



RRHA

Richmond Redevelopment and Housing Authority

Approved Budget for Fiscal Year Ending September 30, 2018

For:

- Low Income Public Housing
- Housing Choice Voucher Programs
- Capital Funds Grants
- Real Estate and Community Development
- Central Office

September 18, 2017

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Key Budget Goals



FY2018 Budget – Goals

- ❑ Personnel

- Assessment of vacant positions

- ❑ Balanced Budgets for all Programs

- ❑ Challenged departments to streamline processes and tighten costs

- ❑ Incorporated reserve goals for each program

- ❑ Include repayment to LIPH from the COCC

- ❑ Activities aligned with Strategic Plan

- ❑ Compliance with regulatory guidance

- ❑ Explore having private/corporate contributions

Key Budget Challenges



FY2018 Budget – Challenges

HUD

- Funding
- Regulations
- COCC – Re-federalization of fees from LIPH / Capital / HCVP

ALL

- Maintenance of Adequate Cash Reserves
- Best Practices / Efficiencies
- Resource Management
- Preventive Maintenance
- New Revenue Streams
- COCC – Repayment of receivable owed to LIPH approx. \$100,000
- Impact of RAD
- Aged Fleet

CAPITAL

- Aged Facilities
- Emergency Work
- Resources required to complete projects
- Strategic use of funding

HUD's Recommended Spending Cuts

Budget Reduced by 14% or \$6 Billion

Area	HUD Proposed Budget Reduction	Impact on RRHA
Capital	Reduction to the Public Housing Capital Fund by \$1.3 billion. This represents a reduction of 2/3 of the program. Current funding at \$1.9 billion.	<ul style="list-style-type: none"> ➤ Potential Reduction in 2018 funding from \$6.4 million to \$2.1 million. ➤ Impacts RRHA's ability to maintain housing stock.
Public Housing	Reduction to the Operating Fund by \$600 million, reduction of 13.3%.	<ul style="list-style-type: none"> ➤ Potential reduction in Operating Subsidy of 13.3%. ➤ Impacts RRA's ability to support residents and operations of public housing stock.
Housing Choice Voucher	Reduction to Housing Choice Voucher Program by \$300 million, reduction of 1.6%.	<ul style="list-style-type: none"> ➤ Potential reduction in administrative fees and HAP funding. ➤ Impacts RRHA's ability to help families and support operations.
Central Office	Reduced Funding to HUD programs	➤ Potential reduction in funding from other programs.
RECD	Elimination of both the Community Development Block Grant (CDBG) and HOME Investment Partnerships.	<ul style="list-style-type: none"> ➤ Reduced funding from the City for CDBG ➤ Reduction in capital administrative Fees.



Key Budget Assumptions



FY2018 General Budget Assumptions

❑ Budgets Overall

- Maximize Net Income
- Generate Reserves

❑ General Costs

- Inflation factor for costs – 2.2%. The 2017 inflation rate is currently 2.2%
- Contract costs (i.e. grounds) are to be based on contracts in place with current vendors unless increase is known or projected
- Continue to investigate how to streamline/automate processes

❑ Personnel/Salaries

- Positions
 - Authorized: 193
 - On Hold: 3
 - **Challenge: Filling and retaining Maintenance positions**
- Assessment of vacant positions
- Standby overtime – *Review in progress (budget has increased from prior year)*
- COLA Increase – 2%

FY2018 General Budget Assumptions

❑ Technology

- Upgrade of the Ceridian System - \$40,000
- Review of IT Infrastructure – *In progress*
- *Challenge Funding of Hardware/Software*

❑ Benefits

- Average Benefits calculated at 38.5%
- Benefits increase – 6.1%
- Reduction in workmen's compensation
 - July 2016-17 annual premium was \$144,248
 - July 2017-18 annual premium is \$114,169
- Reduction in retiree health care costs

❑ Records Management

- Cost per box for storage \$.40 per box (an increase from \$.27 per box)
- Estimated no. of boxes – 5,193

❑ Interest Income / Bank Fees

- Based on 2017 Actuals
- Interest Income earnings – less than 1%

FY2018 General Budget Assumptions

❑ Insurance

- Expected increase in insurance costs:
 - General Liability – 8%
 - Property & Casualty – 5%
 - Auto Insurance – 10%
 - Currently maintain 100 vehicles
 - Other (Crime / Lawyer Liability) – 1.5% and 10% respectively
- Dividend Payment expected to be \$48,000

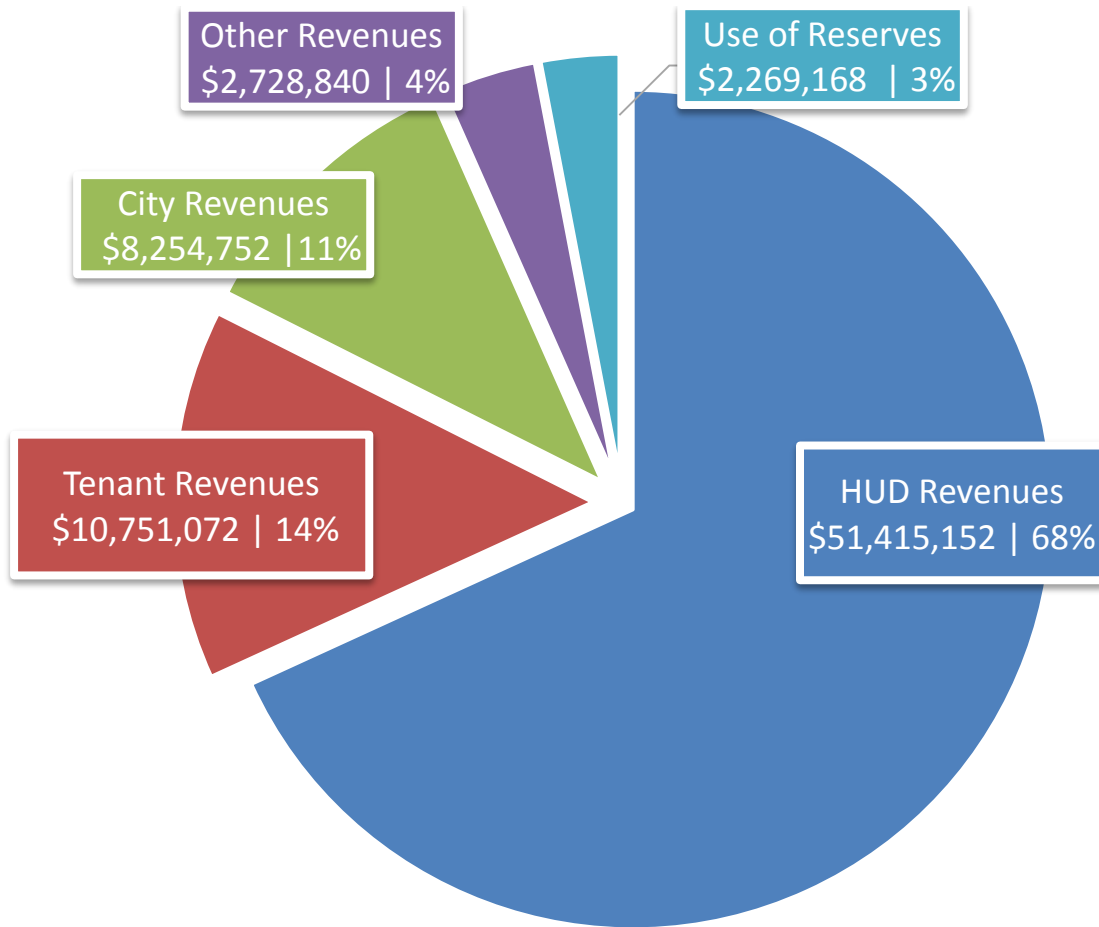
❑ *Challenge - Utility Costs*

- Gas – Increase of 3.5%
- Water - Increase of 5.8%
- Wastewater – Increase of 5.0%
- Electric - No increase
- Storm water – Increase of 5.0%

2018 Agency-Wide Budgeted Revenues and Expenses

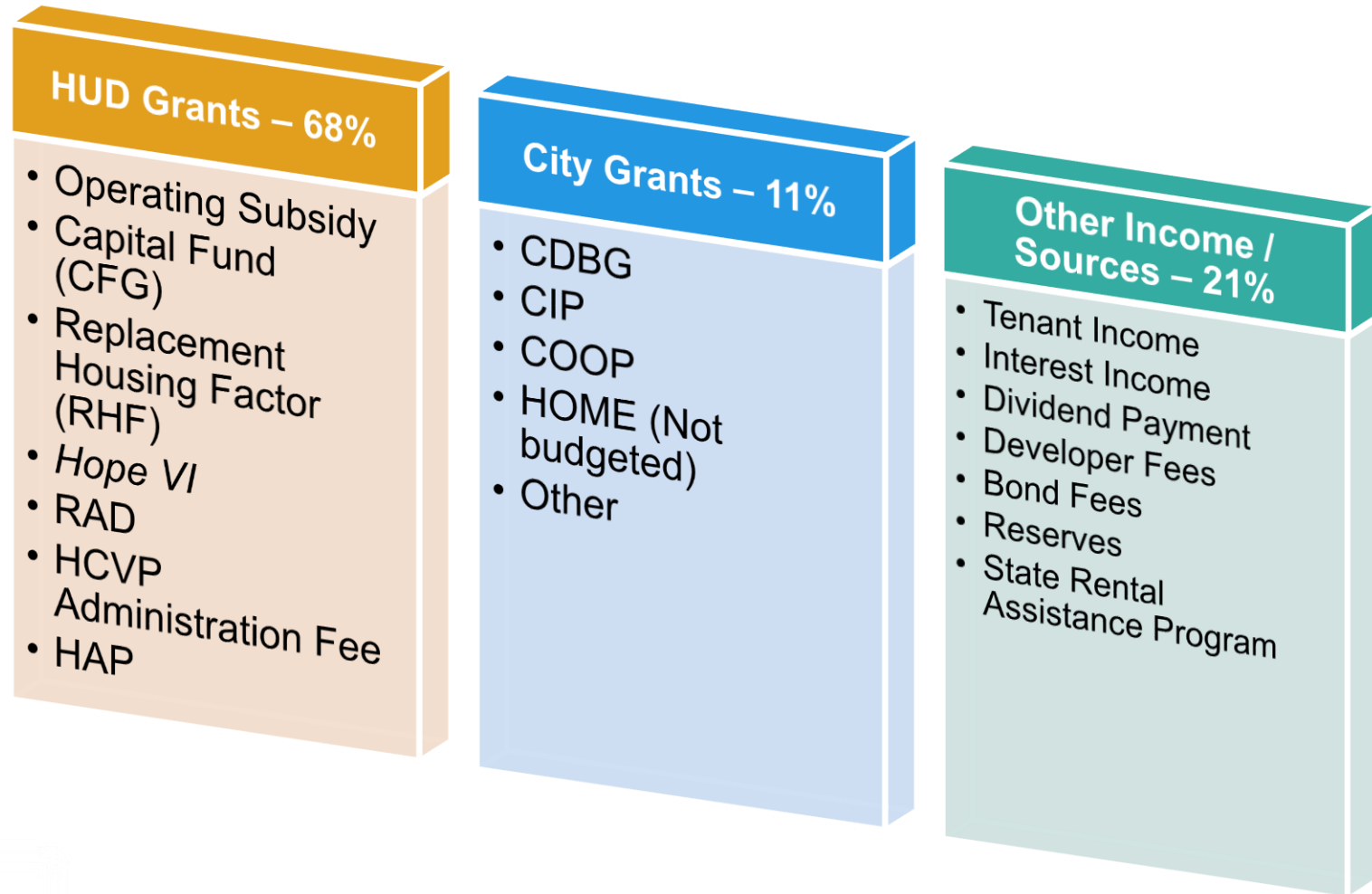


FY 2018 Proposed Budget Summary - Revenues



\$75.4 Million

RRHA Funding Sources



FY 2018 Revenue Sources by Program

Low-Income Public Housing

- Rental/Fee Income
- FSS – Resident Services
- HUD Annual Operating Subsidy
- HUD Capital Grant Fund

Housing Choice Voucher Program

- HUD Administrative Fees
- Fees Paid per Number of Vouchers
- HUD Housing Assistance Payment (HAP)
- HUD Grant – FSS Income
- State Rental Assistance Program (SRAP)

