



# **Five Year Operating Plan Calendar Years 2020-2024**

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December 18, 2019

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## 2020-2024 Operating Plan

The New York City Housing Authority (NYCHA or the Authority) Board adopted the Fiscal Years (FY) 2020-2024 Operating Plan on December 18, 2019. This Five-Year Plan outlines the Authority's priorities and strategies to address the challenges it faces with its available resources.

### Overview

The 2020 Plan projects an operating surplus of \$91 million. The Authority's \$3.75 billion budget supports two major federal programs. The \$2.5 billion Public Housing Program supports the operations and maintenance of 170 thousand units of housing and the \$1.2 billion supports the Housing Choice Voucher (HCV) Program provides 85 thousand low-income New Yorkers with affordable housing in the private sector. Shortfalls in federal funding for the Public Housing Program are offset with \$262 million provided by the City of New York.

<b>FY20 - FY24 Operating Plan Summary</b>					
<b>(\$ Millions)</b>	<b>FY20</b>	<b>FY21</b>	<b>FY22</b>	<b>FY23</b>	<b>FY24</b>
<i><u>Revenues</u></i>					
Tenant Rental Revenue	\$1,025	\$980	\$955	\$927	\$897
Federal Operating Subsidies	984	990	980	971	958
Section 8 Subsidies	1,275	1,253	1,276	1,295	1,319
City funds	262	217	227	179	172
Other Revenues	291	332	219	217	214
<b>Total Revenue</b>	<b>\$3,837</b>	<b>\$3,772</b>	<b>\$3,656</b>	<b>\$3,588</b>	<b>\$3,560</b>
<i><u>Expenditures</u></i>					
Salaries	827	790	780	774	762
Fringes	594	589	598	575	598
Contracts	377	416	368	341	310
Utilities	545	533	517	500	479
Housing Assistance Payment	1,133	1,123	1,145	1,164	1,187
Other OTPS Expenses	269	321	323	319	302
<b>Total Expenditures</b>	<b>\$3,746</b>	<b>\$3,772</b>	<b>\$3,731</b>	<b>\$3,673</b>	<b>\$3,638</b>
<b>Surplus/ (Deficit)</b>	<b>\$91</b>	<b>\$</b>	<b>(\$75)</b>	<b>(\$85)</b>	<b>(\$77)</b>

## ***Our Commitment to a Financial Transparency***

The New York City Housing Authority (NYCHA) remains committed to financial transparency and effective budgeting. Toward that end, the Authority has submitted its Five-Year Budget Book to a panel of independent reviewers, the Government Finance Officers Association (GFOA); implemented proactive measures to improve the budget process; and confirmed participation in the citywide CheckbookNYC project.

### **Government Finance Officers Association (GFOA) Award**

After adopting the FY 2019 Plan, NYCHA submitted its 2019 Budget Book to a panel of independent reviewers, the Government Finance Officers Association (GFOA). In October 2019, for the fifth consecutive year, NYCHA was awarded the Distinguished Budget Presentation Award. This award is the highest form of recognition in government budgeting.

Created by GFOA in 1984, the Distinguished Budget Presentation Award program recognizes state and local governments that prepare budget documents of the highest quality as established by the National Advisory Council on State and Local Budgeting. Any type of government agency across the country can apply. This honorable award is for the transparency and accountability of the budget.

Since FY 2015, NYCHA has received this distinguished award; therefore, it is NYCHA's continued goal to repeat this accomplishment for its FY 2020 budget and for all future budgets.



## ***A Path to Financial Sustainability***

In the face of continued financial challenges, NYCHA will seek to diversify our portfolio while continuing to focus on providing safe and affordable public housing to address the needs of our residents. With support from the City of New York and with an emphasis on safety and service levels, the Financial Plan will focus on the following:

### **NYCHA 2.0**

In December 2018, Mayor Bill de Blasio and then Interim Chair and CEO Stanley Brezenoff launched a new comprehensive 10-year plan called “NYCHA 2.0.” This 10-year plan will address \$24 billion in vital repairs in New York City's aging public housing and ensure residents have the safe, decent, and affordable homes they deserve.

#### ***(Re)build***

NYCHA’s extensive portfolio, including buildings and open spaces, holds the enormous untapped potential to improve the lives of residents and the Authority’s financial position while allowing more affordable housing resources in the City. The strategies below could accelerate the completion of critical apartment, building, and system repairs, and could reduce NYCHA’s capital needs.

#### ***100% Affordable Housing and Seniors First***

NYCHA will contribute resources to Housing New York, the Mayor’s plan to secure 300,000 affordable apartments by 2026. All new development activity will include a transparent resident engagement process and will bring improved amenities for existing residents, as well as opportunities for new affordable housing, including for seniors. The plan to create affordable senior and family housing on underused NYCHA property was the outcome of an extensive and meaningful planning process with hundreds of residents and community advocates. NYCHA intends to retain rights to the land developed through a long-term ground lease and provide critical oversight to the project. NYCHA also stipulated that the developers are to train, hire, and engage NYCHA residents on a regular basis as the project progresses and give preference to residents for 25 percent of the units.

Below are the latest updates on NYCHA’s commitment to this initiative:

- ***Mill Brook, Bronx***  
In 2017, NYCHA leased a parcel with approximately 126,055 square feet of development rights for the construction of a 159-unit senior housing development. Construction began in 2017 and the development is currently being leased up.
- ***Ingersoll, Brooklyn***  
In 2017, NYCHA leased a parcel with approximately 124,000 square feet of development rights for the construction of a 146-unit senior housing development. The project known as Stonewall House was recently opened as the City’s first LGBT-friendly senior development for persons aged 62 or older.

- ***Van Dyke III, Brooklyn***  
In 2018, NYCHA leased a parcel with approximately 191,500 square feet of residential development rights for construction of a 180-unit family housing development. Construction began in 2019 and is expected to be completed in 2021.
- ***Betances V, Bronx***  
In 2019, NYCHA leased a parcel of approximately 12,600 square feet on Block 2287, Lot 26, for construction of a 149-unit senior housing development. Construction is underway and anticipated to be completed in 2021.
- ***Betances VI, Bronx***  
NYCHA intends to lease a parcel of approximately 9,800 square feet on Block 2291, Lot 1, for construction of a 101-unit family housing development. NYCHA, in collaboration with HPD, issued an RFP in 2016 and a developer was designated in 2017. A Section 18 Application was approved in 2019. Demolition of the existing one-story commercial structure and construction of the new affordable housing development is scheduled to begin in 2020.
- ***Morrisania Air Rights, Bronx***  
NYCHA intends to lease a parcel of approximately 21,200 square feet on Block 2409, Lot 98, for construction of a 171-unit family housing development. NYCHA, in collaboration with HPD, issued an RFP in 2017. A developer was designated in 2018. A Section 18 Application will be submitted in early 2020 and construction is scheduled to begin later in the year.
- ***Sumner, Brooklyn***  
NYCHA intends to lease a parcel of approximately 24,200 square feet on Block 1580, Lot 1, for construction of a 190-unit senior housing development. NYCHA, in collaboration with HPD, issued an RFP in 2017. A developer was designated in 2018. A Section 18 Application will be submitted in early 2020 and construction is scheduled to begin later in the year.
- ***Twin Parks West, Bronx***  
NYCHA intends to lease a parcel of approximately 16,500 square feet on Block 3143, Lots 234, 236 and 240, for construction of a 182-unit family housing development. NYCHA, in collaboration with HPD, issued an RFP in 2017. A developer was designated in 2018. A Section 18 Application was submitted in 2019 and construction is scheduled to begin in 2020.
- ***Bushwick II CDA (Group E), Brooklyn***  
NYCHA intends to lease a parcel of approximately 7,800 square feet on Block 3325, Lot 1 for construction of a senior housing development. NYCHA, in collaboration with HPD, issued an RFP in 2017. A developer was designated in 2019. A Section 18 Application will be submitted in 2020 and construction is scheduled to begin in 2021.
- ***Justice Sonya Sotomayor Houses, Bronx***  
NYCHA intends to lease a parcel of approximately 9,400 square feet on Block 3730, Lot 1 for construction of a senior housing development. NYCHA, in collaboration with HPD,

issued an RFP in 2017. A Section 18 Application will be submitted in 2020 and construction is scheduled to begin in 2021.

### ***Build to Preserve (BTP)***

The NextGen Neighborhoods or “50-50” initiative was formed to generate revenue to reinvest into developments across NYCHA, by leveraging a 50-50 split of market-rate and affordable units built on underutilized NYCHA lands. The City will replace the “50-50” new construction program with a program to develop new mixed-income buildings on select NYCHA campuses. Proceeds from new construction will address \$2B in capital need across approximately 10,000 NYCHA apartments. New buildings will be subject to Mandatory Inclusionary Housing (MIH) levels of affordability and increase the permanently affordable housing stock. 100% of the funds generated by new construction will first be used to fully renovate the adjacent development and any remaining proceeds will go to repairs at other developments in the same neighborhood. NYCHA will ground lease—not sell—the land and will create plans with community input for comprehensive campus improvements. Complete renovations at existing NYCHA public housing apartments are performed at the same time as new buildings are constructed.

Latest updates on NYCHA’s commitment to this initiative are as follows:

#### ***BTP at Sites in Chelsea, Manhattan***

In October 2019, NYCHA, City Hall, elected officials, housing advocates, and residents of the Chelsea developments formed a working group to address the future of the Fulton Houses, Elliot-Chelsea, and Chelsea Addition NYCHA developments. These developments face a capital deficit of \$344 million to reach a state of good repair. The Working Group is currently discussing the funding crisis at NYCHA, evaluating options for generating revenue for the Authority, and discussing the protections those programs provide for tenants. NYCHA has also facilitated several deeper public discussions with NYCHA residents in Chelsea, as well as with the broader community.

### ***Permanent Affordability Commitment Together (PACT)***



PACT is NYCHA’s preservation initiative, which centers on the conversion of public housing funding to Section 8 project-based vouchers and the creation of public-private partnerships to address the needs of NYCHA’s developments. Under PACT, NYCHA seeks to identify resources and opportunities to make major physical and operational improvements while preserving long-term affordability, maintaining strong resident rights, and stabilizing developments by placing them on a more solid financial footing.

PACT plays key role as part of the NYCHA 2.0 Plan:

- Establishes a 62,000-unit program that will address roughly \$12.8B of capital need over 10 years using HUD Section 8 conversion programs, including the Rental Assistance Demonstration (RAD)

- Accelerates the original 20,000-unit NextGen NYCHA (NGN) pipeline by 4 years (from 2022 to 2026)
- Leverages additional funding through Section 8 programs that will be used to complete comprehensive renovations at NYCHA developments

Below are the latest updates on NYCHA's commitment to this initiative:

*PACT at Ocean Bay (Bayside)*

In December 2016, NYCHA closed its first RAD transaction at Ocean Bay (Bayside) in the Rockaways neighborhood of Queens, converting 1,395 apartments in 24 elevator buildings from public housing to Section 8. NYCHA entered into a public-private partnership with MDG Construction + Design (developer), The Wavecrest Management Team (property manager), Catholic Charities of Brooklyn and Queens (social services provider), and Ocean Bay Community Development Corporation (resident outreach and engagement). The project was financed with Superstorm Sandy recovery funds from FEMA, along with New York State Housing Finance Agency tax-exempt bonds and equity generated from federal 4% Low Income Housing Tax Credits. The project's total development cost was \$560 million, including the FEMA-funded resiliency work. Funds were directed to extensive capital improvements, including the installation of upgraded heating and security systems, new boilers and roofs, and updated apartment interiors that include new windows, kitchens, and bathrooms. All rehab work was completed with tenants-in-place; no residents were relocated or displaced because of the project. RAD repairs were completed in 2018 and the remaining FEMA work concluded in June 2019.

*PACT at Scattered Sites in the Bronx*

Between October 2018 and February 2020, NYCHA closed on five PACT conversions as outlined below. Extensive capital improvements are under construction at all the sites, including upgrades to roofs, elevators, boilers, security systems, and grounds, as well as apartment interiors, including new kitchens and bathrooms. All rehab work is occurring with tenants-in-place; no residents are being relocated or displaced.

