

BERKELEY HOUSING AUTHORITY

Finance Report

May 31, 2025

HAP Revenue and Expenses

DESCRIPTION	FY2025 BUDGET		FY2025 BUDGET		FY2025 ESTIMATED TOTAL		
	(a.1)	(a.2)	(a.3)	(e)	(f)	(g)	
	APPROVED FY2025 BUDGET BUDGET	BUDGET MOD	AMENDED FY2025 BUDGET BUDGET	EST BUDGET JUNE 2025 PROJECTED	FY2025 ESTIMATED TOTAL	INCREASE (DECREASE)	%
	(a)		(a)	(f)	(g) = (e+f)	(h) = (g - a)	
1 HOUSING ASSISTANCE PAYMENTS (HAP)							
2 HAP Received from HUD	\$ 42,547,835	\$ -	\$ 42,547,835	\$ 5,489,951	\$ 41,994,670	\$ (553,165)	-1%
3 Miscellaneous Income -HAP	\$ -	\$ -	\$ -	\$ 94	\$ 2,356	\$ 2,356	100%
4 Less HAP Paid to Owners	\$ (38,679,469)	\$ -	\$ (38,679,469)	\$ (3,354,181)	\$ (38,963,081)	\$ 283,611	-1%
5 Less MTW Eligible Expenses	\$ (219,407)	\$ -	\$ (219,407)	\$ (28,450)	\$ (53,900)	\$ 165,506	-75%
6 Less Transfer to Operating revenue	\$ (399,878)	\$ (1,005,187)	\$ (1,405,065)	\$ -	\$ (1,405,065)	\$ -	0%
7 HAP Surplus (Deficit)	\$ 3,249,081	\$ (1,005,187)	\$ 2,243,894	\$ 2,107,414	\$ 1,574,980	\$ (101,691)	0
8 Use of Excess HAP Reserve	\$ -	\$ -					
9 Net HAP Surplus (Deficit)	\$ 3,249,081	\$ -	\$ 2,243,894	\$ 2,107,414	\$ 1,574,980	\$ (101,691)	

Significant Variances:

- Projected revenue is down 1% because due to low baseline and utilization of vouchers.
- Voucher utilization for the HCV Program is down by approx. 1%. Budget-79% vs Actual-78%
- 1.7% increase HAP Per Unit Cost (PUC) in the HCV program. Budget-\$1,826 vs Actual-\$1,857
- HAP funding used for operations increased by \$1 million. This brought the HAP reserve on December 31, 2024 within the allowable threshold.

Operating Revenue

DESCRIPTION	FY2025 BUDGET		FY2025 BUDGET		FY2025 ESTIMATED TOTAL			
	(a.1)	(a.2)	(a.3)	(e)	(f)	(g)		
	APPROVED FY2025 BUDGET BUDGET	BUDGET MOD	AMENDED FY2025 BUDGET BUDGET	EST BUDGET JUNE 2025 PROJECTED	FY2025 ESTIMATED TOTAL	INCREASE (DECREASE)	%	
11 OPERATING REVENUE								
12 Administrative Fees (S8 & MOD REHAB)	\$ 2,941,783	\$ -	\$ 2,941,783	\$ 393,751	\$ 3,159,277	\$ 217,494	7%	
13 Administrative fees billed to other PHA on Port in	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	
14 Administrative fees to other PHA on Port out	\$ (75,894)	\$ -	\$ (75,894)	\$ (3,415)	\$ (40,607)	\$ (35,286)	46%	
15 Net Administrative Fees	\$ 2,865,889	\$ -	\$ 2,865,889	\$ 390,336	\$ 3,118,670	\$ 252,780	9%	
16 BHA Oversight Fee	\$ 6,922	\$ -	\$ 6,922	\$ -	\$ 6,721	\$ (201)	-3%	
18 Service Fee	\$ 80,000		\$ 80,000	\$ -	\$ 8,388	\$ (71,612)	-90%	
19 Miscellaneous Income	\$ 497,803		\$ 497,803	\$ 191,745	\$ 568,015	\$ 70,212	14%	
20 Transfer from HAP	\$ 399,878	\$ 1,005,187	\$ 1,405,065	\$ -	\$ 1,405,065	\$ -	0%	
21 TOTAL OPERATING REVENUE	\$ 3,850,492	\$ 1,005,187	\$ 4,855,679	\$ 582,080	\$ 5,106,858	\$ 251,179	5%	

Significant Variances:

- Admin Fee revenue up by 7% due to:
 - Increase in 2025 Admin Fee rates by 5.3%
 - Slightly higher admin fee proration in 2024. Budget -90% vs Actual 92.834%
- Unused funding from COB for Unit Turn-over – (\$71,612)
- HAP funding used for operations increased by \$1 million.

