

BERKELEY HOUSING AUTHORITY

Resolution 24-04

ADOPTION OF THE FISCAL YEAR ENDING 2024-2025 BUDGET OF THE BERKELEY HOUSING AUTHORITY WITH A NET OPERATING INCOME OF \$22,466.

WHEREAS, The Berkeley Housing Authority (“BHA” or “Authority”) is a public body, corporate and politic, organized pursuant to the Housing Authorities Law, California Health and Safety Code Section 34200 et. seq.; and

WHEREAS, BHA operates on a July 1-June 30 fiscal year and HUD funding is on a calendar year; and

WHEREAS, operating budgets for the BHA’s various programs must be adopted prior to the beginning of the fiscal year July 1, 2024 – June 30, 2025; and

WHEREAS, formal adoption of a fiscal year budget by Board Commissioners is one of the duties of the Board of the Authority; and

WHEREAS, the budget for Fiscal Year Ending 2024-2025 includes the various HUD programs administered by BHA, including Section 8 Housing Choice Voucher, Moderate Rehabilitation, Mainstream and Emergency Housing Voucher Programs; and

WHEREAS, the budget for Fiscal Year Ending 2024-2025 utilized data from HUD’s Two Year Tool for HAP revenue and expenses and assumed CY2024 administrative fee rates and 90% pro-ration; and

WHEREAS, the proposed FYE2024-2025 Budget assumes a utilization of only 79% of our HCV units, 84% in the Mainstream program and 92% in the EHV program.; and

WHEREAS, the proposed FYE2024-2025 Budget assumes 13 FTE, include a new Office Assistant II (Eligibility Clerk); and

WHEREAS, the proposed FYE2024-2025 Budget reflects a 3% COLA adjustment for represented and unrepresented employees as the labor union contracts with Local 1021 and Local One; and the Unrepresented Employee Agreement are about to expire on June 30, 2024; and

WHEREAS, the proposed FYE2024-2025 Budget exercised MTW fungibility by using \$399,878 in HAP funding for Non-HAP expenses; and

WHEREAS, the proposed FY2024-2025 Budget reflects a projected annual operating income income of \$22,466 after utilization of available administrative fee reserve; and

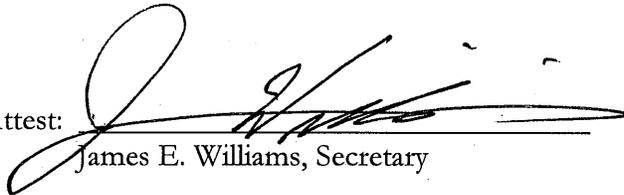
WHEREAS, staff and the Board are continuing to engage in strategic analysis of Authority operations, including critical decisions on affordable housing development, contract services, programs, and staffing levels; and

NOW, THEREFORE BE IT RESOLVED that the proposed FY Ending 2025 BHA Budget, including 13 Full Time Equivalent positions, attached as Exhibits A, is approved.

The foregoing Resolution 24-04 was adopted by the Board of the Berkeley Housing Authority on June 13, 2024, by the following vote:

Ayes: Chair Schildt, Vice Chair Levine, Commissioners Kashani, Matthews, Rossi
Noes: None
Abstain: None
Absent: Commissioners Davis & Thomas-Rodriguez

Attest:



James E. Williams, Secretary

BERKELEY HOUSING AUTHORITY
DETAIL - DRAFT Budget
For Fiscal Year 2024-2025
Section 8 Only