- Twin Parks West in the Fordham Heights neighborhood of the Bronx: this conversion included one building with 312 apartments. NYCHA entered into a public-private partnership with Gilbane Development Company (developer), Dantes Partners (developer), Apex Building Group (general contractor), and Kraus Management, Inc. (property manager). Social services are being provided by BronxWorks. The project is being financed with conventional debt. Total repair work for the project will be \$38 million. Repairs will be completed in 2021.
- Betances Houses in the Mott Haven neighborhood of the Bronx: this conversion included 40 buildings across 10 developments with 1,088 units. NYCHA entered into a public-private partnership with MDG Design + Construction (developer), The Wavecrest Management Team (property manager), and Catholic Charities Community Services, Archdiocese of New York (social services provider). The project is being financed with conventional debt and developer equity. Total repair work for the project will be \$120 million. Repairs will be completed in 2020.

- Highbridge-Franklin in the Highbridge and Claremont neighborhoods of the Bronx: this conversion included 14 buildings with 336 apartments. NYCHA entered into a public-private partnership with Gilbane Development Company (developer), Dantes Partners (developer), Apex Building Group (general contractor), and The Kraus Organization (property manager). Social services are being provided by BronxWorks. The project is being financed with conventional debt and a subsidy loan from the New York City Department of Housing Preservation and Development. Total repair work for the project will be \$27 million. Repairs will be completed in 2021.
- Hope Gardens in the Bushwick neighborhood of Brooklyn: this conversion included 60 buildings with 1,315 apartments. NYCHA entered into a public-private partnership with Pennrose Properties (developer), Procida Construction (general contractor), Pinnacle City Living (property manager), and Acacia Network (social services provider). Total repair work for the project will be \$215 million. Repairs will be completed in 2021.
- Brooklyn PACT II in the Bedford-Stuyvesant, Boerum Hill, Crown Heights, and Williamsburg neighborhoods of Brooklyn: this conversion included 38 buildings with 2,625 apartments. NYCHA entered into a public-private partnership with the Arker Companies, Omni NY LLC, Dabar Development Partners, and Bedford Stuyvesant Restoration Corporation (developer joint venture), Chateau GC and Renewal Construction Services LLC (general contractor), Progressive Management (property manager), and El Puente, Nan Newark Tech World, Parcare Community Health Network (social services provider). Repairs will be completed in 2023.

#### *PACT Program for LLC II/Unfunded Units*

In July 2017, NYCHA announced that it would now use PACT to protect the Authority's unfunded unit portfolio. This portfolio consists of eight (8) conventional public housing developments known as the "LLC-II developments" which currently receive no public housing funding. To make significant repairs, more effectively manage the developments, and strategically deploy NYCHA's limited financial resources, NYCHA expanded PACT to create additional public-private partnerships and actively bring the unfunded units into the Authority's Housing Choice Voucher (Section 8) program.

In December 2018, NYCHA closed on 722 units across 14 developments at Baychester and Murphy Houses in the Bronx, thus completing the PACT conversion of these two developments. The development partner for this conversion is MBD Community Housing Corporation (developer and social services provider), Camber Property Group (developer), and L+M Development Partners (developer, general contractor, and property manager). The project is being financed with conventional debt. Total repair work for the project will be \$88 million. Repairs will be completed in 2021.

As part of the Brooklyn PACT II project, the LLC-II developments of Independence Towers and Williams Plaza converted to Section 8. Two additional LLC-II developments – 344 East 28th Street and Wise Towers in Manhattan – are expected to convert in early 2020 and the remaining two developments – Linden and Boulevard Houses in Brooklyn – are expected to convert later in the year.

## *Operate as an efficient landlord*

NYCHA is first and foremost a landlord. The Authority must provide better customer service and property management for its residents.

### *Alternative Work Schedule (AWS)*

In FY 2019, based on the successful completion of the FlexOps program, NYCHA implemented the Alternative Work Schedule (AWS) initiative to help provide better customer service for residents. This initiative expands the traditional 8:00 a.m. to 4:30 p.m. coverage to a schedule that spans from 6 a.m. to 7 p.m. at the developments, 7 days a week, through 5 staggered



schedules. AWS allows NYCHA to better maintain our buildings and be more responsive to residents. This program will initially be focused on key titles which include Caretakers, Supervisors of Housing Caretakers, Supervising Housing Groundskeepers, Assistant Resident Building Superintendents, and Resident Building Superintendents. AWS launched April 1 at 13 developments: Farragut, Ingersoll, Marcy, Stuyvesant, Tompkins, and Whitman Houses in Brooklyn and Clinton, Dyckman, Harlem River, Polo Grounds Towers, Rangel, Riis, and Saint Nicholas Houses in Manhattan. A total of 93 developments rolled out AWS from Phases 1-3 in 2019 and successfully completed city-wide implementation of the program at the end of 1<sup>st</sup> quarter of 2020.

### *Vacancy Reduction*

Maintaining adequate workforce level ensures that critical services are provided to our residents in timely manner. To meet the need, vacancy reduction initiative targets frontline vacancies with the objective to reduce the number of days a position is vacant in a property. The initiative calculates the attrition factor and allows a process by which Human Resources (HR) can onboard floating staff in temporary lines, which are assigned to the properties.

As vacancies become available the staff is assigned by HR to permanent positions. Since the implementation of the vacancy reduction initiative we have seen an increase of 5% or 259 active frontline positions in FY 2019.

### *Information Technology Solutions*

NYCHA's Information Technology (IT) Department continues to make significant service improvements for both internal and external customers through the implementation of advanced technologies including mobile and self-service technologies. NYCHA continues to be recognized as a technology leader. In 2019, NYCHA was awarded two Regional Awards of Merit from the National Association of Housing and Redevelopment Officials (NAHRO) at their Summer Conference held in Boston, Massachusetts on July 11, 2019.

- Shanna Castillo of NYCHA's Office of Resident Economic Empowerment and Sustainability and Venkata Chitrapu, of NYCHA's IT Department, received the award for Resident Economic Empowerment and Sustainability in the category of Resident and Client Services.
- Venkata Chitrapu, of NYCHA's IT Department, received the award for NYCHA's IVR and KIOSK Self Service System in the category of Administrative Innovations.

Below are some of the highlights and status of key technology initiatives.

### *Maximo and Handhelds*

In 2019, NYCHA entered in an agreement with HUD and the Southern District of NY to engage in a series of reforms and milestones aimed at improving health, safety, and quality of living throughout NYCHA properties. In support of this agreement, NYCHA's has implemented the following improvements to Maximo:

Robocalls. Supporting the new Planned Outages policy of scheduling robocalls 60 hours prior to a scheduled outage; not allowing residents to cancel work orders related to lead, mold, leak or flooding. In addition, the system will prevent work orders from being closed for "tenant not home" when certain failure code and problem code conditions are met for apartment locations.

Lead paint issues were also at the forefront. To support NYCHA's new lead-related initiatives Maximo now tracks visual assessment certifications using a daily feed from Human Resources and Data Warehouse. In 2019, NYCHA deployed the new Lead Universal Dashboard. Users can view the latest progress on lead-based paint visual assessments by category, including 2018 visual, 2018 child under 6, CCOP category 1, newly created inspections for HUD, etc. Users can drill down to see data for each property management; users can further drill down to see open remediations or inspections work orders. In addition, enhancements were made to support XRF-related work orders:

- XRF QA Monitor and Re-inspection work orders are now generated and configured for NYCHA handheld devices.
- Tenant notices and robocalls providing notice ahead of scheduled work.
- 2019 Annual Visual Assessments - Capture of the visual assessment details on the NYCHA handheld device.
- Auto-generation of follow-up inspection work orders and abatement/remediation/dust wipe work orders based.
- XRF Positive Result Process; Pre-renovation Acknowledgment Form; and functionality to capture the EPA Pre Acknowledgement and EPA Post checklist on the handheld.
- Identifying in EBLL work orders when a child under 6 lives in or frequents the apartment.
- Maximo now tracks visual assessment certifications using a daily feed.
- Bare Soil remediation on NYCHA playgrounds that could pose a potential lead hazard.

**Elevators:** Deployed improvements to the management and reporting of elevator issues, including:

- Streamlining the process of closing elevator parent work orders where there are no other child work orders open.
- Allowing users to create children WOs on life-threatening ELEVOOO work orders.

**Mold:** Continued to support the Authority-wide Mold 2.0 rollout.

- Implemented additional enhancements for the Mold process, including requiring and allowing for photos and improved reporting. Child work orders prevented from being created once a mold inspection generates a QA work order, and improved scheduling of superintendent 4 hours in advance, replacing the 7-day restriction.
- Enhancements related to Mold include automated escalation emails when mold work orders related to Local Law 55 Violations are open more than 21 days and added a requirement for users to answer ventilation questions upon arrival at an apartment for a Mold Inspection work order.
- Create a new owner group “OMAR” for mold work orders; added a flag for Capital Work on work orders that have repeat repairs in an apartment.

**Heating:**

- New report in Maximo that displays all boiler and tank room assets for all locations.
- Updates to Heating Outage reporting logic to more accurately track heating outage durations.

**Pests/Exterminators:**

- Enhancement to the Pesticide Usage screen to allow users to select the room and specific place of application for each pesticide used. This is a compliance requirement for all exterminator CM work orders on the Handheld.
- Targeted Relief: Introduced Targeted Relief inspections and new functionality to be applied for all units that have more than one pest infestation complaint verified by NYCHA staff within twelve months.
- Implemented interim solution and a new dashboard to support “Blitz” initiative, to track and complete extermination inspections on both Maximo and handhelds.
- Daily Buildings and Grounds Inspections - Building Supervisors must complete inspection checklists for Buildings, Grounds, and Playgrounds tasks every 24 hours (HUD requirement). Work Orders remain open for 1 month before auto-closing.

**Human Resources:** Overtime Approval released to production. This enhancement automates approvals for unplanned overtime with a multi-level approval process available for both desktop and handhelds. It also streamlines the process by providing reporting capabilities to track requests and match approvals to timesheet submissions.

Additional dashboards created for Daily Building, Grounds, Playgrounds Inspections, Door Sweeps, Mold. New reports for PAIS (Pests) and Heating.

**EPA - RRP Record Retention – Enhancements** include:

- Users cannot close CM work orders unless they attach the EPA pre-renovation and EPA post-renovation forms.
- Users to enter the estimated date and time they will complete the work.
- Users are required to enter the results of a dust wipe and indicate Pass or Fail.

**Maximo Inventory:** Working with NYCHA’s Materials Management and Operations Departments, IT successfully completed development of storeroom inventory redesign, supporting the deployment of a new inventory process and improved underlying technology.

**Other:**

- Live with integration between Maximo and Jurisdiction Online.
  - NYCHA receives heating asset deficiencies identified by C.N.A. insurance via Jurisdiction Online (JOL) to identify, track and resolve deficiencies before they become violations.
  - Corresponding inspection WOs are automatically created to track deficiencies with info identified by C.N.A.
  - If needed, manually created child Corrective Maintenance WOs track the resolution of deficiencies.
  - Improved tracking and handling of boiler asset deficiencies reported by C.N.A in Maximo.
  - Part of heating-related compliance initiatives, as requested by City Council, Mayor's Office and other agencies.
- Live with third-party vendor National Grid using Maximo. National Grid users have the ability to use Maximo desktop to access and close National Grid owner group work orders.
- Warranty data migrated from APEX into Maximo, so that all work orders created for assets/ locations under warranty will be flagged. The "Warranties Exist" field shall be checked and banner/ message will be displayed on affected Work Orders in Maximo.
- Live with third-party vendor National Grid using Maximo. National Grid users have the ability to use Maximo desktop to access and close National Grid owner group work orders.

***Siebel***

Also, in support of HUD guidance and milestones, Siebel has been upgraded with improved features:

- Complaint Management for Compliance Department: Went live with this project to maintain a forum for employee, contractor, and resident complaints (including anonymous complaints) regarding compliance issues and action taken on such complaints as appropriate.

