



PHA BOARD of COMMISSIONERS MEETING MINUTES

Thursday, January 16, 2014, 3 p.m., at 12 S. 23rd St., Philadelphia, PA 19103

The regular meeting of the Board of Commissioners was brought to order at approximately 3:05 p.m. by the Chair, Lynette M. Brown-Sow, with Vice-Chair Diaz and Commissioners Wetzel, Tate, Markman, Camarda and Callahan in attendance, as well as President & CEO Kelvin A. Jeremiah ("CEO Jeremiah") and Board Secretary and General Counsel, Barbara Adams. Following introductory remarks, the Chair requested a moment of silent reflection in preparation for the meeting.

The Chair then announced that immediately prior to this meeting the Board had met in executive session for the purpose of discussing litigation and matters made confidential by law.

CEO Jeremiah reviewed the procedure for public comment and made the following announcements: 1) PHA received a funding award from the U.S. Department of Housing and Urban Development ("HUD") in the amount of \$339,000 for the HCV Family Self-Sufficiency ("FSS") program and \$69,000 for the Public Housing FSS program, which will fund six FSS coordinators and bring more support services for residents; 2) the Resident Commissioner Election will take place on April 29, 2014 and citywide information sessions about the election are scheduled; 3) ten PHA residents have graduated from the GED program and another class is starting soon; 4) PHA's Maintenance Department is to be congratulated for having completed over 130,000 work orders in 2013, including almost 10,000 emergency work orders (and there were 50% more emergency work orders than in 2012); 5) PHA is conducting another waitlist update for Housing Choice Voucher Program applicants; 6) for the Martin Luther King Day of Service, Monday, January 20, 2014, PHA is participating in the city's signature celebration held at Girard College and hosting 4 service projects across the city, with thanks to the Resident Advisory Board and resident leaders for their help in organizing these events and especially to leaders such as Rose Bryant, who are hosting an MLK service event.

CEO Jeremiah then welcomed Keith Daviston, PHA's new Senior Executive Vice President of Finance and CFO, who joined PHA on January 6, 2014, and thanked Celeste Fields, who has been serving as Acting Executive Vice President of Finance/Chief Financial Officer, as well as head of the HCV Program.

The Chair inquired whether there were any corrections to the minutes of the Board meeting of December 19, 2013, and hearing none, declared the minutes approved as submitted.

Four resolutions were presented.

Resolution 11669, attached in Appendix 1, was presented by Martin LaMar, Senior Vice President - Office of Policy, Research and Enterprise Planning, to approve PHA's submission to HUD of PHA's Moving to Work Year Fifteen Annual Plan ("Plan") and authorize PHA's President & CEO to take all necessary steps to secure HUD approval and to implement the Plan, subject

to receipt of adequate funding from HUD. Following a motion to approve by Commissioner Camarda, a second, and discussion, including public comment, the resolution was unanimously approved.

Resolution 11670, attached in Appendix 1, was presented by Heather McCreary, Executive Vice President – Supply Chain Management, to authorize PHA to purchase thirty-six (36) replacement work vehicles at a total cost of six hundred thirty-seven thousand nine hundred forty-three dollars (\$637,943.00), from Hertrich Fleet Services, Inc., under a COSTARS agreement. Twenty-six (26) are maintenance vehicles that are to replace ones that are no longer financially reasonable to repair and ten (10) are to replace Capital Projects & Development department vans that were re-purposed to PHA's Vector Control and Police departments. Following a motion to approve by Commissioner Wetzel, a second, and there being no discussion, the resolution was unanimously approved.

Resolution 11671, attached in Appendix 1, was presented by Kyle Flood, Director - Development and Design, to authorize PHA's President & CEO to execute all documents reasonable and necessary to carry out the Choice Neighborhoods Initiative Planning Grant, which grant PHA applied for and received from HUD, and to obtain Board approval for executing related documents, as required by HUD. Following a motion to approve by Commissioner Callahan, a second, and there being no discussion, the resolution was unanimously approved.

Resolution 11672, attached in Appendix 1, was presented by Celeste Fields, in her capacity as Acting Executive Vice President of Finance/Chief Financial Officer, prior to January 6, 2014 (when Keith Daviston began with PHA as Senior Executive Vice President of Finance and CFO), to authorize the adoption of the PHA's FY 2015 balanced Operating and Capital Budgets, with projected revenues of \$377,307,386 and expenditures of \$377,307,386. Following a motion to approve by Commissioner Callahan and a second, Commissioner Callahan, as the Chair of the Board Finance Committee stated that the CEO, Celeste Fields and the Finance Department were to be commended for their efforts to keep the agency's finances in check while still respecting PHA's commitment to deliver the best possible services. She also stated that the Finance Committee recommended approval of the budget, as presented. Following discussion, including public comment, the resolution was unanimously approved.

The public comment period was then held, beginning at approximately 3:50 p.m., after which the meeting was adjourned by Chair Brown-Sow at approximately 4:10 p.m.

