

HACSA W.3.b

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 2006/2007
Budget and Making Appropriations

AGENDA DATE: September 27, 2006

I. MOTION

IT IS MOVED THAT THE ORDER BE APPROVED WHICH ADOPTS THE 2006/2007
AGENCY BUDGET AND MAKES APPROPRIATIONS.

II. ISSUE

It is necessary for the Board to adopt the Agency FY 2007 budget
prior to October 1, 2006.

III. DISCUSSION

A. Background

This Order approves the Agency's budget for the
fiscal year beginning October 1, 2006.

B. Analysis

Attached is the Executive Director's memorandum
transmitting the proposed HACSA budget for FY 2007
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, 2006.

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
) 2006/2007 BUDGET AND
) MAKING APPROPRIATIONS

WHEREAS, it is necessary for the Board to adopt a 2006/2007 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 2006/2007 fiscal year; and

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

ORDERED, that the 2006/2007 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, 2006, and for the purposes shown below, are hereby appropriated:

GENERAL FUND

Community Services Division	\$ 2,676,000
Housing Division	5,731,000
Section 8 Division	<u>15,885,000</u>
Total	<u>\$24,292,000</u>

ADOPTED, by the Housing And Community Services Agency of Lane County, Oregon, this 27th day of September, 2006.

Chairperson, HACSA Board of Commissioners

IN THE MATTER OF ADOPTING THE 2006/2007 BUDGET AND MAKING APPROPRIATIONS

APPROVED AS TO FORM
Date 9/25/06 Lane County
Jerisa Dyer
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 FY 2007

DATE: September 21, 2006

HACSA's FY 2007 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 \$24,292,000, a net increase of \$9,000 from the FY 2006 budget.

Federal funding accounts for approximately 85% of HACSA's revenues. HUD funding alone comprises 81%. Decreases in HUD administrative funding during the last three years have resulted in a 11.4% reduction of full-time equivalent positions (10.25 FTEs). Resident services programs have all but been eliminated and funding for public housing has been significantly cut.

The House and Senate Appropriations Committees have both approved versions of the FY 2007 HUD funding bill. A continuing resolution is a certainty and there is widespread speculation that the HUD bill will get caught up in a large multi-bill (omnibus) appropriations package sometime after the November 7th elections. In the meantime House/Senate conference negotiations are taking place. The Senate bill generally provides more funding and makes several programmatic improvements to the House bill.

The HACSA proposed budget has been conservatively prepared based on the information that we currently have. We will keep you apprised of future developments that result in significant changes.

