



2022 - 2023 Consolidated Budget



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DEFINITIONS

CY – Calendar Year

DV or DV 5yr – (Mainstream vouchers) Disabled persons vouchers, part of the SC8 voucher program.

FTE – Full time equivalent

FUP – Family Unification Program, a type of voucher and part of the SC8 program.

FY – Fiscal Year

HAP – Housing Assistance Payments

HCV – Housing Choice Vouchers

HRAP – Homeless Rental Assistance Program, program funded by Oregon Health Authority.

HUD – Housing and Urban Development

NRP – Net Restricted Position. These are unspent HAP funds at fiscal year-end plus any residual funds from previous years and can only be used for payments to landlords with SC8 contracts.

PH – Public Housing

RAD – Rental Assistance Demonstration. A Public Housing conversion program to take Public Housing properties and convert them to Section 8 rental support through HUD.

RSC – Resident Service Coordinator

SC8 – Section 8 program

SHORT FUNDING – This means that HUD is giving agencies less funding than is required to run the program due to Congressional appropriations or to force use of program reserves.

SRO – Single Room Occupancy, a type of Moderate Rehabilitation program for private sector property owners.

TC- Tax Credit, also LIHTC- Low-Income Housing Tax Credit, subsidizes the acquisition, construction, and rehabilitation of affordable rental housing for low- and moderate-income tenants.

UNP – Unrestricted Net Position. This is the administrative fee reserve for the voucher program. These funds are restricted to use to support the voucher program.

VASH – Veteran’s Assistance and Supportive Housing, a type of voucher.

VIDA – Valley Individual Development Accounts. A fund matching grant program run by CASA of Oregon.

VOU – Voucher program. Consists of HCV, VASH, DV, FUP and other voucher programs.

VRAP – Veterans Rental Assistance Program

BUDGET MESSAGE

For the fiscal year beginning October 1, 2022

Mission

To assist low and moderate-income families achieve self-sufficiency by providing stable housing, economic opportunity and community investment through coordination with social service providers.

The proposed consolidated operating budget provides for the continuation of a financially sound operation amid many funding uncertainties and this current year has created more uncertainties than any other previous. Specific information about the funding uncertainties is provided in this section.

Content of the Consolidated Budget

This package contains annual budgets for the following properties and programs:

- **Central Office (Federal/Affordable)**
The Central Office was split into Federal vs Non-Federal funding and expenditures beginning fiscal year 2014/2015 to meet HUD's definition of a Central Office segregated to federal funds only. Federal revenues are management fees earned from the Public Housing properties managed and the Housing Choice Voucher (Section 8) and Moderate Rehabilitation programs to pay for centralized administrative functions. Affordable (Non-Federal) revenues include development and management fees paid by other programs, grants and properties to pay for expenses related to managing these non-federal programs.
- **SHA-Owned Housing**
A total of 151 units at Englewood West, Southview Terrace and Redwood Crossings. Redwood Crossings works with clients for Permanent Supportive Housing.
- **Public Housing**
137 units of Public Housing owned by HUD/Salem Housing Authority (SHA). Comprised of 2 Apartment/townhome complexes, 79 units of scattered site housing and a lot.
- **Housing Choice Vouchers (Section 8)**
Rent subsidies paid to private landlords on behalf of over 3,000 households. Major programs include Emergency Housing Vouchers (EHV), Mainstream (DV) vouchers, Family Unification Program vouchers (FUP), Non-Elderly Disabled (NED) vouchers and Veteran's Assistance Vouchers (VASH).

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- **Section 8 Moderate Rehabilitation**

Rent subsidies paid to owners of the Coral Avenue Single Room Occupants (SRO) apartments for 26 households.

- **Grant Programs**

Capital Fund Program (CFP), Resident Self Sufficiency (FSS), Veteran's Rental Assistance Program (VRAP), Homeless Rental Assistance Program (HRAP) & other special purpose grants that support the mission and advancement of the Housing Authority and enhancing our programs and projects.

This budget package does **NOT** contain annual operating budgets for properties owned by Low Income Housing Tax Credit (LIHTC) limited partnerships (Salem Housing Preservation 4%, Salem Housing Preservation 9%, Parkway East, Parkway West, Yaquina Southfair or Robert Lindsey Tower) and properties that SHA manages for Teton and Chemeketa Non-Profit corporations (Englewood East and the Hawthorne House, respectively) or the Doral House (owned by the City of Salem). The fees that SHA earns, and the administrative expenses incurred for managing these properties are represented in the Central Office-Affordable budget. See Budget Timelines section for details.

Housing Authority Budget Fundamentals

- The proposed budgets are balanced and reflect funding projections based upon information provided by HUD, affordable housing industry sources and rate forecasts.
- This budget provides the resources for the Authority to provide affordable rental housing to an estimated 3,800 low-income households. It allows the Authority assist the community with housing supply and placement.
- The Capital Fund Program funded by HUD continues to permit the Authority to upgrade its remaining Public Housing units and to make management improvements that contribute to the overall efficiency of the Authority's operations.
- Within this budget is an advancement of the agency in growth of staff and bandwidth that has been much needed over the past few years. Granted funds received in the previous year allow the Housing Authority to re-organize the agency, putting it in the best possible position for future growth and program expansion opportunities.

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Program Funding Cycles

The Authority's fiscal year begins October 1st and ends September 30th. The operating periods of the various grant programs varies based on the date the grant was awarded. To the extent possible, the Consolidated Budget reflects revenues and expenses anticipated during the Authority's fiscal year spanning the period October 1, 2022 to September 30, 2023.

Budget Timelines

- HUD requires the Authority to submit a Resolution demonstrating budget approval by the Housing Authority Commission by the conclusion of the current fiscal year. The Housing Authority Commission will be requested to adopt the consolidated budget at the September 26, 2022 meeting.
- Teton Non-Profit Housing, Inc. and Chemeketa Non-Profit, Inc. will individually approve their 2022-2023 operating budgets for Englewood East Apartments and the Hawthorne House respectively at their semi-annual meeting. Doral House (owned by the City of Salem and managed by SHA) is a single-family home and does not have its own budget process.
- The Capital Fund Program budgets were approved by the Housing Authority Commission on July 25, 2022, as part of the Public Housing Agency Plan.
- Grant programs and funding have various operating periods each designated by the originator of the grant. Value contained in this budget may cross grant year period, as it has been reported to conform with SHA's fiscal year.
- All the LIHTC limited partnerships operate on a calendar year basis. These entities will adopt operating budgets for the 2023 calendar year prior to December 31, 2022.

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Budget Focus for FY 2022-2023

Public Housing Operating Subsidy

Operating Subsidy is one of three funding sources to Public Housing, along with tenant rents and CFP grant funds. The actual amount of subsidy allocated to housing authorities depends on the level of Congressional appropriation. The operating subsidy for the budgeted fiscal year is calculated by SHA in accordance with HUD guidelines and is submitted to HUD by the agency according to HUD's timelines. The actual amount of subsidy allocated depends on Congress's level of appropriation. SHA was approved to receive 104% of the subsidy entitlement through December 2022. With this increase and anticipated focus on complete funding SHA has budgeted to receive 100% through fiscal year-end 2023. Staff will adjust as necessary when the next subsidy amount is finalized by Congress and HUD.

Voucher Housing Assistance Payments

The Housing Choice Voucher program is funded and reconciled by HUD on a calendar year (CY) basis. HUD began "short funding" agencies in CY2009, reducing even further the funding to a proration of the anticipated need. This budget was created based on recent HUD projections and reconciliations, utilizing the Two-Year Tool (TYT) provided by the regional HUD office. The focus is always on maintaining housing to our assisted clients and when available allowing in new program participants. The waitlist for the voucher program has been closed for several years due to the overwhelming need for housing assistance in our community and the ever-rising cost for livable housing. SHA is on track to fully utilize our available HUD funding, as well as reaching into reserve funding that was built up in previous funding years. While our waitlist has remained closed to new applicants, we have and will continue to pull clients from the waitlist and provide them with voucher assistance as funding avails. With the Fair Market Rates (FMR) rising and diminishing availability of affordable housing options, SHA continues to apply for ever new funding opportunity that is available in the HUD voucher program.

Voucher Administrative Fees

The uncertainty of HAP budget authority described in the previous section also results in uncertainty in the level of voucher administrative fees to be earned by SHA during the fiscal year. Housing authorities earn administrative fees each month under the Voucher program at a HUD-published rate for the number of units leased adjusted by a floating proration factor that is adjusted on a quarterly basis depending upon funds available at HUD. In the past, HUD has been approximately four to six months behind in finalizing each month's administrative fees earned and it is retroactive to the beginning of the calendar year, resulting in another level of uncertainty for funding administrative costs. The budgeted administrative fee rate utilized in this budget is 85.8%. Rates for CY2022 will not be finalized or reconciled into well into 2023, most recent HUD pro-ration for the 1st 2 quarters of 2022 were estimated at 85.8%.