- Compliance Web Project: Developed and deployed new Siebel-Webform for Compliance, EH&S, and Quality Assurance Depts to capture complaints about poor quality/incomplete repair and issue reoccurred after repair.
- Lead Disclosure: Implemented the logic to generate the Lead - Notice of Hazard Reduction letter from Siebel. Deployed changes to support Lead Disclosure requirements by displaying the sample Lead disclosure forms in the Self-Service Portal.
- Mold: Developed and deployed the CCC triage questions for Mold. Deployed changes to not allow any child tickets of Mold to be cancelled/closed from Siebel.
- Chair's Office Correspondence / Monitor Queries – Legacy correspondence system retired, and functionality integrated into Seibel.
- Continued to enhance the Self-Service Portal with the following changes,
  - Deployed the Quality of Life functionality on Siebel Public Service and Self-service application. The residents can now report non-violent, unlawful behaviors that affect the sense of well-being and public safety.
  - Ingersoll Section 8 Application: Deployed the changes in production for accepting the Ingersoll Section 8 application via Self-Service portal.
  - Tenant Complaints: Deployed the process to capture complaints by residents against NYCHA staff members.
  - CUNY Scholarship: Deployed a Siebel self-service application to provide the ability for Public Housing residents and Section 8 LLC residents to apply for CUNY Scholarships.
  - PH Annual Notices: Created a new screen in Siebel to save load the Annual Survey questions/answers in Siebel for the year 2019. Siebel worked on the creation of the maintenance work orders for the installation/repair of the window guards.
  - Heat and Hot Water: Project gave tenants the ability to let NYCHA know if heating outage restorations worked and if not, so that NYCHA could take immediate action to fix the issue by creating required tickets.
- NYCHA IT continued to support the Leased Housing Program with the following initiatives:
  - Deployed functionality for Leased Housing voucher holders and staff to submit changes for Head of Household, Family Composition, and other profile details.
  - Deployed enhancements to implement the Permission Category for Leased Housing Department's policy on occupancy and succession and the associated HAP (Housing Assistance Payments) calculations.
  - Fast Act Implementation Plan: Deployed logic support the HUD Streamlined Certification of Fixed Income policy to the Leased Housing Department Annual Recertification process.

## **New York City Housing Authority**

- Deployed new and enhanced Reasonable Accommodation (RA) functions for residents and applicants. Final versions of the RAD conversion letters for the Brooklyn Bundle were sent out to tenants through backfile conversion process. A total of 1,256 letters were sent.
- RAD Portal: Deployed Self-Service portal functionality to allow Public Housing/Active/Prelim waitlist applicants to apply for Section 8 RAD developments.
- Ingersoll Application: Deployed portal to accept applications for Ingersoll Senior development.
- Change of Head of Household/Profile change for Section 8: Deployed the Siebel Self-Service portal changes to allow tenant request the changes to the Head of the household and/or profile updates. Also implemented the process on the Employee portal for the NYCHA staff to review and approve the request.

### ***Self-Service Kiosks***

New kiosks have been added to NYCHA's walk-in centers, allowing for shorter waits and improved access to accounts and services.

### ***Digital Van***

In 2019, NYCHA expanded its fleet with a fourth Digital Van. These mobile connectivity stations allow residents to access wireless broadband internet, allowing them better access to NYCHA services as well as other important resources, like research, job hunting, and education.



Third Digital Van at the LaGuardia Houses on the Lower East Side.

### ***Owner Extranet***

During 2019, NYCHA also upgraded the Owner Extranet, the online portal for NYCHA Section 8 Owners. Deployed following New functionality:

- Allow owners to view upcoming inspections, tenant recertification dates, problems with repair certifications, and to resubmit rejected certifications of repairs.
- Allow Owners to view inspection related photos

In addition, NYCHA deployed changes to block submissions of certifications of repairs for 24-hour violations in public spaces.

***Customer Contact Center Interactive Voice Response (IVR)***

Deployed the Outbound-Callback (Virtual Hold) feature to NYCHA’s Customer Contact Center (CCC) Production environment, which offers NYCHA customers a convenient option to have a NYCHA Representative call them back at a more appropriate time. This Callback feature improves the efficiency of NYCHA’s CCC staff by reducing their queue and Average Speed to Answer (ASA), and provides a better customer experience for callers into NYCHA’s Customer Contact Center.

***Support for Infrastructure at Development Management Offices***

VoIP Phone Deployment to NYCHA Property Management Offices: Deployed Voice over IP (VoIP) phones to 145 sites, with more than 3,200 VoIP Phones installed, and approximately 1,700 users trained.

E-LAN: Converted networks to high-speed dedicated E-LAN services, for improved internet access, at close to 130 management offices and other Property Management sites.

***IT Service Management (ServiceNow®)***

Deployed a new NYCHA IT Service Desk, powered by ServiceNow®, featuring a new Service Portal and Knowledge Base, with Incident Management and Problem Management functionality. The platform is available inside and outside the NYCHA network.

***NYCHA Outages Web Page***

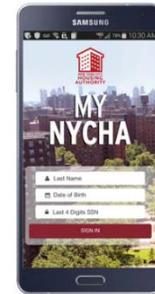
- Deployed publishing of upcoming planned outages.
- Integrated functionality required by the New York State Vital Services legislation to include additional information related to the current status of open Heat, Hot Water, Water, Elevator and Electric outages.

***Heating Action Plans on NYCHA Website***

Published development heat actions plans on the Developments portal Transparency page

***XRF Testing Initiative on NYCHA Website***

Launched public-facing web page to show XRF Lead-Based Paint Test



and results.

***Workforce Management for Customer Contact Center***

Deployed the Workforce Management (WFM) application to NYCHA’s Customer Contact Center (CCC) Production environment, which allows for more efficient management of NYCHA CCC staff, along with enhanced performance metrics tracking and reporting. The WFM application enables streamlined scheduling and administration of staffing resources, including management of CCC work shifts, CCC staff performance and feedback, providing customizable metrics reporting and analysis, such as calls handled, average handling time, staffing demand forecasting and planning.

***MyNYCHA Mobile App***

Deployed the following additional functionality:

- View tickets grouped by job
- View current Rent Bill
- Report Windows Issues in Heat/Hot Water Work Tickets
- View Lead Visual Assessments under inspections

### ***IT Security***

This year, NYCHA's IT Department completed 8 major initiatives aimed at strengthening cybersecurity and awareness throughout the organization.

- Encrypted Data to protect sensitive Personally Identifiable Information (PII)
- Implemented a 24/7 Managed Security Service (MSS) to monitor NYCHA's IT
- Implemented an Artificial Intelligence (AI) capability
- Implemented Symantec Altiris, allowing for automated Inventory/Security and OS patching
- Implemented a Cloud Access Security Broker (CASB) solution for cloud IT Security monitoring, to protect data and security for Office 365 and Symantec.
- Implemented the Tripwire application to Automate IT change management
- Implemented AppGuard, an additional end-point protection to prevent virus / ransomware attacks on all NYCHA field endpoints and Windows 7 Machines.
- Established a shared Cyber-Awareness Training Program to train employees on best practices to safeguard against potential security threats.

### ***eBuilder***

This year, NYCHA completed work on migrating functionality for the Primavera project management software used by the Capital Projects Department over to a cloud-based solution powered by eBuilder. This follows with a broad strategy for NYCHA to migrate services to cloud-based solutions wherever feasible.

### ***Compliance Management***

The rollout of new cloud-based software for Site Compliance was completed in 2019. The new system, SiteCompli, improves the efficiency of managing regulatory compliance violations issued by NYC and New York State agencies. The use of Open Data public portals aims to identify and manage these violations in a timely and cost-effective manner.

### ***Two-Way Radio Handsets***

NYCHA has upgraded its two-way radios, deploying over 3,500 new handsets for our Executive, ESD and NYCHA OEM vehicle fleet.

### ***Floor Switches***

Aging network switches were replaced and upgraded at 90 Church St, Long Island City, and the Borough Management offices.

## Closing the Year

NYCHA ended FY 2019 with a surplus of \$ 45 million led by favorable funding appropriation (known as proration) in all federal subsidies (both operating and section 8 programs). However, the positive inflow of funding was offset by the key items listed below:

- Delay in various City Payments:
  - \$65.6 M in City payments for expedited apartment turnover
  - Funding for Capital Project staff and lead \$38M.
- \$48 million in Overtime expense mainly due to various initiatives.
- Additional \$6 million for the seasonal program for temporary employment of skilled trade titles.

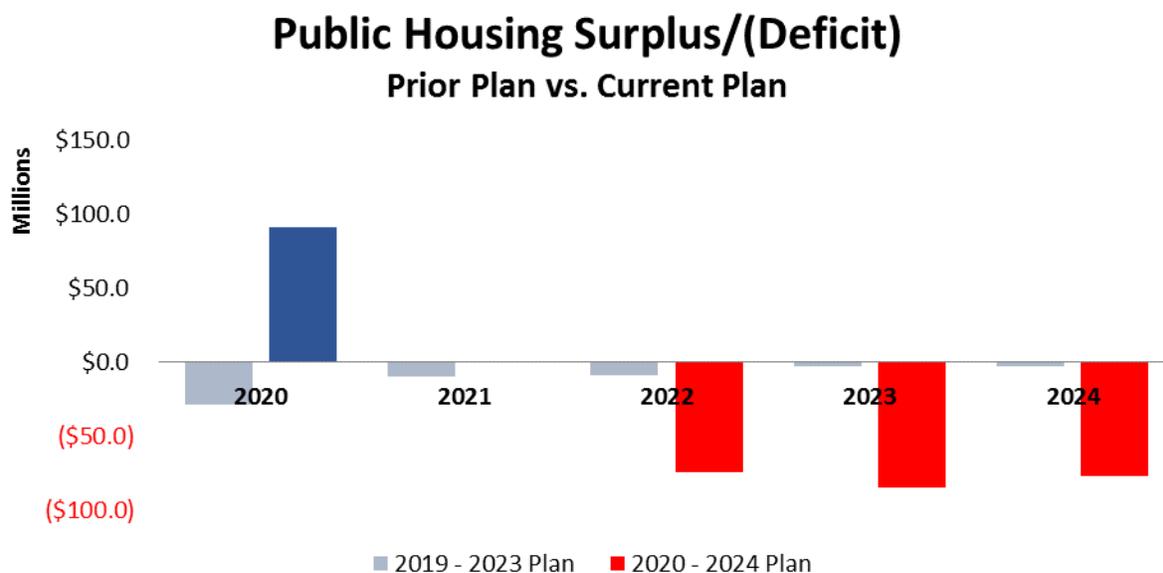
(\$ in Millions)

		2019 Adopted Budget	2019 Year-end Actuals	VARIANCE (Adopted vs. Year-end Actuals)
<b>Revenue</b>	Tenant Rent	1,047	1,047	0
	Operating Subsidy	944	1,001	57
	Section 8 HAP	1,168	1,185	17
	Other Revenues	352	340	(12)
<b>Total Revenues</b>		<b>3,510</b>	<b>3,573</b>	<b>63</b>
	<b>Payroll</b>	<b>1,345</b>	<b>1,380</b>	<b>(35)</b>
	Leases	43	43	0
	Supplies	79	85	(6)
	Utilities	543	521	21
	Contracts	375	367	8
	Insurance	13	13	0
	Section 8	1,027	1,062	(34)
	Other OTPS	51	58	(7)
	<b>OTPS Total</b>	<b>2,131</b>	<b>2,148</b>	<b>(17)</b>
<b>Total Expenses</b>		<b>3,477</b>	<b>3,528</b>	<b>(52)</b>
<b>Surplus/(Deficit)</b>		<b>33</b>	<b>45</b>	<b>11</b>
<b>Headcount</b>		10,707	10,412	295

While NYCHA's long-term fiscal condition has improved significantly in recent years, it is important to note that without our ongoing effort to streamline its operations, and without continued financial support from HUD, the City, and the State, the Authority will be financially challenged in the years to come.

## History of NYCHA’s Funding

Although previous plan assumed a deficit in FY20, with additional support from the City of New York, current plan forecasts public fund to have surplus of \$91.3 million and balanced budget in FY20 and FY21, respectively. However, the public housing program will be in deficit in the out years: \$74.6 million in 2022, \$84.5 million in 2023, an \$77.4 million in 2024. Deficits are due to the increasing cost of employee benefits and increasing expenditures on contracts and supplies in HUD/SDNY Agreement compliance areas.



