

RESOLUTION NO. _____

ADOPTION OF 7/1/2023-6/30/2024 CONSOLIDATED BUDGET

Item No. 5A

WHEREAS, the Louisville Metro Housing Authority's Consolidated Budget for fiscal year 2023 - 2024 has been prepared in accordance with PHA 7475.1 Low-Income Housing Management Handbook; and

WHEREAS, the Consolidated Budget is a component of the annual Moving to Work Plan; and

WHEREAS, the proposed Consolidated Budget provides for a \$773,000 operating deficit subsequent to all MTW Interfund transfers; and

WHEREAS, all certification requirements have been met; and

WHEREAS, the 2023 – 2024 consolidated budget has been reviewed by the Audit/Finance Committee and approved for submission to the LMHA Board of Commissioners for approval; and

NOW, THEREFORE, BE IT RESOLVED BY THE LOUISVILLE METRO HOUSING AUTHORITY'S BOARD OF COMMISSIONERS, that the proposed expenditures in the Consolidated Budget for 2023 - 2024 are necessary for the appropriate delivery of resident services and efficient operation of the Louisville Metro Housing Authority. Additionally, the Executive Director is authorized to execute amendments to the Annual Contributions Contract (ACC) with HUD for the Capital Fund Program (CFP), Operating Fund, and Section 8 Housing Choice Voucher Program as required.

RESOLUTION BACKGROUND STATEMENT

ADOPTION OF 7/1/2023 – 6/30/2024 CONSOLIDATED BUDGET

Item No. 5A

I. STATEMENT OF FACTS:

The 2023 - 2024 consolidated budget contains projected income and expense estimates for LMHA's Public Housing (PH) and Section 8 Programs, as well as for the Central Office Cost Center. The 2023 Capital Fund Program budget is also included. The PH Operating subsidy has been calculated assuming 95% of eligibility and the Section 8 Voucher Program assumes 100% of subsidy eligibility will be appropriated.

Additionally, the Public Housing operating budget contains a \$13.4 million inter-fund transfer from the Section 8 Voucher Program, and the Central Office Cost Center (COCC) contains a \$4.8 million inter-fund transfer from the Section 8 Program. The Interfund transfer to the PH Operating Program is required to provide funding for the costs of public housing operations that exceed the HUD established Project Expense Level (PEL). The Interfund transfer to the COCC budget is required to provide funding for increased operating costs in a time of declining internal revenues.

The 2023 – 2024 consolidated budget has been reviewed by members of the Audit/Finance Committee and approved for submission to the LMHA Board of Commissioners for their consideration.

Audit/Finance Committee members and LMHA Finance staff will be available at the April 18, 2023 Board meeting to address any questions.

II. ALTERNATIVES:

- A. Approve the 2023 - 2024 consolidated budget as submitted.
- B. Revise the 2023-2024 consolidated budget to include an increase/decrease in the budgeted operating surpluses or deficits.

III. RECOMMENDATION:

Staff recommends Alternative A.

RESOLUTION BACKGROUND STATEMENT
ADOPTION OF 2022 - 2023 CONSOLIDATED BUDGET

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IV. JUSTIFICATION:

- The proposed 2023-2024 Budget provides for the continued delivery of the required services to LMHA's Public Housing and Section 8 residents that are considered to be both necessary and reasonable.
- Income levels and funding factors are based upon the latest data supplied by the Department of Housing & Urban Development and are considered by staff to be a reasonable projection of LMHA's revenues for 2023 - 2024.
- The 2023 – 2024 consolidated budget will continue to maintain LMHA's viable financial condition.

V. BUDGET APPROVAL:

N/A

VI. PROCUREMENT CERTIFICATION:

N/A

Submitted By: Wavid Wray
Deputy Executive Director-Financial Services
April 18, 2023