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Family Self Sufficiency (FSS) Program

The Family Self Sufficiency Program continues to provide both support and mentoring to families on their journey to become independent of governmental assistance. Funding for this program has remained steady with annual increases to cover inflation, however not quite high enough to cover the market cost of case workers. SHA did request a 10% increase on this newest grant fund request for the CY'23 funding cycle. SHA filled the staffing level to requirements under the grant funding, but with the rising cost of wages there is an anticipated shortage to funding, that will be filled by administrative revenues from other assistance programs. HUD has released a new Final Rule allows for forfeited program funds to be reserved for the purpose of assisting with client needs, which is an area that previously received no funding and will also allow for FSS staff training which was removed from grant funding in the previous year.

\$1.5M Grant Funding to Support Yaquina Hall

SHA has received from the State of Oregon during the 2021-2022 fiscal year a grant in the amount of \$1.5 million to assistance with the new development of tax credit project Yaquina Hall. Yaquina Hall is a historic building and key piece of Salem history, which SHA is currently revitalizing and transforming into 51 one-bedroom units and one studio unit. Construction is scheduled to complete during 2023. The pass through of these grant funds are not reflected within this budget. The Yaquina Hall project is a part of the Yaquina Southfair Housing LP and will have their budget and set of financials as a separate entity that SHA is a partner within.

Additional Grant Funding to Restructure Salem Housing Authority

SHA received grant funding of \$1M in the 2021-2022 fiscal year to assist with a re-organization of the agency and a building of long overdue staffing positions. The initial staffing of positions was approved by the Housing Authority Commission on July 25, 2022, and the process of hiring has begun. This budget shows within the grant expenditures the cost for those planned positions, which increases the greatly the personnel budget of the Authority. This also shows as a reduction of reserves, as the funding was received with the previous year and is not reflected as income in this report.

With the increased in staffing positions, SHA also had an evaluation of the salaries and positions of the current staff evaluated. This has resulted in increased in salary across all agency positions.

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SHA Staffing Level for FY 2022-23

The proposed FY 2022-23 budgeted FTE is as follows:

Full Time Equivalent (FTE) Staff Positions

SHA Section	FY 2021-22 budget	FY 2022-23 budget	Difference
Central Office	16.0	26.0	+ 10.0
Grants	11.0	9.0	- 2.0
Section 8	13.0	15.0	+ 2.0
Property Mgmt.	15.0	17.0	+ 2.0
Total	55.0	67.0	+ 12.0

REVENUES

Numbers in parentheses indicate 2022-2023 budget figures.

Housing Assistance Subsidy (\$26,967,081) The line item represents: (1) subsidies paid to landlords on behalf of renters participating under the Housing Choice Voucher and Section 8 Moderate Rehabilitation Programs; and (2) cash assistance paid to landlords on behalf of clients under the Grant programs: HRAP, VRAP and City Security Deposit program. Some CARES Act and Set Aside funding are included in subsidy figure.

Administrative Fees (\$3,100,365)

These are fees earned for administration of the Voucher, Moderate Rehabilitation, and Security Deposit programs. Reserves will be utilized to cover any expenditures that are not covered by the finalized proration of the administrative fee rate. The Housing Authority has received additional administrative funding

Public Housing Operating Subsidy (\$577,255)

The PH Operating subsidies for the remaining Public Housing units are based on a HUD formula of need and proration factor much like HCV. CY 2022 Operating Subsidy rates have not been finalized and the most recent quarter was calculated in the interim at 104%.

Public Housing Capital Fund (\$1,201,740)

The federal grant awarded annually for public housing property related building improvements and equipment. The amount shown is what is expected to be spent in this budget year.

Tenant Rents (\$1,687,922)

The aggregate of tenant rents anticipated from residents of Public Housing, Redwood Crossings, Southview Terrace and Englewood West Apartments.

Operating Grants (\$2,000,243)

HUD operating grants that support Agency operations- Capital Fund, Resident Self Sufficiency programs funding primarily payroll and soft costs. This also includes funding for operational costs from the VRAP, HRAP and Security Deposit program. Capital Fund operating subsidy included in this budget increased substantially due the repositioning of funds for use towards Coronavirus-related expenditures.

Central Office Fees (\$1,591,286)

Fees paid by the Public Housing, Capital Fund program, Housing Choice Voucher program, Section 8 Moderate Rehabilitation program, Englewood West and Southview Terrace budgets to support centralized administrative costs. This fund also includes fees from partnerships (Yaquina Southfair, Parkway West, Robert Lindsey Tower LLC, Salem Housing Preservation 4 Percent and Salem Housing Preservation 9 Percent) and managed properties (Englewood East/Hawthorne House/Doral House). The Central Office was split between Federal and non-federal programs to align with HUD's signaled expectation to see the Federal funding segregated. CARES Act has allowed for increases in Administration fees in Federal programs.

Development Fees (\$655,000)

These fees are earned upon completion of a new housing projects or deferred and paid at a later date, as cash flow allows. Based upon conservation projections of LIHTC projects, no fees have been budgeted for receipt this fiscal year.

Fraud Recovery (\$15,000)

Repayments to SHA of rental assistance paid on behalf of Housing Choice Voucher program participants who misrepresented their income and/or expenses or were landlords that failed to notify SHA of tenant changes.

Tenant Charges (\$10,950)

Charges to tenants for cleaning, painting and repair of units during occupancy or upon move-out.

Interest Income (\$191)

Estimated interest income earned on reserve funds held in the Authority's various programs. HUD restricts investments to U.S. Treasuries or government-backed agencies.

Laundry Income (\$4,655)

Income from coin-operated laundries located at owned housing and public housing properties.

Other Income (\$188,040)

Miscellaneous rebates, insurance reimbursement, donations, landlord repayments and collection of accounts after write-off. Revenue from facility rental use at Redwood Crossings is also included.

Total Revenue (\$37,999,698)

EXPENDITURES

Numbers in parentheses indicate 2022-2023 budget figures.

Housing Assistance Payments (\$26,444,807)

Rent subsidies and/or security deposits paid to landlords on behalf of eligible renters for Voucher, Moderate Rehabilitation and grant programs. These expenditures are offset by revenues allocated for Housing Assistance Subsidy.

Family Self Sufficiency (FSS) Escrow Deposits (\$234,460)

Deposits held for and paid to those enrolled in the Voucher and Public Housing Family Self Sufficiency (FSS) program. As FSS families increase their earnings and therefore, pay higher rents, the rent subsidy savings are placed in escrow for release to the family when goals are met, and participants graduate from the program.

Personnel Services (\$8,027,888)

Salaries and fringe benefit costs paid to Housing Authority employees. Budget projections cover estimated merit increases and benefit cost adjustments anticipated through the 2022-2023 fiscal year for 55 FTE (full time equivalent) positions. Additional personnel expenditures of SHA are charged directly to LITHC projects and not reflected in this budget.

Central Office Fees (\$1,291,963)

Fees paid by the housing properties under management and by the Housing Choice Voucher, Public Housing, Capital Fund, Owned Housing, Grants and Moderate Rehabilitation programs to the Central Office. Does not include fees paid by partnerships/managed properties. These expenses are shown in each entity's own budget.

Other Administrative Costs (\$1,215,921)

Other administrative costs include legal services, audit fees, travel and training expenses, technical publications, dues, office supplies, office equipment maintenance, printing, postage and telecommunications. This also includes costs associated with grant supported positions and expenses shared with outside agencies.

Other Tenant Services (\$600)

This amount is set aside for Public Housing tenant direct services.

Utilities (\$138,664)

Utilities include all Authority-paid utility costs, excluding garbage. Utility costs are incurred at the Authority's office, Public Housing, Redwood Crossings, Southview Terrace and Englewood West common areas and in vacant units. Also includes street lighting charges for PH and Owned units.

Repairs and Maintenance (\$826,810)

Materials and contracts required for preventive, turnover and work order maintenance of Public Housing, Southview Terrace, and Englewood West units. Maintenance contracts include vehicle maintenance, pest control, elevator maintenance and garbage collection costs.

Portability Fees - Outgoing (\$106,260)

Administrative fees paid by the Salem Housing Authority to outside housing authorities that receive a Voucher client who has moved from Salem and choose to bill SHA rather than issue their own agency's voucher. These costs have becoming increasingly larger and SHA has made efforts to work with outside PHAs to have client absorbed; relieving SHA of the burdened cost.

Other Operating Expenses (\$274,185)

This cost category includes (1) insurance premiums paid for property, general liability, automobile, flood, fidelity bond, and errors and omissions coverage through the Housing Authorities Risk Retention Pool, (2) a Public Housing "Payment In Lieu of Taxes" (PILOT) to the City of Salem, which is determined by a formula using Public Housing tenant rents units and utility costs, and (3) collection losses for unpaid rent and vacate charges.

Total Expenses (\$38,561,530)**Net Operating Income (\$-561,832)****Debt Service (\$100,769)**

Included here are scheduled payments of principal and interest to: (1) City of Salem for HOME loan on Parkway Village and (2) Columbia Bank for the Englewood West and Southview Terrace mortgages.

