



10400 Detrick Avenue
 Kensington, MD 20895-2484
 (240) 627-9425



Budget, Finance and Audit Committee

April 14, 2023
10:00 a.m.

Livestream: <https://www.youtube.com/watch?v=ZkZHT-T2PzQ>

HOC's offices are now open to the public. The public is invited to attend HOC's April 14, 2023 Budget, Finance and Audit Committee meeting in-person. HOC's Board of Commissioners and staff will continue to participate through a hybrid model (a combination of in-person online participation).

Approval of Minutes:

| Title | Page # |
|---|--------|
| 1. Minutes: Approval of Budget and Finance Committee Minutes February 17, 2023 | Pg.3 |

Discussion/Action Items:

| Title | Page # |
|--|--------|
| 1. Fiscal Year 2024 (FY'24) Budget Presentation: Presentation of the FY 2024 General Fund | Pg.7 |
| 2. Fiscal Year 2024 (FY'24) Budget Presentation: Presentation of the FY 2024 Public Fund | Pg.17 |

Minutes

HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY
10400 Detrick Avenue
Kensington, Maryland 20895
(240) 627-9425

Budget, Finance and Audit Committee Minutes

February 17, 2023

For the official record of the Housing Opportunities Commission of Montgomery County, an open meeting of the Budget, Finance and Audit Committee was conducted via hybrid platform on Friday, February 17, 2023, with moderator functions occurring 10400 Detrick Avenue, Kensington, Maryland beginning at 10:07 a.m. There was a livestream of the meeting held on YouTube, available for viewing [here](#). Those in attendance were:

Present In Person

Richard Y. Nelson, Jr., Chair – Budget, Finance and Audit Committee
Frances Kelleher, Vice Chair – Commissioner
Jeffrey Merkowitz – Commissioner

Also Attending

Chelsea Andrews, Executive Director
Aisha Memon, General Counsel
Marcus Ervin
John Wilhoit
Gio Kaviladze
Monte Stanford

Kayrine Brown, Deputy Executive Director
Timothy Goetzinger, Acting Chief Financial Officer
Terri Fowler, Budget Officer
Zachary Marks
Nilou Razeghi

IT Support

Aries “AJ” Cruz
Genio Etienne

Commission Support

Patrice Birdsong, Special Assistant

Committee Chair Nelson opened the meeting with a welcome and introduction of Commissioners participating in person, and the Executive Director as well as key staff presenters. Commissioners Nelson began the meeting with the approval of the minutes.

APPROVAL OF MINUTES

The minutes of December 21, 2022, open session were approved as submitted with a motion by Commissioner Merkowitz and seconded by Commissioner Keheller. Affirmative votes were cast by Commissioners Merkowitz, Nelson and Kelleher.

ACTION/DISCUSSION ITEMS

1. Fiscal Year 2023 (FY'23) Second Quarter Budget to Actual Statements: Presentation of Second Quarter FY'23 Budget to Actual Statements

Chelsea Andrews, Executive Director, provided an overview of the presentation and introduced Timothy Goetzinger, Chief Development Funds Officer/Acting Chief Financial Officer and Terri Fowler, Budget Officer who provided the presentation. Staff addressed questions of the Commission. A motion was made by Commissioner Merkowitz to recommend to the full Board approval of the FY'23 Second Quarter Budget Statements. It was seconded by Commissioner Kelleher. Affirmative votes were cast by Commissioners Merkowitz, Nelson and Kelleher.

2. Fiscal Year 2023 (FY'23) Second Quarter Unaudited Financial Statements: Presentation of the Unaudited Financial Statements for the Second Quarter ended December 31, 2022

Timothy Goetzinger, Chief Development Funds Officer/Acting Chief Financial Officer, provided an overview of the presentation and introduced Francis Vega, Controller, who provided the presentation. Staff addressed questions of the Commission. A motion was made by Commissioner Merkowitz to recommend to the full Board authorization to approve the FY'23 Second Quarter Unaudited Financial Statements. It was seconded by Commissioner Kelleher. Affirmative votes were cast by Commissioners Merkowitz, Nelson and Kelleher.

3. Fiscal Year 2023 (FY'23) Second Quarter Budget Amendment: Presentation of the FY'23 Second Quarter Budget Amendment

Chelsea Andrews, Executive Director, provided an overview of the presentation, introducing Timothy Goetzinger, Chief Development Funds Officer/Acting Chief Financial Officer and Terri Fowler, Budget Officer who provided the presentation. Commissioner Nelson had a request for context. A motion was made by Commissioner Kelleher and seconded by Commissioner Merkowitz to recommend to the full Commission approval of the FY'23 Second Quarter Budget Amendment. Affirmative votes were cast by Commissioners Merkowitz, Nelson and Kelleher.

4. Uncollectible Tenant Accounts Receivable: Presentation of Request to Write-Off Uncollectible Tenant Accounts Receivable (October 1, 2022 – December 31, 2022)

Chelsea Andrews, Executive Director, provided an overview of the presentation and introduced Timothy Goetzinger, Chief Development Funds Officer/Acting Chief Financial Officer and Nilou Razeghi, Accounting Manager. Timothy provided an overview and introduced Nilou Razeghi who presented. Staff addressed questions of the Commission. A motion was made by Commissioner Kelleher to recommend to the full Board approval of Request to Write-Off Uncollectible Tenant Accounts Receivable (October 1, 2022 – December 31, 2022). It was seconded by Commissioner Merkowitz. Affirmative votes were cast by Commissioners Kelleher, Merkowitz, and Nelson.