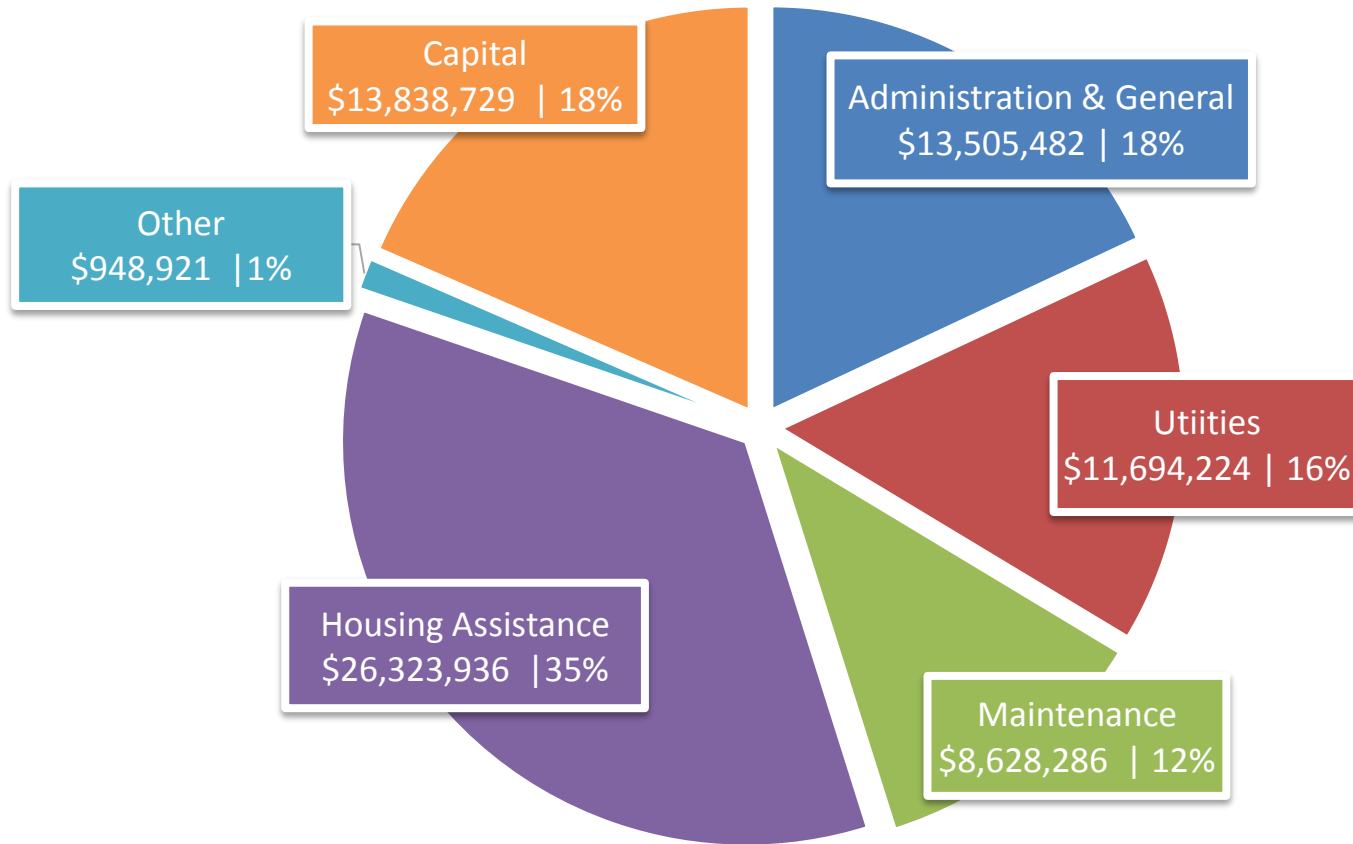
Real Estate & Community Development

- HUD via City of Richmond
- *Community Development Block Grant*
- City of Richmond
- *Cooperative Agreements (COOP)*
- Capital Improvement Projects (CIP)
- *HOPE VI*
- *Bond Fees*
- *Developer Fees*

Central Office and Central Maintenance

- Bookkeeping Fees
- Management Fees
- Asset Management Fees
- Capital Admin Fees
- Proration of Costs
- Fee-For-Service
- All revenues for the COCC are derived from other departments

FY 2018 Proposed Budget Summary - Expenses



\$74.9 Million

FY2018 Agency-Wide Budget

Revenues and Expense Comparison

	2016 Actuals	2017 Projections	2017 Budget	2018 Proposed Budget	2018 Proposed Budget Vs. 2017 Budget
Revenue/Reserves					
HUD Revenues					
HUD Operating Subsidies	\$ 49,157,024	\$ 47,759,963	\$ 46,009,152	\$ 45,418,675	\$ (590,477)
HUD Capital Grants	5,983,713	2,546,904	3,617,526	5,996,477	2,378,951
State Vouchers	-	-	-	131,400	131,400
Tenant Charges	10,770,899	10,428,882	11,476,184	10,751,072	(725,112)
City of Richmond					
Operating Revenues	1,178,960	1,001,723	1,166,250	412,500	(753,750)
Capital Contributions	117,391	-	-	7,842,252	7,842,252
Other Income	1,184,224	1,917,661	1,412,286	2,579,766	1,167,480
Interest Income	6,069	6,096	6,096	17,674	11,578
Use of Reserves - LIPH / RECD	-	575,037	-	1,237,932	1,237,932
Use of Reserves - HCVP	-	-	1,756,205	1,031,236	(724,969)
Total Agency Wide Revenues / Reserves	\$ 68,398,280	\$ 64,236,266	\$ 65,443,699	\$ 75,418,984	\$ 9,975,286
Expenses:					
Administration	\$ 9,227,331	\$ 9,915,898	\$ 11,272,933	\$ 9,925,320	\$ 1,347,613
Other Administrative	1,909,494	1,500,000	1,675,722	1,889,280	(213,559)
Tenant Services	680,516	374,951	418,643	747,921	(329,278)
Protective Services	-	-	-	201,000	(201,000)
Utilities Expenses	10,956,807	11,416,828	11,361,405	11,694,224	(332,819)
Maintenance Costs	8,340,140	7,435,934	8,605,069	8,628,286	(23,218)
Protective Services	326,251	7,624	-	-	-
General	3,263,454	2,154,016	2,249,915	1,690,883	559,032
Housing Assistance	24,408,346	24,373,813	25,032,256	26,323,936	(1,291,680)
Interest	27,051	21,853	19,668	-	19,668
Capital Expenses	6,101,104	2,546,904	3,617,526	13,838,729	(10,221,203)
Total Agency Wide Operating Expenses	\$ 65,240,494	\$ 59,747,821	\$ 64,253,136	\$ 74,939,579	\$ (10,686,443)
Total Agency Wide Net Operating Income / (Loss)	\$ 3,157,786	\$ 4,488,445	\$ 1,190,563	\$ 479,405	\$ (711,153)

FY2018 Agency-Wide Budget

Revenues and Expense Comparison

	2016 Actuals	2017 Projections	2017 Budget	2018 Proposed Budget	2017 Proposed Budget Vs. 2018 Revised Budget	Comments
Add Equipment/Vehicle Purchase and Non-Cash						
Dove Lease	\$ 12,929	\$ 12,929	\$ -	\$ -	\$ -	
Compensated Absence	41,403	63,339	-	-	-	
Purchase of Vehicles for HCVP	-	(8,057)	(8,057)	-	8,057	
Purchase of Electric Heaters - Extermination	-	-	-	(15,695)	(15,695)	
Loss on Property	(7,448,583)	(298,741)	-	-	-	
Depreciation Expense	(3,775,507)	(3,633,349)	-	-	-	
Amortization Expense	(337,935)	(235,731)	-	-	-	
Cost of Property Sold	(1,987,231)	(630,619)	-	-	-	
Allowance for NHS and Foreclosures	(327,362)	-	-	-	-	
GASB 45	270,199	261,043	-	-	-	
Proceeds from Property Sold - Restricted		899,750	-	-	-	
Balance Sheet Reconciliations - (Expense)	(899,266)	(57,319)	-	-	-	
Balance Sheet Reconciliations - (Revenue)	2,936,562	1,198,156	-	-	-	
Total	\$ (11,514,790)	\$ (2,428,599)	\$ (8,057)	\$ (15,695)	\$ (7,638)	
Total Adjusted Agency Wide Net Operating Income	\$ (8,357,004)	(2,428,599)	\$ 1,182,506	\$ 463,710	\$ (718,796)	

Change in both revenues and expenses from the 2017 Budget to the 2018 Proposed Budget is due to revenues and expenses for the following projects: Highland Grove (\$1.9 million), Armstrong (\$5.9 million), completion of 4 units for the Senior Cottages (\$1.1 million), and net increase in capital spending (\$1.1 million).

2018 LIPH BUDGET



FY2018 LIPH Budget – Overview Summary

- ❑ 2018 Budgeted Revenues and Expenses- \$30.6 million.
- ❑ Budget incorporates the use of cash reserves of \$1.2 million.
 - Several sites are not profitable as a result of lower operating subsidies.
 - Cash balance as of 7/31/2017: \$5.7 million, represents approx. 2.3 months of operating reserves
- ❑ Budget focuses on effort to manage and maintained 3,979 units.
- ❑ Budget includes full year impact of the Rental Assistance Demonstration (RAD) program for FAY Towers for the 77 units that have been converted. The remaining of 123 units will be converted in fiscal 2019. The 2019 budget will include impacts of reduced rental income, operating subsidies and the impact on COCC management fees.
- ❑ Budget incorporates Safety and Security Concerns
 - \$41,000 Security Costs at FAY and \$160,000 for Police Overtime.
 - RRHA to submit a waiver to HUD to request an additional 3% (\$201,00) in the operating transfer funds to cover the above costs.
 - See page 23 for summary of costs.

FY2018 LIPH Budget Challenges

☐ HUD Funding

- Funding for housing operations is at 85% of projected need; however, the operating subsidy base is approximately \$1 million lower than prior year.
- Operating subsidies have decreased over the last several years.
- HUD Budget recommends a reduction of 13.3% for fiscal 2018.

☐ Rental Income

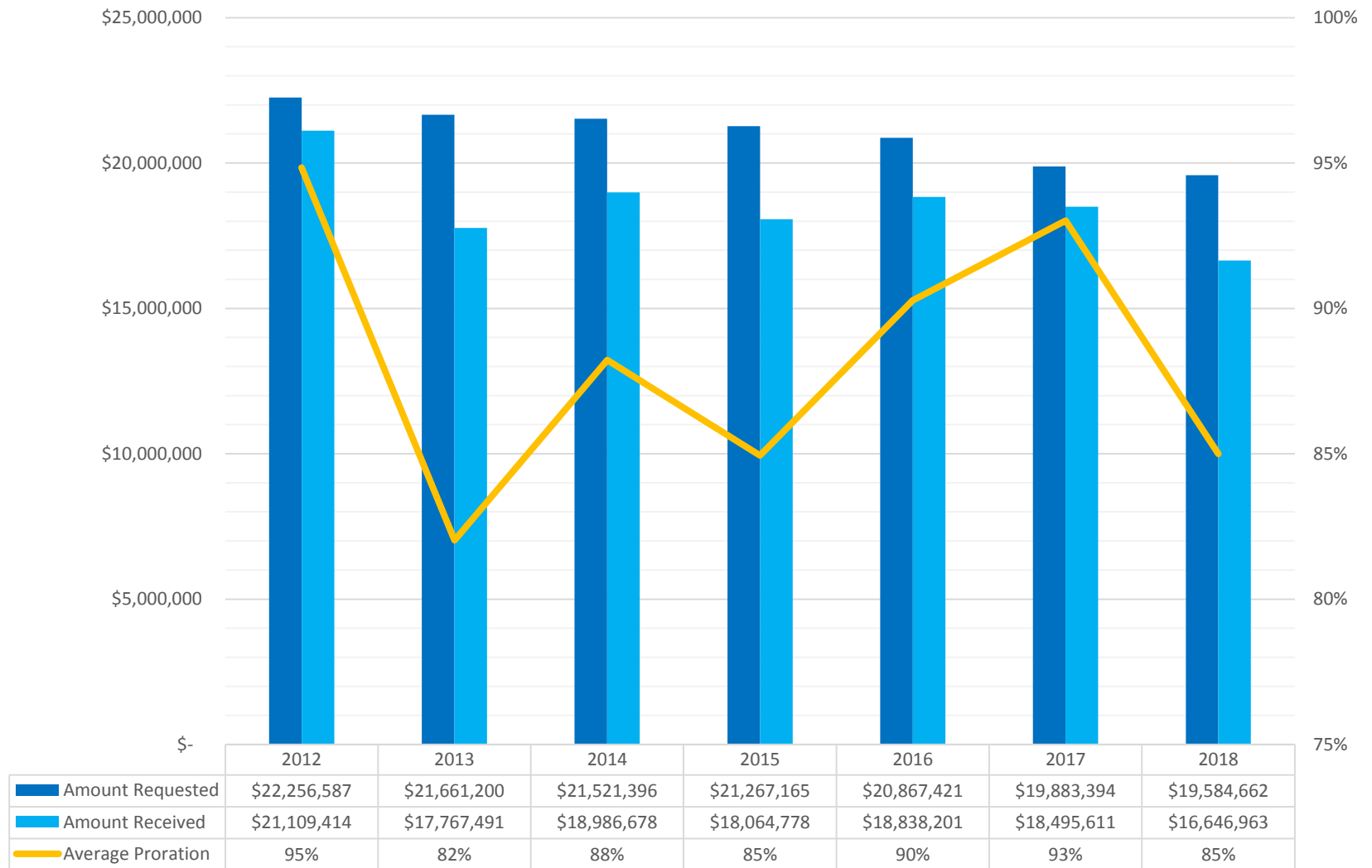
- Reduction in excess utility revenues of \$.3 million.
- Several sites have seen a decrease in average rents.