Reserve Interest (Restricted) (\$67)

Interest earned on reserve funds that must be allocated to restricted project reserves at year-end.

Housing Assistance Payments Reserves (Restricted) (\$-40,809)

Increases in HAP reserves are attributable to the recently increased Mainstream vouchers. SHA anticipates a slow ability to be able to fill these vouchers and as such funding will carryover into reserves until such time as leasing reaches the funding allotment.

Other Restricted Funds (\$-2,003,599)

This expense includes any remaining unspent individual program funds as well as replacement reserve deposits or draws for Owned Housing properties.

Capital Outlay/Improvements (\$1,381,740)

This expense includes fixed asset acquisition and improvements to Authority-owned property. The majority of the capital improvement expenditures are paid under the Capital Fund Program on behalf of Public Housing. New roofing and interior remodel work is planned for some of the scattered site homes.

Net Cash Flow (\$0)

All budgets are "break-even".

CONSOLIDATED BUDGET
Fiscal Year Beginning October 1, 2022
Three year comparison

	2020/21 Actual	2021/22		2022/23 Proposed Budget
		Budget	Estimated Fiscal Year End	
Cash Based				
REVENUE				
<u>Subsidies:</u>				
Hsg Assist Payments	22,491,989	20,209,140	20,958,784	26,967,081
Hsg Assist Admin Fees	3,427,091	2,321,150	2,580,276	3,100,365
Public Housing Operating	928,023	1,031,345	833,982	577,225
Public Housing Capital Fund	212,800	1,080,520	135,059	1,201,740
<u>Other:</u>				
Tenant rents (net)	1,461,786	1,306,267	1,498,578	1,687,922
Operating Grants	1,476,306	720,424	662,581	2,000,243
Central Office Fees	1,245,613	1,368,371	1,231,423	1,591,286
Development Fees	2,250,000	0	807,370	655,000
Fraud Recovery	16,402	15,000	14,084	15,000
FSS Forfeitures	34,238	16,180	65,140	0
Tenant charges	12,174	37,460	15,681	10,950
Interest	1,516	850	1,611	191
Laundry	5,247	6,400	4,819	4,655
Other	1,495,858	30,968	464,570	188,040
Total Revenue	35,059,042	28,144,074	29,273,959	37,999,698
EXPENSE				
Housing Assistance Payments	21,285,714	20,135,928	21,568,355	26,444,807
FSS escrow deposits	248,199	263,135	243,464	234,460
Personnel services	3,932,993	3,905,969	3,607,069	8,027,888
Central Office Fees	1,464,213	1,037,098	1,210,721	1,291,936
Other administrative	1,424,870	2,162,404	1,338,981	1,215,921
Other tenant services	85	828	62	600
Utilities	134,771	110,810	125,425	138,664
Repairs and maintenance	485,526	484,747	533,393	826,810
Port fees (outgoing)	77,652	50,000	100,720	106,260
Other operating	258,239	183,921	194,879	274,185
Total Expense	29,312,264	28,334,840	28,923,071	38,561,530
Net Operating Inc/Exp	5,746,779	(190,766)	350,888	(561,832)
Debt service	118,076	100,939	100,774	100,769
Reserves Interest (restricted)	80	350	82	67
HAP reserves (restricted)	563,368	(1,584,460)	(1,110,190)	(40,809)
Other restricted funds/rsv dep	4,060,355	53,226	1,117,456	(2,003,599)
Capital outlay/improvements	1,004,901	1,239,179	242,766	1,381,740
Net Cash Flow	0	0	0	0

CONSOLIDATED OPERATING PROGRAM BUDGET
Fiscal Year Beginning October 1, 2022

2022/23 Proposed Budget	Central Office		SHA Owned Housing	Federal Housing Programs			Grants & Other Programs	
	Federal	Affordable Hsg		Public Housing	Vouchers	Mod Rehab		
Cash Based								
REVENUE								
<u>Subsidies:</u>								
Housing Assistance Subsidy (HAP)	26,967,081				26,319,417	137,280	510,384	
Admin Fee Subsidy	3,100,365				2,977,390	34,975	88,000	
Public Housing Subsidy	577,225			577,225				
Public Housing Capital Fund	1,201,740						1,201,740	
<u>Other:</u>								
Tenant Rents (net)	1,687,922		978,890	709,032				
Operating Grants	2,000,243						2,000,243	
Central Office Fees	1,591,286	983,118	608,168					
Development Fees	655,000		655,000					
Fraud Recovery	15,000				15,000			
FSS Forfeitures	0			0	0			
Tenant Charges	10,950		4,700	6,250				
Interest	191	0	50	141	0	0	0	
Laundry	4,655			4,655				
Other	188,040	0	35,000	106,040	4,000	43,000	0	
Total Revenue	37,999,698	983,118	1,298,218	1,094,426	1,296,507	29,354,807	172,255	3,800,367
EXPENSE								
Housing Assistance Payments	26,444,807				25,728,236	137,280	579,291	
FSS Escrow Deposits	234,460			39,460	195,000			
Personnel services	8,027,888	1,279,418	2,025,083	310,000	558,400	18,663	1,781,081	
Central Office Fees	1,291,936			100,505	128,656	845,537	8,925	208,313
Other administrative	1,215,921	85,259	257,253	58,050	49,740	295,787	4,820	465,012
Other tenant services	600			600				0
Utilities	138,664	4,250		97,050	32,180	4,134	1,050	0
Repairs and maintenance	826,810	8,950	2,500	191,530	258,930	14,300	600	350,000
Port fees (outgoing)	106,260					106,260		
Other operating	274,185	3,957	3,157	87,178	165,768	13,950	175	0
Total Expense	38,561,530	1,381,834	2,287,993	844,313	1,233,734	29,258,446	171,513	3,383,697
Net Operating Inc/Exp	(561,832)	(398,716)	(989,775)	250,113	62,773	96,361	742	416,670
Debt service	100,769		6,380	94,389				
Reserves Interest (restricted)	67			67				0
HAP reserves (restricted)	(40,809)					(40,809)		
Other restricted funds/rsv dep	(2,003,599)	(398,716)	(996,155)	135,657	(67,227)	107,170	742	(785,070)
Capital outlay/improvements	1,381,740	0	0	20,000	130,000	30,000		1,201,740
Net Cash Flow	0	0	0	0	0	0	0	0

CENTRAL OFFICE (Affordable and Federal Housing)

The Central Office budgets represent the Housing Authority's centralized administrative functions. The Central Office was originally established to conform to HUD's Public Housing program requirements and was later split in FY 2014 to separate Federal and non-federal sources of funding to conform with planned HUD changes to Central Office funding from federal sources. This split easily identifies non-federal funds that are not subjected to any possible future recapture by HUD.

The Central Affordable budget receives management fees from Owned Housing (Redwood Crossings, Englewood West and Southview Terrace properties), Managed properties (Doral House, Hawthorne House and Englewood East), SHA Affordable Housing (Southfair, Parkway West, Parkway East and Robert Lindsey Towers) and Grant programs. Additions last year to the SHA Affordable Housing include the recently converted Public Housing projects now known as Salem Housing Preservation 4% and Salem Housing Preservation 9%. This section also receives development fees as earned from housing construction projects, per agreement cash flow allows.

The Central Federal budget receives management fees from Federal programs such as the Public Housing, Capital Fund, Voucher and Moderate Rehabilitation programs. Central Federal expenses reflect indirect agency staffing (Housing administrator and others) and associated administrative cost for federal programs.

CENTRAL (AFFORDABLE HSG) BUDGET Fiscal Year Beginning October 1, 2022 Three year comparison

	2020/21 Actual	2021/22		2022/23 Proposed Budget
		Budget	Estimated Fiscal Year End	
Cash Based				
REVENUE				
<u>Property Mgmt Fees:</u>				
Englewood East (NP)	34,325	40,695	38,110	41,425
Hawthorne House (NP)	951	958	1,008	1,075
Doral House (City owned)	2,904	2,916	3,067	3,263
SHA Owned Housing	87,423	113,781	60,381	100,505
Salem Hsg Prsv. 4% (TC)	41,897	39,600	35,560	32,400
Salem Hsg Prsv. 9% (TC)	36,880	40,200	34,688	32,400
Yaquina/Southfair (TC)	8,251	8,400	17,498	26,400
RLT (TC)	33,088	34,968	32,880	32,640
Parkway West (TC)	48,514	47,300	49,004	49,465
Parkway East (TC)	20,578	28,120	20,611	20,720
Total Prop Mgmt Fees	314,812	356,938	292,807	340,293
<u>Other Fees/Income:</u>				
Acctg Reimb (MF Projs)	600	600	40,036	59,562
Grant Mgmt Fees	401,365	158,380	172,185	208,313
Interest	391	500	1,035	50
Development Fees Earned	2,250,000	2,235,807	807,370	655,000
Other	499,772	10,000	127,423	35,000
Total Other Fees/Income	3,152,128	2,405,287	1,148,049	957,925
Total Revenue	3,466,941	2,762,225	1,440,856	1,298,218