5. Residences on the Lane (Upton II) and HOC at Garnkirk Farm, LLC: Approval to Extend the Maturity Dates for the Draws on the PNC Bank Real Estate Line of Credit (“RELOC”) Which Financed the Commission Approved Actions Related to Residences on the Lane (Upton II) and HOC at Garnkirk Farms, LLC

Chelsea Andrews, Executive Director, provided an overview of the presentation and introduced Timothy Goetzinger, Chief Development Funds Officer/Acting Chief Financial Officer as the presenter. Staff addressed questions of the Commission. A motion was made by Commissioner Merkowitz to recommend to the full Board of Approval to Extend the Maturity Dates for the Draws on the PNC Bank Real Estate Line of Credit (“RELOC”) It was seconded by Commissioner Kelleher. Affirmative votes were cast by Commissioners Merkowitz, Nelson and Kelleher.

6. Cider Mill Apartments: Emergency Procurement to Select Contractors to Repair or Replace Mansard and Flat Roofs at Cider Mill Apartments

Chelsea Andrews, Executive Director, provided an overview of the presentation, introducing Marcus Erwin, Director of Development, Real Estate and Gio Kaviladze, Senior Financial Analyst, Real Estate as presenters. Staff addressed questions of the Commission. A motion was made by Commissioner Merkowitz for Emergency Procurement to Select Contractors to Repair or Replace Mansard and Flat Roofs at Cider Mill Apartments, which was seconded by Commission Kelleher. Affirmative votes were cast by Commissioners Merkowitz, Nelson and Kelleher.

Based upon this report and there being no further business to come before this session of the Budget, Finance and Audit Committee, the meeting adjourned at 11:12 a.m.

Respectfully submitted,

Chelsea Andrews
Secretary-Treasurer

/lb

Discussion Items

MEMORANDUM

TO: Housing Opportunities Commission of Montgomery County;
Budget, Finance and Audit Committee

VIA: Chelsea Andrews, Executive Director

FROM: Staff: Timothy Goetzinger, Acting Chief Financial Officer
Terri Fowler, Budget Officer
Vivian Ikoro, Financial Analyst

RE: **Fiscal Year 2024 (FY'24) Budget Presentation:** Presentation of the FY 2024
General Fund

DATE: April 14, 2023

BACKGROUND:

The FY'24 Recommended Budget reflects the Agency's commitment to the use of **new technology, new approaches** to deliver on our mission, and the deployment of **new sources of capital** to support increased housing production in the County. Under our **new leadership**, the Agency budget includes a continued commitment to improving processes, addressing the backlog of deferred maintenance that resulted from the pandemic, and promoting a more robust commitment to one of our most valuable assets – staff.

The rental arrearages and rising costs have presented challenges in balancing the budget; however, the increased County Executive Voluntary Rent Guideline has served to provide the opportunity to generate additional rental revenue to support our efforts. Key to this is assisting our residents reestablish consistent rental payments. It is crucial to stabilize property income going forward by identifying key property metrics to monitor and boost performance. Property Management in conjunction with our newly established Asset Management team will focus on these efforts to maximize rental receipts and contain costs. HOC will continue to focus efforts here through decisions made in the budget.

We are also looking to invest in technology and systems to create a more agile and data-driven decision-making environment. We expect that these measures will respond to the aforementioned issues and positively impact property and agency financial performance and improve our customers' experience in accessing resources and assistance.

In addition to the Agency's focus on developing, managing and maintaining its real estate portfolio, HOC continues to deliver superior services to its customers that have adapted to the current and changing environment. These services are provided through various programs

including those offered through HOC Academy, the Family Self-Sufficiency program, Fatherhood Initiative, and several other programs offered by the Resident Services Division..

ISSUES FOR CONSIDERATION:

OPERATING BUDGET

The **General Fund** includes costs associated with typical overhead departments, including the Executive Division, Finance Division, Information Technologies, Facilities, Legislative and Government Affairs, and Public Affairs and Communications. Also included in this fund, as a result of funding source decisions and the treatment of overhead, are portions of Property Management Administration, Maintenance Administration, Compliance, Real Estate, Mortgage Finance, and Resident Services. Costs within these divisions, that are treated as overhead, are allocated to the revenue generating programs via HOC's Cost Allocation Plan.

The Recommended Operating Budget for FY 2024 is **\$311.8** million. Please note that the FY 2024 Recommended Budget that was presented to the Commission on April 5, 2022, is balanced with a projected draw from the General Fund Operating Reserve ("GFOR") of approximately **\$1.56** million (see **SLIDE 2**).

The chart on **SLIDE 3** reflects the distribution of the Source of Funds in the FY 2024 General Fund Recommended Budget. Fees received for **Agency Overhead** of **\$12.74** million account for **41.93%** of the total revenue in the fund. As in past years, the fees received do not fully cover the budgeted expenses of the General Fund of **\$29.39** million due to the limit on fees for some of the properties and grants. Further, overhead has historically not been allocated to the Real Estate Division since the source of funds for the majority of salaries and benefits in the division is the Opportunity Housing Reserve Fund ("OHRF") and allocating overhead would further deplete the reserve, thereby limiting available funds for capital investments. This leaves approximately **\$16.65** million of expenses to be covered from other revenue sources in the General Fund and unrestricted cash flow from Non-Development Corporation properties.