Respectfully submitted,



Barbara Adams
Secretary
Philadelphia Housing Authority

APPENDIX 1

**THE PHILADELPHIA HOUSING AUTHORITY
MEETING OF THE BOARD OF COMMISSIONERS
12 S. 23rd St.
PHILADELPHIA, PA 19103
THURSDAY, JANUARY 16, 2014, at 3 p.m.
AGENDA**

- A. Call to Order** Lynette M. Brown-Sow, Chair of the Board of Commissioners
The Philadelphia Housing Authority Board of Commissioners
- B. Remarks** Lynette M. Brown-Sow, Chair of the Board of Commissioners
Kelvin A. Jeremiah, President & CEO
- C. Approval of Minutes** of the Board Meeting held December 19, 2013, as distributed.
- D. New Business**
1. **RESOLUTION AUTHORIZING THE PHILADELPHIA HOUSING AUTHORITY TO SUBMIT ITS MOVING TO WORK ("MTW") ANNUAL PLAN ("PLAN") FOR MTW YEAR FIFTEEN TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT ("HUD") AND TO UNDERTAKE ALL ACTIONS TO OBTAIN HUD APPROVAL AND IMPLEMENT THE PLAN**

(Martin LaMar)
2. **RESOLUTION AUTHORIZING THE PHILADELPHIA HOUSING AUTHORITY TO PURCHASE THIRTY-SIX (36) REPLACEMENT MAINTENANCE AND CAPITAL WORK VEHICLES**

(Heather S. McCreary)
3. **RESOLUTION AUTHORIZING THE PHILADELPHIA HOUSING AUTHORITY TO EXECUTE ALL DOCUMENTS REASONABLE AND NECESSARY FOR CARRYING OUT THE CHOICE NEIGHBORHOODS INITIATIVE PLANNING GRANT**

(Kyle Flood)
4. **RESOLUTION APPROVING THE FISCAL YEAR (FY) 2015 OPERATING AND CAPITAL BUDGETS FOR THE PHILADELPHIA HOUSING AUTHORITY**

(Celeste Fields)
- E. Public Comment Period**

COVER SHEET AND SUMMARY OF RESOLUTION NO. 1

JANUARY 16, 2014

TO: THE BOARD OF COMMISSIONERS

SUBJECT: Submission of MTW Annual Plan for Year Fifteen to HUD

CONTACT PERSON:

Martin LaMar
Senior Vice President – Office of Policy, Research and Enterprise Planning

RESOLUTION SUMMARY:

This resolution approves submission to HUD of PHA's Moving to Work ("MTW") Year Fifteen Annual Plan ("Plan") and authorizes PHA's President & CEO to take all necessary steps to secure HUD approval and to implement the Plan, subject to receipt of adequate funding from HUD.

PHA has been a continuous participant in HUD's MTW Demonstration Program since 2002. Under its current MTW agreement, PHA is required to develop an MTW Annual Plan for each fiscal year, which outlines the PHA budget and MTW activities, and to submit the Annual Plan for approval by its Board at least seventy-five (75) days prior to the beginning of each fiscal year.

PHA is also required to provide opportunities for resident and public participation and comment on the Annual Plan, including scheduling at least one (1) public hearing and taking into consideration any comments received, which has been done (as detailed in the resolution).

Respectfully submitted,

Kevin A. Jeremiah
President & CEO

RESOLUTION NO. 11699

RESOLUTION AUTHORIZING THE PHILADELPHIA HOUSING AUTHORITY TO SUBMIT ITS MOVING TO WORK ("MTW") ANNUAL PLAN ("PLAN") FOR MTW YEAR FIFTEEN TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT ("HUD") AND TO UNDERTAKE ALL ACTIONS TO OBTAIN HUD APPROVAL AND IMPLEMENT THE PLAN

WHEREAS, the U.S. Department of Housing and Urban Development ("HUD") administers a Moving to Work ("MTW") Demonstration Program that is designed to provide the opportunity for selected Housing Authorities to explore and demonstrate more efficient ways to provide and administer low-income housing; and

WHEREAS, pursuant to Philadelphia Housing Authority ("PHA") Board of Commissioners Resolution No. 10618, dated December 21, 2000, PHA submitted to HUD an MTW Application Plan and Agreement; and

WHEREAS, since 2002, when HUD accepted PHA's application for participation in the MTW Demonstration Program and HUD and PHA executed a MTW Demonstration Agreement ("MTW Agreement"), PHA has continuously participated in the MTW Demonstration Program, as detailed in Resolution 11577, adopted by the Board on January 11, 2013; and

WHEREAS, as a participant in the MTW Demonstration Program, PHA is required to develop an MTW Annual Plan for each fiscal year during the term of the MTW Agreement, which outlines the PHA budget and MTW activities, and to submit the Annual Plan for approval by its Board at least seventy-five (75) days prior to the beginning of each fiscal year; and