Above chart illustrates Public Housing Funds (excludes funding from Section 8 program)

## Federal Operating Funding and Chronic Underfunding

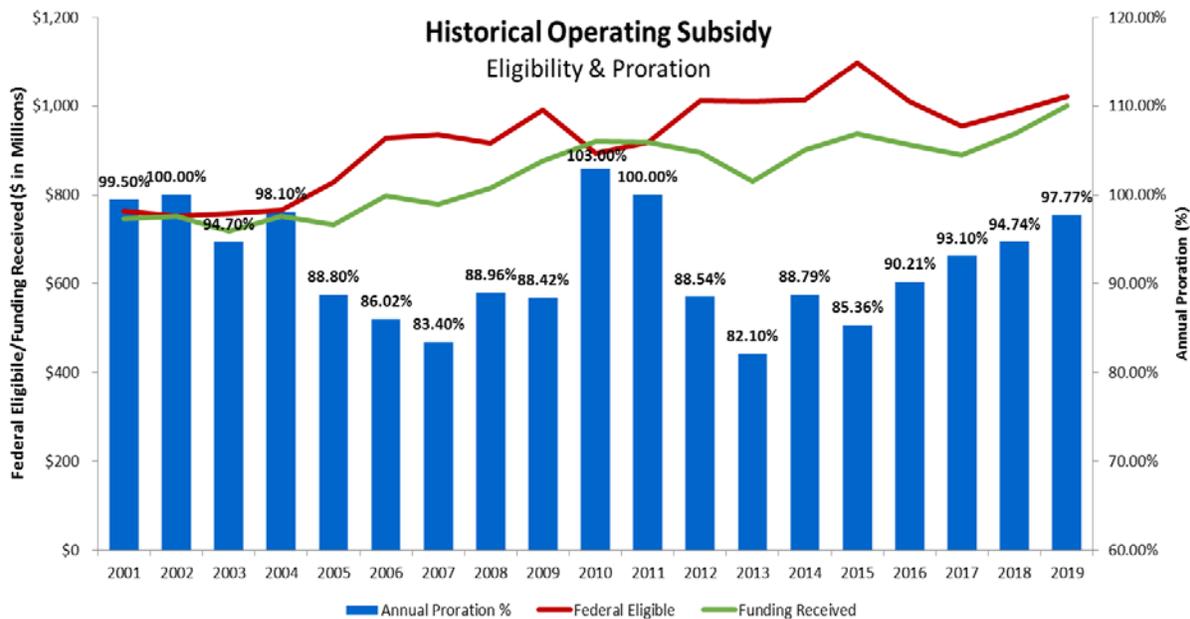
NYCHA relies heavily on federal subsidies, which account for 60 percent of NYCHA’s operating budget revenues, with the balance primarily being from tenant rent. The FY 2019 adopted budget is planned to account for HUD’s historic underfunding of each of NYCHA’s programs.

Funding Source	2019 Year-end	2020 Adopted	Historical 8-Yr Average
Operating Subsidy*	97.77%	95.00%	91.51%
Section 8 HAP	97.00%	99.50%	98.49%
Section 8 Admin	80.00%	78.38%	79.13%
Cap Fund (\$ in Millions)	\$552	\$552	\$360

\* Effective Rate based on expected funding and eligibility

As discussed in NYCHA’s 2020-2024 Five Year Capital Plan, federal capital grants for infrastructure improvements and major rehabilitation have been in steady decline for a decade. The chronic capital funding gap has jeopardized the preservation of the public housing stock. Moreover, as the capital needs of aging buildings remain unmet, operating costs increase for maintenance and repair, are further straining operating budgets.

HUD’s public housing operating fund provides subsidies to public housing authorities nationwide to operate and maintain public housing in local communities. Funding is based on the subsidy eligibility of all housing authorities and the annual federal appropriation. The eligibility formula is intended to capture the costs of operating public housing and, therefore, the needed operating resources. If the total national eligibility exceeds the congressional appropriation, then it has been Congress’ practice to direct HUD to prorate its allocation of subsidy (subsequently referred to as “proration”).

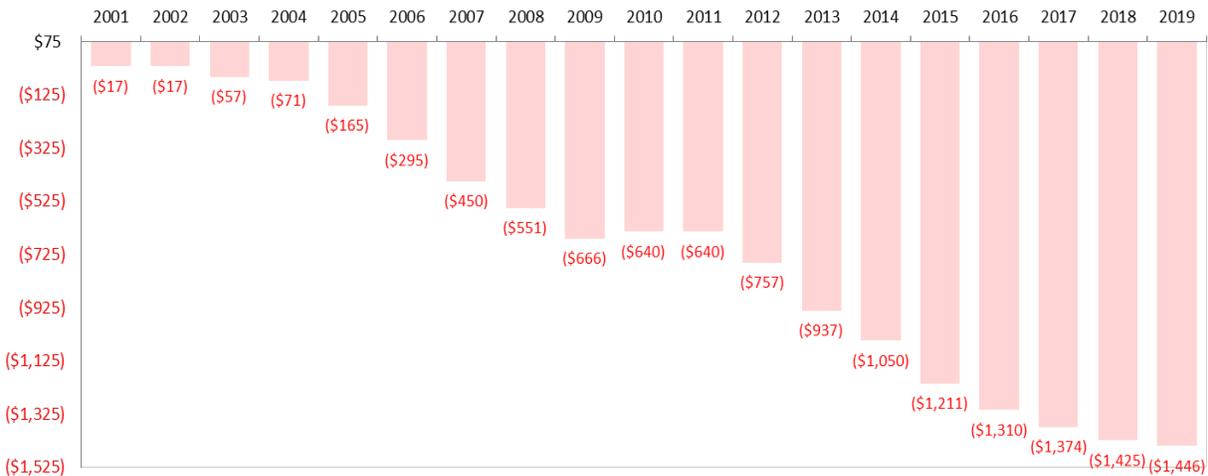


### Underfunding of Operating Subsidy

If NYCHA was awarded at 100 percent of total eligibility, there would be little or no operating deficit in the Authority’s Five-Year Plan. In fact, NYCHA would have additional resources to meet the needs of residents by supporting critically needed frontline staff, such as maintenance workers, caretakers, and skilled trade persons.

However, appropriations have generally fallen short of the funding levels required to fully fund public housing operations in accordance with HUD’s eligibility formula. Additionally, while HUD’s formula takes location into account, NYCHA has long advocated that the system is inequitable when one considers the city’s uniquely high construction costs as well as higher employment costs in comparison to housing authorities across the US.

**Cumulative Operating Subsidy Funding Loss**  
(\$ in Millions)



Historical data (2001 to 2019), as shown above, illustrates a cumulative operating funding loss of over \$1.4 billion as a result of proration.

In FY 2019, Public Housing Authorities (PHAs) received a National Appropriation of \$4.653 billion. Of which, NYCHA was eligible to receive \$ 1.022 billion, however, due to proration of 97.8%, NYCHA received \$1.001 billion, a loss of \$21 million

The 2020 plan assumes a proration level of 95% based on a three-year average (2017-2019). At this funding level, NYCHA is expected to have a loss of funding of over \$50 million.

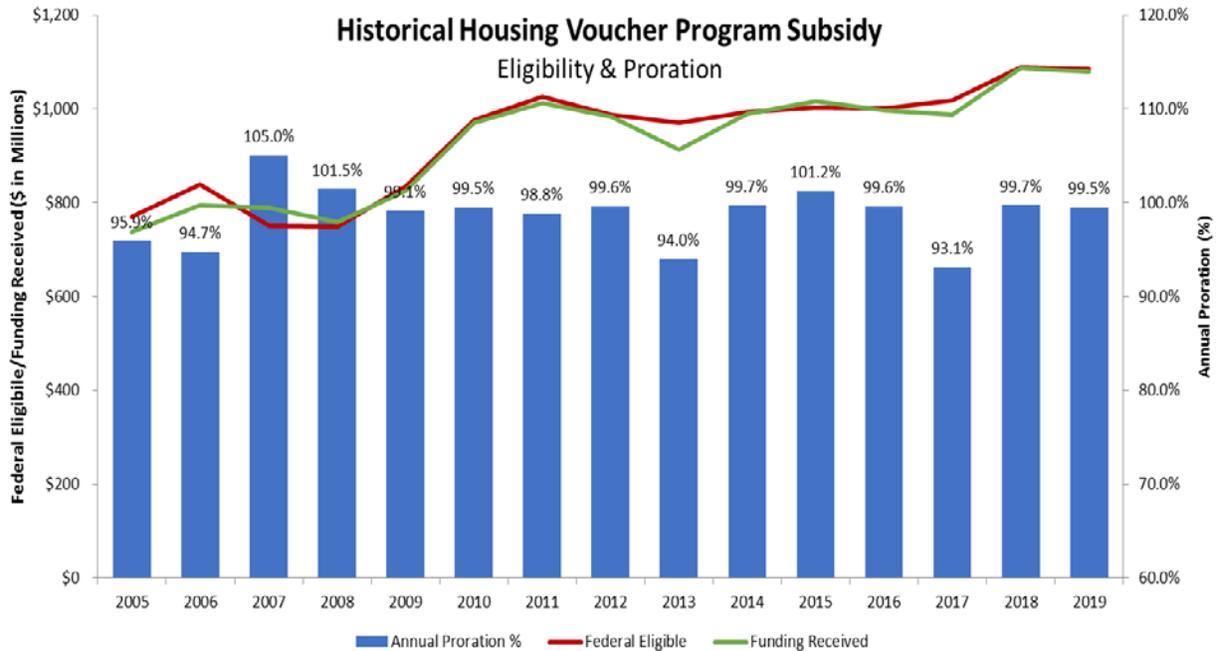
**Housing Choice Voucher Program (Section 8)**

The Housing Choice Voucher (HCV) Program, generally referred to as Section 8, assists low-income families in obtaining safe, decent and affordable housing in the private market by providing rental subsidy. NYCHA administers the largest Section 8 Program in the nation with 83,225 households served through a network of over 24,000 participating landlords.

NYCHA administers the program by providing rental subsidies to participating landlords on behalf of eligible tenants. Program participants pay rent directly to the landlord equal to about 30 percent of family income. NYCHA pays the landlord the difference between the tenant’s rent and the approved contract rent on the apartment. These payments are referred to as Housing Assistance Payments or HAP. NYCHA earns a fee from HUD for administering the program.

HUD establishes the total number of authorized vouchers for a Public Housing Authority (PHA). The annual renewal funding to the PHA is based on the total of the Housing Assistance Payments made the previous year, adjusted for HUD’s published inflation for the local market and congressional appropriations. Rental subsidy payments are primarily influenced by changes in local housing market costs and family income. Additionally, while HUD permits programs to maintain positive reserves balances, it may recapture these balances.

Therefore, the number of vouchers that NYCHA can prospectively administer depends on the current year’s allocation and funding availability, per-unit costs, availability of affordable housing stock and changes in family incomes. Program administration costs are primarily determined by labor costs and mandated program compliance activities including annual eligibility recertification of participants and housing quality standard inspections of landlord apartments.



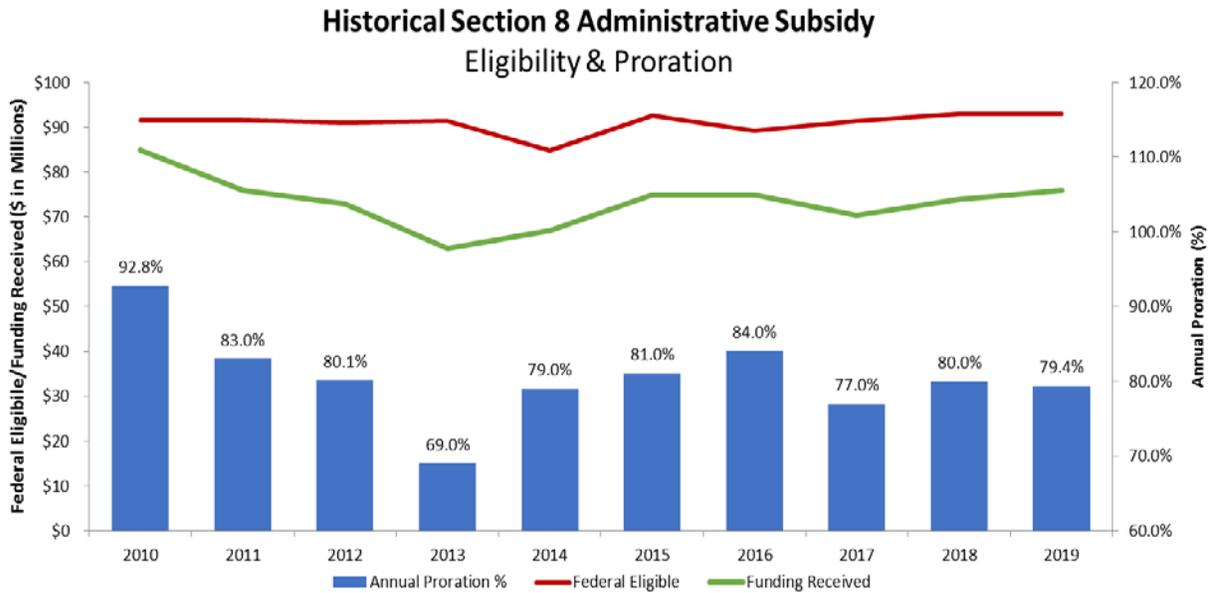
***Housing Assistance Payments (HAP)***

NYCHA provides rental subsidies to participating landlords on behalf of eligible participants through Housing Assistance Payments (HAP). Unused rental subsidies must be maintained in program reserves by HUD and may only be used for the issuance of additional vouchers or to offset any shortfall in annual renewal funding. Because of fluctuations in annual renewal funding, HAP reserves are at minimal levels. Therefore, the number of families NYCHA can serve is primarily determined by national funding appropriations by Congress, and prorated HUD allocations.