The distribution of the Uses of Funds on **SLIDE 4** shows that personnel is the largest costs in the General Fund, which is typical. It accounts for **\$24.27** million or **72.10%** of the total expenses. Other Operating costs account for an additional **\$7.16** million or **21.28%**. Finally, Non-Operating expenses, which include debt service payments, contributions/restrictions to reserves, and funding for capital represent the remaining **\$2.23** million or **6.62%**.

As shown on **SLIDE 5**, the balance in the General Fund operating Reserve ("GFOR") is projected to decrease a net **\$1.27** million by June 30, 2024, mainly from the projected draw to balance the FY 2024 budget and the projected draw to cover the planned MetroPointe operating deficit.

CAPITAL BUDGET

The chart on **SLIDE 6** depicts the FY 2024 Capital Budgets for Facilities and IT totaling **\$800** thousand. Proposed funding for the Facilities and IT budgets is a transfer of funds from the Operating Budget and Replacement Reserves.

BUDGET IMPACT:

None for FY'23. The budget, when adopted on June 7, 2023, will set the financial plan for the Agency for FY'24.

TIME FRAME:

During April and May 2023, the Budget, Finance and Audit Committee will review the budget proposal in detail and recommend the FY'24 Budget, as amended, to the full Commission for adoption at the June 7, 2023 meeting. The Commission must adopt a budget for FY'24 before the fiscal year begins on July 1, 2023.

STAFF RECOMMENDATION & COMMISSION ACTION NEEDED:

No action is requested at this time.

Charts Highlighting FY 2024 General Fund Budget

Budget, Finance & Audit Committee Meeting General Fund

April 14, 2023

Fund Summary

FY 2024 Recommended Budget

Fund Summary Overview

FY 2024 Recommended Budget

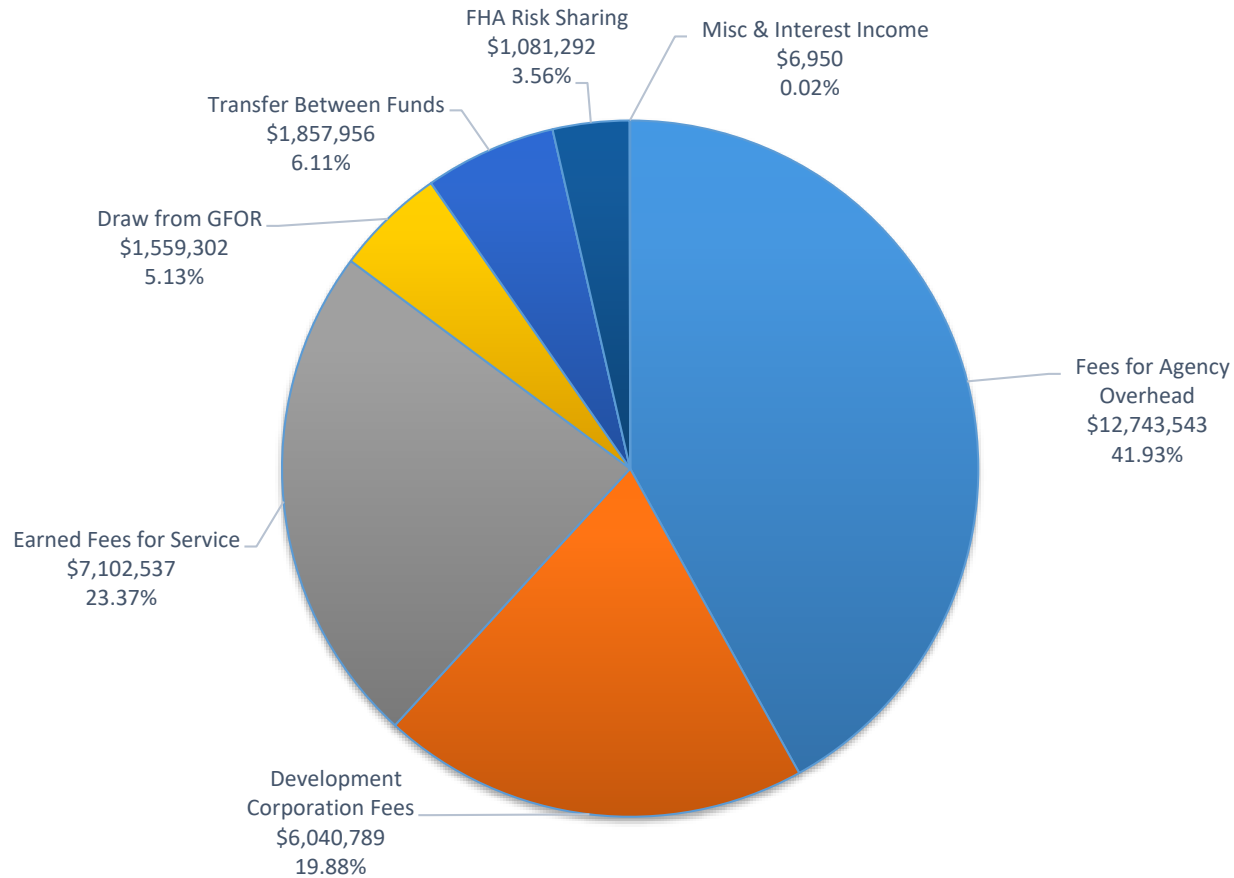
| | Revenues | Expenses | Net |
|---|----------------------|----------------------|---------------|
| General Fund | \$28,833,067 | \$33,661,211 | (\$4,828,144) |
| Draw from General Fund Operating Reserve ("GFOR") | \$1,559,302 | \$0 | \$1,559,302 |
| Multifamily Bond Funds | \$20,083,529 | \$20,083,529 | \$0 |
| Single Family Bond Funds | \$8,753,600 | \$8,753,600 | \$0 |
| Opportunity Housing Fund | | | |
| Opportunity Housing Reserve Fund ("OHRF") | \$7,062,108 | \$1,611,686 | \$5,450,422 |
| Restrict to OHRF | \$0 | \$5,450,422 | (\$5,450,422) |
| Opportunity Housing & Development Corporation Properties | \$110,433,909 | \$107,292,402 | \$3,141,507 |
| Draw from GFOR for MetroPointe Deficit | \$127,335 | \$0 | \$127,335 |
| Public Fund | | | |
| Housing Choice Voucher Program ("HCVP") | \$135,453,598 | \$135,453,598 | \$0 |
| Federal and County Grants | \$19,513,178 | \$19,513,178 | \$0 |
| TOTAL - ALL FUNDS | \$331,819,626 | \$331,819,626 | \$0 |