WHEREAS, PHA has developed the MTW Annual Plan for MTW Year Fifteen, PHA Fiscal Year 2015, beginning on April 1, 2014, a summary of which is attached hereto as Attachment "A;" and

WHEREAS, PHA has fulfilled the HUD requirement of providing opportunities for resident and public participation and comment on the Annual Plan, including scheduling at least one (1) public hearing and taking into consideration any comments received, by: 1) holding an introductory meeting with resident leadership and interested PHA residents on December 16, 2013; 2) holding a public hearing on December 19, 2013; 3) posting the draft plan on PHA's website; 4) making copies of the draft plan available at PHA site offices; and 5) accepting and considering public comments over a period lasting from November 29, 2013 to December 30, 2013; and

WHEREAS, PHA is a block grant agency and the MTW Annual Plan includes a consolidated budget in accordance with the MTW Agreement;

BE IT RESOLVED that the Board of Commissioners does hereby approve the MTW Year Fifteen Annual Plan and authorize PHA's Chair and/or its President & CEO or their authorized designee(s) to: 1) submit to HUD the PHA MTW Annual Plan for Fiscal Year 2015; 2) take all steps necessary to finalize and secure HUD approval and implement initiatives as described in the Plan, subject to receipt of adequate funding from HUD; 3) certify that the Public Hearing requirement has been met; and 4) execute the HUD Certifications of Compliance with MTW Plan Requirements and Related Regulations, in substantially the form attached hereto as Attachment "B."

I hereby certify that this was

APPROVED BY THE BOARD ON 1/16/14

Barbara Adams, General Counsel
ATTORNEY FOR PHA

ATTACHMENT "A" TO MTW ANNUAL PLAN RESOLUTION FOR MTW YEAR FIFTEEN

Philadelphia Housing Authority – Moving to Work (MTW) Program FY 2015 Annual Plan Highlights

Background

- FY 2015 MTW Annual Plan covers the period from 04/01/14 through 03/31/15.
- Incorporates new HUD requirements for content, formatting, tables and standard metrics.
- Focus is on “MTW activities”, i.e. activities which require MTW programmatic or budget flexibility to implement. Non-MTW activities are briefly highlighted.

Process

- Public comments solicited from 11/29/13 – 12/30/13.
- PHA advertised the public comment period, and posted the draft on its website. Copies were distributed to resident leadership and were also made available at several PHA offices.
- Resident leadership meeting held on December 16. Open public hearing held on December 19.

Funding

- Funding estimates are preliminary and subject to change based on Congressional appropriations.
- Total projected FY 2015 MTW funding is \$363.9 million (which includes \$49 million in Capital/RHF funds). See Tables 7 and 8.
- Non-MTW funding not included in MTW Plan.

Occupancy Projections

- Public Housing - 13,407 households
- MTW Vouchers – 15,646 households
- Unit Based Leasing – 2,062 households

MTW Activities

- One new MTW activity proposed: Second Chance Initiative (see below; Board approved during October).
- New and ongoing MTW activities incorporate newly required HUD standard metrics and benchmarks.

FY 2015 Planned Activities

- The following table provides a summary of major activities and planned objectives, encompassing both MTW and Non-MTW initiatives.

Certifications of Compliance with Regulations:

Board Resolution to Accompany the Annual Moving to Work Plan*

Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairman or other authorized PHA official if there is no Board of Commissioners, I approve the submission of the Annual Moving to Work Plan for the PHA fiscal year beginning April 1, 2014, hereinafter referred to as "the Plan", of which this document is a part and make the following certifications and agreements with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:

1. The PHA published a notice that a hearing would be held, that the Plan and all information relevant to the public hearing was available for public inspection for at least 30 days, that there were no less than 15 days between the public hearing and the approval of the Plan by the Board of Commissioners, and that the PHA conducted a public hearing to discuss the Plan and invited public comment.
2. The PHA took into consideration public and resident comments (including those of its Resident Advisory Board or Boards) before approval of the Plan by the Board of Commissioners or Board of Directors in order to incorporate any public comments into the Annual MTW Plan.
3. The PHA certifies that the Board of Directors has reviewed and approved the budget for the Capital Fund Program grants contained in the Capital Fund Program Annual Statement/Performance and Evaluation Report, form HUD-50075.1.
4. The PHA will carry out the Plan in conformity with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990.
5. The Plan is consistent with the applicable comprehensive housing affordability strategy (or any plan incorporating such strategy) for the jurisdiction in which the PHA is located.
6. The Plan contains a certification by the appropriate State or local officials that the Plan is consistent with the applicable Consolidated Plan, which includes a certification that requires the preparation of an Analysis of Impediments to Fair Housing Choice, for the PHA's jurisdiction and a description of the manner in which the PHA Plan is consistent with the applicable Consolidated Plan.
7. The PHA will affirmatively further fair housing by examining its programs or proposed programs, identify any impediments to fair housing choice within those programs, address those impediments in a reasonable fashion in view of the resources available and work with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement and maintain records reflecting these analyses and actions.
8. The PHA will comply with the prohibitions against discrimination on the basis of age pursuant to the Age Discrimination Act of 1975.