CENTRAL (AFFORDABLE HSG) BUDGET
Fiscal Year Beginning October 1, 2022
Three year comparison

	2020/21 Actual	2021/22		2022/23 Proposed Budget
		Budget	Estimated Fiscal Year End	
EXPENSE				
<u>Personnel services</u>				
Administrative	592,544	787,319	670,887	1,117,851
Staffing of Partnership Entities	9,393	5,000	14,417	907,232
Total personnel services	601,937	792,319	685,304	2,025,083
<u>Other administrative costs</u>				
Legal services		500	0	500
Professional/Admin Services	293,233	59,941	555,580	185,389
Audit	11,449	7,356	2,730	8,177
Training/travel	0	6,950	4,080	9,555
Office/mtg supplies	482	2,500	2,456	7,500
Computer maint/repairs	6,736	28,190	10,586	31,432
Printing	0	150	0	500
Advertising	521	700	695	700
Dues	213	500	350	500
Publications	0	0	0	0
Telecommunications	130	2,300	700	3,500
Bank service chgs	26	3,000	15	1,500
Grant program supplies/VIDA	3,484	3,000	4,410	3,000
Property Mgmt exp	93	5,000	23,080	5,000
Total other admin costs	316,365	120,087	604,682	257,253
<u>Maintenance</u>				
Bldg repairs		1,500	650	2,500
<u>Other operating expenses</u>				
Insurance	3,174	3,157	3,173	3,157
Total Expense	921,476	917,063	1,293,809	2,287,993
Net Operating Income/Expense	2,545,464	1,845,162	147,046	(989,775)
Debt service (prin/int)	6,380	6,380	6,380	6,380
Other restricted funds (incr/decr)	2,004,411	1,813,782	140,666	(88,923)
Transfers to Central/Federal	0	0	0	0
Transfer of Salaries to Partnerships				(907,232)
Capital outlay/improvements	534,673	25,000	0	0
Net Cash Flow	0	0	0	0

CENTRAL (FEDERAL) BUDGET
Fiscal Year Beginning October 1, 2022
Three year comparison

	2020/21 Actual	2021/22		2022/23 Proposed Budget
		Budget	Estimated Fiscal Year End	
<u>Cash Based</u>				
REVENUE				
<u>PH Central Office Fees:</u>				
PH Mgmt Fee	98,555	85,000	94,176	101,900
PH Bookkeeping Fee	12,045	11,200	12,000	11,467
PH Asset Mgmt Fee	16,440	14,600	16,440	15,289
Total PH Central Office Fees	127,040	110,800	122,616	128,656
<u>Other Fees/Income:</u>				
Voucher Central Office Fees	533,888	564,280	506,938	590,162
Voucher Acctg Fees	260,903	266,498	260,590	255,375
Mod Central Office Fees	6,030	6,097	6,096	6,585
Mod Acctg Fees	2,340	2,340	2,340	2,340
CFP Central Office Fees	117,820	210,332	46,776	0
Interest	0	0	0	0
Other	27,269	0	1,411	0
Total Other Fees/Income	948,250	1,049,547	824,151	854,462
Total Revenue	1,075,290	1,160,347	946,767	983,118
EXPENSE				
<u>Personnel services</u>				
Administrative	663,235	927,150	659,312	1,279,418
Total personnel services	663,235	927,150	659,312	1,279,418
<u>Other administrative costs</u>				
Legal services	0	500	0	500
Payroll/HR services	11,590	6,064	11,275	6,206
Audit	5,712	3,019	17,775	2,406
Training/travel	5,045	13,250	7,800	15,750
Office/mtg supplies/Rent	7,209	6,000	4,579	7,500
Computer equip and software	32,708	12,966	15,055	23,597
Computer maint/repairs	0	1,000	0	1,500
Office equip	0	700	40	2,500
Office equip maint/repairs	516	1,000	450	1,500
Postage	2,490	1,750	2,300	2,000
Printing	1,935	1,500	2,725	2,500
Advertising	521	200	710	1,250
Dues	4,931	3,800	5,224	5,000
Publications	286	400	215	400
Telecommunications	9,250	11,900	11,250	11,500
Bank service chgs	880	2,000	1,140	1,000
Background checks	163	50	360	150
Total other admin costs	83,236	66,099	80,898	85,259

CENTRAL (FEDERAL) BUDGET
Fiscal Year Beginning October 1, 2022
Three year comparison

	2020/21 Actual	2021/22		2022/23 Proposed Budget
		Budget	Estimated Fiscal Year End	
Cash Based				
<u>Utilities</u>				
Electricity	2,531	2,500	2,025	2,500
Gas	373	500	400	450
Water	431	300	405	550
Sewer	625	500	700	750
Total Utilities	3,960	3,800	3,530	4,250
<u>Maintenance</u>				
<u>Materials:</u>				
Locks and keys	0	0	0	0
Small tools	0	0	0	0
Pest prevention	0	0	0	0
Bldg supplies	5,646	2,500	525	450
Janitorial supplies	126	1,000	475	500
Uniforms and protective clothing	42	0	0	0
Total repairs materials	5,814	3,500	1,000	950
<u>Contracts:</u>				
Vehicle maint/gas	3,485	1,200	1,250	1,750
Heating Service & Repair	0	0	0	0
Plumbing Service & Repair	0	0	0	0
Bldg repairs	1,812	5,000	2,826	5,000
Fire system maintenance	0	50	0	50
Garbage/recycling	1,023	1,032	1,118	1,200
Total repairs contracts	6,320	7,282	5,194	8,000
Total repairs and maintenance	12,134	10,782	6,194	8,950
<u>Other operating expenses</u>				
<u>Insurance:</u>				
Property/Liability	2,197	2,242	2,410	3,014
Vehicles	917	985	714	943
(Gain)/Loss on disposal of equip	8,213	0	0	0
Total other operating expenses	11,327	3,227	3,124	3,957
Total Expense	773,892	1,011,058	753,058	1,381,834
Net Operating Income/Expense	301,398	149,289	193,709	(398,716)
<u>Other restricted funds (incr/decr)</u>				
Transfers from Central/Affordable	0	0	0	0
Capital outlay/improvements	10,961	0	0	0
Net Cash Flow	0	0	0	0

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OWNED HOUSING

Englewood West Apartments

Englewood West Apartments for seniors was constructed in 1991 and was originally owned by a Low-Income Housing Tax Credit Limited Partnership with the Housing Authority as general partner and property manager. On January 1, 2007, the Englewood West Apartments Limited Partnership transferred ownership of the 54-unit complex to the Housing Authority. This property was refinanced on July 17, 2016 with Columbia Bank due to low interest rates available and needed capital improvements (roof and heating/cooling unit replacements) with a 15 year fully amortizing loan at a 2.5% tax exempt interest rate.

Southview Terrace Apartments

Southview Terrace was constructed in 1993 and was originally owned by the Southview Terrace Apartments Limited Partnership with the Housing Authority as general partner and property manager. The limited partnership transferred ownership of the property to the Housing Authority on January 1, 2009. This property was refinanced on April 1, 2014 with Columbia Bank with a loan maturity date of April 5, 2024, when the remaining loan balance will need to be refinanced.

Redwood Crossings

Redwood Crossings is owned solely by SHA. Construction just completed and the property is starting to lease. Purchase and construction completion of this Permanent Supportive Housing was funded by a combination of grant sources, permanent loans and construction financing, as well as SHA reserves. Section 8 Project Based Vouchers provides assistance for 31 units at this property.

OWNED HOUSING BUDGETS
Fiscal Year Beginning October 1, 2022
Three year comparison