* Revenues and Expenses include inter-company
Transfer Between Funds

Source of Funds

FY 2024 Recommended Budget

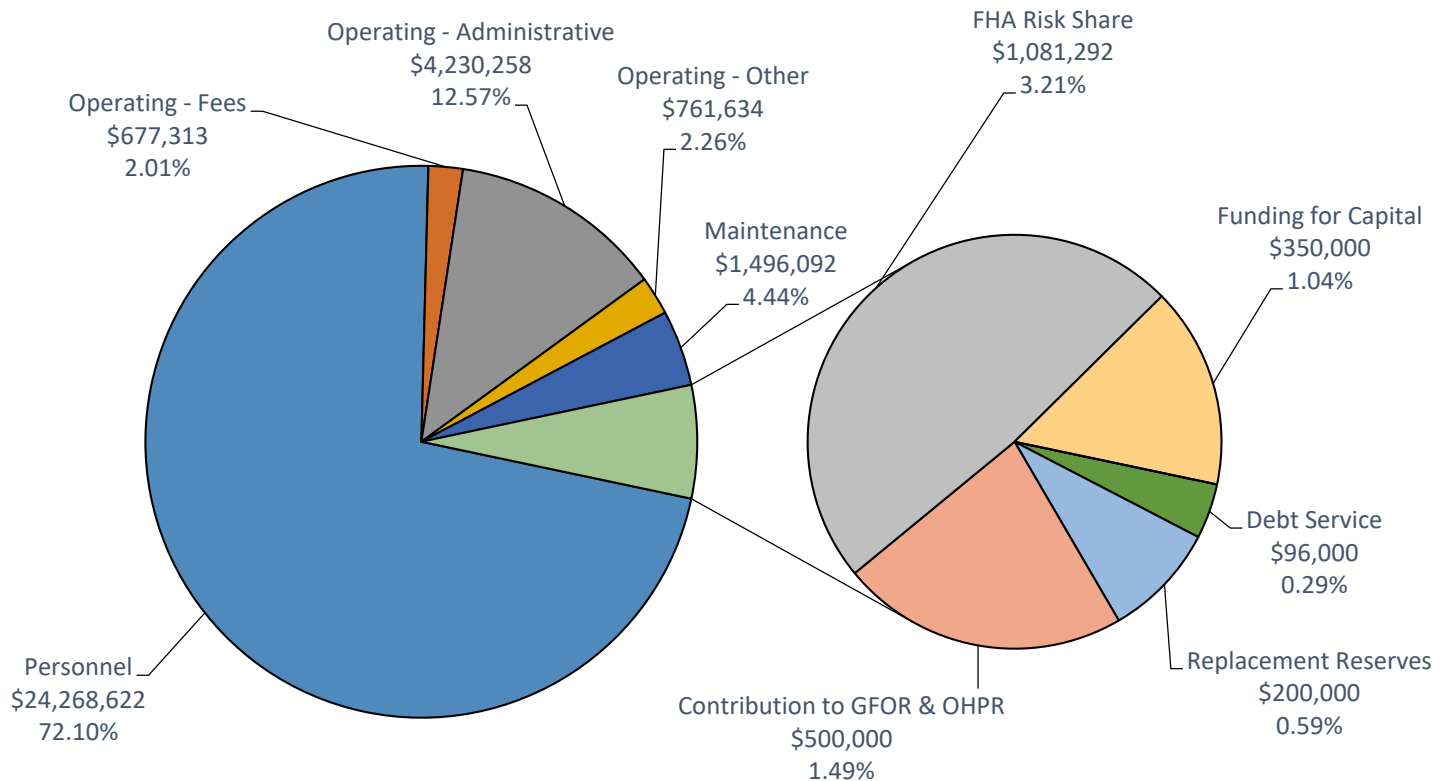
\$30,392,369



Use of Funds

FY 2024 Recommended Budget

\$33,661,211



General Fund Operating Reserve FY 2023 through FY 2024

| General Fund Operating Reserve | FY 2023 | FY 2024 Recommended Budget |
|---|----------------------|----------------------------------|
| Cash Balance End of Prior Fiscal Year | \$9,445,224 | \$8,897,054 |
| Source of Funds | | |
| Contribution from FY 2022 Surplus | \$506,000 | \$0 |
| Budgeted Contribution | \$250,000 | \$250,000 |
| Bank Interest | \$169,174 | \$169,174 |
| SUBTOTAL | \$925,174 | \$419,174 |
| Uses of Funds | | |
| Projected Draw to balance FY 2023 Budget | (\$987,938) | \$0 |
| Projected Draw to balance FY 2024 Budget | \$0 | (\$1,559,302) |
| MetroPointe FY 2022 Actual Operating Deficit | (\$241,863) | \$0 |
| MetroPointe FY 2023 Projected Operating Deficit | (\$243,543) | \$0 |
| MetroPointe FY 2024 Projected Operating Deficit | \$0 | (\$127,335) |
| SUBTOTAL | (\$1,473,344) | (\$1,686,637) |
| Projected Cash Balance as of June 30, | \$8,897,054 | \$7,629,591 |
| 1% Operating Reserve Threshold | \$1,466,089 | \$1,590,175 |
| Overfunding | \$7,430,965 | \$6,039,416 |

| Computation of FY 2024 Minimum Operating Reserve Contribution: | |
|--|------------------------|
| FY 2024 Operating Budget | \$331,819,626 |
| Housing Assistance Payment (HAP) | (\$124,451,780) |
| Federal, State and County Grant | (\$19,513,178) |
| Bond Fund | (\$28,837,129) |
| | (\$172,802,087) |
| FY 2024 Adjusted Operating Budget | \$159,017,539 |
| FY 2024 Minimum Operating Reserve of 1% | \$1,590,175 |

Capital Budget

FY 2024 Recommended Budget

| Capital Improvement Budgets Facilities & IT Department | FY 2024 Recommended Budget | | |
|---|-------------------------------|-------------------------------------|------------------|
| | Total Expenses | Revenue Sources Operating Budget | RfR |
| Facilities | | | |
| East Deer Park | \$50,000 | \$0 | \$50,000 |
| Kensington | \$100,000 | \$0 | \$100,000 |
| 880 Bonifant | \$50,000 | \$0 | \$50,000 |
| Subtotal - Facilities | \$200,000 | \$0 | \$200,000 |
| Information Technology (IT) | | | |
| Computer Software | \$390,000 | \$350,000 | \$40,000 |
| Computer Equipment | \$210,000 | \$0 | \$210,000 |
| Subtotal - IT Improvements | \$600,000 | \$350,000 | \$250,000 |
| TOTAL | \$800,000 | \$350,000 | \$450,000 |

MEMORANDUM

TO: Housing Opportunities Commission of Montgomery County;
Budget, Finance and Audit Committee

VIA: Chelsea Andrews, Executive Director

FROM: Staff: Timothy Goetzinger, Acting Chief Financial Officer
Terri Fowler, Budget Officer
Vivian Ikoro, Financial Analyst

RE: **Fiscal Year 2024 (FY'24) Budget Presentation:** Presentation of the FY 2024 Public Fund