9.	The PHA will comply with the Architectural Barriers Act of 1968 and 24 CFR Part 41, Policies and Procedures for the Enforcement of Standards and Requirements for Accessibility by the Physically Handicapped.
10.	The PHA will comply with the requirements of section 3 of the Housing and Urban Development Act of 1968, Employment Opportunities for Low-or Very-Low Income Persons, and with its implementing regulation at 24 CFR Part 135.
11.	The PHA will comply with requirements with regard to a drug free workplace required by 24 CFR Part 24, Subpart F.
12.	The PHA will comply with requirements with regard to compliance with restrictions on lobbying required by 24 CFR Part 87, together with disclosure forms if required by this Part, and with restrictions on payments to influence Federal Transactions, in accordance with the Byrd Amendment and implementing regulations at 49 CFR Part 24.
13.	The PHA will comply with acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and implementing regulations at 49 CFR Part 24 as applicable.
14.	The PHA will take appropriate affirmative action to award contracts to minority and women's business enterprises under 24 CFR 5.105(a).
15.	The PHA will provide HUD or the responsible entity any documentation needed to carry out its review under the National Environmental Policy Act and other related authorities in accordance with 24 CFR Part 58. Regardless of who acts as the responsible entity, the PHA will maintain documentation that verifies compliance with environmental requirements pursuant to 24 Part 58 and 24 CFR Part 50 and will make this documentation available to HUD upon its request.
16.	With respect to public housing the PHA will comply with Davis-Bacon or HUD determined wage rate requirements under section 12 of the United States Housing Act of 1937 and the Contract Work Hours and Safety Standards Act.
17.	The PHA will keep records in accordance with 24 CFR 85.20 and facilitate an effective audit to determine compliance with program requirements.
18.	The PHA will comply with the Lead-Based Paint Poisoning Prevention Act and 24 CFR Part 35.
19.	The PHA will comply with the policies, guidelines, and requirements of OMB Circular No. A-87 (Cost Principles for State, Local and Indian Tribal Governments) and 24 CFR Part 85 (Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments).

<p>20. The PHA will undertake only activities and programs covered by the Plan in a manner consistent with its Plan and will utilize covered grant funds only for activities that are approvable under the Moving to Work Agreement and Statement of Authorizations and included in its Plan.</p>	
<p>21. All attachments to the Plan have been and will continue to be available at all times and all locations that the Plan is available for public inspection. All required supporting documents have been made available for public inspection along with the Plan and additional requirements at the primary business office of the PHA and at all other times and locations identified by the PHA in its Plan and will continue to be made available at least at the primary business office of the PHA.</p>	
<p>Philadelphia Housing Authority</p>	
PHA Name	002
<p>I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)</p>	
<p>Lynette Brown-Sow</p>	
Name of Authorized Official	Chair of the Board of Commissioners
<p></p>	
Signature	1/16/2014
<p>Date</p>	
<p>*Must be signed by either the Chairman or Secretary of the Board of the PHA's legislative body. This certification cannot be signed by an employee unless authorized by the PHA Board to do so. If this document is not signed by the Chairman or Secretary, documentation such as the by-laws or authorizing board resolution must accompany this certification.</p>	

COVER SHEET AND SUMMARY OF RESOLUTION NO. 2

JANUARY 16, 2014

TO: THE BOARD OF COMMISSIONERS

SUBJECT: Purchase of Maintenance Vehicles

CONTACT PERSON:

Heather S. McCreary
Executive Vice President – Office of Supply Chain Management

RESOLUTION SUMMARY:

This resolution is for the Board to authorize PHA to purchase thirty-six (36) replacement work vehicles at a total cost of six hundred thirty-seven thousand nine hundred forty-three dollars (\$637,943.00), from Hertrich Fleet Services, Inc. Twenty-six (26) are maintenance vehicles that are to replace ones that are no longer financially reasonable to repair and ten (10) are to replace Capital Projects & Development department vans that were re-purposed to PHA's Vector Control and Police departments.

The contract is being entered into under the Commonwealth of Pennsylvania's cooperative purchasing program ("COSTARS"), administered by the Bureau of Procurement of the Commonwealth's Department of General Services. Under Resolution #11582, approved by the Board of Commissioner on January 25, 2013, PHA is authorized to enter into contracts "with various governmental and private entities" for "the full range of goods and services available" under "Federal and State Cooperative and purchasing and similar programs."

Section 3 is not applicable, as this is a contract for supplies and not for services.