Based on estimated 2019 HAP actual expenditures of \$1.1 billion, NYCHA estimates the HAP renewal funding of \$1.1 billion in 2020 to be at 99.5% and adjusted for inflation. However, the renewal funding may be revised based on national guidelines.

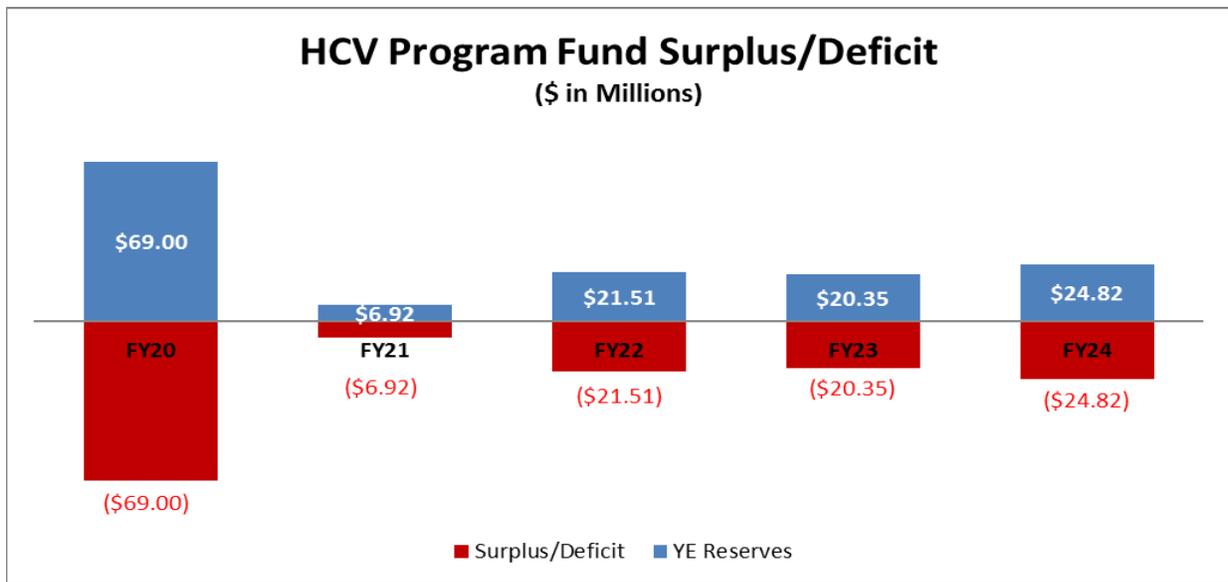
### Administrative Fees

The administrative fees which are available to NYCHA for the administration of the program is subject to proration by HUD. In 2020 NYCHA expects a slight increase in administrative fees earned due to 2019 allocation.



### HCV Program Annual Surplus/ (Deficit) and Reserves

The following chart shows the projected total annual surplus/deficit of the HCV Program and year-end program reserves. The Plan assumes a \$69 million deficit in 2020 and \$7 million deficits in 2021 to be completely supplemented by Section 8 Reserves, caused by proration and increased unit costs. However, historically the HCV Program deficits have always been fully funded by HUD.



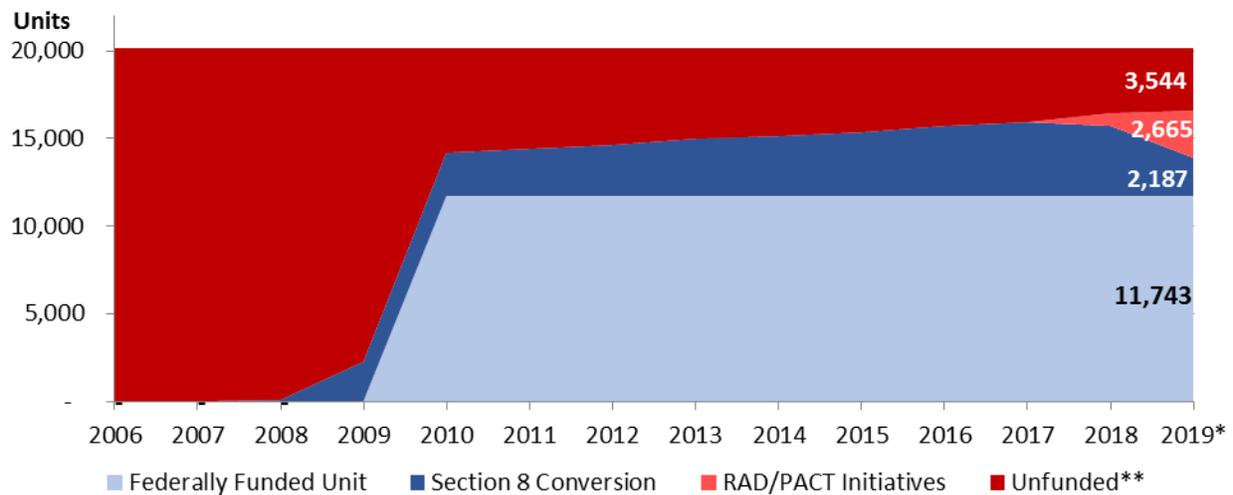
This chart reflects HAP and Administrative Fees components of the program (+ represents HAP reserve).

## Support for Unsubsidized Units

NYCHA owns and operates 21 developments originally built by the City and the State of New York (City/State Developments) with 20,139 housing units that have been historically unfunded. In 2008, of 20,139 units, NYCHA was able to secure funding for 11,743 through Federalization. Additionally, HUD authorized the conversion of 8,400 units, (approximately 3,923 City & 4,473 State) into Project-Based Section 8 funded units through the 2008 Voluntary Conversion Plan (VCP).

Out of the 8,400 units covered by the VCP, the current Plan reflects NYCHA’s continuing effort to transition the remaining 3,544 units (approximately 2,064 City & 1,476 State units) into the Section 8 funding model via RAD/PACT Initiatives.

The Plan also assumes transition of unfunded units and Project-Based Section 8 units via RAD/PACT initiative by the end of 2020.



\* 2019 Represent planned conversion at the end of fiscal year.

\*\* Unfunded is expected to transition to Section 8 program via RAD by end of 2020.

## 2020 Outlook

NYCHA receives both operating and capital subsidies directly from HUD, based on formula, which is subject to congressional appropriation. NYCHA generally receives about \$2 billion in operating funding from the federal government for its public housing and Section 8 programs, and approximately \$500 million annually (based on average funding for past three years) for its capital program.

Based on 2021 Congressional Spending Plan, outlook on federal funding is encouraging as there will be modest increase in funding level (see chart below). However, even with improved funding outlook, all Public Housing including NYCHA will not be funded at 100% of eligibility.

It is important to note that any funding loss will have negative implications both operational as well as level of services provided to the residents, as each percentage point decrease equates to nearly \$10 million loss in funding.

Comparison of FY20 Final Appropriation vs. FY'21 Congress Spending Plan			
	Public Housing Capital Fund	Public Housing Operating Fund*	Section 8 Voucher Renewals
Expected	\$3.18 billion	\$4.649 billion	\$25.8 billion
Changes	<b>11.5% Increase</b> (from \$2.869 billion based on Final 2020 Appropriation)	<b>2.2% Increase</b> (from \$4.549 billion based on Final 2020 Appropriation)	<b>Increase of over 8%</b> (from \$23.874 billion based on Final 2020 Appropriation)

Source: Appropriations Committee Releases Fiscal Year 2021 Transportation-Housing and Urban Development Funding Bill Data (July 5, 2020)

## FY 2020 Initiatives and Special Programs

### *NYCHA and Final HUD Agreement*

Currently, NYCHA is not in compliance with several federal regulations and is working to assess the extent of noncompliance. On January 31, 2019, NYCHA, HUD, and the Southern District of New York (SDNY) signed an agreement to address findings by the Secretary of HUD of a substantial default of the Annual Contributions Contract by NYCHA and to resolve claims brought by the United States. The agreement establishes a framework by which NYCHA will continue to evaluate and progress towards compliance with federal requirements. During the term of the agreement, an independent monitor will be in place with access to NYCHA information and personnel and will issue quarterly reports on NYCHA's compliance with the agreement.

### ***Lead Initiative***

The City is committed to improving these conditions and is making a significant investment to address outstanding issues.

- Visual Inspection of Affected Areas  
Perform visual inspections of all affected areas and determine whether peeling paint is present. Phase 1 commenced in June 2018 and is to be completed annually for the duration of the Lead Abatement Program.
- XRF (X-ray fluorescence) Testing  
Process includes testing to determine whether lead paint exceeding legal thresholds is in fact present in each affected area. Phase 3 is expected to commence in early 2019 and to be completed by December 2020.

To ensure NYCHA meets the requirement and monitoring of the process, the Lead Hazard Control Department has been assigned to perform these tasks.

### ***Mold Remediation***

The Office of Mold Assessment and Remediation (OMAR) has been established to focus on improving NYCHA's response. Residents' concerns regarding excessive moisture and mold as well as establishment of accountability measures to monitor effectiveness of these responses. Below are key activities OMAR:

- Creation of performance reporting, development of quality assurance measures, and contract management to address mold remediation.
- OMAR acts as the liaison for the court-appointed Special Master and plaintiffs and will be the liaison with any future court-appointed experts as required by the agreement with HUD.

As NYCHA moves forward with its full-scale roll out for Mold Busters, OMAR will lead in providing additional support to operationalize compliance and legal requirement.

### ***Pest Management***

Establishment of Prevention and Intervention Strategies (PAIS) Department is to help plan, organize and execute solutions with a targeted approach in mitigating pest control issues. With guidance from the City Hall and other industry experts, PAIS has established clear procedures and processes for the successful implementation of the pest control program based on the use of key facts such as infestation thresholds, life expectancy as well environmental requirements unique to the geographical area.

#### **New comprehensive strategy for Rat mitigation**

NYCHA has developed a comprehensive rat reduction plan Authority-wide as shown below:

- Improving the waste management operation to eliminate food sources
  - installation of new bulk crushers
  - enlarging ground floor chutes
  - food waste disposer pilot

## **New York City Housing Authority**

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- Providing on-going regular baiting (weekly for sites that have active rat activity)
- Maintenance of the grounds and eliminating overgrown vegetation
- Upgrade/Modify Structure (pest-proofing) to help prevent rodents from entering the building structure. Eliminating point of entry include some of the following strategies: patching of holes, sealing cracks and crevasses, installing door sweeps.
- Burrow harassment/collapse – a strategy that stresses out the rodent population by disturbing their nest and collapse the burrow once it is eradicated)
- comprehensive unit inspection and abatement.

Utilizing above strategies and with the directional guidance provided by Department of Health and Mental Hygiene (DOHMH), in FY 2019 PAIS is targeted to reduce the rat population by up to 70% with its effort focused on heavily infested areas listed below:

- The Grand Concourse Area,
- Chinatown/East Village/Lower East Side,
- Bushwick/Bedford-Stuyvesant
- Morris I and RIIS developments in the Bronx
- Marcy Houses in Brooklyn

### ***Resident Engagement - Digital Van***

NYCHA's Digital Vans continues to provide residents the opportunity to search for jobs, browse the internet, complete annual recertification's and more. In 2020, they are offering residents a new opportunity, gaining employment as 2020 Census Bureau employees.

Census 2020 is recruiting for temporary and flexible jobs as census trackers, recruiting assistants, office staff and supervisory staff. The Digital van will assist with Census 2020 recruitment at Staten Island developments from January 21<sup>st</sup> to January 24<sup>th</sup> and at East Harlem Developments from January 27<sup>th</sup> to 31<sup>st</sup>.



NYCHA's Digital Vans are computer labs on wheels that bring technology directly to NYCHA communities that have limited or no access to high-speed internet service. Each van has eight laptops, a printer/scanner, and wireless internet, as well as an on-site instructor to help as needed.