	2021/22			2022/23			
	2020/21 Actual	Budget	Estimated Fiscal Year End	Proposed Budget	Englewood West	Southview Terrace	Redwood Crossing
Cash Based							
REVENUE							
Contract Rents	889,292.00	950,856	930,254	1,010,608	350,190	396,180	264,238
Less: Mgr rent	0.00	0	0	0	0	0	0
Less: Vacancies	(47,975.97)	(8,200)	(21,777)	(31,718)	(10,506)	(8,000)	(13,212)
Tenant Rents (net)	841,316.03	942,656	908,477	978,890	339,684	388,180	251,026
Laundry Income	5,246.94	5,800	4,819	4,655	2,055	2,000	600
Interest Income	64.07	236	80	74	24	30	20
Interest Income (reserves)	72.80	348	76	67	37	30	0
Other Inc - misc	404,677.24	90,965	104,965	106,040	0	200	105,840
Other Inc - tenant charges	4,783.98	3,914	6,998	4,700	1,600	600	2,500
Total Revenue	1,256,161.06	1,043,919	1,025,415	1,094,426	343,400	391,040	359,986
EXPENSE							
<u>Personnel services</u>							
Administrative	133,276.96	155,000	113,604	160,000	60,000	50,000	50,000
Maintenance	102,389.13	140,000	87,236	150,000	50,000	50,000	50,000
Total personnel services	235,666.08	295,000	200,840	310,000	110,000	100,000	100,000
<u>Central Office Fees:</u>							
Central Office Mgmt fees	87,422.99	113,781	92,439	100,505	33,968	38,818	27,719
Total Central Office fees	87,422.99	113,781	92,439	100,505	33,968	38,818	27,719
<u>Other administrative costs</u>							
Legal services	2,580.50	1,500	3,037	3,500	300	200	3,000
Professional services	4,188.32	1,800	16,036	6,800	5,200	1,600	0
Audit	272.50	540	298	640	360	180	100
Travel/Training	1,210.02	2,100	767	7,050	2,350	2,350	2,350
Office supplies	1,210.01	1,680	4,055	3,200	2,000	600	600
Comp Equip & S/W	7,141.39	5,200	11,720	13,800	4,600	5,000	4,200
Computer maintenance	0.00	0	0	0	0	0	0
Office Equip maint/repairs	1,388.01	210	154	210	90	120	0
Postage	1,471.96	1,060	875	1,200	400	500	300
Printing	577.12	840	283	720	300	300	120
Advertising	668.83	0	1,620	1,800	0	0	1,800
Dues	2,117.63	2,860	2,373	2,700	1,200	1,000	500
Publications	19.39	0	0	0	0	0	0
Telecommunications	7,921.48	8,800	7,827	8,860	2,060	1,800	5,000
Cable (Comm room)	836.96	880	987	1,050	550	500	0
Interpreters	0.00	0	16	100	100	0	0
Background checks	1,148.82	1,380	542	1,250	350	300	600
LIHTC monitoring fee (OHCS)	3,420.00	3,420	5,170	5,170	1,620	1,800	1,750
Total other admin costs	36,172.94	32,270	55,759	58,050	21,480	16,250	20,320
<u>Utilities</u>							
Electricity	34,964.04	33,000	36,365	38,500	9,500	9,000	20,000
Gas	6,595.00	7,400	7,042	7,650	3,400	3,900	350
Water	19,218.78	19,600	16,994	20,100	8,000	9,400	2,700
Sewer	28,963.31	27,900	27,986	30,800	13,000	12,800	5,000
Total Utilities	89,741.13	87,900	88,386	97,050	33,900	35,100	28,050
<u>Repairs and maintenance</u>							
<u>Materials:</u>							
Plumbing Parts & Supplies	1,878.93	1,280	2,716	2,600	1,500	800	300
Heating Parts & Supplies	694.86	720	162	530	0	480	50
Electrical Parts & Supplies	4,194.97	3,240	2,901	3,000	1,000	1,500	500
Appliances	11,860.07	6,400	3,958	7,800	3,000	2,000	2,800
Appliance parts	307.19	360	744	800	600	200	0

OWNED HOUSING BUDGETS
Fiscal Year Beginning October 1, 2022
Three year comparison

	2020/21 Actual	2021/22		2022/23			
		Budget	Estimated Fiscal Year End	Proposed Budget	Englewood West	Southview Terrace	Redwood Crossing
Cash Based							
Locks and keys	2,337.16	840	4,429	3,000	0	2,000	1,000
Small tools	2,651.81	540	5,862	3,500	1,000	1,500	1,000
Pest prevention	415.77	660	277	680	200	0	480
Grounds supplies	375.12	800	79	300	0	200	100
Barkdust	0.00	1,500	0	3,500	2,000	1,500	
Building supplies	4,346.35	4,900	3,628	5,000	1,500	3,000	500
Painting supplies	3,828.10	1,500	2,319	2,800	1,000	1,500	300
Janitorial supplies	1,085.90	1,680	1,351	1,730	50	480	1,200
Vertical blinds and draperies	906.39	720	477	540	0	240	300
Uniforms and protective clothing	440.37	480	51	360	120	240	0
Signage	130.28	0	269	50	0	0	50
Total repairs materials	35,453.27	25,620	29,223	36,190	11,970	15,640	8,580
Contracts:							
Contract Labor (temps)	0.00	0	0	0	0	0	0
Vehicle maint/gas	2,807.76	3,300	1,961	2,200	500	1,200	500
Equipment rent and repair	0.00	0	1,519	800	0	300	500
Electrical Service & Repair	6,474.22	1,800	3,522	1,700	200	0	1,500
Heating Service & Repair	3,159.00	0	0	0	0	0	0
Plumbing Service & Repair	587.50	2,400	986	1,000	0	1,000	0
Appliance repairs	0.00	0	0	0	0	0	0
Glass replacements	162.75	240	0	0	0	0	0
Carpet and drapery cleaning	397.00	960	1,042	600	0	600	0
Unit cleaning	8,070.22	9,000	8,876	10,500	2,000	3,500	5,000
Floor coverings/repairs	13,266.27	7,600	13,220	13,200	3,200	10,000	0
Door/countertop repairs	3,746.00	1,500	0	1,500	900	600	0
Building repairs	707.26	0	1,490	1,200	0	1,000	200
Janitorial services-common areas	43,455.74	17,400	50,869	54,620	10,020	10,400	34,200
Laundry service	1,890.70	1,200	2,038	2,100	800	700	600
Painting - interiors	2,770.00	4,200	7,727	7,500	4,000	2,500	1,000
Pest treatment	2,814.00	3,660	1,577	3,060	1,500	360	1,200
Grounds	33,893.85	32,600	20,299	18,700	7,100	8,000	3,600
Fire system maint	8,930.40	7,600	11,162	9,000	3,200	3,600	2,200
Elevator maint/repairs	7,937.74	5,440	9,398	10,780	2,800	2,400	5,580
Elevator phone	1,442.83	1,480	1,066	1,380	480	900	0
Window cleaning	0.00	0	0	0	0	0	0
Garbage/recycling	13,108.40	14,400	13,632	15,500	4,000	5,000	6,500
Total repairs contracts	155,621.64	114,780	150,381	155,340	40,700	52,060	62,580
Total repairs and maintenance	191,074.91	140,400	179,605	191,530	52,670	67,700	71,160
Other operating expenses							
Insurance:							
Property/Liability	31,025.86	34,240	43,315	51,978	19,500	22,000	10,478
Professional Services	37,769.50	60,000	24,743	30,000	0	0	30,000
Bad Debt Write off	4,130.47	0	(805)	5,200	2,000	2,000	1,200
Total other operating expenses	72,925.83	94,240	67,254	87,178	21,500	24,000	41,678
Total Expense	713,003.88	763,591	684,284	844,313	273,518	281,868	288,927
Net Operating Income/Expense	543,157.18	280,329	341,131	250,113	69,882	109,172	71,059
Debt service (prin/int)	111,695.58	94,397	94,394	94,389	48,081	46,308	0
Interest Income rsvs (restricted)	72.80	348	76	67	37	30	0
Other restricted funds (incr/decr)	388,118.80	109,684	200,557	112,653	4,214	43,584	64,855
Reserve deposits	39,900.00	75,900	46,104	43,004	17,550	19,250	6,204
Reserve draws	0.00	0	0	(20,000)	0	(20,000)	0
Capital outlay/improvements	3,370.00	0	0	20,000	0	20,000	0
Net Cash Flow	0	0	0	0	0	0	0

FEDERAL HOUSING PROGRAMS

Public Housing

The Authority currently owns and manages 137 units of HUD subsidized public housing located in Salem and Keizer. These projects are referred to as follows:

AMP 1: Multi-family apartment sites 2 locations totaling 58 family units built in 1972

AMP 3: Scattered sites 79 family units acquired between 1978 and 1987

Construction and acquisition costs for these units were funded through 40-year contracts with the federal government. These loans were “forgiven” by HUD in 1993.

Operating revenue for these units is provided chiefly by tenant rents and subsidy determined by the HUD. Eligible applicants must have annual gross income not exceeding 80 percent of area median income. The unit count of 137 does not include Orchard Village (previously 30 units) which was demolished for future redevelopment in September 2009, which remains an asset of Public Housing. SHA received 30 replacement vouchers for Orchard Village effective July 1, 2009.

Effective December 7, 2019, 4 apartment complexes were removed from Public Housing via the RAD and are currently undergoing modernization. These projects are still receiving pass-through operations fund from Public Housing during their Initial First Funding. Effective January 2021, they will no longer receive the subsidy and instead gain assistance through Section 8 Project Based Rental Assistance subsidy. As part the RAD, 8 units of Scattered Site homes were removed from Public Housing, as well. SHA also received a Phase II RAD to sell all remaining scattered site public housing units after new construction is built, which will also utilize Section 8 project-based rental voucher subsidized units to the tenants and to pay off the construction loans on the new housing.