Respectfully submitted,

Kelvin A. Jeremiah
President & CEO

RESOLUTION NO. 11670

RESOLUTION AUTHORIZING THE PHILADELPHIA HOUSING AUTHORITY TO PURCHASE THIRTY-SIX (36) REPLACEMENT WORK VEHICLES FOR ITS MAINTENANCE AND CAPITAL PROJECTS AND DEVELOPMENT DEPARTMENTS

WHEREAS, the Philadelphia Housing Authority ("PHA") has identified a need to replace thirty-six (36) work vehicles, including twenty-six (26) maintenance vehicles that are no longer operable or financially reasonable to repair and ten (10) vans that were re-purposed from Capital Projects & Development to PHA's Vector Control and Police departments; and

WHEREAS, under certain circumstances and pursuant to Resolution #11582, as approved by the Board of Commissioner on January 25, 2013, PHA is allowed to acquire and lease goods and services using the Commonwealth of Pennsylvania's cooperative purchasing program administered by the Department of General Services (DGS) Bureau of Procurement, which is also referred to as "COSTARS"; and

WHEREAS, pursuant to the regulations of the U.S. Department of Housing and Development ("HUD") applicable to procurement by public housing authorities (24 C.F.R. § 85.36(b)(5)), public housing authorities are "encouraged to enter into State and local intergovernmental agreements for procurement or use of common goods and services," in order to "foster greater economy and efficiency;" and

WHEREAS, to address the need for replacement vehicles, PHA sought suitable vehicle providers on the Commonwealth of Pennsylvania's cooperative purchasing program; and

WHEREAS, the PHA Fleet Committee, in accordance with PHA's Fleet Policy, identified the selected vendor, Hertrich Fleet Services, Inc., which has a cooperative agreement with the Commonwealth of Pennsylvania, to be the most appropriate supplier;

BE IT RESOLVED, that PHA's President & CEO, or his authorized designee(s), is hereby authorized to purchase twenty-eight (28) Ford E-150 Vans at a cost of seventeen thousand sixty-five dollars (\$17,065.00) each; five (5) Ford E-250 work vans at a cost of eighteen thousand three hundred thirty-six dollars (\$18,336.00) each; two (2) Ford F-250 4x4 pick-up trucks at a cost of twenty-two thousand four hundred twenty dollars (\$22,420.00) each; and one (1) Ford F-350 pick-up truck at a cost of twenty-three thousand six hundred and three dollars (\$23,603.00), for a total amount of six hundred thirty-seven thousand nine-hundred forty-three dollars (\$637,943.00) from Hertrich Fleet Services, Inc., subject to the availability of funds therefor.

I hereby certify that this was
APPROVED BY THE BOARD ON 1/16/14
Barbara Pedroni General Counsel
ATTORNEY FOR PHA

COVER SHEET AND SUMMARY OF RESOLUTION NO. 3

JANUARY 16, 2014

TO: THE BOARD OF COMMISSIONERS

SUBJECT: Resolution authorizing PHA to execute all documents reasonable and necessary for carrying out the Choice Neighborhoods Initiative Planning Grant

CONTACT PERSON:

Kyle Flood
Director - Development and Design

RESOLUTION SUMMARY:

As authorized by Resolution No. 11616, approved by the Board of Commissioners on May 16, 2013, PHA applied for the Choice Neighborhoods Initiative Planning Grant for the Sharswood-Brewerytown neighborhood, including the Norman Blumberg Apartments and scattered site units, which grant was selected by HUD in November of 2013 to receive the award.

This resolution is to authorize PHA's President & CEO to execute all documents reasonable and necessary to carry out the Choice Neighborhoods Initiative Planning Grant and to obtain Board approval, including signing all three HUD-1044s, Assistance Award/Amendments, as required by HUD.

Respectfully submitted,

Kelvin A. Jeremiah
President & CEO

RESOLUTION NO. 11671

RESOLUTION AUTHORIZING THE PHILADELPHIA HOUSING AUTHORITY TO EXECUTE ALL DOCUMENTS REASONABLE AND NECESSARY FOR CARRYING OUT THE CHOICE NEIGHBORHOODS INITIATIVE PLANNING GRANT

WHEREAS, pursuant to Resolution No. 11616, approved by the Board of Commissioners on May 16, 2013, the Philadelphia Housing Authority ("PHA") applied to the U.S. Department of Housing and Urban Development ("HUD") for a Choice Neighborhoods Initiative Planning Grant for the Sharswood-Brewerytown neighborhood, including the Norman Blumberg Apartments and scattered site units ("CNI Planning Grant"); and

WHEREAS, in November of 2013, HUD notified PHA that the CNI Planning Grant was selected by HUD to receive a \$500,000.00 award; and

WHEREAS, the award of the grant requires PHA's President & CEO to obtain Board authorization to execute additional related documentation, specifically including all three HUD-1044s, Assistance Award/Amendments;

BE IT RESOLVED, that the President & CEO, or his designee(s), is hereby authorized to execute all documents reasonable and necessary to carry out the Choice Neighborhoods Initiative Planning Grant, including but not limited to all three HUD-1044s, Assistance Award/Amendments.