HOUSING AND COMMUNITY SERVICES AGENCY OF LANE COUNTY, OREGON

COMPARATIVE SUMMARY OF RESOURCES AND EXPENDITURES

	<u>2003-04</u> <u>ACTUAL</u>	<u>2004-05</u> <u>ACTUAL</u>	<u>2005-06</u> <u>BUDGET</u>	<u>2006-07</u> <u>PROPOSED</u>
RESOURCES				
Fund Balance	\$ 381,331	\$ 179,361		
Loans				
Revenues:				
Federal grants	21,144,301	20,562,030	\$20,932,605	\$20,680,900
Rent	2,286,456	2,394,372	2,473,410	2,561,900
Interest	143,702	219,141	121,600	150,600
Other	1,833,310	826,244	755,385	898,600
	<u>\$25,789,100</u>	<u>\$24,181,148</u>	<u>\$24,283,000</u>	<u>\$24,292,000</u>
EXPENDITURES				
Personal Services	\$ 5,291,329	\$ 5,214,941	\$ 5,297,852	\$ 5,205,824
Materials and Services	17,305,747	17,283,530	17,465,323	17,491,343
Capital Outlay	1,772,274	1,187,884	841,185	881,992
Debt Service	1,419,750	594,793	678,640	712,841
	<u>\$25,789,100</u>	<u>\$24,281,148</u>	<u>\$24,283,000</u>	<u>\$24,292,000</u>
PROGRAM EXPENDITURES				
Community Services	\$ 3,190,256	\$ 2,576,187	\$ 2,721,000	\$ 2,676,000
Housing	6,579,870	6,040,416	5,715,000	5,731,000
Section 8	16,018,974	15,664,545	15,847,000	15,885,000
	<u>\$25,789,100</u>	<u>\$24,281,148</u>	<u>\$24,283,000</u>	<u>\$24,292,000</u>
FULL-TIME EQUIVALENT POSITIONS				
	<u>90.00</u>	<u>86.00</u>	<u>81.00</u>	<u>79.75</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 2006-2007 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>2003-04</u> <u>ACTUAL</u>	<u>2004-05</u> <u>ACTUAL</u>	<u>2005-06</u> <u>BUDGET</u>	<u>2006-07</u> <u>PROPOSED</u>
EXPENDITURES				
Personal Services	\$ 922,319	\$ 960,548	\$ 844,617	\$ 952,424
Materials and Services	1,261,716	1,441,197	1,609,393	1,456,576
Capital Outlay	15,006	19,363		
Debt Service	991,215	155,080	266,990	267,000
	<u>\$3,190,256</u>	<u>\$2,576,188</u>	<u>\$2,721,000</u>	<u>\$2,676,000</u>
FULL-TIME EQUIVALENT				
POSITIONS	<u>13.75</u>	<u>13.25</u>	<u>12.14</u>	<u>12.81</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 2006-2007 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, as funding allows.
2. Continue to protect the Division's assets, through a concerted effort to maintain and upgrade Agency-owned housing units on a regular basis. Implement 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, as regulations allow.
4. Maintain our "high achiever" Public Housing Assessment System (PHAS) ratings.
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>2003-04</u> <u>ACTUAL</u>	<u>2004-05</u> <u>ACTUAL</u>	<u>2005-06</u> <u>BUDGET</u>	<u>2005-06</u> <u>PROPOSED</u>
EXPENDITURES				
Personal Services	\$2,625,896	\$2,647,090	\$2,752,638	\$2,595,796
Materials and Services	1,797,046	1,841,017	1,731,627	1,807,371
Capital Outlay	1,728,394	1,134,756	841,185	881,992
Debt Service	428,534	417,553	389,550	445,841
	<u>\$6,579,870</u>	<u>\$6,040,416</u>	<u>\$5,715,000</u>	<u>\$5,731,000</u>
FULL-TIME EQUIVALENT				
POSITIONS	<u>46.25</u>	<u>42.75</u>	<u>41.96</u>	<u>40.96</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 on the private rental market. While providing decent and safe housing for low income families, the rental subsidy will funnel approximately 14 million federal dollars in Lane County during the next fiscal year.
2. Home Ownership: In the home ownership program the subsidy is paid directly to the bank to subsidize the mortgage payment. With Home Ownership we will increase the housing options for participants who have been on the program for a least one year and are in good standing.
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 this program is to help families become self-sufficient of TANF and other government-sponsored programs.

FISCAL YEAR 2006-2007 OBJECTIVE

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 which augments low income housing resources in the community.
2. The Section 8 waiting list will remain closed until there is a significant reduction in the waiting time for applicants.
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>2003-04</u> <u>ACTUAL</u>	<u>2004-05</u> <u>ACTUAL</u>	<u>2005-06</u> <u>BUDGET</u>	<u>2006-07</u> <u>PROPOSED</u>
EXPENDITURES				
Personal Services	\$ 1,743,114	\$ 1,607,304	\$ 1,700,597	\$ 1,657,604
Materials and Services	14,246,986	14,001,336	14,124,303	14,227,396
Capital Outlay	28,874	33,765		
Debt Service		22,140	22,100	
	<u>\$16,018,974</u>	<u>\$15,664,545</u>	<u>\$15,847,000</u>	<u>\$15,885,000</u>
FULL-TIME EQUIVALENT				
POSITIONS	<u>30.00</u>	<u>30.00</u>	<u>26.90</u>	<u>25.98</u>