PUBLIC HOUSING BUDGET
Fiscal Year Beginning October 1, 2022
Three year comparison

	2020/21 Actual	2021/22		2022/23
		Budget	Estimated Fiscal Year End	Proposed Budget
<i>Cash Based</i>				
REVENUE				
<u>Public Housing Subsidy:</u>				
PH Unit Subsidy	642,349.48	557,360	645,211	566,350
PH audit reimb	2,826.97	4,900	3,961	7,450
Resident participation subsidy	3,944.09	2,170	2,839	3,425
Total PH Operating Subsidy	649,120.54	564,430	652,011	577,225
<i>% HUD CY funding</i>	<i>97.77%</i>	<i>95.0%</i>		<i>95.0%</i>
Tenant Rents (net)	620,470.26	709,032	590,102	709,032
Interest	212.03	0	178	0
Tenant Charges	7,390.30	7,500	8,683	6,250
FSS forfeits	20,755.15	0	27,674	0
Other	134,384.12	4,000	4,140	4,000
Total Revenue	1,432,332.40	1,284,962	1,282,788	1,296,507

PUBLIC HOUSING BUDGET
Fiscal Year Beginning October 1, 2022
Three year comparison

	2020/21 Actual	2021/22		2022/23
		Budget	Estimated Fiscal Year End	Proposed Budget
<u>Cash Based</u>				
EXPENSE				
FSS Escrow Deposits (net)	41,878.00	28,000	42,132	39,460
<u>Personnel services</u>				
Administrative	170,301.84	188,000	167,077	178,300
Unemployment Insurance	0.00	0	0	0
Maintenance	187,120.05	204,000	184,874	380,100
Total personnel services	357,421.89	392,000	351,951	558,400
<u>Central Office Fees:</u>				
PH Central Mgmt Fee	99,537.18	85,000	94,176	101,900
PH Central Acctg Fee	12,045.00	11,200	12,000	11,467
PH Central Asset Mgmt Fee	16,440.00	14,600	16,440	15,289
Total Central Office fees	128,022.18	110,800	122,616	128,656
<u>Other administrative costs</u>				
Legal services	1,710.50	5,400	2,281	4,000
Payroll/HR services	3,600.99	2,400	1,535	5,800
Audit	5,371.22	2,160	323	2,160
Travel/Training	407.36	960	407	3,850
Office supplies	1,027.98	1,720	1,151	1,720
Computer equip & S/W	7,966.93	3,300	7,905	6,000
Computer maint/repairs	0.00	0	0	0
Office equipment	0.00	0	0	0
Office equip maint/repairs	310.53	390	197	390
Postage	1,268.61	1,500	1,064	1,600
Printing	460.64	700	502	880
Advertising	127.89	0	0	600
Dues	2,577.68	2,940	2,613	2,990
Publications	33.13	30	44	0
Telecommunications	7,168.55	7,600	6,621	7,400
Interpreters	26.49	0	32	50
Background checks	2,136.64	2,280	2,249	4,400
Bank service chgs	16.13	1,200	23	200
Collection and court fees	1,641.88	2,100	2,189	7,700
Total other admin costs	35,853.15	34,680	29,136	49,740

PUBLIC HOUSING BUDGET
Fiscal Year Beginning October 1, 2022
Three year comparison

	2020/21 Actual	2021/22		2022/23 Proposed Budget
		Budget	Estimated Fiscal Year End	
<u>Cash Based</u>				
<u>Other tenant services:</u>				
Resident Activities	85.35	600	62	600
Total Other tenant services	85.35	600	62	600
<u>Utilities</u>				
Electricity	8,480.81	8,400	8,058	9,100
Gas	543.45	1,520	1,166	1,720
Water	17,597.15	9,700	10,202	9,800
Sewer	11,238.13	10,360	10,210	11,560
Total Utilities	37,859.54	29,980	29,636	32,180
<u>Repairs and maintenance</u>				
<u>Materials:</u>				
Plumbing Parts & Supplies	8,275.08	8,600	7,170	11,100
Heating Parts & Supplies	1,079.85	1,800	1,409	2,060
Electrical Parts & Supplies	5,014.10	5,440	4,652	7,000
Appliances	13,286.48	11,200	11,895	9,400
Appliance parts	2,150.47	3,000	2,605	3,600
Locks and keys	1,274.39	1,960	1,132	2,400
Small tools	3,355.89	2,160	4,722	5,300
Pest prevention	82.59	480	55	480
Grounds supplies	2,369.88	3,600	3,133	2,600
Barkdust	0.00	4,800	0	3,000
Building supplies	14,668.20	10,500	8,321	10,800
Painting supplies	3,561.60	6,000	4,359	7,400
Janitorial supplies	1,416.44	1,500	1,302	1,320
Window coverings	1,540.93	2,580	1,789	5,200
Uniforms and protective clothing	464.92	600	381	640
Signage	0.00	0	0	50
Total repairs materials	58,540.82	64,220	52,927	72,350
<u>Contracts:</u>				
Contract Labor (temps)	0.00	0	0	500
Vehicle maint/gas	7,576.10	4,400	6,547	10,900
Dryer Safety Plan	150.00	0	0	450
Equipment rent and repair	1,098.00	900	1,147	900
Electrical Service & Repair	2,632.97	2,740	2,288	2,740
Heating Service & Repair	6,567.05	8,400	8,564	8,900
Plumbing Service & Repair	1,616.40	4,800	4,556	6,200
Appliance repairs	654.85	1,260	873	1,260
Glass replacements	0.00	3,000	2,508	3,900

PUBLIC HOUSING BUDGET
Fiscal Year Beginning October 1, 2022
Three year comparison

	2020/21 Actual	2021/22		2022/23 Proposed Budget
		Budget	Estimated Fiscal Year End	
<u>Cash Based</u>				
<u>Contracts:</u>				
Fencing & Roof repairs	2,350.00	9,780	9,081	10,480
Tub & Shower refinishing	0.00	0	0	500
Garage door/wall repairs	2,470.31	2,000	1,694	2,000
Carpet and drapery cleaning	60.00	0	80	1,550
Unit cleaning	4,680.00	6,300	5,380	8,200
Laundry service	532.56	1,020	560	1,400
Floor coverings/repairs	4,665.28	10,000	6,250	14,600
Bldg repairs	10,181.31	10,080	8,347	14,000
Painting - interiors	3,970.79	6,400	4,728	8,800
Painting - exteriors	990.00	1,600	1,320	1,600
Pest treatment	3,477.54	5,400	4,257	3,600
Grounds	81,693.02	76,000	72,545	59,700
Fire system maintenance	870.25	1,440	1,160	700
Janitorial services	0.00	0	102,655	0
Medical testing/vaccines	0.00	0	0	0
Garbage/recycling	26,895.80	23,700	23,640	23,700
Total repairs contracts	163,132.23	179,220	268,180	186,580
Total repairs and maintenance	221,673.05	243,440	321,107	258,930
<u>Other operating expenses</u>				
<u>Insurance:</u>				
Property/Liability	25,460.47	26,635	26,238	31,970
Vehicles	1,572.38	1,700	1,616	1,700
Flood	24,029.75	21,000	23,755	25,200
Payment in lieu of taxes	54,280.29	40,000	55,739	77,000
Gain/Loss on disposal of equip	0.00	0	(4,429)	0
Professional Fees	600.00	2,900	1,921	2,900
Bad Debt Write Offs	31,110.53	7,600	6,207	27,000
Total other operating expenses	137,053.42	99,835	111,048	165,770
Total Expense	959,846.58	939,335	1,007,688	1,233,736
Net Operating Inc/Expense	472,485.82	345,627	275,100	62,771
Other restricted funds (incr/decr)	103,569.86	225,627	244,877	(67,229)
Reserve draws/subsidy offset	0.00	0	0	0
Capital outlay/improvements	368,915.97	120,000	30,224	130,000
Net Cash Flow	0	0	0	0

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FEDERAL HOUSING PROGRAMS

Section 8 Housing Choice Voucher Program

Housing Choice Vouchers (Vouchers) offer financial assistance to households receiving less than 50 percent of area median income. Under the program, the Authority provides a subsidy that is the difference between the “payment standard” established for a given unit size and up to 40 percent of the participant’s income. The Authority is responsible to maintain a program waiting list, determine the applicant’s eligibility, inform the applicant of program requirements, ensure that the rental unit selected by the participant meets housing quality standards and enter a housing assistance payment contract with the owner. The Authority is authorized to serve up to 3,230 households with Vouchers throughout the 2022-23 fiscal year, subject to funding availability. Plus new funding has been received to issue and house Emergency Housing Vouchers.