I hereby certify that this was
APPROVED BY THE BOARD ON 1/16/14
Barbara Adams, General Counsel
ATTORNEY FOR PHA

COVER SHEET AND SUMMARY OF RESOLUTION NO. 4

JANUARY 16, 2014

TO: THE BOARD OF COMMISSIONERS

SUBJECT: Resolution approving the Fiscal Year (FY) 2015 Operating and Capital Budgets

CONTACT PERSON:

Celeste Fields
Acting Executive Vice President of Finance/Chief Financial Officer

RESOLUTION SUMMARY:

This resolution authorizes the adoption of the Philadelphia Housing Authority's FY 2015 Operating and Capital Budgets. The FY 2015 Operating and Capital Budgets project revenues for FY 2015 at \$377,307,386. Expenditures for FY 2015 are projected at \$377,307,386. Adjusted Net Income for FY 2015 is \$0 and the FY 2015 budget is balanced.

Respectfully submitted,

Kelvin A. Jeremiah
President & CEO

RESOLUTION NO. 11672

**RESOLUTION APPROVING THE FISCAL YEAR
(FY) 2015 OPERATING AND CAPITAL BUDGETS FOR THE PHILADELPHIA HOUSING
AUTHORITY**

WHEREAS, the Philadelphia Housing Authority ("PHA") Board of Commissioners approved and adopted Resolution #11525 dated April 26, 2012, which authorized the implementation of the PHA Budget Policies and Procedures Manual; and

WHEREAS, the PHA Budget Policies and Procedures Manual outlines the policies, procedures and practices required to produce the PHA's Annual Operating and Capital Budgets and to assure consistency, accuracy, and tracking of PHA's allocation of resources; and

WHEREAS, PHA has developed a balanced FY 2015 Operating and Capital Budgets for the Low Income Public Housing (LIPH), Housing Choice Vouchers (HCV) and the Capital/Replacement Housing Factor (CFP/RHF) Programs; and

WHEREAS, PHA certifies that all statutory and regulatory requirements have been met; and the proposed budget expenditures are necessary in the efficient and economical operation of the housing programs and services provided for low-income residents;

BE IT RESOLVED that the PHA Board of Commissioners does hereby approve the FY 2015 Operating and Capital Budgets for the Low Income Public Housing (LIPH), Housing Choice Vouchers (HCV) and the Capital/Replacement Housing Factor (CFP/RHF) Programs, in substantially the form attached hereto.

I hereby certify that this was

APPROVED BY THE BOARD ON 11/16/14

Barbara Adams, General Counsel

ATTORNEY FOR PHA



Philadelphia Housing Authority

OPERATING & CAPITAL BUDGET FISCAL YEAR 2015

HIGHLIGHTS

For Fiscal Year 2015, PHA will continue to strive to serve families in the midst of difficult economic conditions and with looming possibilities of reduced financial resources. As with most other housing authorities, majority of PHA's operating and capital funding (93%) comes from federal dollars provided by HUD in the form of Operating Subsidies, Capital Fund grants and Section 8 housing assistance payments.

Year after year federal funding for capital and operating subsidies continue to decline and to offset these reductions, PHA must work aggressively to identify new revenue opportunities, generate cost-savings & maximize operating efficiencies so that services are minimally impacted.