EXHIBIT A

	DESCRIPTION	Grand Total PROPOSED BUDGET FY2025 (a) = (b + c + d + e + f)	HUD PROGRAMS				(RESTRICTED) Other Federal Programs (Dispo Proceeds)	(UNREST.) Other Local Programs	MODIFIED BUDGET FY2024 (h)	Increase (Decrease) (i) = (a - h)	%
			HCV Program 1,989 Units (b)	Mod. Rehab Program 98 Units (c)	Mainstream 121 Units (d)	EHV 51 Units (e)					
1	HOUSING ASSISTANCE PAYMENTS (HAP)										
1.a	HAP Revenue from HUD	\$ 42,547,835	\$ 37,302,627	\$ 934,920	\$ 3,012,502	\$ 1,297,786		\$ 41,671,355	\$ 876,480	2%	
1.b	HAP Expenses to Owners	\$ (38,679,469)	\$ (34,430,545)	\$ (934,920)	\$ (2,156,394)	\$ (1,157,610)		\$ (37,967,128)	\$ (712,342)	2%	
1.c	MTW eligible expenses	\$ (219,407)	\$ (219,407)					\$ (311,080)	\$ 91,673	-29%	
1.d	Transfer to Operating Revenue	\$ (399,878)	\$ (399,878)								
1.e	Estimated excess (shortfall) in HAP revenue	\$ 3,249,081	\$ 2,252,797.68	\$ -	\$ 856,108	\$ 140,176	\$ -	\$ 3,704,227	\$ (455,146)		
	UTILIZATION - BUDGET		79.0%	100%	84%	92%					
2	OPERATING REVENUE										
2.a	Administrative Fees	\$ 2,941,783	\$ 2,510,316	\$ 183,933	\$ 169,355	\$ 78,179		\$ 2,863,839	\$ 77,944	3%	
2.b	Administrative Fee earned for managed incoming ports	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	0%	
2.c	Administrative Fee Paid for managed outgoing ports	\$ (75,894)	\$ (49,766)	\$ -	\$ (12,442)	\$ (13,686)		\$ (105,965)	\$ 30,071	-28%	
2.d	Net Administrative Fee	\$ 2,865,889	\$ 2,460,549	\$ 183,933	\$ 156,913	\$ 64,493		\$ 2,757,874	\$ 108,015	4%	
2.e	Transfer from HAP funding	\$ 399,878	\$ 399,878					\$ 399,878	\$ 399,878		
2.f	BHA Oversight Fee	\$ 6,922	\$ 6,922	\$ -	\$ -	\$ -		\$ 6,720	\$ 202	3%	
2.g	Preliminary Fee & Service Fee (Unit Turnover)	\$ 80,000	\$ 50,000	\$ -	\$ 30,000	\$ -		\$ 100,000	\$ (20,000)	-20%	
2.h	Miscellaneous Income	\$ 60,600	\$ 57,200	\$ 3,400	\$ -	\$ -		\$ 8,000	\$ 52,600	658%	
2.i	Interest Income on Disposition income	\$ 437,203	\$ -	\$ -	\$ -	\$ -		\$ -	\$ 437,203		
2	Total Operating Revenue	\$ 3,850,492	\$ 2,974,549	\$ 187,333	\$ 186,913	\$ 64,493	\$ 362,878	\$ 2,872,594	\$ 977,898	34%	
	OPERATING EXPENSES										
	ADMINISTRATION										
3.a	Salaries	\$ 1,400,840	\$ 1,175,472	\$ 95,809	\$ 67,792	\$ 28,017		\$ 1,228,695	\$ 172,145	14%	
3.b	Employee Benefits	\$ 1,069,176	\$ 903,797	\$ 73,635	\$ 52,252	\$ 21,384		\$ 925,465	\$ 143,711	16%	