☐ Maintenance of Facilities

- Aging infrastructure and increased facilities costs (i.e. drain and sewer lines)

FY2018 LIPH Budget

Operating Subsidy Trends



Consolidated Budget for Safety and Security

	Gilpin	Hillside	Creighton	Fairfield	Mosby	Whitcomb	Fay Towers	Total
LIPH Operations								
Security Officers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 41,000	\$ 41,000
Overtime / Police Officers	40,000		40,000		40,000	40,000	-	160,000
	-	-	-	-	-	-	-	-
Total LIPH Operations	\$ 40,000	\$ -	\$ 40,000	\$ -	\$ 40,000	\$ 40,000	\$ 41,000	\$ 201,000
Capital Funding								
Cameras	\$ -	\$ 60,000	\$ 60,000	\$ 60,000	\$ 75,000	\$ 60,000	\$ 60,000	\$ 375,000
Shot Spotter			13,333	13,333		13,334		40,000
Total Capital	\$ -	\$ 60,000	\$ 73,333	\$ 73,333	\$ 75,000	\$ 73,334	\$ 60,000	\$ 415,000
Total Safety and Security	\$ 40,000	\$ 60,000	\$ 113,333	\$ 73,333	\$ 115,000	\$ 113,334	\$ 101,000	\$ 616,000

Notes

- Overtime / Police Officers – The City’s goal is to have two to four police officers in the Churchill area. The City will match RRHA’s contribution in order to increase capacity.
- Cameras - For Gilpin, there are VDOT cameras in place that can be utilize.

FY2018 LIPH Budget Assumptions

□ Revenue

- Occupancy Rate - Average 98%
- *Challenge - Excess Utility Revenues reduced from prior year*
 - Implementation of Consumption Based Calculation in fiscal 2017
- *Challenge - Operating Subsidy Proration – 85%*
 - Represents estimated revenues of \$16.6 million.
 - This represents a reduction of \$1.9 million or 10.3% from fiscal 2017 (\$18.5 million – 92% proration).
- Operating Transfer (2017 Grant) - \$1.9 million
- *Challenge - Impact of RAD - Reduced operating subsidy and tenant revenues from FAY AMP while costs remains relatively flat.*

FY2018 LIPH Budget Assumptions

❑ Expenses

➤ Bad Debt Expense – 4.6% of revenue billed

➤ *Challenge -Utility Costs*

- Estimated Utility Costs for FY18 - \$11.5 million, an increase of \$.1 million from fiscal 2017 (\$11.4 million projected).
- Reduced the utilities budget for Mosby and Whitcomb because we anticipate completing water and sewer line repairs in those sites which will have a positive impact on the utility costs.
- Drain and Sewer line issues in multiple sites impact utility costs (undetected/unreported) water leaks.

FY2018 LIPH Budget

Revenue and Expense Comparison

	2016 YTD Actuals	2017 Budget Projections	FY 2017 Budget	FY 2018 Proposed Budget	2018 Proposed Budget vs. 2017 Budget
Revenue:					
Rental Income	\$ 9,639,978	\$ 9,784,722	\$ 10,233,166	\$ 9,831,166	\$ (401,999)
Other Tenant Income	1,130,921	644,160	1,243,019	919,906	(323,113)
Grant Income	18,868,514	18,495,611	17,691,815	16,646,963	(1,044,852)
Other Income	2,042,446	1,762,192	1,699,747	1,946,607	246,860
Use of Cash Reserves	-	-	-	1,237,931	1,237,931
Total LIPH Revenues	\$ 31,681,859	\$ 30,686,685	\$ 30,867,746	\$ 30,582,574	\$ (285,173)
Expenses:					
Administrative & General Expenses					
Salaries & Benefits	\$ 1,927,457	\$ 2,088,443	\$ 2,511,587	\$ 2,468,731	\$ 42,856
Insurance Costs	820,753	836,616	893,990	909,603	(15,613)
Legal Expense	195,323	159,191	170,390	265,335	(94,945)
Audit and Professional Expense	193,076	194,433	157,936	193,261	(35,325)
Telecomm/IT & Equipment Rental Svc Agreements	375,231	393,504	404,771	445,821	(41,050)
Office Expense	161,721	184,274	184,274	222,616	(38,342)
Other Admin & General Expenses	1,825,879	747,737	1,502,198	822,784	679,414
Total Admin & General Expenses	5,499,440	4,604,197	5,825,147	5,328,152	496,996
Tenant/Resident Services	603,449	584,031	668,222	905,941	(237,719)
Protective Services	(97,854)	7,624	-	201,000	(201,000)
Call Center Allocation	556,178	478,040	333,112	515,953	(182,841)
Utilities Expenses					
Total Utilities Expenses	10,912,910	11,275,236	11,270,700	11,548,690	(277,990)
Maintenance Costs					
Salaries & Benefits	3,235,083	3,515,293	3,956,204	3,748,035	208,169
Materials	1,038,990	651,304	1,089,139	1,011,248	77,891
Contracts	2,212,035	1,498,714	1,942,023	1,932,552	9,471
Uniforms / Other	7,071	16,263	16,263	17,737	(1,474)
Fee for Service	1,232,659	1,605,991	1,868,041	2,072,750	(204,710)
Total Maintenance Costs	7,725,838	7,287,565	8,871,670	8,782,324	89,346
Management Fees	3,356,402	3,258,670	3,226,824	3,300,515	(73,691)
Total LIPH Operating Expenses	\$ 28,556,363	\$ 27,495,363	\$ 30,195,675	\$ 30,582,575	\$ (386,899)
Total LIPH Net Operating Income	\$ 3,125,496	\$ 3,191,323	\$ 672,072	\$ -	\$ (672,071)

FY2018 LIPH Budget

Revenue and Expense Comparison

	2016 YTD Actuals	2017 Budget Projections	FY 2017 Budget	FY 2018 Proposed Budget	2018 Proposed Budget vs. 2017 Budget
Non-Operating Revenues / Expenses:					
Compensated Absences	4,825	(5,000)	-	-	-
Depreciation Expense	(3,473,392)	(3,453,831)	-	-	-
GASB 45 Income	65,362	65,363	-	-	-
Amortization of Dove Lease	12,929	12,929	-	-	-
Balance Sheet Write-off	(1,977,309)	(2,372)	-	-	-
Purchase of HCVP Vehicles	-	(8,057)	(8,057)		
Payment from the COCC	320,840	108,000	108,000	110,000	2,000
Total Non-Operating Revenues/Expenses:	\$ (5,046,745)	\$ (3,282,968)	\$ 99,943	\$ 110,000	\$ 2,000
	-				-
Net Income (Loss)	\$ (1,921,249)	\$ (91,645)	\$ 772,015	\$ 110,000	\$ (670,071)

FY2018 LIPH Projected Cashflows

Projected Cash Balance at 9/30/2017

	<u>Unrestricted Cash</u>	<u>Restricted Cash</u>	<u>Total</u>
Cash Balance at 7/31/2017	\$ 5,703,213	\$ 1,893,783	\$ 7,596,995
Projected Net Income (Aug. 2017 to Sept. 2017)	(12,632)	-	(12,632)
Projected Cash Balance at 9/30/2017	<u>\$ 5,690,580</u>	<u>\$ 1,893,783</u>	<u>\$ 7,584,363</u>

Projected Cash Balance at 9/30/2018

	<u>Unrestricted Cash</u>	<u>Restricted Cash</u>	<u>Total</u>
Projected Cash Balance at 10/1/2017	\$ 5,690,580	\$ 1,893,783	\$ 7,584,363
Sources:			
Projected Revenues	\$ 29,344,643		\$ 29,344,643
Repayment on Management Fees	48,649	-	48,649
Repayment on A/R due from COCC	51,351	-	51,351
Total Sources	<u>\$ 29,444,643</u>	<u>\$ -</u>	<u>\$ 29,444,643</u>
Uses:			
Projected Operating Expenses	\$ (30,582,575)	\$ -	\$ (30,582,575)
Disbursement from Excess Utility Escrow		(500,000)	(500,000)
Total Uses	<u>\$ (30,582,575)</u>	<u>\$ (500,000)</u>	<u>\$ (31,082,575)</u>
Add:			
Excess Utility Cash to Unrestricted	\$ 679,977	\$ (679,977)	-
Projected Cash Balance at 9/30/2018	<u>\$ 5,232,625</u>	<u>\$ 713,806</u>	<u>\$ 5,946,431</u>



2018 Capital Grant Budget

FY2018 Capital Grant / ROSS Budget Overview Summary

❑ Capital Grant

- Revenues and Expenditures budgeted at \$8.0 million.
- Use of Replacement Housing Factor Funds of \$.8 million for GAP financing for Jackson Ward (\$.75 million) and Baker School (\$.19 million)
- Use of Capital for Gap Financing - \$.2 million for Baker School
- Capital Spending Prioritized
 1. Water and Sewer Drain Lines
 2. Exterior Lighting
 3. Cameras -\$375,000 to cover Big Six with the exception of Gilpin plus FAY AMP.
 4. Shot Spotter Hard Costs - \$40,000
 5. Infrastructure improvements and assessments

❑ ROSS Grant

- Revenues and Expenditures budgeted at \$69,000.

FY2018 Capital Grant Budget Challenges

❑ HUD regulations

- 2017 Grant Award - \$6.6 million
- *Challenge: Future Grant Awards – same level?*
- For the 2018 Grant Award – assumed \$5.2 million grant and accordingly \$.5 million capital admin fee.

❑ Aged Facilities

- Emergency Work (i.e. Sewer and Drain Lines)
- A PNA (physical needs assessment) study completed in 2011 indicates that it will cost \$211 million to address the twenty year need of replacing RRHA facilities.
- How do we strategically manage the capital fund dollars to improve our facilities?

FY2018 Capital Grant Budget Assumptions

- ❑ **Capital Administrative Fee** – 10% of 2018 grant
 - *Challenge - Estimated at \$.5 million*
 - (split between RECD and COCC)

- ❑ **Operating Transfer** – 28% of 2017 grant -\$1.9 million, of which 3% is for safety and security costs.

- ❑ **Management Improvements** – Use of existing funds
 - Upgrade of Ceridian (portion related to LIPH - \$22,000).

FY2018 Capital Budget

Revenue and Expense Comparison

	FY 2016 Actuals	FY 17 Budget Projections	FY 2017 Budget	FY 2018 Proposed Budget	2018 Proposed Budget vs. 2017 Budget
Revenue:					
Grant Income - Soft Costs	\$ 3,331,617	\$ 3,071,607	\$ 3,164,211	\$ 2,718,712	\$ (445,498)
Grant Income - Hard Costs	5,072,640	2,145,577	3,617,526	5,196,477	1,578,951
ROSS Grant	93,144	69,902	69,000	69,000	-
Other Income	-	-	-	-	-
Total Capital Fund Revenues	8,497,402	\$ 5,287,087	\$ 6,850,737	\$ 7,984,189	\$ 1,133,452
Expenses:					
Administrative & General Expenses					
Administrative Salaries	\$ -	\$ -	\$ -	\$ -	\$ -
Other Administrative Expense	289,860	666,185.62	816,186	149,964	666,222
Misc. Administrative Expense	1,800	25,000	25,000	21,856	3,144
Total Administrative Expenses	291,660	691,186	841,186	171,819	669,366
Tenant Services	93,144	69,902	69,000	187,000	(118,000)
Maintenance Costs					
Materials	-	-	-	-	-
Contracts	54,983	29,797	-	-	-
Total Maintenance Costs	54,983	29,797	-	-	-
Protective Services	-	-	-	-	-
Miscellaneous Expense	-	27,600	-	-	-
General Expenses					
Other General Expenses	36,800	-	-	-	-
Total General Expenses	36,800	-	-	-	-
CFG Asset Management Fees	932,089	680,832	680,832	520,000	160,832
Capital Expenditures	-	-	-	-	-
Operating Transfer	2,016,085	1,642,192	1,642,193	1,908,893	(266,700)
Capital Expenditures	5,072,640	2,145,577	3,617,526	5,196,477	(1,578,951)
Total Capital Fund Operating Expenses	8,497,402	\$ 5,287,087	\$ 6,850,737	\$ 7,984,189	\$ (1,133,452)
Capital Fund Operating Income / (Loss)	\$ 0	\$ -	\$ -	\$ -	\$ -
Non-Operating Revenues/Expenses:					
Miscellaneous Income	\$ 11,412	\$ 54,456	\$ -	\$ -	\$ -
Total Non-Operating Revenues / Expenses	\$ 11,412	\$ 54,456	\$ -	\$ -	\$ -
Net Income / (Loss)	\$ 11,412	\$ 54,456	\$ -	\$ -	\$ -