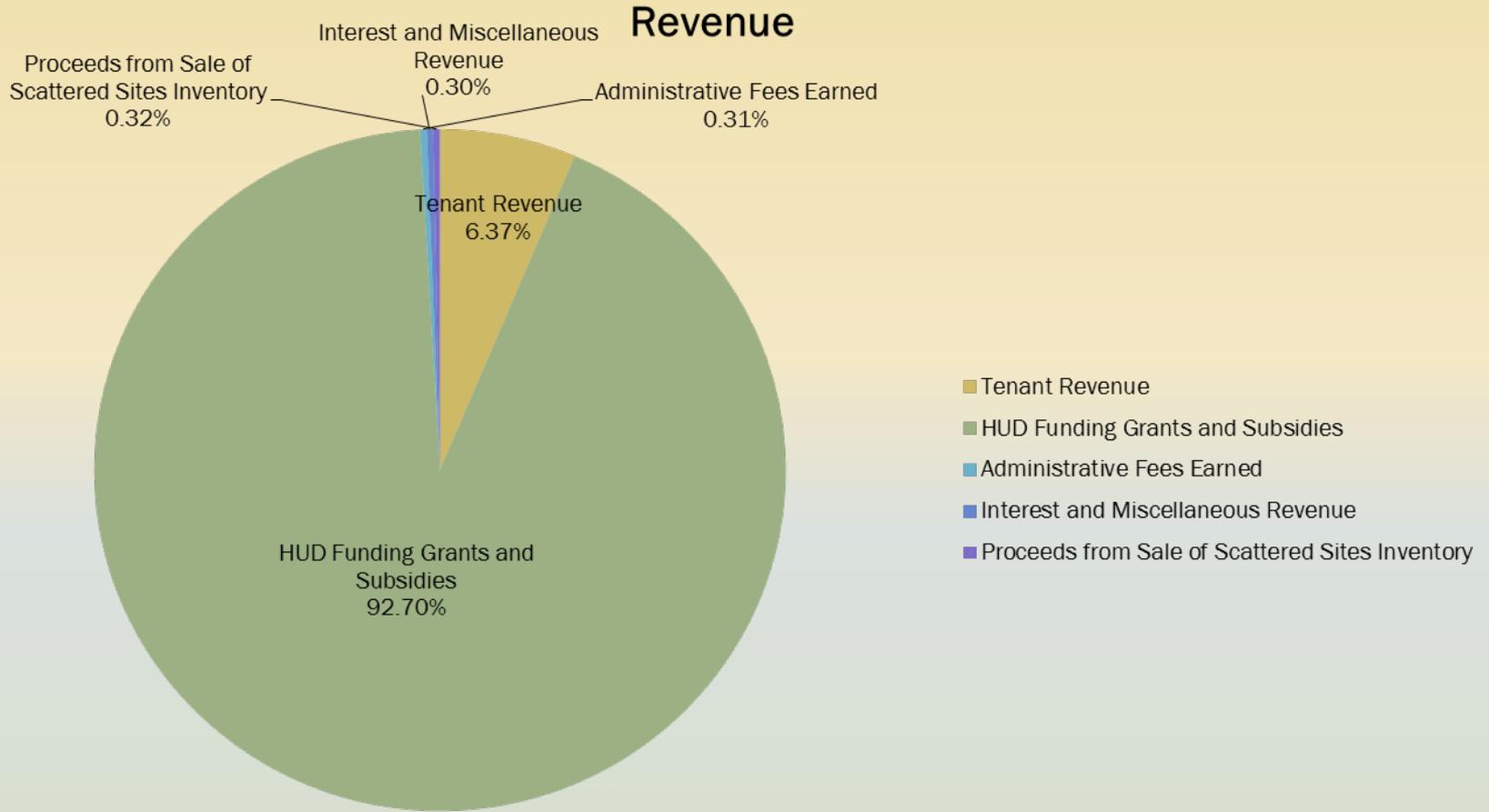
PHA will focus its operational goals to:

- ✘ Reduce cost and achieve greater cost effectiveness in Federal expenditures;
- ✘ Give incentives to families with children whose heads of household are either working, seeking work, or are participating in job training, educational or other programs that
- ✘ assist in obtaining employment and becoming economically self-sufficient; and,
- ✘ Increase housing choices for low-income families.

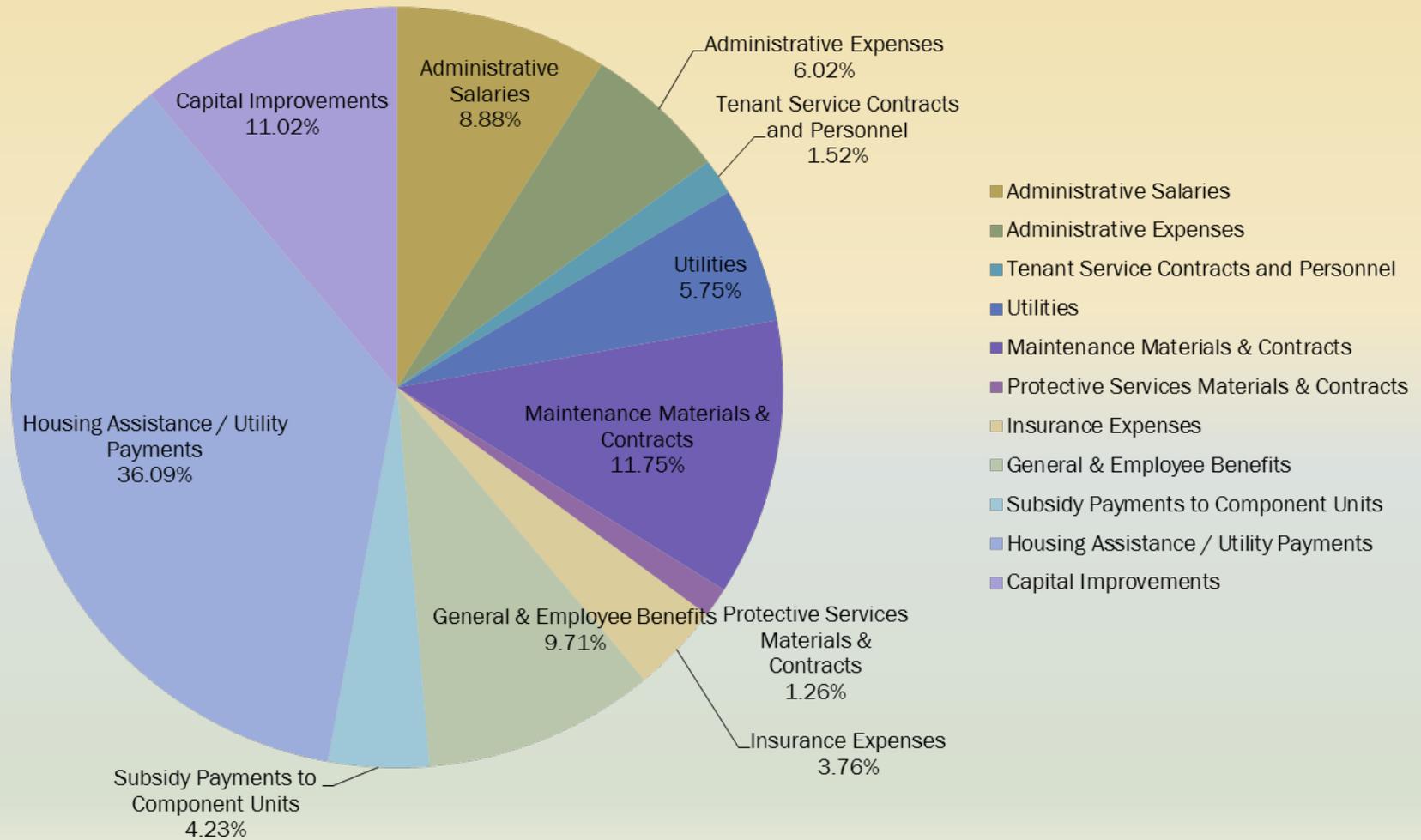
BUDGET IMPACT ON PHA'S FY 2015 SUBSIDIES