3	Sub-total salaries and employee benefits	\$ 2,470,016	\$ 2,079,270	\$ 169,444	\$ 120,044	\$ 49,400		\$ 2,154,160	\$ 315,856	15%	
4.a	Fee - Legal Expense - Outside Counsel	\$ 46,680	\$ 40,612	\$ 3,268	\$ 1,867	\$ 934		\$ 45,864	\$ 816	2%	
4.b	Fee - Audit Fees	\$ 24,700	\$ 21,489	\$ 1,729	\$ 988	\$ 494		\$ 23,807	\$ 893	4%	
4.c	Fee - Consultants - General Consultants	\$ 170,630	\$ 148,448	\$ 11,944	\$ 6,325	\$ 3,913		\$ 292,834	\$ (122,204)	-42%	
4.d	Fee - Inspection	\$ 112,706	\$ 94,069	\$ 6,114	\$ 8,072	\$ 4,451		\$ 112,706	\$ -	0%	
4.e	Office Rent	\$ 143,087	\$ 124,296	\$ 10,491	\$ 4,937	\$ 3,362		\$ 147,416	\$ (4,329)	-3%	
4.f	Travel/Transportation	\$ 6,100	\$ 5,307	\$ 427	\$ 244	\$ 122		\$ 6,230	\$ (130)	-2%	
4.g	Staff Training	\$ 17,578	\$ 15,293	\$ 1,230	\$ 703	\$ 352		\$ 29,379	\$ (11,801)	-40%	
4.h	Publications & Subscriptions	\$ 7,293	\$ 6,345	\$ 511	\$ 292	\$ 146		\$ 7,658	\$ (365)	-5%	
4.i	Memberships & Dues	\$ 18,861	\$ 16,409	\$ 1,320	\$ 754	\$ 377		\$ 16,885	\$ 1,976	12%	
4.j	Telephone	\$ 9,180	\$ 7,987	\$ 643	\$ 367	\$ 184		\$ 6,930	\$ 2,250	32%	
4.k	Office Supplies	\$ 14,400	\$ 12,528	\$ 1,008	\$ 576	\$ 288		\$ 13,860	\$ 540	4%	
4.l	Postage	\$ 20,736	\$ 18,040	\$ 1,452	\$ 829	\$ 415		\$ 21,962	\$ (1,226)	-6%	
4.m	Printing & Reproduction	\$ 9,600	\$ 8,352	\$ 672	\$ 384	\$ 192		\$ 10,080	\$ (480)	-5%	
4.n	Equipment maintenance	\$ 1,300	\$ 1,131	\$ 91	\$ 52	\$ 26		\$ 1,300	\$ -	0%	
4.o	Equipment Lease	\$ 14,880	\$ 12,946	\$ 1,042	\$ 595	\$ 298		\$ 14,880	\$ -	0%	
4.p	Advertising	\$ 5,000	\$ 4,350	\$ 350	\$ 200	\$ 100		\$ 3,000	\$ 2,000	67%	
9.xiii	Messenger/delivery service	\$ 0	\$ -	\$ -	\$ -	\$ 0		\$ 0	\$ (0)	0%	
4.q	Computer Service - City of Berkeley IT	\$ 72,000	\$ 62,640	\$ 5,040	\$ 2,400	\$ 1,920		\$ 71,783	\$ 217	0%	
4.r	Software Maintenance	\$ 53,271	\$ 46,346	\$ 3,729	\$ 2,131	\$ 1,065		\$ 39,213	\$ 14,058	36%	
4.s	Other Sundry Items	\$ 12,600	\$ 10,962	\$ 882	\$ 504	\$ 252		\$ 13,230	\$ (630)	-5%	
4	Total Administrative Expenses	\$ 760,601	\$ 657,549	\$ 51,942	\$ 32,222	\$ 18,889	\$ -	\$ 879,016	\$ (118,415)	-13%	
5	TENANT SERVICES										
5.a	Unit Turn-over/Unit Navigation	\$ 80,000	\$ 50,000	\$ -	\$ 30,000	\$ -		\$ 100,000	\$ (20,000)	-20%	
5	Total Tenant Services	\$ 80,000	\$ 50,000	\$ -	\$ 30,000	\$ -	\$ -	\$ 100,000	\$ (20,000)	-20%	