HOUSING CHOICE VOUCHER PROGRAM
Fiscal Year Beginning October 1, 2022
Three year comparison

	2020/21 Actual	2021/22		2022/23 Proposed Budget
		Budget	Estimated Fiscal Year End	
Cash Based				
REVENUE				
VOUCHER SUBSIDY:				
<u>Housing Assistance Payments (HAP):</u>				
HCV HAP Subsidy (restricted)	21,398,541	22,033,267	19,795,273	24,980,749
EHV HAP Subsidy (restricted)	0	0		380,372
Mainstream 5 yr HAP Subsidy (restricted)	698,312	863,972	582,873	958,296
Total Housing Assistance Payments (HAP)	22,096,853	22,897,239	20,378,146	26,319,417
<u>Admin Fees:</u>				
HCV Admin Fees	3,268,597	2,693,818	2,428,698	2,802,450
EHV Admin Fees				26,580
DV 5 yr Admin Fees	113,235	127,580	104,461	148,360
Total Admin Fees	3,381,831	2,821,398	2,533,159	2,977,390
	<i>81.10%</i>	<i>85.00%</i>	<i>84.19%</i>	<i>85.00%</i>
Special Fees	0	0	1,250	0
Total Vou subsidy	25,478,684	25,718,637	22,912,555	29,296,807
Interest-Admin (unrestricted)	769	0	235	0
Fraud Recovery Funds (1/2 restricted)	16,402	15,000	14,084	15,000
FSS Escrow Forfeitures (restricted)	13,483	15,000	37,467	0
Other-HAP (restricted)	0	25,000	41,000	25,000
Other-Admin (port-in fees/misc)	28,390	5,000	12,196	18,000
Total Revenue	25,537,728	25,778,637	23,017,537	29,354,807
EXPENSE				
Housing Assistance Payments-HCV	20,540,626	22,007,224	20,486,783	24,769,940
FSS Escrow Deposits-HCV	206,321	200,000	201,332	195,000
Total HAP/FSS Escrow	20,746,947	22,207,224	20,688,115	24,964,940
Mainstream 5 yr HAP	561,831	936,612	800,221	958,296
Total HAP	21,308,778	23,143,836	21,488,336	25,923,236
<u>Personnel services</u>				
Administrative	1,501,898	1,708,614	1,310,173	2,055,243
Total personnel services	1,501,898	1,708,614	1,310,173	2,055,243
<u>Central Office Fees:</u>				
Central Office Mgmt Fees	503,990	564,280	506,938	590,162
Central Office Acctg Fees	268,050	266,498	260,590	255,375
Total Central Office fees	772,040	830,778	767,528	845,537
<u>Other administrative costs</u>				
Legal services	0	100	580	500
Payroll/HR services	16,780	27,254	8,762	28,082
Audit	34,649	66,101	35,000	70,819
Travel/Training	6,039	12,500	6,854	29,500
Office supplies	10,596	15,000	10,025	25,000
Computer maint/repairs	1,539	3,500	0	5,500
Computer equip and software	23,154	136,404	39,371	66,538
Office equip maint/repairs	906	1,200	960	2,000
Postage	18,381	31,242	19,365	29,048

HOUSING CHOICE VOUCHER PROGRAM
Fiscal Year Beginning October 1, 2022
Three year comparison

<u>Cash Based</u>	2020/21 Actual	2021/22		2022/23 Proposed Budget
		Budget	Estimated Fiscal Year End	
<u>Other administrative costs</u>				
Legal services	0	100	580	500
Payroll/HR services	16,780	27,254	8,762	28,082
Audit	34,649	66,101	35,000	70,819
Travel/Training	6,039	12,500	6,854	29,500
Office supplies	10,596	15,000	10,025	25,000
Computer maint/repairs	1,539	3,500	0	5,500
Computer equip and software	23,154	136,404	39,371	66,538
Office equip maint/repairs	906	1,200	960	2,000
Postage	18,381	31,242	19,365	29,048
Printing	11,861	15,000	9,800	12,000
Advertising	0	0	0	0
Dues	5,998	6,050	5,975	6,050
Publications	1,267	1,750	480	1,750
Telecommunications	10,154	14,000	13,375	14,500
Interpreters	775	2,000	520	1,500
Background checks	3,304	1,500	1,450	1,500
Bank service chgs	2,232	3,500	0	1,500
Total other admin costs	147,635	337,101	152,517	295,787
<u>Utilities:</u>				
Electricity	1,682	1,600	2,040	2,448
Gas	213	1,000	415	498
Water	251	300	385	462
Sewer	308	400	605	726
Total Utilities	2,455	3,300	3,445	4,134
<u>Maint Supplies/Contracts:</u>				
<u>Supplies:</u>				
Building Maint	4,058	5,000	10,540	5,000
Janitorial supplies	19,867	750	200	750
Total supplies	23,925	5,750	10,740	5,750
<u>Contracts:</u>				
Vehicle maint/gas/repairs	1,578	1,500	1,450	1,500
Fire System Maint	30	50	0	50
Janitorial services	21,605	5,000	4,500	5,000
Garbage/recycling	1,404	2,000	1,685	2,000
Total Maint Supplies/contracts	48,542	14,300	18,375	14,300
<u>Other Operating expenses</u>				
<u>Insurance:</u>				
Property/Liability	8,093	8,405	10,200	12,750
Vehicles	1,053	1,125	0	1,200
Gain/Loss on disposal of fixed assets	(1,348)	0	0	0
Total other operating expenses	7,799	9,530	10,200	13,950
Portability fees - outgoing	77,652	90,000	100,720	106,260
Total Expense	23,866,799	26,137,459	23,851,294	29,258,446
Net Operating Income/Expense	1,670,929	(358,822)	(833,757)	96,361
HCV HAP reserves (restricted)	699,849	148,957	(892,842)	(40,809)
DV 5 yr HAP reserves (restricted)	(136,481)	(72,640)	(217,348)	0
Other restricted funds	1,115,560	(435,139)	276,433	107,170
Capital Outlay/Improvements	(7,999)	0	0	30,000
Net Cash Flow	0	0	0	0

FEDERAL HOUSING PROGRAMS

Section 8 Moderate Rehabilitation Program

The Authority administers a 10-year contract for single-room occupancy (SRO) units for women, under Moderate Rehabilitation. The complex is known as the Coral Avenue Apartments (26 subsidized and 2 non-subsidized SRO units).

MODERATE REHABILITATION PROGRAM Fiscal Year Beginning October 1, 2022 Three year comparison

	2020/21 Actual	2021/22		2022/23 Proposed Budget
		Budget	Estimated Fiscal Year End	
<u>Cash Based</u>				
REVENUE				
<u>Mod Rehab subsidy:</u>				
Housing Assistance Payments	115,157	131,040	114,610	137,280
Admin Fees	30,149	30,485	30,482	32,925
Audit Reimb	1,954	2,035	1,950	2,050
Total Mod Rehab subsidy	147,260	163,560	147,042	172,255
Interest	7	0	6	0
Total Revenue	147,267	163,560	147,048	172,255
EXPENSE				
Housing Assistance Payments	115,157	131,040	114,610	137,280
<u>Personnel services</u>				
Administrative	19,272	19,777	19,700	18,663
Total personnel services	19,272	19,777	19,700	18,663
<u>Central Office Fees:</u>				
Central Office Mgmt Fees	6,030	6,097	6,096	6,585
Central Office Acctg Fees	2,340	2,340	2,340	2,340
Total Central Office fees	8,370	8,437	8,436	8,925
<u>Other administrative costs</u>				
Legal	0	0	0	0
Payroll/HR services	230	239	225	240
Audit	1,954	2,035	1,950	2,050
Travel/Training	1	0	0	0
Office supplies	70	75	50	100
Computer equip and software	433	75	175	250
Computer maint/repairs	19	0	0	1,200

MODERATE REHABILITATION PROGRAM
Fiscal Year Beginning October 1, 2022
Three year comparison

	2020/21 Actual	2021/22		2022/23 Proposed Budget
		Budget	Estimated Fiscal Year End	
Cash Based				
<u>Other administrative costs</u>				
Legal	0	0	0	0
Payroll/HR services	230	239	225	240
Audit	1,954	2,035	1,950	2,050
Travel/Training	1	0	0	0
Office supplies	70	75	50	100
Computer equip and software	433	75	175	250
Computer maint/repairs	19	0	0	1,200
Office equip maint/repairs	132	18	10	50
Postage	47	30	35	30
Printing	26	40	275	50
Advertising	2	0	0	0
Dues	60	100	75	100
Telecommunications	421	500	640	700
Bank service chgs	1	100	0	50
Total other admin costs	3,396	3,212	3,435	4,820
<u>Utilities:</u>				
Electricity	401	500	115	500
Gas	154	200	52	250
Water	82	90	96	100
Sewer	119	100	165	200
Total Utilities	756	890	428	1,050
<u>Maint Supplies/Contracts:</u>				
<u>Supplies:</u>				
Building Maint	0	150	210	300
Janitorial supplies	3	50	15	50
Total supplies	3	200	225	350
<u>Contracts:</u>				
Janitorial services	36	75	59	100
Fire System Maint	792	20	19	50
Garbage/recycling	66	75	50	100
Total Maint Supplies/contracts	897	370	353	600
<u>Other Operating expenses</u>				
<u>Insurance:</u>				
Property/Liability	70	125	80	175
Total other operating expenses	70	125	80	175
Total Expense	147,918	163,851	147,042	171,513
Net Operating Income/Expense	(651)	(291)	6	742
Interest Income rsvs (restricted)	7	0	6	0
Other restricted funds	(658)	(291)	(0)	742
Net Cash Flow	0	0	0	0

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GRANT PROGRAMS

Veterans Rental Assistance Program (VRAP):

SHA was awarded another two-year grant from Oregon Health Authority to provide rental assistance, barrier removal assistance and case management to homeless veterans. SHA partners with outside community social service agencies to manage clients and provide assistance services. Current funding allows up to 42 veterans to receive rental assistance and support services.

