 8 GOALS FOR 2005-2006

1. With continued increases in area rents and reduction in funding, the Section 8 Division will strive to maximize limited resources to maintain approximately a 100% lease rate.
2. Close the Section 8 waiting list for approximately one year. This will cut administrative expenses and bring a sense of reality back to an overly long list.
3. Increase the number of participants in the home ownership program through education, counseling and partnership with local housing providers and lenders.
4. Continue to maintain positive working relationships with area property managers/owners to achieve a wide choice of housing opportunities for our low income, elderly and disabled clients.
5. Emphasize self-sufficiency for clients and families, facilitating access to education, employment and services to assist them in reaching their self-sufficiency goals.
6. Continue to educate staff, landlords and other service providers regarding the laws and regulations pertaining to reasonable accommodation for disabled individuals.
7. Provide outreach and accessibility to all housing programs to members of the community.

PROGRAM SUMMARY (continued)

SECTION 8

	<u>2002-03</u> <u>ACTUAL</u>	<u>2003-04</u> <u>ACTUAL</u>	<u>2004-05</u> <u>BUDGET</u>	<u>2005-06</u> <u>PROPOSED</u>
EXPENDITURES				
Personal Services	\$ 1,701,161	\$ 1,743,114	\$ 1,614,415	\$ 1,700,597
Materials and Services	13,805,966	14,246,986	14,391,585	14,124,303
Capital Outlay	14,700	28,874	78,000	
Debt Service			22,000	22,100
	<u>\$15,521,827</u>	<u>\$16,018,974</u>	<u>\$16,106,000</u>	<u>\$15,847,000</u>
FULL-TIME EQUIVALENT				
POSITIONS	<u>29.50</u>	<u>30.00</u>	<u>26.70</u>	<u>26.90</u>