FY2018 CFG Capital Projects Spending

Site	Project	Cost	Grant Year
Gilpin			
	Sanitary Drain Lines	\$ 50,000	2015
	Gilpin Roof Repairs	100,000	2015
	Site Improvements	75,000	2015
	Slope Failure Assess	396,500	2016
	Gilpin Stairwells	300,000	2016
	Calhoun Swimming Pool	500,000	2016/2017
	Total Gilpin	\$ 1,421,500	
Fairfield			
	Domestic & Hot Water Line	\$ 753,000	2015
	Kitchen & Baths	100,000	2016
	VHB CE Site Infrastructure	75,000	2016
	Circulation Pump	50,000	2016
	Exterior Cameras (2)	60,000	2016
	Shot Spotter (1/3 of cost)	13,333	2016
	Site Improvements	50,000	2015
	Total Fairfield	\$ 1,101,333	
Creighton			
	Exterior Cameras	\$ 60,000	2016
	Shot Spotter (1/3 of cost)	13,333	2016
	Lu+Smith M/E Infrastructure Improve,Assess,Design and CA	35,000	2016
	Timmons Site Infrastructure Improve,Assess,Design and CA	25,000	2016
		\$ 133,333	

FY2018 CFG Capital Projects Spending

Site	Project	Cost		Grant Year
Hillside				
	Oscar Stovall Site Improvement	\$ 101,330		2015
	Hillside Infrastructure	87,500		2015
	CHA M/E Infrastructure Improve,Assess,Design and CA	50,000		2016
	VHB CE Site Infrastructure Improve,Assess,Design and CA	70,000		2016
	Exterior Cameras	60,000		2016
	Kitchen & Baths	100,000		2016
	Total Hillside	\$ 468,830		
Mosby				
	Exterior Lighting	\$ 50,000		2015
	Exterior Lighting	250,000		2016
	Kitchen & Bath Improvements	100,000		2016
	Mosby Exterior Cameras	75,000		2016
	Total Mosby	\$ 475,000		
Whitcomb				
	Site Improvements (Tree & Concrete)	\$ 175,000		2015
	Infrastruction Improvement	75,000		2015
	Exterior Canopy Lights	50,000		2015
	Exterior Cameras	60,000		2016
	Shot Spotter	13,333		2016
	Lu+Smith M/E Infrastructure Improve,Assess,Design and CA	35,000		2016
	Timmons CE Site Infrastructure Improve,Assess,Design and CA	25,000		2016
	Total Whitcomb	\$ 433,333		

FY2018 CFG Capital Projects Spending

Site	Project	Cost	Grant Year
FAY	(Fourth Ave. and Fulton)		
	Stonewall Site Improvement	\$ 25,000	2015
	FAY Pump/Back Flow	75,000	2015
	Fay, Fox Manor, Stonewall & 4th Ave Exterior & Interior Cameras	40,000	2016
	Lombardy & Decatur Exterior & Interior Cameras	20,000	2016
	Total FAY	\$ 160,000	
	Total Capital Projects	\$ 4,193,330	
Summary By Grant Year			
	2016 Grant Year	\$ 2,276,500	
	2015 Grant Year	1,916,830	
	Total	\$ 4,193,330	

2018 HCVP Budget



FY2018 HCVP Budget – Overview Summary

- ❑ 2018 Budgeted Revenues and Expenses
 - Operating Revenues of \$1.9 million
 - HAP Revenues and Sources of \$26.3 million.
- ❑ Budget incorporates the use of HAP reserves of \$1.0 million.
- ❑ Although not paying full bookkeeping fees (\$.26 million vs. \$.28 million), this is the second year of HCVP paying bookkeeping fees to the COCC.
- ❑ Statistical Information:
 - Vouchers as of July - 3,033
 - Voucher Authority – 3,495
 - Projected Voucher Issuance for 2017– 317 vouchers
 - Utilization as of July – 87.6%
 - HUD’s Voucher Utilization - 95%
 - Port-In-Activity – 62 Housing Authorities with 92 tenants

FY2018 HCVP Budget Challenges

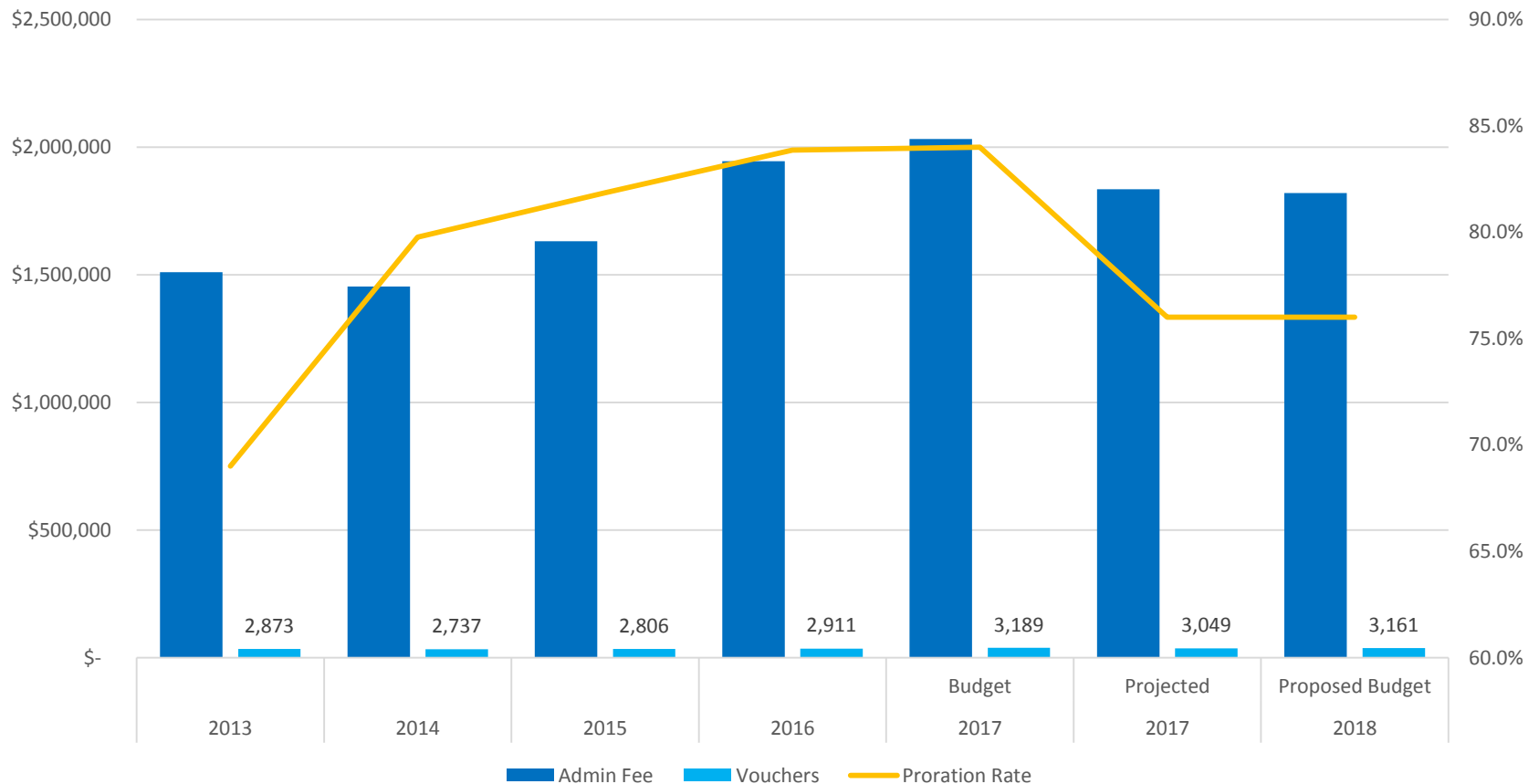
☐ HUD Regulations

- Administrative needs funded at 76%. Historically funding has been between 80% and 84%, with the lowest funding at 69% in fiscal 2013.
- HAP (Housing Assistance Payments) funded at 97%. Historically funding has been about 100%, with the lowest funding at 94% in fiscal 2013.

☐ Management of Resources

- Operating Revenues - \$1.9 million
- Operating Expenses - \$1.9 million
- Optimal delivery of services
- Fluctuating Administrative Fee Prorations

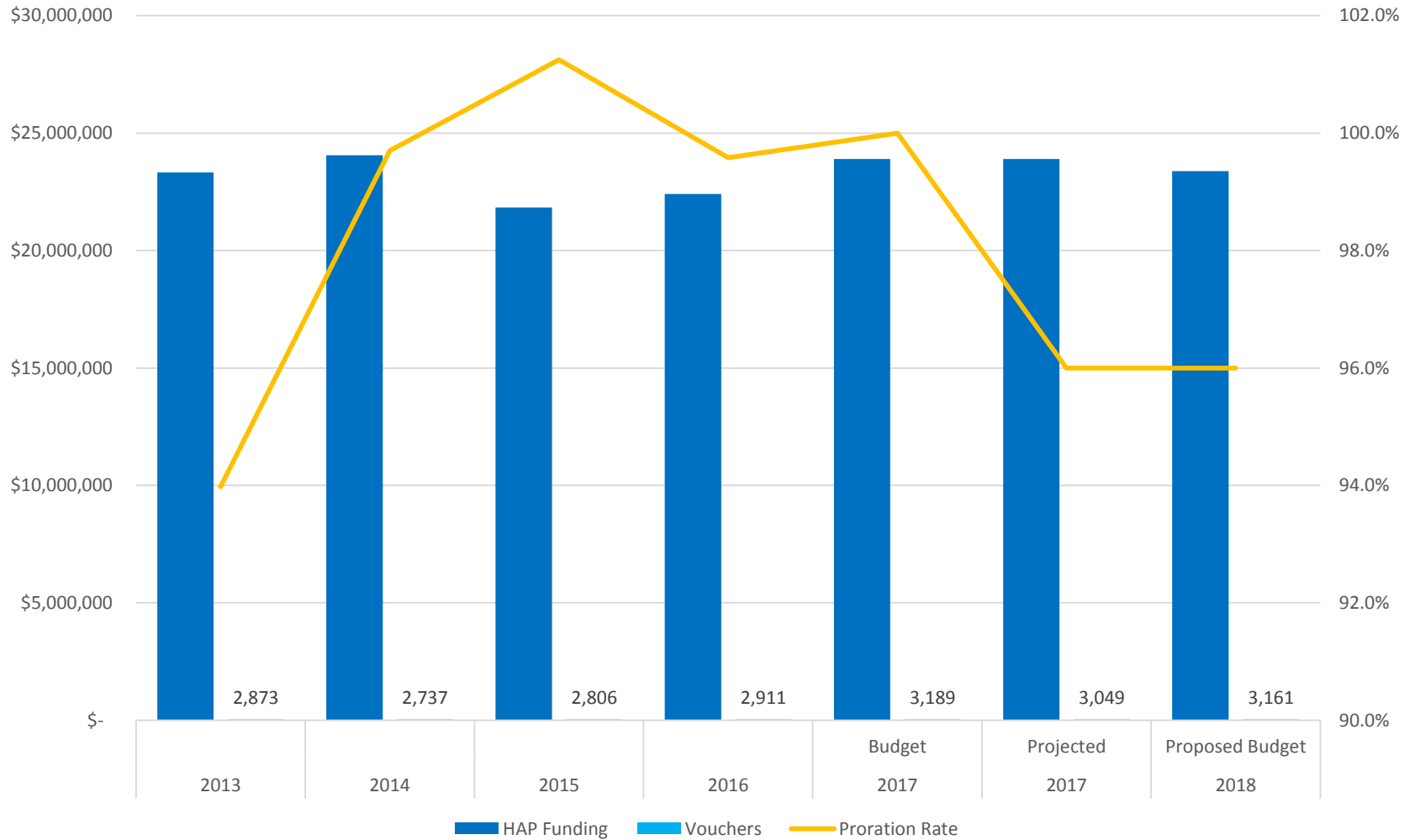
FY2018 HCVP Budget Challenges –Administrative Fees



Note:

- Please note that during any given fiscal year, the proration rate can go up or down. A final proration reconciliation is prepared at the end of the calendar year. Any amounts owed or due are received or netted in the following calendar year.