Operating Expenses & Capital Expenditures - 1

DESCRIPTION	FY2025 BUDGET		FY2025 BUDGET	FY2025 ESTIMATED TOTAL			
	(a.1)	(a.2)	(a.3)	(e)	(f)	(g)	
	APPROVED FY2025 BUDGET BUDGET	BUDGET MOD	AMENDED FY2025 BUDGET BUDGET	EST BUDGET JUNE 2025 PROJECTED	FY2025 ESTIMATED TOTAL	INCREASE (DECREASE)	%
	(a)		(a)	(f)	(g) = (e+f)	(h) = (g - a)	
72 TOTAL OPERATING EXPENSES	3,429,625	302,000	3,731,625	624,513	3,453,471	(278,153)	-7%
75 TOTAL CAPITAL EXPENDITURE	95,000	-	95,000	-	16,095	(78,905)	-83%
TOTAL OPERATING EXPENSES & CAPITAL EXPENDITURE	3,524,625	302,000	3,826,625	624,513	3,469,566	(357,059)	-9%

Operating Expenses & Capital Expenditures - 2

Significant variances & budget modification:

- Salary and Benefits: \$97,372 less than modified budget due to savings in employee benefits resulting from vacancies.
- Legal fees: exceeded budget by \$19,476
- Training: \$22,702 less than modified budget. (\$27,298 more than original budget)
- Office rent: up by \$61,870 due to GASB 87 year-end entry. No cash outlay.
- Telephone: \$49,579 less than modified budget due to delay in the implementation of the answering service. (\$421 more than the original budget).
- Consultants: \$81,982 less than modified budget. (\$98,000 more than the original budget)
- Unused budget for website development (\$70,000) to be carried over in FY2025-2026 Budget

Projected Net Operating Income

- The overall operating results for all programs are as follows:

PROGRAM	Original Budget	05/31/2025 Projected Net Income	Variance
Section 8 (Attachment B)	\$ -	1,263,425	1,263,425
Mod Rehab (Attachment C)	\$ -	-	-
Mainstream (Attachment D)	\$ -	-	-
EHV (Attachment E)	\$ -	13,640	13,640
Others (Attachments E & F)	\$ 22,466.00	34,029	11,563
Operating Surplus (Deficit)	\$ 22,466.00	\$ 1,311,093.75	1,288,628

- Significant increase in the Section 8 projected Net Income (\$1,263,425) was primarily due to transfer of HAP funding to operation.

Net Unrestricted Reserves – as of 05/31/2025

PROGRAM	Unrestricted Reserve
Section 8	\$ 5,481,408.45
Mod Rehab	\$ 126,737.00
Mainstream	\$ 35,149.00
EHV	\$ 79,270.97
BHA/OTHERS (includes net capital assets (\$2.6M) and unrestricted disposition proceeds)	\$ 5,170,701.12
TOTAL UNRESTRICTED RESERVE	\$ 10,893,266.54

TWO-YEAR-TOOL

Summary Outcomes		
Year-End Outcomes	2025	2026
UML % of ACC (UMA)	79.1%	80.0%
HAP Exp as % All Funds	94.8%	106.5%
HAP Exp as % of Elig.	98.0%	112.4%
Proj. 12/31 Total Reserves	\$2,049,704	-\$2,542,435
HAP Reserves - % ABA	5.4%	-6.8%

Disposition Proceeds

Restricted Cash	\$6,614,400
Unrestricted Cash	<u>\$1,363,535</u>
TOTAL Disposition proceeds in the bank	<u>\$7,977,935</u>
Outstanding Note Receivable & Interest:	<u>\$9,399,034</u>