### ***NYCHA's Investment in Compliance***

Furthermore, the Plan makes significant investments to ensure compliance with the HUD/SDNY Agreement which includes the following:

- Elevators
  - 42 Additional Elevator Mechanics, Helpers, and supervisors to support Elevator Services & Repairs Department's to ensure outages are addressed in timely manner.
- Heating
  - 71 Additional Heating Plant Technicians (HPTs) / Heating Maintenance Workers needed to support Heating Management Services Department's current three-shift model and reduce overtime related to shift coverage.
  - Address boiler welding, boiler overhaul and advanced boiler management systems by expanding of contract capacity.
- Other Compliance Requirements
  - Lead Hazard Control - Lead based paint inspections and abate all units within 20 years.
  - Mold Hazard Control - Address mold complaints in a timely fashion and ensure no mold reoccurs more than three times per year in any single unit.
  - Prevention & Intervention Strategies - Establish Integrated Pest Management protocol and reduce the pest population.
  - Expand the Compliance Department and establish new Environmental Health and Safety Department, and Quality Assurance Unit.

## ***Budget Line Item Discussion***

This section provides an explanation and analysis of the Plan, by budget line item, as presented in the budget tables appended to this narrative.

### **Basis of Presentation**

#### ***Budgetary Funds***

The Plan consists of three component funds:

- The *General Fund* reflects activities of frontline operations, central office, and field support functions for NYCHA-owned and/or privately-managed housing, (as well as all public housing activities).
- The *Housing Choice Voucher (HCV) Program Fund* reflects activities and administration of the Section 8 Programs, including Housing Choice Voucher (HCV), Veterans Affairs Supportive Housing (VASH), and Five-Year Mainstream. The HCV Program also contributes revenue to the General Fund in the form of a program management fee and Housing Assistance Payments (HAP) to Section 8 units owned and managed by NYCHA (referred to as ‘*Section 8 Phased Conversion*’).
- The *Categorical Grants Fund* reflects all other grant programs by which NYCHA receives funding from federal, state, city, or private sources for operating and/or administering a variety of community development and benefits programs.
- The *All Funds* presentation of the Plan reflects the consolidation of these three component funding sources with the appropriate elimination of inter-fund transactions and activities.

The Plan is developed on a modified accrual basis and thereby combines elements of accrual-basis with cash-basis budgeting. The Plan does not include provisions for non-cash expenditures such as depreciation, amortization, and the non-cash costs of Other Post-Employment Benefits (OPEB).

#### ***OPEB Disclosure***

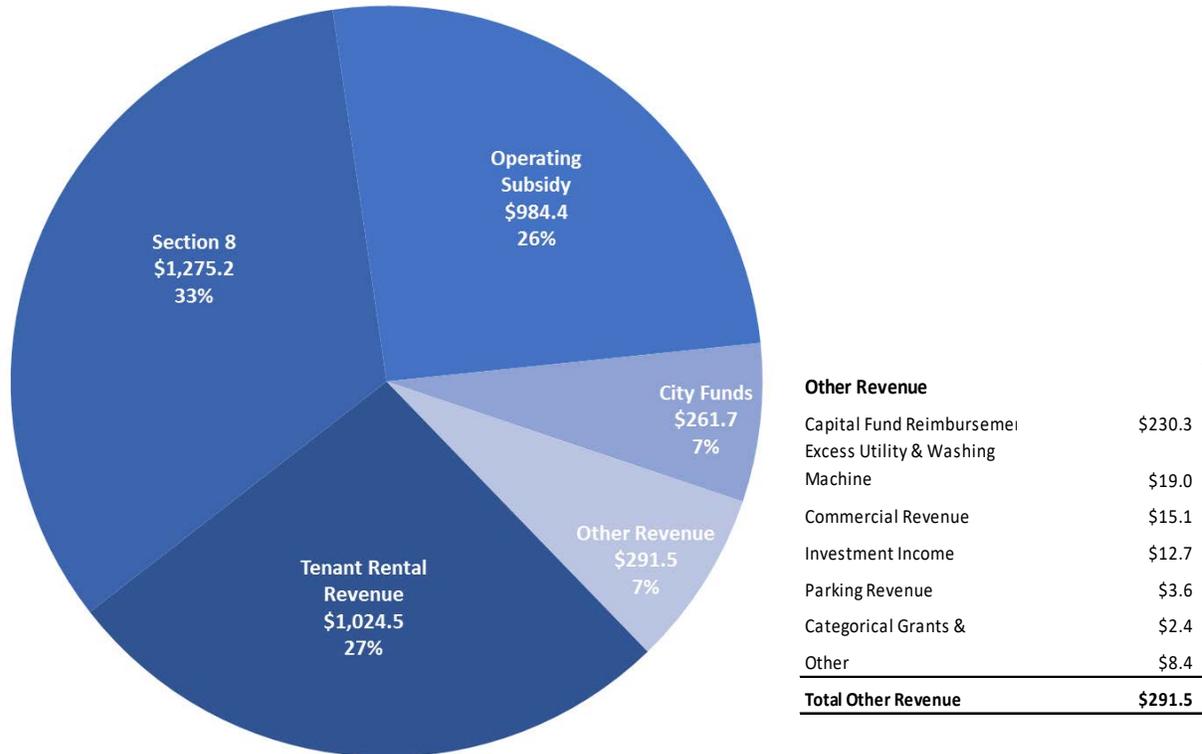
This Plan only includes projections for the “pay as you go” component of OPEB. The OPEB expense and liability are recognized in NYCHA’s audited financial statements, which are prepared in accordance with Generally Accepted Accounting Principles.

As of December 31, 2019, NYCHA faces a \$2.82 billion liability for OPEB. This liability remains unfunded.

## Sources (Revenue Categories)

The following chart shows the \$3.84 billion in revenue in NYCHA’s 2020 operating budget, by category:

\$ in Millions



Tenant Rental Revenue and Federal Operating Subsidies account for 53 percent of total revenues while Section 8 Subsidy for HAP and the Administrative Fees accounts for 33 percent of total revenues, as shown in the chart. The remaining 14 percent consists of many different components, but mainly Capital Fund Reimbursements and City Funds.

### *Tenant Rental Revenue (Dwelling Rent)*

Projected rent paid to NYCHA by residents, or Tenant Rental Revenue, represents 30 percent of total revenues in FY 2020. Rent projections are modeled at the property level based on data that includes the number of occupied units, tenants’ rent, and collection losses. It is important to note that Tenant Rental Revenue contributes less than half of the total revenues used to cover the Authority’s public housing expenditures reflected in the General Fund.

This Plan projects Tenant Rental Revenue to decrease to \$0.90 billion in FY 2024, reflective of the reduction in public housing units due to RAD transition.

### ***Federal Operating Subsidies***

This Plan projects the Federal Operating Subsidy to be \$0.98 billion in FY 2020 and decrease to \$0.96 billion in FY 2024. The assessment used to determine anticipated Operating Subsidy revenue is based on many factors including the number of eligible units, projected expense levels, utility expense levels, and formula income, which in turn, is based on Tenant Rental Revenue. While this assessment determines the eligibility level, additional assumptions must be made to determine future appropriations and proration levels, which averaged over 92.36 percent for the past decade.

For FY 2020 - 2024, reflective of the observed proration trends over the past 3 years (2017-2019) averaging over 95 percent or a loss of 5% in potential revenue (also known as eligibility). As a point of reference, the Authority was eligible to receive \$1,023 million in FY' 19, however, only \$1,001 million was received, a shortfall of \$22 million based on national proration of 97.8% proration.

### ***Section 8 Conversion at LLC properties***

NYCHA continues to convert units in the former City/State Developments to Section 8 assistance, which previously received no dedicated funding. The Plan assumes approximately 1,943 units will be converted and RAD-ed out through the PACT initiative by year-end 2019 securing an estimated \$48.5 million of rental subsidy. The remaining units will be converted upon vacancy.

Securing dedicated federal funding for these remaining unfunded housing units is critical to the preservation of these units. Each unfunded housing unit operates with an implied structural deficit as the tenant rent alone is insufficient to cover the operating costs. NYCHA estimates that the loss in subsidy from the unconverted units is approximately \$27 million annually.

### ***Section 8 Subsidy and Administrative Fees***

Section 8 Subsidy represents the total of the Housing Assistance Payments (HAP) and the Administrative Fees subsidy in the Housing Choice Voucher (HCV) Program Fund.

The projected subsidy reflects the expected number of vouchers in service in the HCV Program five-year rental plan. This considers the interplay of the following: program attrition, restorations, per-unit costs, inflation factors applied by HUD, increases permitted to building owners under New York rent regulations, changes to the fair market rent and payment standards, and funding proration.

The Plan assumes Section 8 Subsidy to remain at nearly the same level of \$1.1 billion to \$1.2 billion over the five years 2020-2024. Although the HAP subsidy is expected to have a modest increase, the Administrative Fees are expected to decline due to reduced units. This assumes a total Unit Months Leased (UML) of 1,058,954 for a monthly average of 88,246 vouchers in 2020.

### ***Categorical Grants***

NYCHA receives grant awards from federal, state, city, and private sources to fund specific community development and benefits programs. The Plan reflects only grants awarded and does not reflect anticipated awards. The budget reflects an increase in categorical grants funding from \$2.4 million in FY 2020 to \$4.4 million in FY 2024, reflective of an increase in funding for grant programs.

### ***Capital Fund Reimbursements***

Capital Fund Reimbursements (CFRs) are reimbursements from the federal capital program to the operating program for capital-related costs incurred in the operating budget. The CFRs are for replacement reserves of NYCHA's mixed-finance portfolios. These reimbursements are projected to be \$230 million in FY2020 and showing a decline in FY2024 to \$157 million.

### ***Interest on Investments***

Interest on Investments represents expected earnings on cash and investments but excludes expected returns on self-insurance funds since these earnings are netted against insurance costs. This revenue is projected to decrease from \$12.7 million in FY 2020 to \$11.0 million in FY 2024, reflecting modest increases in interest yields over the plan period.

### ***Other Revenue from Operations***

Other Revenue from Operations consists of ancillary fees, primarily from residents, including sales and services charges, parking fees, and appliance surcharges intended to defer a portion of the cost of excess utility consumption. Other Revenue from Operations is projected to decrease from \$22.9 million in FY2020 to \$19.6 million in FY2024. The revised projection is primarily attributed to a change in the parking program to focus on a revenue-generating strategy using the latest market rate.

### ***City Funds***

The City is committed to supporting NYCHA's goal and mission. To address NYCHA's challenges, this administration has granted NYCHA with approximately \$261.7 million in 2020 to fund several initiatives which include reimbursement of labor agreements and personnel expenses for the Capital team.

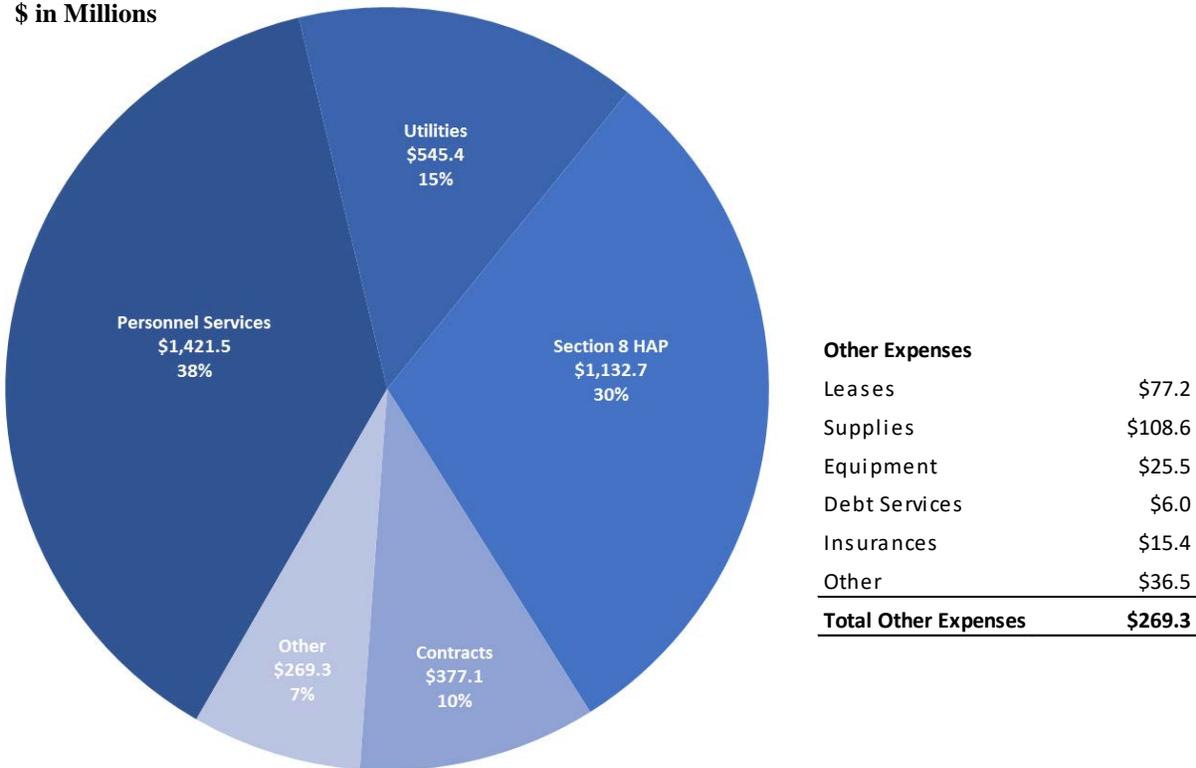
### ***Other Non-Operating Revenues***

Other Non-Operating Revenues are ancillary revenues that NYCHA generates from third parties through property assets. This category includes revenue from Section 8 properties recapitalization as well as other preservation initiative (i.e. high-value land/mixed-income, 10K Affordable Housing Units), commercial storefront leases, rooftop leases, and sublease income from underutilized office space. This Plan assumes Other Non-Operating Revenues of approximately \$23 million.