DATE: April 14, 2023

BACKGROUND:

The FY 2024 Recommended Budget reflects the Agency's commitment to the use of **new technology, new approaches** to deliver on our mission, and the deployment of **new sources of capital** to support increased housing production in the County. Under our **new leadership**, the Agency budget includes a continued commitment to improving processes, addressing the backlog of deferred maintenance that resulted from the pandemic, and promoting a more robust commitment to one of our most valuable assets – staff.

The rental arrearages and rising costs have presented challenges in balancing the budget; however, the increased County Executive Voluntary Rent Guideline has served to provide the opportunity to generate additional rental revenue to support our efforts. Key to this is assisting our residents reestablish consistent rental payments. It is crucial to stabilize property income going forward by identifying key property metrics to monitor and boost performance. Property Management in conjunction with our newly established Asset Management team will focus on these efforts to maximize rental receipts and contain costs. HOC will continue to focus efforts here through decisions made in the budget.

We are also looking to invest in technology and systems to create a more agile and data-driven decision-making environment. We expect that these measures will respond to the aforementioned issues and positively impact property and agency financial performance and improve our customers' experience in accessing resources and assistance.

In addition to the Agency's focus on developing, managing and maintaining its real estate portfolio, HOC continues to deliver superior services to its customers that have adapted to the current and changing environment. These services are provided through various programs

including those offered through HOC Academy, the Family Self-Sufficiency program, Fatherhood Initiative, and several other programs offered by the Resident Services Division.

ISSUES FOR CONSIDERATION:

The **Public Fund** includes the various Federal and County Grants that support the customers of the Agency.

Housing Choice Voucher Program (“HCVP”)

The largest grant is for the Housing and Urban Development (“HUD”) funded HCVP, which provides funding for rental subsidy payments to landlords and the administrative costs of the program. This program serves families with average annual incomes of \$22,695. Approximately 89% of the payments are made to non-HOC landlords.

Thus far, staff has not introduced any changes to the Recommended Operating Budget for FY 2024 of **\$331.8** million that is balanced with a draw from the General Fund Operating Reserve (“GFOR”) of approximately **\$1.56** million (see **SLIDE 2**).

