

**Louisville Metro  
Housing Authority**

**Operating & Capital  
Budget Presentation**

**DRAFT  
2.20.2024**

**FYE 6.30.2025**

**LOUISVILLE METRO HOUSING AUTHORITY  
CONSOLIDATED BUDGET 7/1/24-6/30/25**

(\$1,000's)

**DRAFT**

	PUBLIC HOUSING	CENTRAL OFFICE COST CENTER	SECTION 8	6/30/2025 BUDGET TOTAL	6/30/2024 BUDGET TOTAL
<b>SOURCES</b>					
FEDERAL SUBSIDY	\$16,742	\$0	\$125,940	\$142,682	\$122,925
OPERATING INCOME	6,178	9,861	0	16,039	16,541
OTHER INCOME	55	26	4	85	387
<b>TOTAL SOURCES</b>	<b>22,975</b>	<b>9,887</b>	<b>125,944</b>	<b>158,806</b>	<b>139,853</b>
<b>USES</b>					
ADMINISTRATION	5,725	7,690	8,901	22,316	19,260
MAINTENANCE	11,954	4,950	157	17,061	17,717
UTILITIES	7,583	187	0	7,770	9,075
GENERAL & OTHER	5,645	5,220	1,359	12,224	10,193
SECTION 8 - HAP	0	0	109,858	109,858	84,381
<b>TOTAL USES</b>	<b>30,907</b>	<b>18,047</b>	<b>120,275</b>	<b>169,229</b>	<b>140,626</b>
<b>SURPLUS/(DEFICIT)</b>	<b>(7,932)</b>	<b>(8,160)</b>	<b>5,669</b>	<b>(10,423)</b>	<b>(773)</b>
<b>INTERFUND TRANSFERS</b>					
CURRENT YEAR	5,669	0	(5,669)	0	0
MTW SECTION 8 RESERVES	2,155	8,160	(10,315)	0	0
<b>TOTAL INTERFUND TRANSFERS</b>	<b>7,824</b>	<b>8,160</b>	<b>(15,984)</b>	<b>0</b>	<b>0</b>
<b>NET SURPLUS/(DEFICIT)</b>	<b>(108)</b>	<b>0</b>	<b>(10,315)</b>	<b>(10,423)</b>	<b>(773)</b>

# Louisville Metro Housing Authority

## Capital Fund Program

(Proposed) (1,000's)

**PRELIMINARY FOR INTERNAL DISCUSSION ONLY**

Capital Fund Public Housing AMP's		2024
Parkway	Site Total AMP 03	197
Dosker Manor	Site Total AMP 12	4,285
St. Catherine Court	Site Total AMP 13	266
Avenue Plaza/550 Apartments	Site Total AMP 14	2,283
Scattered Sites	Site Total AMP 17	190
	Site Total AMP 34	52
	Site Total AMP 61	78
	Site Total AMP 18 - Lourdes Hall	152
	Site Total AMP 18 - Will E Seay Plaza	228
Five-Year Capital Plan Projects		
<b>Mixed Finance Developments - Add'l Subsidy</b>		
Park Duvalle		
Friary		40
Liberty Green		
Sheppard Square	<b>Total Mixed Finance Capital Contributions</b>	
Total Capital Purchase/Services Contracts		1,566
Administrative Costs		
	Construction Administration 10% transfer to COCC	1,100
Contingency		563
<b>Total 2024 Capital Budget</b>		<b>11,000</b>

**LOUISVILLE METRO HOUSING AUTHORITY  
OPERATING RESERVES  
(\$1,000's)  
DRAFT**

6/30/2024  
Forecast

**LMHA OPERATING RESERVES**

Public Housing	\$12,221
Unrestricted Program Income	8,305
<b>TOTAL OPERATING RESERVES</b>	<b>20,526</b>

**LMHA SPECIAL PURPOSE RESERVES**

Louisville Metro Housing Authority Development Corp.	1,311
Section 5h - Reserved for Beecher	123
Section 8 11b Program (1980's)	305
McKinney Act Funds (1990's)	177
HAJC Sec 8 Mod Rehab Reserves	273
<b>TOTAL SPECIAL PURPOSE RESERVES</b>	<b>2,189</b>

