

BERKELEY HOUSING AUTHORITY

Resolution 21-09

ADOPTION OF THE FISCAL YEAR ENDING 2021-2022 BUDGET OF THE BERKELEY HOUSING AUTHORITY

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, 2021 – June 30, 2022; 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 2021-2022 utilized data from HUD’s Two Year Tool for HAP revenue; and

WHEREAS, the budget for Fiscal Year Ending 2021-2022 assumed pro-ration of 81% for Administrative Fee; and

WHEREAS, BHA’s primary source of revenue for the Housing Choice Voucher Program operations is earned Administrative Fee for each unit under HAP contract at the beginning of each month; and

WHEREAS, the proposed FYE2021-2022 Budget assumes a utilization of only 80% of our HCV units; and

WHEREAS, the proposed FYE2021-2022 Budget assumes 12 FTE, while the agency has been operating with 10 staff for the past two years; and

WHEREAS, the proposed FYE2021-2022 Budget reflects a no salary adjustment for represented and unrepresented employees due to labor contracts expiring on June 30<sup>th</sup> 2021; and

WHEREAS, the proposed FYE2021-2022 Budget reflects projected annual deficit of \$332,983; and

WHEREAS, the available unrestricted/operating reserves could sufficiently cover projected shortfall in FYE2021-2022; and

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

WHEREAS, it remains a goal of the Board to provide sufficient staff to perform all HUD required functions, and not fall below a HUD rating of “Standard” performer under the Section 8 Management Assessment Program (SEMAP);

NOW, THEREFORE BE IT RESOLVED that the proposed FY Ending 2022 BHA Budget, including 12 Full Time Equivalent positions, attached as Exhibits A, is approved.


The foregoing Resolution was adopted by the Board of the Berkeley Housing Authority on May 13, 2021 by the following vote:

Ayes: Commissioners Rossi, Schildt, Kashani, Levine, Moody and Thomas-Rodriguez

Noes: None

Abstain: None

Absent: None

Attest:   
\_\_\_\_\_  
Rachel Gonzales-Levine, Secretary

**BERKELEY HOUSING AUTHORITY**  
**DETAIL -Approved Budget**  
**For Fiscal Year 2021-2022**  
**Section 8 Only**

**EXHIBIT A**

	DESCRIPTION  HUD Authorized Units ==>	Grand Total PROPOSED BUDGET FY2022	Section 8			PROJECTED ACTUAL FY2021	Increase (Decrease)	%
			HCV Program 1,975 Units	Mod. Rehab Program 98 Units	Mainstream 91 Units			
		(a) = (b + c + d)	(b)	(c)	(d)	(e)	(f) = (a - e)	
<b>HOUSING ASSISTANCE PAYMENTS (HAP)</b>								
1	HAP Revenue from HUD	\$ 35,413,143	\$ 33,224,194	\$ 817,320	\$ 1,371,629	\$ 32,964,027	\$ 2,449,116	7%
2	HAP Expenses to Owners	\$ (34,747,061)	(32,558,112)	(817,320)	(1,371,629)	\$ (32,548,334)	\$ 2,198,727	-7%
	Estimated excess (shortfall) in HAP revenue	\$ 666,082	\$ 666,082	\$ -	\$ -	\$ 415,693	\$ 250,389	
	Estimated Net Restricted Reserve balance, beginning of FY	\$ -				\$ -		
<b>OPERATING REVENUE</b>								
3	Administrative Fees	\$ 2,222,354	\$ 1,970,256	\$ 158,332	\$ 93,766	\$ 2,675,775	\$ (453,421)	-17%
3.i	Administrative Fee earned for managed incoming ports	\$ -	\$ -	\$ -		\$ 1,239	\$ (1,239)	-100%
3.ii	Administrative Fee Paid for managed outgoing ports	\$ (125,003)	(105,772)	-	(19,231)	\$ (93,316)	\$ (31,687)	34%
3.iii	Net Administrative Fee	\$ 2,097,351	1,864,484	158,332	74,535	\$ 2,583,698	\$ (486,347)	
4	BHA Oversight Fee	\$ 6,150	6,150	-		\$ 5,971	\$ 179	3%
5	Miscellaneous Income	\$ 58,000	58,000	-		\$ 54,822	\$ 3,178	6%
6	<b>Total Operating Revenue</b>	<b>\$ 2,161,501</b>	<b>\$ 1,928,634</b>	<b>\$ 158,332</b>	<b>\$ 74,535</b>	<b>\$ 2,644,491</b>	<b>\$ (482,990)</b>	<b>-18%</b>
<b>OPERATING EXPENSES</b>								
<b>ADMINISTRATION</b>								
7.i	Salaries	\$ 1,077,507	971,090	74,092	32,325	\$ 982,884	\$ 94,623	10%
7.ii	Employee Benefits	\$ 740,402	667,713	50,476	22,212	\$ 579,176	\$ 161,226	28%
7.iii	<b>Sub-total salaries and employee benefits</b>	<b>1,817,909</b>	<b>1,638,803</b>	<b>124,569</b>	<b>54,537</b>	<b>\$ 1,562,060</b>	<b>\$ 255,849</b>	<b>16%</b>
8.i	Fee - Legal Expense - Outside Counsel	\$ 34,480	31,722	1,724	1,034	\$ 31,928	\$ 2,552	8%
8.ii	Fee - Audit Fees	\$ 21,000	17,870	2,500	630	\$ 20,130	\$ 870	4%
8.iii	Fee - Consultants - General Consultants	\$ 68,290	64,876	3,415	-	\$ 44,791	\$ 23,499	52%
8.iv	Fee - Inspection	\$ 107,015	94,069	6,114	6,832	\$ 14,918	\$ -	0%
9.i	Office Rent	\$ 133,393	122,722	6,670	\$ 4,002	\$ 130,005	\$ 3,388	3%
9.ii	Travel/Transportation	\$ 6,230	5,732	312	187	\$ 2,077	\$ 4,153	200%
9.iii	Staff Training	\$ 7,200	6,624	360	216	\$ 7,200	\$ -	0%
9.iv	Publications & Subscriptions	\$ 6,475	5,957	324	194	\$ 5,070	\$ 1,405	28%
9.v	Memberships & Dues	\$ 8,065	7,420	403	242	\$ 6,888	\$ 1,177	17%
9.vi	Telephone	\$ 14,520	13,358	726	436	\$ 10,320	\$ 4,200	41%
9.vii	Office Supplies	\$ 13,200	12,144	660	396	\$ 37,826	\$ (24,626)	-65%
9.viii	Postage	\$ 19,200	17,664	960	576	\$ 9,159	\$ 10,041	110%
9.ix	Printing & Reproduction	\$ 9,600	8,832	480	288	\$ 9,600	\$ -	0%
9.x	Equipment maintenance	\$ 1,300	1,196	65	39	\$ 65	\$ 1,235	1900%
9.xi	Equipment Lease	\$ 12,216	11,239	611	366	\$ 12,216	\$ -	0%
9.xii	Advertising	\$ 1,200	1,104	60	36	\$ 1,200	\$ -	0%
9.xiv	Computer Service - City of Berkeley IT	\$ 65,109	59,595	3,476	2,037	\$ 54,688	\$ 10,421	19%
9.xv	Software Maintenance	\$ 19,500	17,940	975	585	\$ 21,254	\$ (1,754)	-8%
9.xvi	Other Sundry Items	\$ 12,600	11,592	630	378	\$ 8,812	\$ 3,788	43%
9.xviii	<b>Total Administrative Expenses</b>	<b>\$ 560,593</b>	<b>\$ 511,654</b>	<b>\$ 30,464</b>	<b>\$ 18,474</b>	<b>\$ 428,147</b>	<b>\$ 132,446</b>	<b>31%</b>
10	<b>TENANT SERVICES</b>							
10	Unit Turn-over	\$ 50,000	50,000	-		\$ 50,000	\$ -	0%
10	<b>Total Tenant Services</b>	<b>\$ 50,000</b>	<b>\$ 50,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 50,000</b>	<b>\$ -</b>	<b>0%</b>
<b>ROUTINE MAINTENANCE</b>								
11.i	Facilities maintenance	\$ 4,000	3,680	200	120	\$ 5,158	\$ (1,158)	-22%
11	<b>Total Routine Maintenance</b>	<b>\$ 4,000</b>	<b>\$ 3,680</b>	<b>\$ 200</b>	<b>\$ 120</b>	<b>\$ 5,158</b>	<b>\$ (1,158)</b>	<b>-22%</b>
<b>GENERAL EXPENSES</b>								
12.i	Insurance	\$ 43,250	40,029	2,163	1,059	\$ 45,846	\$ (2,596)	-6%
12.ii	Other General Expenses	\$ 11,500	10,580	575	345	\$ 11,500	\$ -	0%
12.iii	<b>Total General Expenses</b>	<b>\$ 54,750</b>	<b>\$ 50,609</b>	<b>\$ 2,738</b>	<b>\$ 1,404</b>	<b>\$ 57,346</b>	<b>\$ (2,596)</b>	<b>-5%</b>
13	<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 2,487,252</b>	<b>\$ 2,254,747</b>	<b>\$ 157,970</b>	<b>\$ 74,535</b>	<b>\$ 2,102,711</b>	<b>\$ 384,541</b>	<b>18%</b>
<b>NON-ROUTINE EXPENSES / CAPITAL EXPENDITURE</b>								
14.i	Office move					\$ 119,837	\$ (119,837)	100%
14.ii	Other capital expenses/Partner Portal	\$ 7,232	6,870	362		\$ 29,645	\$ (29,645)	100%
14.iii	<b>TOTAL NON-ROUTINE EXPENSES / CAPITAL IMPROVEMENTS</b>	<b>7,232</b>	<b>6,870</b>	<b>362</b>	<b>-</b>	<b>149,482</b>	<b>(142,250)</b>	<b>-95%</b>
15	<b>OPERATING SURPLUS (DEFICIT)</b>	<b>\$ (332,983)</b>	<b>\$ (332,983)</b>	<b>\$ 0</b>	<b>\$ (0)</b>	<b>\$ 392,298</b>	<b>\$ (725,281)</b>	<b>-185%</b>

ESTIMATED OPERATING RESERVE AS OF 07/01/2021	\$ 651,943	\$ 94,801
ESTIMATED OPERATING RESERVE BALANCE (SHORTFALL) AS OF 06/30/2022	\$ 318,960	\$ 94,801