The chart on **SLIDE 3** shows the funding for the Housing Choice Voucher Program (“HCVP”) is projected at **\$135.45** million, comprised of income of **\$124.63** million for Housing Assistance Payments (“HAP”), **\$10.9** million in administrative fees for the administrative costs of the program, and **\$34** thousand in fraud recovery income to support administrative costs. Based on the projected payments to landlords of **\$124.45** million, the budget includes a contribution to the HAP reserve or Net Restricted Position (“NRP”) of **\$179** thousand for future payments to landlords based on the projected surplus of projected revenue over projected expenses. The total reserve balance as of December 31, 2022, was **\$8.01** million in HUD held reserves and **(\$437)** thousand in reserves held at the Agency for a net total of **\$7.57** million.

The FY 2024 Recommended Budget was developed using the current CY 2023 funding by the U.S. Department of Housing and Urban Development (“HUD”) that was based on November 2022 Voucher Management System (“VMS”) data plus a two percent (2%) margin. Staff anticipates that the re-benchmarking of funding for CY 2024 will result in an increased funding level based on the projected increase in utilization due to the additional utilization of baseline units to achieve **98%** utilization, coupled with an increase in the number of units under lease per month for the Emergency Housing Vouchers (“EHV”).

The FY 2024 Recommended Budget is based on the CY 2022 Administrative Fee income rates and current pro-ration factor of 89%. HUD has not yet released the CY 2023 Administrative Fee income rates or pro-ration factor. Once released, staff will update the impact to projected income for FY 2024. Administrative Fee Income increased by **\$1.13** million, as a result of increased utilization and the inclusion of additional EHV’s coupled with the higher pro-ration rate of 89% compared to the prior 88% pro-ration. The increase in administrative fee income was greater

than the net increase in expenses leading to a surplus of **\$133** thousand, which will be contributed to the administrative reserve for future administrative costs.

The chart on **SLIDE 4** shows that the total **\$10.69** million of Administrative Expenses in the program's budget are comprised of personnel costs of **\$7.08** million or **66%**, operating fees of **\$2.07** million or **19%**, and other administrative expenses of **\$1.54** million or **15%**.

Other Federal and County Grants

Other Federal Grants reflected in the chart on **SLIDE 5** shows that the total for FY 2024 has decreased **(\$176)** thousand from FY 2023 based on decreases of **(\$225)** thousand to the McKinney grants and a **\$50** thousand increase to the Family Self Sufficiency ("FSS") ROSS grant. Although the **\$547** thousand ROSS grant almost fully covers the expenses for the five (5) work years it permits, the actual need based on participants is for nine (9) work years. As a result, the County grant supplements the funding by providing funding for the additional four (4) work years needed.

The chart on **SLIDE 6** displays the County Grants included in the FY 2024 Budget.

The proposed funding for the FY 2024 County Contract is **\$7.97** million, of which **\$6.61** million or **82.9%** supports our Resident Services Division, **\$1.26** million or **15.8%** supports Housing Association ("HOA") Fees, utilities and rental license fees at our properties, and **\$100** thousand or **1.3%** supports rent at the customer Service Centers.

Closing Cost funding has increased **\$15** thousand or **7.5%** based on the negotiated salary adjustments for FY 2023 and estimated salary adjustments for FY 2024 as well as increased benefit costs and the corresponding Management Fee. Funding for the Recordation Tax Funded Programs, which includes the Rent Supplement Program, Move Up Initiative, Community Choice Homes Initiative, and Youth Bridge Initiative remains at the same level; however, we have re-allocated money from the Rent Supplement Program to the Move Up Initiative. The County McKinney funding was increased by **\$12** thousand and Miscellaneous Programs decreased by **(\$6)** thousand.

BUDGET IMPACT:

None for FY'23. The budget, when adopted on June 7, 2023, will set the financial plan for the Agency for FY'24.

TIME FRAME:

During April and May 2023, the Budget, Finance and Audit Committee will informally review the budget proposal in detail. The FY'24 Budget, as amended, will be presented to the full Commission for adoption at the June 7, 2023 meeting. The Commission must adopt a budget for FY'24 before the fiscal year begins on July 1, 2023.

STAFF RECOMMENDATION & COMMISSION ACTION NEEDED:

No action is requested at this time.

Charts Highlighting FY 2024 Public Fund Budget

Budget, Finance & Audit Committee Meeting Public Fund

April 14, 2023

Fund Summary

FY 2024 Recommended Budget

Fund Summary Overview

FY 2024 Recommended Budget

| | | Revenues | Expenses | Net |
|--------------------------|--|----------------------|----------------------|---------------|
| General Fund | | \$28,833,067 | \$33,661,211 | (\$4,828,144) |
| | Draw from General Fund Operating Reserve ("GFOR") | \$1,559,302 | \$0 | \$1,559,302 |
| Multifamily Bond Funds | | \$20,083,529 | \$20,083,529 | \$0 |
| Single Family Bond Funds | | \$8,753,600 | \$8,753,600 | \$0 |
| Opportunity Housing Fund | | | | |
| | Opportunity Housing Reserve Fund ("OHRF") | \$7,062,108 | \$1,611,686 | \$5,450,422 |
| | Restrict to OHRF | \$0 | \$5,450,422 | (\$5,450,422) |
| | Opportunity Housing & Development Corporation Properties | \$110,433,909 | \$107,292,402 | \$3,141,507 |
| | Draw from GFOR for MetroPointe Deficit | \$127,335 | \$0 | \$127,335 |
| Public Fund | | | | |
| | Housing Choice Voucher Program ("HCVP") | \$135,453,598 | \$135,453,598 | \$0 |
| | Federal and County Grants | \$19,513,178 | \$19,513,178 | \$0 |
| TOTAL - ALL FUNDS | | \$331,819,626 | \$331,819,626 | \$0 |