FY2018 HCVP Budget Challenges – HAP Payments



FY2018 HCVP Budget Assumptions

❑ Administrative Fee

- Based on 2016 rate structure
- **Challenge - Proration at 76%**
- Estimated at \$1.8 million

❑ Fees (Payable to COCC)

- Management Fee - \$12 per unit leased
- **Challenge (Ability to pay full amount)-** Bookkeeping Fee - \$7.50 per unit leased

❑ HAP Budget

- HAP Proration – 97.27%
- Use of RRHA held reserves - \$1.0 million
- Current estimated HUD held reserves - \$763,323
- Turnover – 5.6%
- Issuance of 40 vouchers / average utilization – 90.5%
- Issuance of 49 project based vouchers with the remainder of 85 vouchers issued in 2019
- State Vouchers – 15

FY2018 HCVP Budget

Revenue and Expense Comparison

	2016 YTD Actual	2017 Budget Projections	FY 2017 Budget	FY 2018 Proposed Budget	2018 Proposed Budget vs. 2017 Budget
HCVP Administration					
REVENUE/RESERVES					
Administrative Fees - HUD	\$ 1,944,589	\$ 1,760,492	\$ 2,031,492	\$ 1,834,619	\$ (196,873)
Administrative Fees - SRAP	-	-	-	14,400	14,400
Port-in Admin Fee	4,717	36,787	9,800	69,401	59,601
Fraud Recovery	12,752	16,384	15,000	15,000	-
Admin Reserves	-	-	-	-	-
Admin. Revenue/Reserves	\$ 1,962,058	\$ 1,813,663	\$ 2,056,292	\$ 1,933,420	\$ (122,872)
ADMINISTRATIVE EXPENSES					
Salaries and Benefits	\$ 579,027	\$ 673,333	\$ 811,050	\$ 739,615	\$ 71,435
Legal Expenses	4,911	3,934	1,700	4,218	(2,518)
Audit & Professional Services	114,135	81,678	81,678	74,539	7,140
Telecommunications/IT	81,433	72,028	90,233	100,244	(10,011)
Insurance costs	31,497	30,075	32,454	28,782	3,672
Office Expenses	34,803	36,662	36,662	29,522	7,140
Other Admin/General	108,279	102,361	32,999	26,722	6,277
Tenant Selection/ Call Center Allocation	115,673	171,584	197,176	182,095	15,081
Utility & Maintenance	-	22,436	27,531	30,648	(3,117)
Management/Bookkeeping Fees	714,110	599,917	744,809	717,036	27,773
Total Admin. Expenses	\$ 1,783,868	\$ 1,794,007	\$ 2,056,292	\$ 1,933,420	\$ 122,872
Administrative Income/(Loss)	\$ 178,190	\$ 19,655	\$ -	\$ -	\$ -
Non-Operating Revenues / Expenses:					
Compensated Absences	\$ 5,646	\$ 43,248	\$ -	\$ -	\$ -
GASB 45	11,098	19,256	-	-	-
Depreciation Expense	(23,891)	(45,533)	-	-	-
Total Non-Operating Revenues / Expenses	\$ (7,147)	\$ 16,971	\$ -	\$ -	\$ -
Administrative Net Income / (Loss)	\$ 171,043	\$ 36,626	\$ -	\$ -	\$ -

FY2018 HCVP Budget

Revenue and Expense Comparison

	2016 YTD Actual	2017 Budget Projections	FY 2017 Budget	FY 2018 Proposed Budget	2018 Proposed Budget vs. 2017 Budget
Housing Assistance Payments					
REVENUE / RESERVES					
HAP Earned - HUD	\$ 24,755,741	\$ 24,274,796	\$ 23,052,634	\$ 23,811,846	\$ 759,212
HAP - SRAP	-	-	-	117,000	117,000
Fraud Recovery	12,752	16,384	15,000	15,000	-
Land Lord Overpayments	133,802	159,964	-	120,000	120,000
Use of HAP Reserve	(616,614)	(699,930)	1,756,205	911,236	(844,969)
Port-In-HAP Earned	87,987	662,403	188,200	1,300,782	1,112,582
Total HAP/UAP Revenue / Reserves	\$ 24,373,668	\$ 24,413,616	\$ 25,012,039	\$ 26,275,864	\$ 1,263,825
HAP/UAP Expenses					
HUD:					
Vouchers-HAP	\$ 23,591,490	\$ 23,076,268	\$ 24,112,159	\$ 24,152,488	\$ (40,329)
Vouchers- UAP	694,191	674,945	711,680	705,594	6,086
SRAP:					
Vouchers-HAP	-	-	-	96,525	(96,525)
Vouchers- UAP	-	-	-	20,475	(20,475)
Port-In-HAP	102,492	622,599	188,200	1,300,782	(1,112,582)
Total HAP/UAP Expenses	\$ 24,388,173	\$ 24,373,812	\$ 25,012,039	\$ 26,275,864	\$ (1,263,825)
Housing Assistance Profit/(Loss)	\$ (14,505)	\$ 39,804	\$ -	\$ -	\$ -
Net Income & Reserves / (Loss)	\$ 156,538	\$ 76,430	\$ -	\$ -	\$ -

FY2018 HCVP Projected Cashflows

Projected Cash Balance at 9/30/2017

	Unrestricted Cash	Restricted Cash	Total
Cash Balance at 7/31/2017	\$ 57,453	\$ 622,224	\$ 679,677
Sources:			
Admin Fee	\$ 287,888	\$ -	\$ 287,888
HAP Earned	-	4,279,468	4,279,468
Additional HAP - 2016	-	76,742	76,742
Landlord Overpayments	-	22,365	22,365
Other Income	155,498	3,764	159,262
Total Sources	\$ 443,386	\$ 4,382,339	\$ 4,825,725
Uses:			
Estimated Payables at 8/31/2017	\$ (26,965)	\$ -	\$ (26,965)
Estimated Expenses	(226,000)	-	(226,000)
Management Fees	(72,768)	-	(72,768)
Port-In- HAP	(137,030)	-	(137,030)
HAP Payments	-	(3,860,000)	(3,860,000)
Total Uses	\$ (462,763)	\$ (3,860,000)	\$ (4,322,763)
Projected Cash Balance at 9/30/2017	\$ 38,076	\$ 1,144,563	\$ 1,182,639

Projected Cash Balance at 9/30/2018

	Unrestricted Cash	Restricted Cash	Total
Projected Cash Balance at 10/1/2017	\$ 38,076	\$ 1,144,563	\$ 1,182,639
Sources:			
Admin. Fees	\$ 1,849,019	\$ -	\$ 1,849,019
HAP Earned	-	23,928,846	23,928,846
Port-In HAP Revenues	1,370,183	-	1,370,183
Other	15,000	15,000	30,000
Total Sources	\$ 3,234,202	\$ 23,943,846	\$ 27,178,048
Uses:			
Payable at 9/30/2017	\$ (26,965)	\$ -	\$ (26,965)
Projected Operating Expenses	(1,932,341)	-	(1,932,341)
Port-In-HAP Payments	(1,300,782)	-	(1,300,782)
HAP Expense	-	(24,975,082)	(24,975,082)
Total Uses	\$ (3,233,123)	\$ (24,975,082)	\$ (28,208,205)
Projected Cash Balance at 9/30/2018	\$ 39,155	\$ 113,327	\$ 152,483

2018 RECD Budget

Jackson Place on First Street



Townes At River South

FY2018 RECD Budget –Overview Summary

- ❑ 2018 Budgeted Operating Revenues - \$2.1 million.
- ❑ 2018 Budgeted Operating Expenses - \$2.0 million.
- ❑ 2018 Budgeted Capital Revenues and Expenses -\$8.6 million incorporates the following:
 - Infrastructure activity for Highland Grove and Armstrong.
 - Completion of 4 units for the Senior Cottages
- ❑ RECD will continue to work on multi-year redevelopment activities during fiscal 2018 as it relates to FAY Towers and Creighton Court. See discussion regarding FAY Towers on page 20 and gap financing for Fay Towers (Baker School and Jackson Ward) on page 30.
- ❑ During fiscal 2018 RRHA will perform an in depth study to assess the options to convert the big six developments to the Section 8 platform and to seek approval from HUD. The conversion will provide RRHA greater flexibility to operate the developments with the intent to improve the lives of our residents. Activities related to this assessment have not been budgeted.

FY2018 RECD Budget Challenges

❑ Revenue Generation

- Level of funding from City decreasing
- Recouping all reimbursements from City of Richmond
- Alternate revenue streams

❑ Items of vulnerability:

- Staffing to assist with development of projects, salaries for current staff positions, support for City funded project areas, support for RECD purchased project areas, support and disposition of properties purchased with replacement housing factor funds

❑ High Risk Areas:

- Cross training and depth of staff knowledge of federally funded programs, loan program (delinquency and potential foreclosures)

FY2018 RECD Budget Assumptions

❑ *Challenge - City Revenues based on item plans*

❑ Capital Administrative Fee - \$.2 million

❑ Incorporate developer fees

- Aligned with Strategic Plan Goal: 2 use our existing resources strategically and develop alternate revenue sources

❑ Incorporate bond fees

- Aligned with Strategic Plan Goal: 2.3.3 market Tax Exempt Bond Program

❑ *Challenge – Revenue Development/Tight Budget*

FY2018 RECD Budget

Operating Revenue and Expense Comparison

	2016 Actual	FY 2017 Budget Projections	FY 2017 Budget	FY 2018 Proposed Budget	2018 Proposed Budget vs. 2017 Budget
Revenues/Sources:					
City of Richmond Revenues					
Operating Revenues	\$ 1,113,534	\$ 737,591	\$ 1,166,250	\$ 412,500	\$ (753,750)
Pass Through Income	182,817	264,132	-	-	-
Total City of Richmond Revenues	\$ 1,296,351	\$ 1,001,723	\$ 1,166,250	\$ 412,500	\$ (753,750)
HOPE VI Revenues					
Soft Cost	\$ 163,418	\$ 87,554	\$ -	\$ 337,534	\$ 337,534
Total HOPE VI Revenues	\$ 163,418	\$ 87,554	\$ -	\$ 337,534	\$ 337,534
Other Revenues					
Capital Administrative Fee	\$ 377,128	\$ 310,301	\$ 310,301	\$ 236,999	\$ (73,302)
Developer/Bond Fees	5,000	486,319	486,319	607,412	121,093
Shockoe Land Lease	47,603	-	-	-	-
Other Income	289,903	287,620	487,392	303,792	(183,600)
Proceeds from Sale of Property	147,638	25,493	70,000	171,896	101,896
Total Other Revenues	\$ 867,272	\$ 1,109,733	\$ 1,354,012	\$ 1,320,099	\$ (33,913)
Reserves/HOPE VI Program Income	\$ 606,180	\$ 575,037	\$ -	\$ -	\$ -
Total RECD Revenues/Sources	\$ 2,933,221	\$ 2,774,047	\$ 2,520,262	\$ 2,070,133	\$ (450,129)
Expenses:					
Administrative & General Expenses:					
Salaries & Benefits	\$ 846,882	\$ 891,404	\$ 809,534	\$ 860,210	\$ (50,676)
Legal Expense	150,721	296,067	393,750	300,000	93,750
Audit & Professional Services	892,913	359,052	901,417	481,969	419,448
Insurance Costs	33,886	28,534	31,549	28,970	2,579
Telecommunications & IT	47,246	47,456	56,979	60,967	(3,988)
Office Expenses	10,621	7,563	11,560	11,770	(210)
Other Admin & General Expenses	879,675	1,081,330	262,556	200,260	62,296
Total Admin & General Expenses	2,861,944	\$ 2,711,406	\$ 2,467,345	\$ 1,944,146	\$ 523,199
Tenant Services	-	10,500	-	-	-
Utilities/Maintenance Costs	44,277	30,288	33,249	30,038	3,211
Interest Expense	27,000	21,853	19,668	-	19,668
Total RECD Expenses	\$ 2,933,221	\$ 2,774,047	\$ 2,520,262	\$ 1,974,184	\$ 546,078
RECD Operating Income	\$ -	\$ -	\$ -	\$ 95,949	\$ 95,949

FY2018 RECD Budget

Operating Revenue and Expense Comparison

	2016 Actual	FY 2017 Budget Projections	FY 2017 Budget	FY 2018 Proposed Budget	2018 Proposed Budget vs. 2017 Budget
Non-Operating Revenues/Expenses:					
Dove Lease	\$ 12,929	\$ 12,929	\$ -	\$ -	\$ -
Amortization	(337,935)	(235,731)	-	-	-
Compensated Absences	13,600	50,021	-	-	-
GASB 45 Income	10,739	9,546	-	-	-
Cost of Property Sold	(1,987,231)	(630,619)	-	-	-
Bad Debt	(327,362)				
Balance Sheet Reconciliations - Write-Offs	4,901,712	1,143,700	-	-	-
Depreciation	(160,708)	-	-	-	-
Proceeds from Sale of Property Restricted	-	899,750	-	-	-
Gain/Loss on Disposal of Assets	(7,448,583)	(298,741)	-	-	-
Total Non-Operating Revenues / Expenses	\$ (5,322,839)	\$ 950,855	\$ -	\$ -	\$ -
Net Income / (Loss)	\$ (5,322,839)	\$ 950,855	\$ -	\$ 95,949	\$ 95,949