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	DESCRIPTION HUD Authorized Units ==>	Grand Total PROPOSED BUDGET FY2025 (a) = (b + c + d + e + f)	HUD PROGRAMS				(RESTRICTED) Other Federal Programs (Dispo Proceeds)	(UNREST.) Other Local Programs	MODIFIED BUDGET FY2024 (h)	Increase (Decrease) (i) = (a - h)	%
			HCV Program 1,989 Units (b)	Mod. Rehab Program 98 Units (c)	Mainstream 121 Units (d)	EHV 51 Units (e)					
6	ROUTINE MAINTENANCE										
6.a	Facilities maintenance	\$ 5,860	\$ 5,098	\$ 410	\$ 234	\$ 117		\$ 4,000	\$ 1,860	47%	
6	Total Routine Maintenance	\$ 5,860	\$ 5,098	\$ 410	\$ 234	\$ 117		\$ 4,000	\$ 1,860	47%	
7	GENERAL EXPENSES										
7.a	Insurance	\$ 69,454	\$ 60,664	\$ 4,862	\$ 2,539	\$ 1,389		\$ 61,686	\$ 7,768	13%	
7.b	Other General Expenses	\$ 13,000	\$ 11,310	\$ 910	\$ 520	\$ 260		\$ 35,311	\$ (22,311)	-63%	
7.c	Depreciation	\$ 30,693	\$ 28,008	\$ 1,747	\$ 938			\$ 30,693	\$ 0	100%	
7	Total General Expenses	\$ 113,147	\$ 99,982	\$ 7,519	\$ 3,997	\$ 1,649		\$ 127,690	\$ (14,543)	-11%	
8	TOTAL OPERATING EXPENSES	\$ 3,429,625	\$ 2,891,899	\$ 229,315	\$ 186,497	\$ 70,055		\$ 3,264,866	\$ 164,759	5%	
9	CAPITAL EXPENDITURE										
9.a	Website Development	\$ 70,000	\$ 60,900	\$ 4,900	\$ 2,800	\$ 1,400		\$ 24,000	\$ 46,000	192%	
9.b	Laptop replacement	\$ 25,000	\$ 21,750	\$ 1,750	\$ 1,000	\$ 500		\$ -	\$ 25,000	0%	
9	TOTAL CAPITAL EXPENDITURE	\$ 95,000	\$ 82,650	\$ 6,650	\$ 3,800	\$ 1,900		\$ 24,000	\$ 71,000	296%	
10	OPERATING SURPLUS (DEFICIT)	\$ 325,867	\$ (0)	\$ (48,631)	\$ (3,383)	\$ (7,462)	\$ 362,878	\$ (392,272)	\$ 718,140	-183%	
11	INTEREST INCOME TRANSFERRED TO REST ACCT.										
11.a	Interest Income on Notes Receivable and Dispo Proceeds	\$ (362,878)							\$ (687,205)	-212%	
11	NET SURPLUS AND DEFICIT	\$ (37,011)	\$ (0)	\$ (48,631)	\$ (3,383)	\$ (7,462)	\$ (362,878)	\$ (67,945)	\$ 30,934	-46%	
12	USE OF DISPOSITION PROCEEDS /PROGRAM RESERVES	\$ 59,477	\$ 0	\$ 48,631	\$ 3,383	\$ 7,462					
13	NET SURPLUS (DEFICIT)	\$ 22,466	\$ -	\$ -	\$ -	\$ -					
DISPOSITION PROCEEDS OR OPERATING RESERVE BALANCE, 07/01/2024											
12	TOTAL NON-ROUTINE EXPENSES / CAPITAL IMPROVEMENT	\$ -	\$ 2,126,474	\$ 243,150	\$ 16,397	\$ 32,280					
PROJECTED RUNNING DISPO PROCEEDS BALANCE											
		\$ -	\$ (0)	\$ (48,631)	\$ (3,383)	\$ (7,462)					
		\$ -	\$ 2,126,474	\$ 194,519	\$ 13,014	\$ 24,818					