* Revenues and Expenses include inter-company
Transfer Between Funds

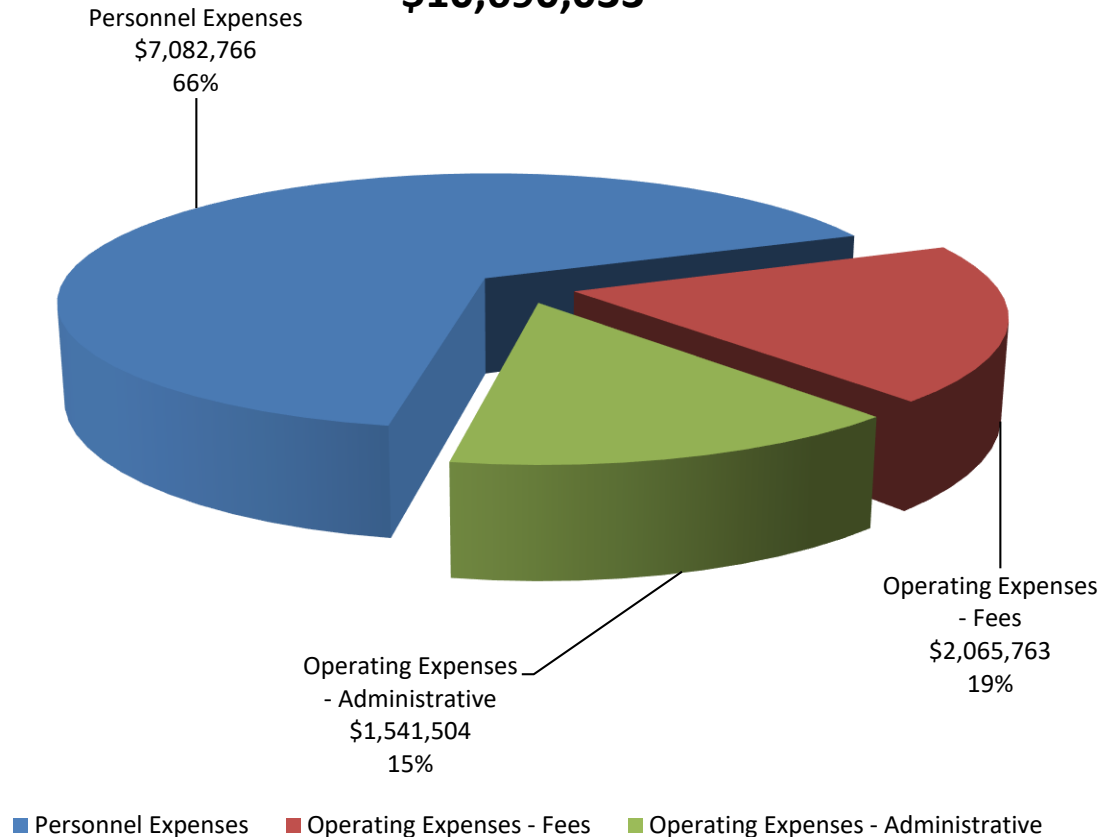
Housing Choice Voucher Overview

FY 2020 through FY 2024

| Housing Choice Voucher Program | FY 2020 Actual | FY 2021 Actual | FY 2022 Actual | FY 2023 | FY 2024 | FY 2023 to FY 2024 | |
|---|----------------------|----------------------|----------------------|----------------------|-----------------------|--------------------|-------------|
| | | | | Amended Budget | Recommended Budget | \$ Change | % Change |
| Income | | | | | | | |
| Housing Assistance Payments ("HAP") | \$102,208,159 | \$102,216,697 | \$110,592,588 | \$113,784,402 | \$124,630,880 | \$10,846,478 | 9.5% |
| Public Housing Operating Subsidy | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | 0.0% |
| Other Federal Grants | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | 0.0% |
| Administrative Fee Income | \$8,399,973 | \$9,542,757 | \$10,634,727 | \$9,661,538 | \$10,788,662 | \$1,127,124 | 11.7% |
| Miscellaneous Income | \$57,707 | \$289,358 | \$119,797 | \$55,000 | \$34,056 | (\$20,944) | -38.1% |
| Investment Interest Income | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | 0.0% |
| Draw from HAP Reserve ("NRP") | \$0 | \$3,423,500 | \$0 | \$4,886,742 | \$0 | (\$4,886,742) | -100.0% |
| Administrative Fee Income - Carryover ("UNP") | \$0 | \$0 | \$0 | \$122,025 | \$0 | (\$122,025) | -100.0% |
| Transfer Between Funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | 0.0% |
| Total Income | \$110,665,839 | \$115,472,312 | \$121,347,112 | \$128,509,707 | \$135,453,598 | \$6,943,891 | 5.4% |
| Expenses | | | | | | | |
| Personnel Expenses | \$4,404,326 | \$4,571,253 | \$4,957,978 | \$6,033,804 | \$7,082,766 | \$1,048,962 | 17.4% |
| Operating Expenses - Fees | \$1,724,943 | \$1,732,945 | \$1,720,699 | \$2,007,113 | \$2,065,763 | \$58,650 | 2.9% |
| Operating Expenses - Administrative | \$1,438,029 | \$1,342,689 | \$1,832,541 | \$1,797,646 | \$1,541,504 | (\$256,142) | -14.2% |
| Tenant Services Expenses | \$0 | \$0 | \$357,982 | \$0 | \$0 | \$0 | 0.0% |
| Maintenance Expenses | \$0 | \$0 | \$24,165 | \$0 | \$0 | \$0 | 0.0% |
| Housing Assistance Payments ("HAP") | \$99,213,734 | \$105,640,197 | \$110,265,213 | \$118,671,144 | \$124,451,780 | \$5,780,636 | 4.9% |
| Interest Payment | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | 0.0% |
| Contribution to HAP Reserve ("NRP") | \$2,994,424 | \$0 | \$327,375 | \$0 | \$179,100 | \$179,100 | 0.0% |
| Contribution to Admin Reserve ("UNP") | \$890,383 | \$2,185,228 | \$1,861,159 | \$0 | \$132,685 | \$132,685 | 0.0% |
| Total Expenses | \$110,665,839 | \$115,472,312 | \$121,347,112 | \$128,509,707 | \$135,453,598 | \$6,943,891 | 5.4% |
| NET CASH FLOW | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | 0.0% |