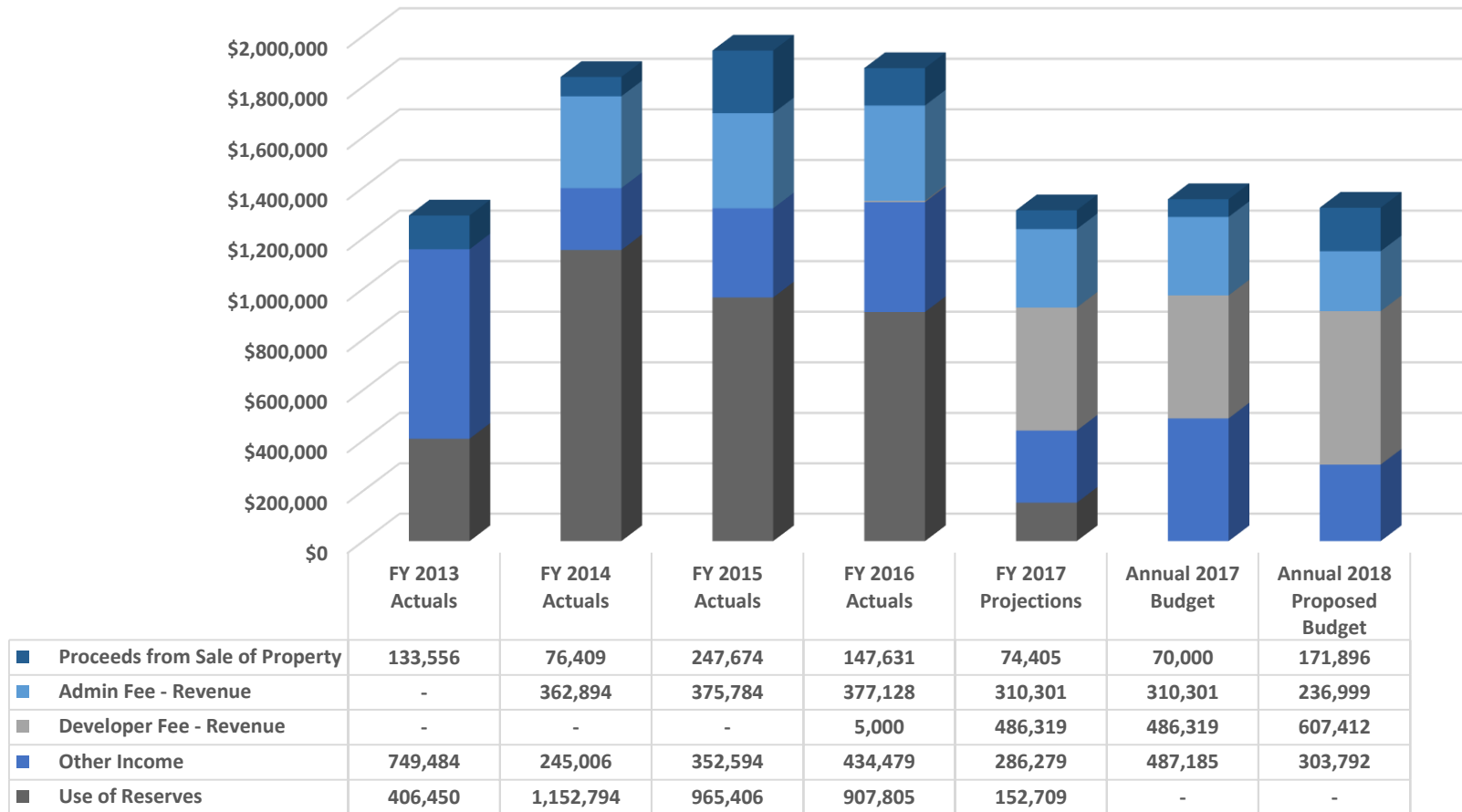
FY2018 RECD Budget

Capital Revenue and Expense Comparison

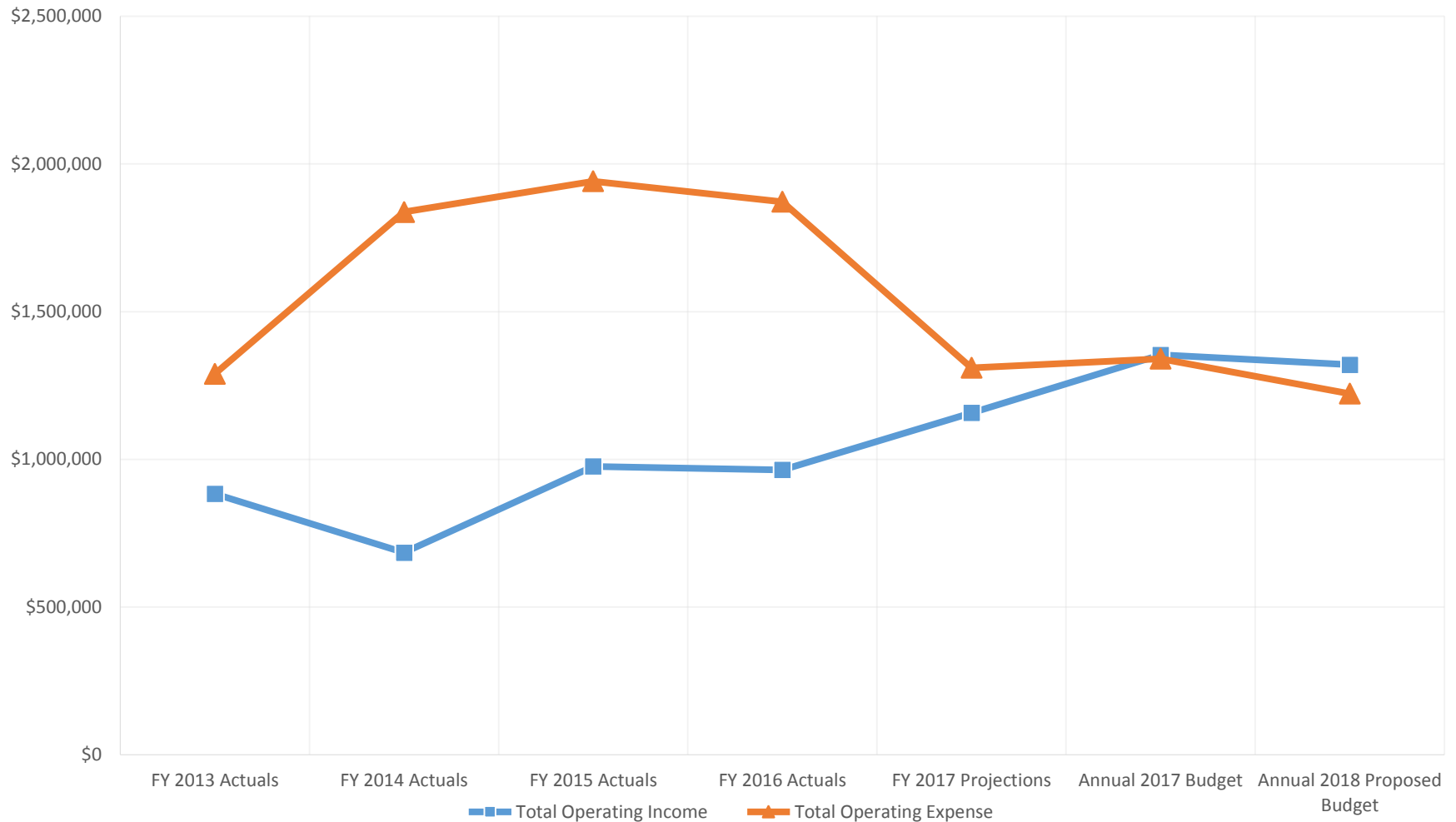
	2016 Actual	FY 2017 Budget Projections	FY 2017 Budget	FY 2018 Proposed Budget	2018 Proposed Budget vs. 2017 Budget
Revenues/Sources:					
City of Richmond Revenues					
Capital Contributions	\$ 117,391	\$ -	\$ -	\$ 7,842,252	\$ 7,842,252
HOPE VI Revenues					
Capital Contributions	911,073	401,327	-	800,000	800,000
Total RECD Capital Revenues	\$ 1,028,464	\$ 401,327	\$ -	\$ 8,642,252	\$ 8,642,252
Expenses:					
Capital Expenditures	1,028,464	401,327	-	8,642,252	(8,642,252)
Total RECD Capital Expenditures	\$ 1,028,464	\$ 401,327	\$ -	\$ 8,642,252	\$(8,642,252)
RECD Capital Income	\$ -	\$ -	\$ -	\$ -	\$ -

FY2018 RECD Operational Revenue Trends

RECD Revenue Trend



RECD Revenue and Expense Trends



FY2018 RECD Cashflows

Projected Cash Balance at 9/30/2017

	Administration	CDBG & HOME	COOP	HOPE VI	Total
Cash Balance at 7/31/2017	\$ 2,557,817	\$ 506,133	\$ 11,116,050	\$ 436,848	\$ 14,616,847
Sources:					
Projected Net Income (Aug 2017 to Sept. 2017)	\$ (44,314)			\$ -	\$ (44,314)
Mortgage Principal Payments				-	-
Total Sources	\$ (44,314)	\$ -	\$ -	\$ -	\$ (44,314)
Uses:					
Program Income to the City	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers between programs	642,848	(206,000)		(436,848)	-
East Lawn Shopping Center	(800,000)		(200,000)	-	(1,000,000)
Debt Payment - Convent	(310,000)			-	(310,000)
Total Uses	\$ (1,110,000)	\$ (206,000)	\$ (200,000)	\$ (436,848)	\$ (1,952,848)
Projected Cash Balance at 9/30/2017	\$ 1,403,503	\$ 300,133	\$ 10,916,050	\$ -	\$ 12,619,686

Projected Cash Balance at 9/30/2018

	CR16	CDBG & HOME	COOP	HOPE VI	Total
Projected Cash Balance at 10/1/2017	\$ 1,403,503	\$ 300,133	\$ 10,916,050	\$ -	\$ 12,619,686
Sources:					
Projected Revenues	\$ 1,320,099	\$ -	\$ 412,500	\$ 1,137,534	\$ 2,870,133
Mortgage Principal Payments	311,411	307,409	4,292	-	623,112
Total Sources	\$ 1,631,511	\$ 307,409	\$ 416,792	\$ 1,137,534	\$ 3,493,245
Uses:					
Projected Operating Expenses	\$ (1,222,854)	\$ (1,296)	\$ (412,500)	\$ (337,534)	\$ (1,974,184)
Capital Expenditures			(7,842,252)	(800,000)	(8,642,252)
Program Income to City - Mortgages	-	(231,170)		-	(231,170)
Total Uses	\$ (1,222,854)	\$ (232,466)	\$ (8,254,752)	\$ (1,137,534)	\$ (10,847,606)
Projected Cash Balance at 9/30/2018	\$ 1,812,159	\$ 375,076	\$ 3,078,090	\$ -	\$ 5,265,325

2018 COCC Budget



FY2018 COCC Budget – Overview Summary

- ❑ The Central Office Cost Center (COCC) refers to the collective group of business units of RRHA which provide corporate oversight, specialized services, or professional support which benefit all or multiple projects or programs (business centers) of RRHA.
- ❑ 2018 Budget Revenues - \$7.9 million.
 - Revenues derived from fees charged to other departments of RRHA, primarily LIPH and HCVP.
- ❑ 2018 Budgeted Expenses - \$7.5 million
 - Payroll expenses (Admin., Maintenance, and Tenant Services) represents 72% of the 2018 budgeted expenses.
- ❑ Outsourcing of IT
 - Although the impacts of the outsourcing is not reflected in the budget, RRHA plans to review and execute this option during fiscal 2018.
- ❑ Financial Stability
 - It should be noted that the financial position of the COCC has improved significantly over the last several years. See page 63.

FY2018 COCC Budget Challenges

❑ Revenue Stream

- Finite revenue stream generated from LIPH, HCVP, and the Capital Fund
- Fee-For Service Revenues profit margins:
 1. Electrical – 22%
 2. HVAC – 23%
 3. Specialty – 42%
 4. Extermination – 23%

❑ Expenditures

- Aged Equipment – Specialty Backhoe and Roll-Off Trucks
 1. **Challenge: Funding to purchase new equipment**
 2. Budget reflects leasing of a Backhoe and three trucks with lift

❑ Balanced Budget

- 2018 Budget – Positive by \$.4 million

FY2018 COCC Budget Assumptions

❑ Management and Bookkeeping Fees

- Based on 98% occupancy rate
- LIPH Management Fee - \$60.62 per unit
- HCVP Management Fee - \$12 per unit
- Capital Administrative Fee - \$.3 million
- Bookkeeping Fee - \$ 7.50 per unit

❑ Asset Management Fee

- \$10 per unit
- Based on the 2016 excess cash calculation

❑ Fee-For-Service

- Multiple rates based on RS Means adjusted for locality plus equipment
- Full year fee-for-service for Extermination Crew
- *Challenge – RS Means Extermination fee maybe too low. Staff to research market rates for pest control services.*
- *Opportunity - Maximize services to the LIPH program*

FY2018 COCC Budget Assumptions

❑ Equipment Needs

- Leasing of Backhoe for Specialty
- Leasing of generators for Extermination
- Purchase of heaters for Extermination to begin extermination treatments for the elderly buildings.
- Leasing of three trucks with lift for Specialty.