Homeless Rental Assistance Program (HRAP):

SHA receives a grant from the City of Salem to implement a homeless rental assistance program for the vulnerable, hard-to-house homeless individuals in Salem. The program has provided rental assistance, barrier removal assistance and case management. HRAP will continue to assist the unhoused population with navigating the various resources available to them, but will taper out the housing assistance portion of the grant, as other resources are available and focus will change to assisting clients to remain housed and gain additional sufficiency.

VIDA

The Authority has an agreement with CASA of Oregon to facilitate Individual Development Account (IDA) services for Housing Authority clients moving toward homeownership or other goals related to self-sufficiency. VIDA funds received by the Authority are administration fees, which SHA uses to give back to clients in need of resources and to offset the costs of administering the program. The VIDA also provides matching funds direct to client IDAs, which are not shown in this budget. This program is run in conjunction with the FSS program.

Resident (Family) Self Sufficiency Programs (ROSS-FSS)

The Authority has a grant agreement with HUD for to provide self-sufficiency training and assistance to FSS families. The families voluntarily enroll in the program and agree to a plan to achieve specific goals within 5 years. As families achieve an increase in income, the subsidy savings is placed into an escrow account for the family. When the family achieves program goals, the escrow account is released to the family and is frequently used for higher education or homeownership.

Capital Fund Program (CFP)

The Authority annually receives CFP funds under a formula grant from HUD that considers the number and type of units and the age of the agency's Public Housing stock. The funds may be used to make major physical improvements to Public Housing, management improvements that enhance the Authority's capability in operating all programs. The CFP budgets are part of the Public Housing Agency Plan, which was adopted by the Housing Authority Commission on July 25, 2022.

GRANTS & OTHER PROGRAMS
Fiscal Year Beginning October 1, 2022
Three year comparison

	Grant Program Details									
	2020/21 Actual	2021/22		2022/23 Proposed Budget	VRAP	HRAP/CAP	Misc: VIDA/ESG/ MISC	Family Self-sufficiency Program	Enhancing Vouchers/ SHA Restructure	PH- Capital Fund
		Budget	Estimated Fiscal Year End							
Cash Based										
REVENUES										
Capital Grants AMP1	94,980.00	347,000	88,283	467,740					467,740	
Capital Grants AMP3	0.00	90,000	0	734,000					734,000	
Operating Grants	1,755,207.78	3,136,083	844,552	2,000,243	108,584	875,840	339,689	326,130		350,000
Housing Assistance	279,978.60	540,156	466,028	510,384	510,384					
Admin Fees	13,157.00	92,500	14,685	88,000	83,000		5,000			
Interest Inc (reserves)	0.00	0	0	0						
Total Revenues	2,143,323.38	4,205,739	1,413,548	3,800,367	701,968	875,840	344,689	326,130	0	1,551,740
EXPENSES										
Housing Assistance Payments	68,100.00	825,156	166,741	579,291	426,384	152,907			0	
Personnel services										
Administrative	553,564.21	957,058	379,790	1,781,081	0	440,246	75,147	326,130	939,558	
Total personnel services	553,564.21	957,058	379,790	1,781,081	0	440,246	75,147	326,130	939,558	
Central Office Fees:										
Central Office Mgmt Fees	468,357.00	368,712	219,701	208,313	47,000	155,433	5,880			0
Total Central Office fees	468,357.00	368,712	219,701	208,313	47,000	155,433	5,880			0
Other administrative costs										
Training/travel	9,135.99	2,500	1,475	7,500		7,500		0		
Audit	0.00	2,500	0	2,500		2,500				
Office supplies	2,623.80	2,000	3,583	2,000		2,000		0		
Computer equip and software	0.00	1,500	2,357	53,840		1,500			52,340	0
Printing	0.00	0	0	0						
Dues	0.00	0	0	0						
Postage	0.00	0	0	0						
Grant Subcontractor Fees	102,762.24	288,120	105,083	144,584	144,584					
Client Services	686,875.06	375,873	300,056	254,588	84,000	100,000	70,588			
Advertising	813.75	0	0	0						
Total other administrative costs	802,210.84	672,493	412,554	465,012	228,584	113,500	70,588	0	52,340	0

GRANTS & OTHER PROGRAMS
 Fiscal Year Beginning October 1, 2022
 Three year comparison

	Grant Program Details									
	2020/21 Actual	2021/22		2022/23 Proposed Budget	VRAP	HRAP/CAP	Misc: VIDA/ESG/ MISC	Family Self-sufficiency Program	Enhancing Vouchers/ SHA Restructure	PH- Capital Fund
		Budget	Estimated Fiscal Year End							
<u>Cash Based</u>										
<u>Utilities</u>										
Water/Sewer (SF daycare)	0.00			0						
<u>Maintenance</u>										
Supplies:	2,940.45	2,939	111,850	0	0	0	0	0	0	111,850
Contracts:	8,265.16	4,171	238,150	0	0	0	0	0	0	238,150
Coronavirus	0.00	70,792	0							0
Total maintenance	11,205.61	537,720	350,000							350,000
<u>Other operating expenses</u>										
Insurance	0.00		0							
Bad debt writeoff	0.00	0	0							
Other	25,890.00	0	0							
Total Other Operating Exp	25,890.00	0	0							
Total Expenses	1,929,327.66	1,185,896	3,383,697	701,968	862,086	151,615	326,130	991,898	350,000	
Net Operating Inc/Exp	213,995.72	844,600	416,671	0	13,754	193,074	0	(991,898)	1,201,740	
<u>Capital outlay/improvements</u>										
AMP misc capital improvements	94,980.25	45,000	236,066							236,066
Outside Consultants	0.00	180,000	99,000							99,000
Plans, printing, fees	0.00	0	0							0
Fees & Costs	0.00	314,380	541,674							541,674
Site improvements	0.00	105,000	325,000							325,000
Dwelling structure improvements	0.00	197,000	0							0
Dwelling equipment	0.00	0	0							0
Non-dwelling structure improve	0.00	0	0							0
Non-dwelling equipment	0.00	0	0							0
RAD/Relocation	0.00	0	0							0
General	0.00	0	0							0
Total capital outlay/improvements	94,980.25	841,380	1,201,740	1,201,740					1,201,740	
Reserves interest (restricted)	0.00	0	0							0
Other restricted funds	119,015.47	3,220	(785,070)	0	13,754	193,074	0	(991,898)	0	0
Net Cash Flow	0	0	0	0	0	0	0	0	0	0

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MANAGED PROPERTIES

Eight (8) low-income housing developments, consisting of 11 properties are managed by the Authority. Budgets for these developments are approved by the owners or limited partners. Brief descriptions of the properties are provided here for informational purposes only.

Salem Housing Preservation 9 Percent

This multifamily LLC converted Brush College and Meadowlark Villages from Public Housing in December 2019, via Rental Assistance Demonstration (RAD). The project partners with US Bank as the member investor and utilizes Project Based Rental Assistance contracts to continue to allow for affordable housing. Renovations and rehab were completed in 2021 and was made possible by use of private debt.

Doral House

This is a single-family home owned by the City of Salem and managed by SHA.

Englewood East

This 50-unit complex for elderly and handicapped households was built in 1981 with funding received from the HUD Section 202 Program. Owned by Teton Non-Profit Housing Corporation and managed by SHA, rents are subsidized through the HUD Section 8 Project Based Rental Assistance Program.

Hawthorne House

This single-family residence is owned by Chemeketa Non-Profit Housing Corporation and managed by SHA. The 1996 rehabilitation of this home was financed with Community Development Block Grant a loan from the City of Salem's Urban Development Department.

Salem Housing Preservation 4 Percent

This multifamily LLC converted Northgate and Livingston Villages from Public Housing in December 2019, via Rental Assistance Demonstration (RAD). The project partners with US Bank as the member investor and utilizes Project Based Rental Assistance contracts to continue to allow for affordable housing. Renovations and rehab were completed in 2020 and was made possible by use of private debt and bond funds.

Parkway West and Parkway East

This 124-unit family complex was constructed in 1997. The Authority was successful in obtaining tax credits from the State of Oregon in 2013 which enabled the property to be converted into two new limited liability corporations with Wincopin Circle LLLP as the member investor. The properties completed a major rehabilitation project in 2015. Parkway West LLC is the new owner of Parkway West. Parkway East was combined with RLT for financial viability to form Robert Lindsey Tower LLC.

Robert Lindsey Tower

This is a multifamily limited liability corporation (with Wincopin Circle LLLP as the investor member). The conversion was effective June 1, 2014 and included the Parkway East property as part of the new LLC. RLT's conversion occurred as part of the Rental Assistance Demonstration project (RAD) offered by HUD to move properties from Public Housing and into Project Based Rental Assistance contracts to allow the use of debt and other private resources to make needed renovations to the property. Rehab was completed in early 2015.

Yaquina Hall and Southfair

Our newest partnership which utilizes multi funding streams, allowing rehabilitation and renovations. Southfair is a multifamily 40-unit complex consists of 1, 2 and 3 bedroom units. Yaquina Hall is currently under construction and will provide 52 units of additional housing. 23