## Uses (Expenditure Categories)

The following chart shows, by category, the \$3.75 billion expenditures in NYCHA’s FY 2020 operating budget:

\$ in Millions



Personnel Service (Salaries and Other Benefits) accounts for 38 percent of the total operating budget expenditures. Section 8 Housing Assistance Payments account for 30 percent, Utilities and Contracts account for 15 percent and 10 percent, respectively, and all other expenses account for the remaining 7 percent of expenditures.

## Workforce

### Workforce and Salary

Despite the decrease in workforce, the cost of benefit expenses has been rising, led by the growing cost of pension and health-related expenses. In the past 10 years (FY 2010 – 2019), while the workforce was reduced by nearly nine hundred, benefit expenses have increased by nearly 45% in the same period.

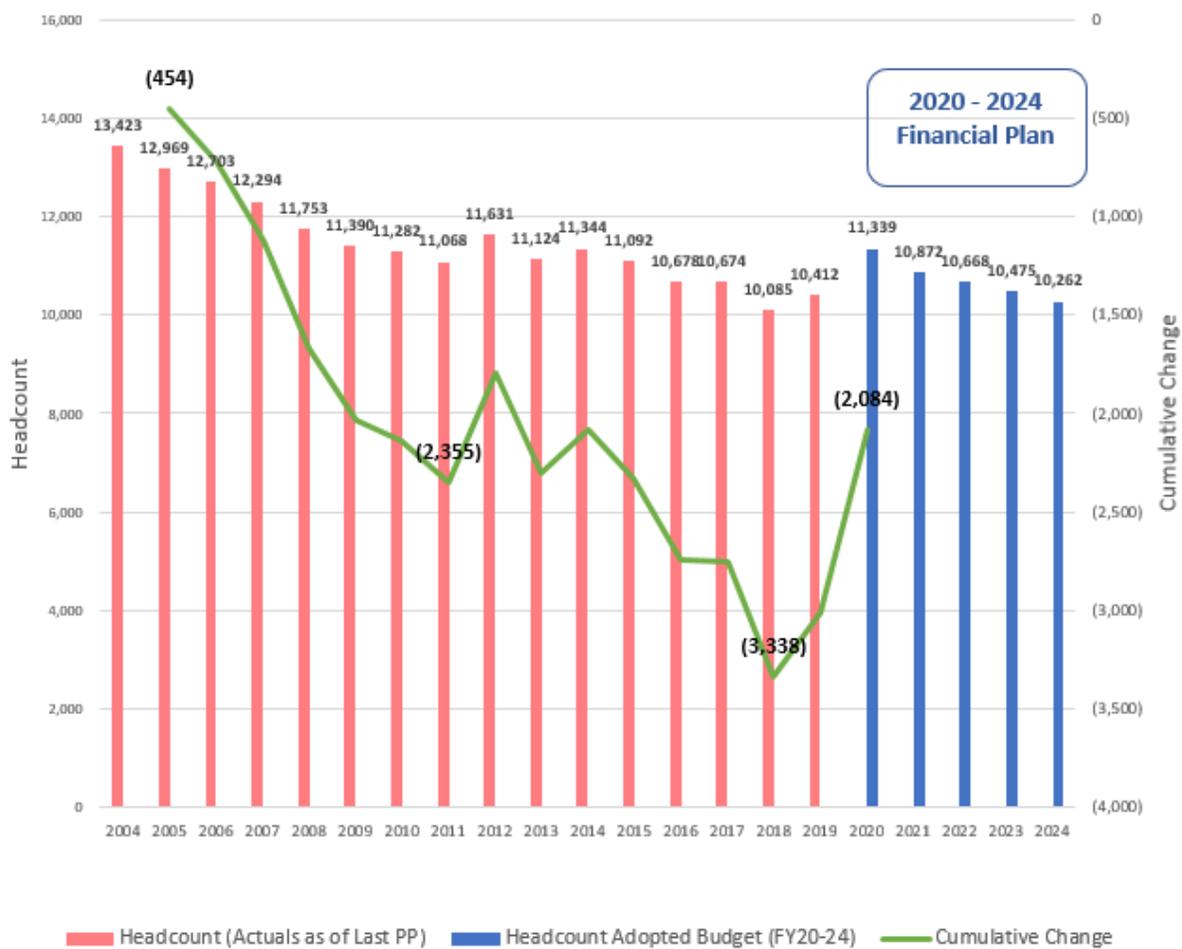
	2010	vs. 2019	Change ('10 vs. '19)	% Change
<b>Health</b>	\$181.8	\$269.2	\$87.4	48.10%
<b>Pension</b>	107.3	163.2	\$55.9	52.10%
<b>All Other</b>	107.7	140.9	\$33.2	30.78%
<b>Total Benefit Expenses</b>	<b>\$396.8</b>	<b>\$573.3</b>	<b>\$176.5</b>	<b>44.48%</b>
<b>Headcount</b>	<b>11,282</b>	<b>10,412</b>	<b>(870)</b>	<b>(7.71%)</b>

With the continued reduction in revenues and increases in costs (e.g. benefit-related expenses), NYCHA faces challenges in ensuring the continuation of its core functions and the delivery of essential services to its residents.

**Workforce Distribution**

The 2020 plan highlights key changes to workforce level to help address key health and safety concerns in-line with HUD/SDNY Agreement.

- *Historical staffing level vs. FY'20 – 24 Financial Plan*



- *5-Year Workforce Plan by Funding Source (FY 2020 – 2024)*

	<b>FY20</b>	<b>FY21</b>	<b>FY22</b>	<b>FY23</b>	<b>FY24</b>
General Funds	10,458	9,992	9,788	9,595	9,382
Section 8 Funds	481	481	481	481	481
Grants	400	399	399	399	399
<b>Total</b>	<b>11,339</b>	<b>10,872</b>	<b>10,668</b>	<b>10,475</b>	<b>10,262</b>

- *FY 2020 Headcount*

	<b>General Funds</b>	<b>Section 8</b>	<b>Grants</b>	<b>CDBG</b>	<b>Total</b>
Operations	7,072	-	-	-	7,072
Support Services	1,465	-	-	-	1,465
Administration	444	72	-	-	516
Leased Housing	116	392	-	-	508
Capital Projects	-	-	5	363	368
Healthy Homes	258	-	-	-	258
Community Engagement & Partnerships	199	-	30	-	229
Finance	211	2	1	-	214
Information Technology	180	8	-	-	188
Legal Affairs & General Counsel	147	6	-	-	153
Public Safety	75	-	-	-	75
Inspector General	53	-	-	-	53
Environmental Health & Safety	48	-	-	-	48
Executive Offices*	46	-	-	-	46
Real Estate	35	-	-	-	35
Compliance	34	-	-	-	34
Strategy & Innovation	28	2	-	-	30
External Affairs	27	-	-	-	27
Quality Assurance	20	-	-	-	20
<b>Total</b>	<b>10,458</b>	<b>482</b>	<b>36</b>	<b>363</b>	<b>11,339</b>

### *Salaries*

Full-time Salary is budgeted from \$685 million in FY 2020, which will decrease to \$642 million by FY 2024. Part-time Salary represents expenditures associated with part-time and temporary staff positions. Seasonal Salary expenditures are associated with the Authority’s seasonal hiring program as well as temporary employment programs. Other Salary is an aggregation of

assignment differentials, license differentials, increment payments, meal allowances and other miscellaneous pay adjustments.

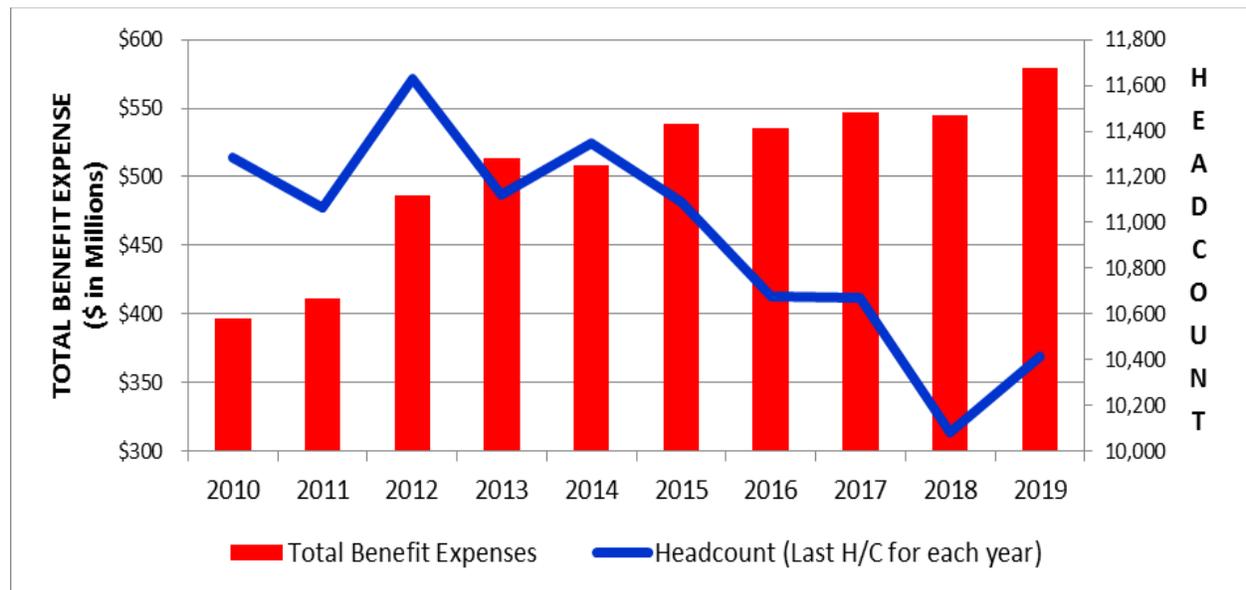
This Plan includes additional expense due to collective bargaining agreements which include retroactive payments starting from the end of the previous union agreements as well as general wage increases (GWI) going forward. To assist NYCHA’s additional financial burden, the Mayor agreed to provide funding support for the cost of labor agreements.

***Fringe***

Fringe includes legally-mandated benefits which include Social Security, Unemployment Insurance, and Workers’ Compensation, as well as contractually-mandated benefits including Health Insurance, Pension, Welfare, and Annuity for Active and Retired employees.

NYCHA maintains a self-insurance program for workers’ compensation. Expenditures include contributions to the self-insurance fund for estimated losses, premiums for the procurement of excess insurance, and assessments paid to the State of New York Workers’ Compensation Board. The funding contributions to the self-insurance program also provide for professional services of actuaries, brokers, third-party administrators, and risk management consultants. This is a cost-effective approach to managing a unique workforce, which allows the Authority to take immediate action in both the processing of claims and the promotion of safety programs to reduce job-related risks.

Fringe is projected to increase from \$594 million in FY 2020 to \$598 million in FY 2024, (a compounded growth rate of 0.16 percent). As a percentage of total Personnel Service expenditures, Fringe is projected to increase from 42 percent in FY 2019 to nearly 44 percent of total personnel expenses by FY 2024. This is driven largely by the continual increases in health insurance benefit expenses.