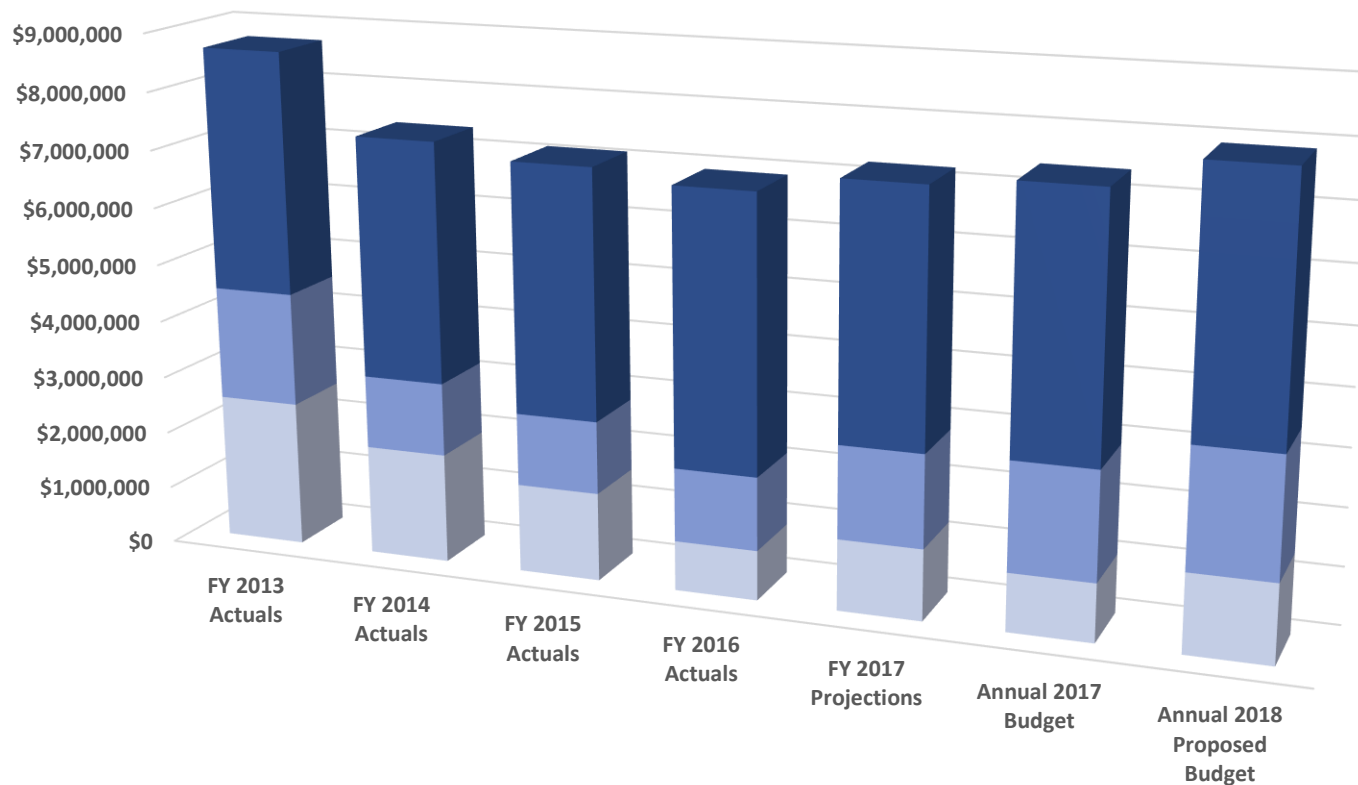
❑ *Challenge - Repayment of LIPH receivable -\$110,000*

FY2018 COCC Budget

Revenue and Expense Comparison

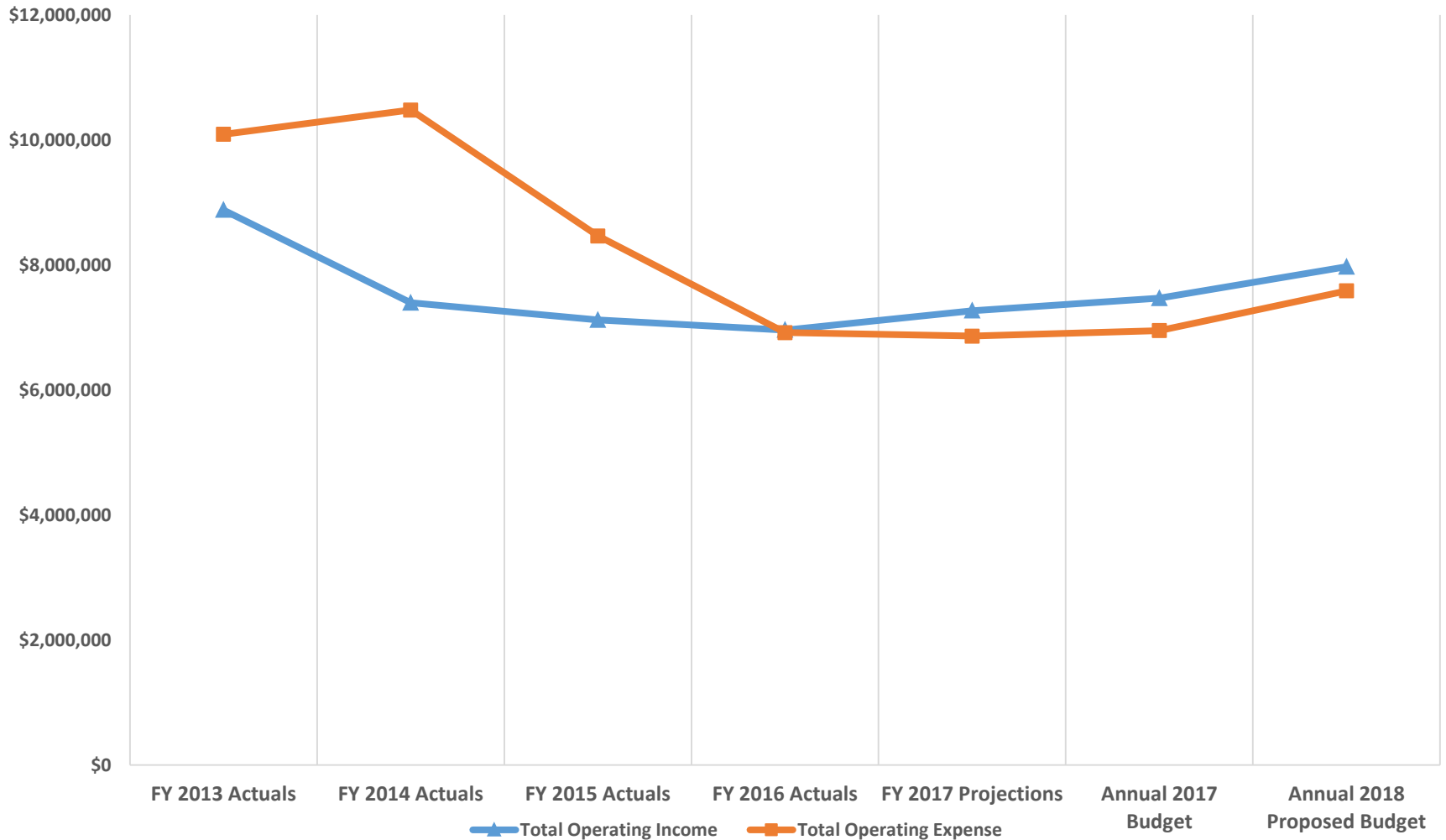
	2016 Actual	2017 Projection	FY 2017 Budget	FY 2018 Proposed Budget	2018 Proposed Budget vs. 2017 Budget
Central Office Cost Center & Central Maintenance					
Revenue:					
Management Fees	\$ 4,775,473	\$ 4,379,118	\$ 4,492,165	\$ 4,450,552	\$ (41,613)
Fee-For-Service	1,270,525	1,605,991	1,878,446	2,076,347	197,902
Department Prorations	862,710	1,233,655	1,009,349	1,368,362	359,014
Miscellaneous Income	52,269	50,166	89,116	76,443	(12,674)
Total COCC & Central Maint. Revenues	\$ 6,960,977	\$ 7,268,930	\$ 7,469,075	\$ 7,971,704	\$ 502,629
Expenses:					
Administrative & General Expenses					
Salaries & Benefits	\$ 3,100,661	\$ 3,296,947	\$ 3,242,470	\$ 3,356,061	\$ (113,591)
Legal	203,780	179,405	410,040	426,845	(16,805)
Audit & Professional	157,608	224,136	282,459	151,098	131,361
Telecommunications/IT	565,537	574,197	543,066	765,215	(222,149)
Office Expense	150,004	145,794	145,794	135,027	10,767
Insurance	150,803	158,091	170,552	145,979	24,573
Other Admin/General Expenses	496,432	204,765	228,199	276,872	(48,673)
Total Admin & General Expenses	4,824,826	4,783,335	5,022,579	5,257,096	(234,517)
Tenant/Resident Services	299,266	266,949	159,521	326,302	(166,781)
Maintenance Costs	1,795,418	1,724,563	1,720,592	1,906,229	(185,637)
Utilities	-	88,868	47,891	98,621	(50,730)
Total COCC & Central Maint. Operating Expenses	\$ 6,919,509	\$ 6,863,715	\$ 6,950,583	\$ 7,588,248	\$ (637,665)
COCC & Central Maint. Operating Income / (Loss)	\$ 41,468	\$ 405,216	\$ 518,492	\$ 383,456	\$ (135,036)
Non-Operating Revenues/Expenses:					
Compensated Absences	\$ 17,333	\$ (24,930)	\$ -	\$ -	\$ -
Balance Sheet Write-off	(851,090)	(40,829)	-	-	-
GASB 45	174,841	166,878	-	-	-
Depreciation Expense	(117,515)	(133,985)	-	-	-
Payment to LIPH	(320,840)	-	(108,000)	(110,000)	(2,000)
Purchase of Electric Heaters	-	-	-	(15,965)	(15,965)
HCVP Vehicles	-	(8,057)	(8,057)	-	8,057
Total Non-Operating Revenues / Expenses	\$ (1,097,271)	\$ (40,924)	\$ (116,057)	\$ (125,965)	\$ (9,908)
Net COCC & Central Maint. Income / (Loss)	\$ (1,055,803)	\$ 364,292	\$ 402,435	\$ 257,491	\$ (144,344)

COCC Revenue Trends



	FY 2013 Actuals	FY 2014 Actuals	FY 2015 Actuals	FY 2016 Actuals	FY 2017 Projections	Annual 2017 Budget	Annual 2018 Proposed Budget
■ Management Fees	4,202,474	4,175,465	4,322,019	4,775,473	4,379,118	4,492,165	4,450,552
■ Fee-For-Service	1,966,209	1,266,727	1,255,848	1,270,525	1,605,991	1,878,446	2,076,347
■ Department Prorations	2,528,038	1,904,820	1,532,993	862,710	1,233,655	1,009,349	1,368,362

COCC Revenue and Expense Trends



FY2018 COCC Projected Cashflows

Projected Cash Balance at 9/30/2017

	Unrestricted Cash	Restricted Cash	Total
Cash Balance at 7/31/2017	\$ 318,003	\$ 905,064	\$ 1,223,067
Projected Net Income (Aug. 2017 and Sept. 2017)	(20,717)	1,153	(19,564)
Projected Cash Balance at 9/30/2017	\$ 297,286	\$ 906,217	\$ 1,203,503

Projected Cash Balance at 9/30/2018

	Unrestricted Cash	Restricted Cash	Total
Projected Cash Balance at 10/1/2017	\$ 297,286	\$ 906,217	\$ 1,203,503
Sources:			
Projected Revenues	\$ 7,967,229	\$ 3,396	\$ 7,970,625
Total Sources	\$ 7,967,229	\$ 3,396	\$ 7,970,625
Uses:			
Projected Operating Expenses	\$ (7,588,248)	\$ -	\$ (7,588,248)
Repayment to LIPH	(100,000)		(100,000)
Total Uses	\$ (7,688,248)	\$ -	\$ (7,688,248)
Projected Cash Balance at 9/30/2018	\$ 576,267	\$ 909,613	\$ 1,485,880

Appendix

2018 LIPH Budget By Site

	Gilpin	Hillside	Creighton	Whitcomb	Fairfield	Mosby	Eighth
Revenue:							
Rental Income	\$ 1,698,767	\$ 1,100,383	\$ 1,292,095	\$ 1,413,975	\$ 1,208,592	\$ 1,089,184	\$ 129,330
Other Tenant Income	195,752	107,740	114,905	141,507	89,718	183,198	18,409
Grant Income	4,141,050	1,891,480	2,164,381	2,430,696	2,205,982	2,016,538	130,041
Other Income	413,633	214,060	269,028	263,585	202,725	247,713	34,459
Use of Cash Reserves / Fungibility w/AMPs	(116,842)	103,191	(131,638)	119,769	(85,269)	248,173	292,351
Total LIPH Revenues	\$ 6,332,361	\$ 3,416,855	\$ 3,708,770	\$ 4,369,532	\$ 3,621,748	\$ 3,784,807	\$ 604,590
Expenses:							
Administrative & General Expenses							
Salaries & Benefits	\$ 497,269	\$ 304,705	\$ 368,386	\$ 298,727	\$ 316,138	\$ 301,549	\$ 65,411
Insurance Costs	239,425	99,512	100,212	124,349	96,873	113,186	23,756
Legal Expense	50,028	33,683	33,172	25,842	68,300	31,101	1,407
Audit & Professional Expense	38,535	25,085	23,349	25,652	26,796	24,996	2,055
Telecomm/IT & Equipment							
Rental Svc Agreements	38,058	67,723	45,865	60,726	47,408	51,484	875
Office Expense	25,430	17,134	66,050	14,849	57,391	19,582	436
Other Admin & General Expenses	93,607	64,406	103,383	68,253	80,432	68,380	14,824
Total Admin & General Expenses	\$ 982,351	\$ 612,250	\$ 740,417	\$ 618,397	\$ 693,339	\$ 610,278	\$ 108,763
Tenant/Resident Services	162,379	89,718	105,942	98,164	90,606	90,850	14,038
Protective Services	40,000	-	40,000	40,000	-	40,000	-
Call Center Allocations	110,949	61,339	68,995	59,888	60,684	70,283	5,876
Utilities Expense	2,675,063	1,254,106	1,337,778	2,026,115	1,206,881	1,515,057	224,604
Maintenance Costs							
Salaries & Benefits	752,408	479,984	476,241	534,043	457,552	469,198	73,745
Materials	188,408	114,990	87,004	138,539	179,000	159,470	10,641
Contracts	298,468	180,128	170,412	203,963	307,200	200,868	51,212
Uniforms / Other	3,000	2,000	2,400	1,200	4,000	2,921	-
Fee for Service	407,538	192,126	214,514	261,757	209,123	255,696	45,200
Total Maintenance Costs	\$ 1,649,822	\$ 969,228	\$ 950,571	\$ 1,139,502	\$ 1,156,875	\$ 1,088,153	\$ 180,798
Management Fees	711,797	430,214	465,067	387,467	413,363	370,186	70,510
Total LIPH Operating Expenses	\$ 6,332,361	\$ 3,416,855	\$ 3,708,770	\$ 4,369,532	\$ 3,621,748	\$ 3,784,807	\$ 604,590
Operating Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