Expense Overview (Excluding HAP)

Total Expenses w/o HAP \$10,690,033



Grants Overview

Federal Grants

| | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY 2024 | FY 2023 to FY 2024 | |
|------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------|
| | Actual | Actual | Actual | Amended Budget | Recommended Budget | \$ Change | % Change |
| Capital Fund Program | \$136,969 | \$0 | \$0 | \$0 | \$0 | \$0 | 0.0% |
| Fatherhood Initiative | \$625,673 | \$495,950 | \$767,848 | \$998,000 | \$998,000 | \$0 | 0.0% |
| McKinney Grants | \$4,358,121 | \$4,073,133 | \$4,295,205 | \$4,558,497 | \$4,333,065 | (\$225,432) | -4.9% |
| ROSS Grants | \$343,978 | \$382,079 | \$405,968 | \$497,712 | \$547,483 | \$49,771 | 10.0% |
| TOTAL - FEDERAL FUNDS | \$5,464,741 | \$4,951,162 | \$5,469,021 | \$6,054,209 | \$5,878,548 | (\$175,661) | -2.9% |

Grants Overview

County Grants

| COUNTY GRANTS | FY 2020 Actual | FY 2021 Actual | FY 2022 Actual | FY 2023 | FY 2024 | FY 2023 to FY 2024 | |
|---|---------------------|---------------------|---------------------|---------------------|-----------------------|--------------------|-------------|
| | | | | Amended Budget | Recommended Budget | \$ Change | % Change |
| County Contract | \$6,788,049 | \$6,575,603 | \$6,861,987 | \$7,633,168 | \$7,972,501 | \$339,333 | 4.4% |
| Resident Services | \$5,003,620 | \$5,288,619 | \$5,636,831 | \$6,326,095 | \$6,608,661 | \$282,566 | 4.5% |
| Property Management | \$1,150,213 | \$1,124,772 | \$1,125,156 | \$1,207,073 | \$1,263,840 | \$56,767 | 4.7% |
| Customer Service Center - Client Services | \$534,216 | \$62,212 | \$0 | \$0 | \$0 | \$0 | 0.0% |
| Customer Service Center - Rents | \$100,000 | \$100,000 | \$100,000 | \$100,000 | \$100,000 | \$0 | 0.0% |
| COVID 19 CDBG | \$0 | \$1,302,338 | \$0 | \$0 | \$0 | \$0 | 0.0% |
| County Closing Cost | \$178,356 | \$169,654 | \$172,571 | \$194,826 | \$209,346 | \$14,520 | 7.5% |
| Rent Supplement Program | \$1,650,400 | \$1,555,054 | \$1,542,299 | \$2,181,798 | \$2,038,996 | (\$142,802) | -6.5% |
| Move Up Initiative | \$121,078 | \$116,633 | \$111,792 | \$177,369 | \$320,160 | \$142,791 | 80.5% |
| Community Choice Homes Initiative | \$131,833 | \$316,261 | \$514,766 | \$720,677 | \$720,672 | (\$5) | 0.0% |
| Youth Bridge Initiative | \$73,926 | \$48,553 | \$62,878 | \$88,682 | \$88,682 | \$0 | 0.0% |
| McKinney Grants | \$823,293 | \$634,586 | \$653,986 | \$691,164 | \$702,744 | \$11,580 | 1.7% |
| Miscellaneous Programs * | \$330,390 | \$325,727 | \$340,377 | \$380,401 | \$374,022 | (\$6,379) | -1.7% |
| TOTAL COUNTY FUNDING | \$10,097,325 | \$11,044,409 | \$10,260,656 | \$12,068,085 | \$12,427,123 | \$359,038 | 3.0% |
| Total State and County Funding | \$10,097,325 | \$11,044,409 | \$10,260,656 | \$12,068,085 | \$12,427,123 | \$359,038 | 3.0% |

*Miscellaneous Programs are: Housing Locator, Senior Nutrition, Service Core-Turnkey, MD Emergency Food Program, and Emergency Assistance.

Adjourn