**TOTAL LMHA-HELD RESERVES\* 22,715**

**HUD-HELD RESERVES**

**MTW Section 8 Reserves (net of obligations through 2025) 18,303**

**ESTIMATED TOTAL RESERVES 6/30/2025\* 41,018**

*\*Equates to approximately 88 days of Operations without Federal Subsidy*

**SUFFICIENT RESERVES ARE NECESSARY TO PROVIDE FUNDING FOR:**

- EMERGENCIES AND CATASTROPHIC EVENTS
- HUD SUBSIDY FUNDING SHORTFALLS
- PLANNED OPERATING DEFICITS
- ADEQUATE CASH FLOW IN THE EVENT OF HUD SUBSIDY FUNDING DELAYS
- ALSO A REQUIREMENT FOR "PHA HIGH PERFORMER" DESIGNATION BY HUD

# **LOUISVILLE METRO HOUSING AUTHORITY**

**Consolidated Budget 7/1/2024-6/30/2025**

## **BUDGET ASSUMPTIONS**

- Federal Operating Subsidy budgeted at 92% of eligibility to include an estimated 4.9 % inflation factor (not yet affirmed by HUD).**
- Section 8 Subsidy budgeted at 99% of eligibility to include an estimated inflation factor of 14.5% (not yet affirmed by HUD)**
- Section 8 Housing Assistance Payments increased by 17.4% to absorb the HUD mandated increase in the revised Louisville Area Fair Market Rents schedule to be implemented effective October 1, 2023.**
- Interfund Transfers to PH-AMP's are estimated at \$7,824K consisting of \$5,669K to be funded from the projected 2025 Section 8 budget surplus in addition to \$2,155K from the Authority's MTW-Section 8 Reserves.**
- Interfund Transfers to Central Office Cost Center are estimated at \$8,160K to be funded from the Authority's MTW Section 8 Reserves.**
- Assumes a 2% Cost of Living salary increase for all employees effective 7/1/2024: (Annual salary expense will increase by approximately \$225K for each additional 1% Cost of Living increase to be considered)**
- Includes Budget funds for the following additional Staff positions:**
  - \*Deputy Executive Director of Operations**
  - \*Deputy Executive Director of Leased Housing**
  - \*Public Information Officer**
  - \*Two (2) Assistant Compliance Managers**
  - \*Assistant Director of Strategic Initiatives**
- Provides for a 25% increase in the Authority's medical insurance premiums as approved with Anthem Blue Cross Insurance**

**LOUISVILLE METRO HOUSING AUTHORITY**  
**Consolidated Budget 7/1/2024-6/30/2025**

**BUDGET DELIVERABLES**

**LMHA STABILIZATION AND SUSTAINABILITY**

**-Provides funding for (6) new positions to stabilize the Authority's Public Housing and Section 8 operations. This task is anticipated to be 100% accomplishable within the 2024-2025 budget period.**

**-The six (6) new positions will enhance the Authority's efforts to begin the repositioning efforts for the selected LMHA legacy Developments. It is not possible at this time to predict how much of the repositioning effort will be completed within the 2024-2025 budget period.**

**RESIDENTS QUALITY OF LIFE**

**-Provides for increased Maintenance services for Dosker Manor and Avenue Plaza. The backlog of open Work Orders is anticipated to be current within the 2024-2025 budget period.**

**-Provides for critical Capital Improvements and Resident Support services for Dosker Manor and Avenue Plaza. A total of \$7MM is budgeted for Dosker Manor and an additional \$5MM for Avenue Plaza from the Authority's MTW Section 8 Reserves and also from the FY 2024 Capital Fund appropriation. The Capital Improvements and Resident Support Services will be implemented over two or more years going forward.**

**-Provides for Staff outreach to local community partners for the Resident Support Services required to develop a satisfactory independent living environment. The implementation of the Resident Support Services task is anticipated to be significantly complete within the 2024-2025 budget period.**