2018 LIPH Budget By Site

	Fay	Stonewall	Greenwalk	Townes	Dove	Senior Cottages	Administrative Buildings	Total
Revenue:								
Rental Income	\$ 1,061,622	\$ 750,182	\$ 69,184	\$ -	\$ -	\$ 17,852	\$ -	\$ 9,831,166
Other Tenant Income	51,742	9,056	6,680	-	-	1,197	-	919,906
Grant Income	840,298	429,884	59,377	287,400	43,264	6,571	-	16,646,963
Other Income	196,625	98,808	3	-	-	5,968	-	1,946,607
Use of Cash Reserves / Fungibility w/AMPs	393,278	246,316	68,752	(17,109)	(8,653)	47,776	77,837	1,237,932
Total LIPH Revenues	\$ 2,543,566	\$ 1,534,247	\$ 203,995	\$ 270,291	\$ 34,611	\$ 79,364	\$ 77,837	\$ 30,582,575
Expenses:								
Administrative & General Expenses								
Salaries & Benefits	\$ 229,095	\$ 65,266	\$ 18,012	\$ -	\$ -	\$ 4,172	\$ -	\$ 2,468,731
Insurance Costs	59,135	38,407	9,667	-	-	639	4,442	909,603
Legal Expense	15,282	5,847	190	-	-	483	-	265,335
Audit & Professional Expense	16,501	9,718	206	-	-	368	-	193,261
Telecomm/IT & Equipment								
Rental Svc Agreements	55,520	64,848	-	-	-	4,146	9,169	445,821
Office Expense	9,992	9,340	50	-	-	2,362	-	222,616
Other Admin & General Expenses	20,939	6,521	3,572	263,744	34,611	112	-	822,784
Total Admin & General Expenses	\$ 406,465	\$ 199,946	\$ 31,696	\$ 263,744	\$ 34,611	\$ 12,283	\$ 13,611	\$ 5,328,152
Tenant/Resident Services	150,277	97,702	-	-	-	6,266	-	905,941
Protective Services	41,000	-	-	-	-	-	-	201,000
Call Center Allocations	39,098	30,061	1,171	-	-	2,692	4,917	515,953
Utilities Expense	804,761	381,387	122,939	-	-	-	-	11,548,690
Maintenance Costs								
Salaries & Benefits	256,351	214,182	20,640	-	-	13,692	-	3,748,035
Materials	51,672	70,249	2,365	-	-	4,850	4,060	1,011,248
Contracts	287,925	191,960	9,206	-	-	2,500	28,710	1,932,552
Uniforms / Other	1,000	1,216	-	-	-	-	-	17,737
Fee for Service	258,494	173,464	4,341	-	-	23,957	26,539	2,072,750
Total Maintenance Costs	855,442	651,071	36,553	-	-	44,999	59,309	\$ 8,782,324
Management Fees	246,524	174,080	11,637	6,548	-	13,124	-	3,300,515
Total LIPH Operating Expenses	\$ 2,543,566	\$ 1,534,247	\$ 203,995	\$ 270,292	\$ 34,611	\$ 79,364	\$ 77,837	\$ 30,582,575
Operating Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

2018 RECD Budget By Program

FY 2018 Budget		Administration	CDBG	COOP				HOPE VI	Total
Revenue:				Dove	Armstrong	Property Maintenance	Total		
City of Richmond Revenues									
Operating Revenues	\$ 412,500	\$ -	\$ -	\$ 100,000	\$ 200,000	\$ 112,500	\$ 412,500	\$ -	\$ 412,500
Capital Contributions	7,842,252	-	-	1,900,000	5,942,252	-	7,842,252	-	7,842,252
Pass Through Income	-	-	-	-	-	-	-	-	-
Total City of Richmond Revenues	\$ 8,254,752	\$ -	\$ -	\$ 2,000,000	\$ 6,142,252	\$ 112,500	\$ 8,254,752	\$ -	\$ 8,254,752
HOPE VI Revenues									
Soft Cost	337,534	-	-	-	-	-	-	337,534	337,534
Capital Contributions	800,000	-	-	-	-	-	-	800,000	800,000
Total HOPE VI Revenues	\$ 1,137,534	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,137,534	\$ 1,137,534
Other Revenues									
Developer/Bond Fees	\$ 607,412	\$ 607,412	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 607,412
Other Income	540,791	540,791	-	-	-	-	-	-	540,791
Proceeds from Sale of Property	171,896	171,896	-	-	-	-	-	-	171,896
Total Other Revenues	\$ 1,320,099	\$ 1,320,099	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,320,099
Total RECD Revenues	\$ 21,424,771	\$ 1,320,099	\$ -	\$ 2,000,000	\$ 6,142,252	\$ 112,500	\$ 8,254,752	\$ 1,137,534	\$ 10,712,386
Expenses:									
Administrative & General Expenses									
Salaries & Benefits	\$ 860,210	\$ 590,210	\$ -	\$ 100,000	\$ 140,000	\$ 30,000	\$ 270,000	\$ -	\$ 860,210
Legal Expense	300,000	300,000	-				-	-	300,000
Audit & Professional Expense	481,969	1,935	-		60,000	82,500	142,500	337,534	481,969
Insurance Costs	28,970	27,674	1,296			-	-	-	28,970
Telecommunications & IT	60,967	60,967	-			-	-	-	60,967
Office Expense	11,770	11,770	-			-	-	-	11,770
Other Admin & General Expenses	200,260	200,260	-			-	-	-	200,260
Total Admin & General Expenses	\$ 1,944,146	\$ 1,192,816	\$ 1,296	\$ 100,000	\$ 200,000	\$ 112,500	\$ 412,500	\$ 337,534	\$ 1,944,146
Utilities/Maintenance Costs	30,038	30,038	-			-	-	-	30,038
Interest Expense	-	-	-			-	-	-	-
Capital Expenditures	8,642,252	-	-	1,900,000	5,942,252	-	7,842,252	800,000	8,642,252
Total RECD Operating Expenses	\$ 10,616,436	\$ 1,222,854	\$ 1,296	\$ 2,000,000	\$ 6,142,252	\$ 112,500	\$ 8,254,752	\$ 1,137,534	\$ 10,616,436
Operating Income	\$ 10,808,335	\$ 97,245	\$ (1,296)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 95,949

2018 COCC Budget By Department

FY 2018 Budget		CC_901	CC_BOARD	CC_COO	CC_EXEC	CC_FIN	CC_HR	CC_IT	CC_PROC	CC_PUBSY	CC_RESSV	CC_TSO	Total
Revenue:													
Management Fees	\$ 4,331,202	\$ -	\$ -	\$ 695,408	\$ 700,044	\$ 1,958,447	\$ 209,865	\$ 314,797	\$ 452,641	\$ -	\$ -	\$ -	\$ 4,331,202
Department Prorations	848,733	-	-	-	-	-	-	-	-	-	437,116	411,617	848,733
Miscellaneous Income	76,443	-	-	-	-	51,443	-	-	-	-	25,000	-	76,443
Total COCC Revenues	\$ 5,256,378	\$ -	\$ -	\$ 695,408	\$ 700,044	\$ 2,009,890	\$ 209,865	\$ 314,797	\$ 452,641	\$ -	\$ 462,116	\$ 411,617	\$ 5,256,378
Expenses:													
Administrative & General Expenses													
Salaries & Benefits	\$ 3,356,061	\$ -	\$ 12,600	\$ 599,111	\$ 587,196	\$ 912,708	\$ 269,206	\$ 343,338	\$ 317,384	\$ -	\$ -	\$ 314,518	\$ 3,356,061
Legal	426,671	-	4,500	15,027	230,000	3,804	151,548	-	-	-	-	21,792	426,671
Audit & Professional Expense	133,722	-	3,000	1,505	64,000	15,881	10,428	30,645	860	-	1,935	5,467	133,722
Telecommunications/IT	519,481	-	-	32,119	50,036	111,339	42,276	132,086	31,534	16	82,601	37,473	519,481
Office Expense	126,182	-	8	6,433	41,043	20,673	9,745	19,972	8,759	-	4,535	15,015	126,182
Insurance	93,203	22,021	9,068	4,003	10,508	21,610	1,726	2,831	7,750	-	10,481	3,206	93,203
Other Admin/General Expenses	182,761	-	14,645	27,090	37,279	33,534	19,986	8,269	3,751	869	36,262	1,076	182,761
Total Admin & General Expenses	\$ 4,838,080	\$ 22,021	\$ 43,821	\$ 685,287	\$ 1,020,062	\$ 1,119,548	\$ 504,914	\$ 537,141	\$ 370,037	\$ 885	\$ 135,814	\$ 398,547	\$ 4,838,080
Tenant/Resident Services	\$ 326,302	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 326,302	\$ -	\$ 326,302
Maintenance Costs	\$ 31,987	\$ 26,499	\$ -	\$ 2,040	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,448	\$ 31,987
Utilities	\$ 60,678	\$ 51,056	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,622	\$ 60,678
Total RECD Operating Expenses	\$ 5,257,048	\$ 99,577	\$ 43,821	\$ 687,328	\$ 1,020,062	\$ 1,119,548	\$ 504,914	\$ 537,141	\$ 370,037	\$ 885	\$ 462,116	\$ 411,617	\$ 5,257,048
Operating Income	\$ (669)	\$ (99,577)	\$ (43,821)	\$ 8,081	\$ (320,018)	\$ 890,341	\$ (295,049)	\$ (222,344)	\$ 82,603	\$ (885)	\$ -	\$ -	\$ (669)

2018 Central Maintenance Budget By Department

FY 2018 Budget		CM_1812	CM_ADMIN	CM_CALL	CM_ELEC	CM_HVAC	CM_SPEC	CM_XTERM	Total
Revenue:									
Management Fees	\$ 119,349	\$ -	\$ 119,349	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 119,349
Fee-For-Service	2,076,347	-	-	-	147,646	599,562	788,203	540,937	2,076,347
Department Prorations	519,629	-	-	519,629	-	-	-	-	519,629
Total COCC Revenues	\$ 2,715,326	\$ -	\$ 119,349	\$ 519,629	\$ 147,646	\$ 599,562	\$ 788,203	\$ 540,937	\$ 2,715,326
Expenses:									
Administrative & General Expenses									
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Legal	174	-	174	-	-	-	-	-	174
Audit & Professional Expense	17,376	-	215	12,860	215	1,075	1,075	1,935	17,376
Telecommunications/IT	245,734	-	30,803	19,523	15,788	14,931	110,602	54,087	245,734
Office Expense	8,845	-	3,897	825	412	1,443	1,237	1,031	8,845
Insurance	52,775	4,312	8,300	2,343	3,256	15,330	13,146	6,087	52,775
Other Admin/General Expenses	94,111	-	20,193	-	1,778	20,885	38,756	12,500	94,111
Total Admin & General Expenses	\$ 419,016	\$ 4,312	\$ 63,582	\$ 35,551	\$ 21,449	\$ 53,665	\$ 164,816	\$ 75,640	\$ 419,016
Maintenance Costs	\$ 1,874,242	\$ 20,259	\$ 163,367	\$ 553,010	\$ 94,087	\$ 408,532	\$ 291,821	\$ 343,166	\$ 1,874,242
Utilities	\$ 37,943	\$ 37,943	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 37,943
Total RECD Operating Expenses	\$ 2,331,201	\$ 62,515	\$ 226,949	\$ 588,561	\$ 115,535	\$ 462,197	\$ 456,637	\$ 418,806	\$ 2,331,201
Operating Income	\$ 384,125	\$ (62,515)	\$ (107,600)	\$ (68,932)	\$ 32,111	\$ 137,365	\$ 331,566	\$ 122,130	\$ 384,125

The End