	Operating Subsidy	HCV Funding	HCV Admin Fees	Capital Subsidy	Total HUD Funding
Subsidy at 100% Funding	\$ 135,502,371	\$ 201,371,473	\$ 1,669,770	\$ 51,764,260	\$ 390,307,874
Capital Subsidy - 5.1% reduction	-	-	-	49,176,047	49,176,047
Operating Subsidy at 82.0%	111,111,944	-	-	-	111,111,944
HCVP Subsidy at 94.1%	-	189,490,556	-	-	189,490,556
HCVP Admin Fees at 70%	-	-	1,168,839	-	1,168,839
Impact	\$ (24,390,427)	\$ (11,880,917)	\$ (500,931)	\$ (2,588,213)	\$ (39,360,488)

FY2015 SOURCES OF REVENUE



FY2015 OPERATING / CAPITAL EXPENSE - USES



FY 2015 BUDGET OVERVIEW - PROPOSED

Operating Re	Miscellaneous Income is budgeted at \$100,000 in the LIHP and HCV MTW programs	MTW Programs				Non-MTW	Total 2015 Budget	% Revenue
		LIPH	HCV	Capital Fund	Total MTW			
Tenant Revenue		\$ 24,045,000	\$ -	\$ -	\$ 24,045,000	\$ -	\$ 24,045,000	6.4%
HUD Funding Grants and Subsidies		111,111,944	177,288,056	49,176,047	337,576,047	12,202,500	349,778,547	92.7%
Administrative Fees Earned						1,168,839	1,168,839	
Interest and Miscellaneous Revenue		557,500	557,500	-	1,115,000	-	1,115,000	0.3%
Proceeds from Sale of Scattered Sites Inventory		1,200,000			1,200,000		1,200,000	
Total Operating Revenue		\$ 136,914,444	\$ 177,845,556	\$ 49,176,047	\$ 363,936,047	\$ 13,371,339	\$ 377,307,386	100.0%
Operating Expense:								% Expenses
Operating Administrative		24,620,285	25,127,514	5,503,322	55,251,121	978,434	56,229,555	14.9%
Tenant Services		786,381	4,949,019	-	5,735,400	-	5,735,400	1.5%
Utilities		21,600,030	108,000	-	21,708,030	-	21,708,030	5.8%
Maintenance		43,483,972	858,511	-	44,342,483	-	44,342,483	11.8%
Protective Services		4,227,329	531,137	-	4,758,466	-	4,758,466	1.3%
Insurance Premium		13,399,344	363,463	415,312	14,178,119	13,348	14,191,467	3.8%
General & Employee Benefits		20,970,530	11,374,507	3,797,136	36,142,173	489,126	36,631,299	9.7%
Subsidy Payments		15,951,249	-	-	15,951,249	-	15,951,249	4.2%
Housing Assistance / Utility Payments		-	124,294,106	-	124,294,106	11,890,431	136,184,537	36.1%
Total Operating Expense		\$ 145,039,120	\$ 167,606,257	\$ 9,715,770	\$ 322,361,147	\$ 13,371,339	\$ 335,732,486	89.0%
Operating Transfers		(8,124,676)	-	8,124,676	-	-	-	0.0%
Contribution to Operating Reserves		0			-		-	0.0%
Capital Improvements		-	10,239,299	31,335,601	41,574,900	-	41,574,900	11.0%
Total Expenses		\$ 136,914,444	\$ 177,845,556	\$ 49,176,047	\$ 363,936,047	\$ 13,371,339	\$ 377,307,386	100.0%
Net Income / (Loss)		\$ -	\$ -	\$ -	\$ -	\$ (0)	\$ (0)	

THANK YOU