## *Overtime*

The average ratio of Overtime to Full Time was, based on average expenditure of past three years (FY'16-FY'18), approximately 15%. For FY'20, the Plan reflects proportional expenditure levels compared to Full Time, resulting in an increase of nearly \$20 million from the prior financial plan. The Plan also assumes an increase in workload to address various tasks to meet the requirements of the HUD agreement.

## *Seasonal*

The Seasonal budget provides funding support for temporary staffing to help accommodate the seasonal needs of Operations. Historically, this line has been used to onboard temporary staff during the summer at the properties, which is known as “The Seasonal Program”. The staff work for 30 hours a week for an 18-week period.

The FY 2020 seasonal program has been expanded to address various measures to supplement full-time workforces. Below are some key funded initiatives:

- \$4M in the traditional seasonal program - This plan includes hiring staff working 30 hours a week for 18 weeks. The plan incorporates 3 hiring phases achieving approximately 450 staff at its peak.
- \$3M in lead painting program - The plan addresses the expected workload generated from Vendor paint as a result of the Lead Visual Inspections. It is estimated that of the 48K units scheduled for inspection next year, 72% (or 35K) will require remediation. This program assumes that a supervisor will handle all workload associated with properties that have at least 10 or above remediation per week, resulting in 40 locations that require one supervisor each.
- \$2M in temporary staffing for Pest Management initiative - To cover the cost to mitigate the rat issue at various sites for the next 6 months. Includes 70 Caretakers, 12 burrow-collapsing teams, and Maintenance workers to address these issues.
- Skilled Trades temporary staffing – Allows for flexibility to hire skilled trades/union staff titles for a temporary period to address short-term initiatives. Funding provides for temporary staff to help reduce the work order backlog as well as special initiatives to address RAD/PACT, Lead, Mold and Centralized Litigation.

## *Leases*

In addition to rental fees, NYCHA is generally responsible for operating costs which include taxes and utilities as well as rent escalation reflective of the lease agreement. The Plan forecast Leases expenditures to decrease from \$77.2 million in FY 2020 to \$56.9 million in FY 2024, which is aligned with the successful implementation of the relocation plan.

### Insurance

Insurance expenditures include contributions to NYCHA’s general liability self-insurance fund for retained estimated losses, and premiums for the procurement of liability, boiler and machinery, and property insurance. The funding contributions to the self-insurance program also provide for professional services of actuaries, brokers, and risk management consultants. The Plan projects expenditures to increase from \$15.4 million in FY 2020 to \$86 million in FY 2024. These increases are driven by contributions to the general liability self-insurance fund and by higher property insurance premiums. Costs associated with NYCHA’s workers’ compensation self-insurance fund are budgeted in the *Fringe* line.

### Utilities

Utility expenditures, a significant component of NYCHA’s operating budget, represent approximately 15 percent of total expenditures, and, more importantly, 24 percent of the General Fund expenditures. Utility costs include electricity, gas, water, steam and fuel oil. NYCHA’s utility spending averages approximately \$45.2 million per month.

Commodities	FY 2020 - 2024 Financial Plan					FY 20-24 CAGR
	2020	2021	2022	2023	2024	
Electricity	\$168.3	\$163.8	\$159.6	\$154.8	\$148.2	-3.12%
Heating Gas	\$158.9	\$158.1	\$155.6	\$152.1	\$145.7	-2.14%
Water	\$187.7	\$180.9	\$175.1	\$168.2	\$160.8	-3.79%
Steam	\$9.1	\$9.5	\$9.7	\$9.9	\$9.9	2.23%
Fuel	\$13.5	\$12.3	\$9.4	\$7.6	\$7.1	-14.71%
Cooking Gas	\$8.0	\$8.0	\$7.8	\$7.6	\$7.2	-2.52%
<b>Total Utilities</b>	<b>\$545.4</b>	<b>\$532.7</b>	<b>\$517.3</b>	<b>\$500.2</b>	<b>\$479.0</b>	<b>-3.19%</b>

This Plan assumes Utility expenditures to decrease from \$545 million in FY 2020 to \$479 million in FY 2024. Given the substantial impact of Utility costs, NYCHA continues to work with HUD in developing mutually beneficial Energy Performance Contracts (EPCs). These EPCs will provide additional funding for energy-efficient capital projects which will result in cost savings over time.

## ***Section 8 Payments***

Expenditures for Section 8 Housing Assistance Payments (HAP) are projected based on the rental plan administered through the leased housing program.

While most Section 8 Payments are disbursed to landlords participating in this program, it also includes disbursement for Phased Conversion Units. These are units whose funding stream has been transferred from the General Fund to Section 8. These conversions of funding help supplement the General Fund's budget. This plan projects Section 8 Payments to landlords will remain at \$1.1 billion in FY2020 with slight increases in the end of FY2024.

## ***Contracts***

*Contracts* includes third-party service payments for the following: painting, floor tiling, elevator maintenance, fire safety, environmental services, Marshall fees, security services, energy contracts, carting fees, automotive services, office equipment rentals and services, information technology software and hardware services, telecommunications services, lockbox fees, professional services, and others. To improve residential services and to address compliance requirements, NYCHA increased its contract capacity to over \$300 million. Increased contract capacity will help address key issues which includes lead, mold, pest management, and other operational concerns.

## ***Supplies, Equipment, and OTPS Other***

*Supplies* includes: materials and supplies required for property management operations (as well as administrative functions), including paint, tiles, carpentry supplies, electrical and plumbing supplies, auto repair shop supplies, uniforms, office supplies, and others.

*Equipment* includes: ranges, refrigerators, telecommunications, automotive, machinery, computer hardware, grounds, and tools, (all of which must be above NYCHA's capitalization threshold). Although funded in the Operating Plan, these are categorized as assets.

*Debt Service* provides interest payment for NYCHA's EPC (Energy Performance Contract) based on approval from HUD.

*OTPS Other* includes: operating budget funding of the capital replacement reserves for NYCHA's mixed-finance portfolios, athletic and recreational activities, postage, petty cash reimbursements, training, and other miscellaneous expenditure categories. Overall, budget for Supplies, Equipment, Debt Service, and OTPS Other show increases related to compliance with HUD/ SDNY Agreement, In FY2020 \$192 million and expected to continue increasing to \$245 million by FY 2024.

2020-2024 Operating Plan by Funds

All Funds

	2020 Budget	2021 Budget	2022 Budget	2023 Budget	2024 Budget
<b>Revenues</b>					
<i>Revenue from Operations:</i>					
Tenant Rental Revenue	1,024,530	980,298	954,961	926,658	896,942
Other Revenue from Operations	22,960	21,996	21,348	20,500	19,607
<b>Total Revenue from Operations</b>	<b>1,047,489</b>	<b>1,002,294</b>	<b>976,308</b>	<b>947,158</b>	<b>916,548</b>
<i>Other Revenues</i>					
Federal Subsidies	984,449	990,025	979,947	971,113	958,402
Debt Services Subsidy	180	131	81	40	8
Section 8 Phased Conversion	48,506	35,451	35,050	34,654	34,262
Section 8 Management Fees	-	-	-	-	-
Capital Fund Reimbursements	230,293	270,564	158,835	158,000	157,054
Interest on Investments	12,723	12,046	11,368	11,021	11,021
Other	22,992	22,809	22,633	22,330	22,073
Categorical Grants	2,350	4,695	4,695	4,695	4,375
Section 8 Subsidy	1,077,312	1,130,731	1,138,309	1,158,799	1,177,879
Section 8 Admin	80,417	79,777	80,654	81,418	82,170
City Funds (CDGB)	67,000	49,764	51,086	-	-
City Funds (Homeless)	76,069	49,684	50,677	50,677	50,677
City Funds (Labor & Other)	118,637	117,417	125,006	127,828	121,056
<b>Total Other Revenues</b>	<b>2,720,927</b>	<b>2,763,095</b>	<b>2,658,341</b>	<b>2,620,576</b>	<b>2,618,978</b>
<b>Total Revenues</b>	<b>3,768,417</b>	<b>3,765,388</b>	<b>3,634,649</b>	<b>3,567,733</b>	<b>3,535,526</b>
<b>Expenditures</b>					
<i>Personal Service:</i>					
Salary F/T	684,941	665,430	656,441	652,125	641,779
Salary P/T	789	298	149	-	-
Seasonal	18,112	18,027	18,027	18,027	18,027
Overtime	105,453	88,902	87,944	86,973	85,962
Shift Differential	4,779	4,840	4,718	4,596	4,476
Retro	286	286	286	286	286
Fringe	594,166	588,800	598,383	574,688	598,075
Other Salary	13,015	12,087	11,982	11,876	11,772
<b>Total Personal Service</b>	<b>1,421,542</b>	<b>1,378,671</b>	<b>1,377,931</b>	<b>1,348,572</b>	<b>1,360,376</b>
<i>Other Than Personal Service:</i>					
Leases	77,210	65,007	54,089	55,204	56,987
Supplies	108,590	115,799	112,679	101,101	85,350
Equipment	25,505	20,834	21,629	21,746	22,856
Utilities	545,375	532,653	517,270	500,201	478,980
Contracts	377,142	416,187	367,592	341,263	309,707
Debt Services	6,009	9,852	9,485	9,137	8,765
Insurance	15,427	66,624	81,057	85,996	86,004
OTPS Other	36,547	43,186	43,774	45,380	41,784
Housing Assistance Payments	1,132,728	1,123,494	1,145,237	1,164,026	1,186,942
<b>Total Other Than Personal Service</b>	<b>2,324,532</b>	<b>2,393,637</b>	<b>2,352,813</b>	<b>2,324,056</b>	<b>2,277,375</b>
<b>Total Expenditures</b>	<b>3,746,073</b>	<b>3,772,308</b>	<b>3,730,744</b>	<b>3,672,628</b>	<b>3,637,751</b>
<b>Surplus/(Deficit)</b>	<b>22,344</b>	<b>(6,919)</b>	<b>(96,095)</b>	<b>(104,894)</b>	<b>(102,225)</b>
HAP Reserve (HUD-HELD)	69,005	6,919	21,515	20,346	24,822
Admin Reserve	-	-	-	-	-
<b>Surplus/(Deficit) net of Reserves</b>	<b>91,348</b>		<b>(74,580)</b>	<b>(84,548)</b>	<b>(77,403)</b>
<b>HC</b>	<b>11,339</b>	<b>10,872</b>	<b>10,668</b>	<b>10,475</b>	<b>10,262</b>

General Funds

	2020 Budget	2021 Budget	2022 Budget	2023 Budget	2024 Budget
<b>Revenues</b>					
<i>Revenue from Operations:</i>					
Tenant Rental Revenue	1,024,530	980,298	954,961	926,658	896,942
Other Revenue from Operations	22,960	21,996	21,348	20,500	19,607
<b>Total Revenue from Operations</b>	<b>1,047,489</b>	<b>1,002,294</b>	<b>976,308</b>	<b>947,158</b>	<b>916,548</b>
<i>Other Revenues</i>					
Federal Subsidies	974,750	976,557	966,916	958,568	946,374
Debt Services Subsidy	180	131	81	40	8
Section 8 Phased Conversion	48,506	35,451	35,050	34,654	34,262
Section 8 Management Fees	21,051	20,728	20,801	20,841	20,879
Capital Fund Reimbursements	230,293	270,564	158,835	158,000	157,054
Interest on Investments	10,912	10,912	10,912	10,912	10,912
Other	22,017	21,834	21,658	21,355	21,098
Categorical Grants	-	-	-	-	-
Section 8 Subsidy	-	-	-	-	-
Section 8 Admin	-	-	-	-	-
City Funds (CDGB)	-	-	-	-	-
City Funds (Homeless)	-	-	-	-	-
City Funds (Labor & Other)	101,865	113,528	121,509	124,331	121,056
<b>Total Other Revenues</b>	<b>1,409,573</b>	<b>1,449,705</b>	<b>1,335,761</b>	<b>1,328,701</b>	<b>1,311,643</b>
<b>Total Revenues</b>	<b>2,457,062</b>	<b>2,451,998</b>	<b>2,312,069</b>	<b>2,275,858</b>	<b>2,228,192</b>
<b>Expenditures</b>					
<i>Personal Service:</i>					
Salary F/T	606,851	605,463	595,886	585,405	575,059
Salary P/T	491	-	-	-	-
Seasonal	18,063	17,978	17,978	17,978	17,978
Overtime	104,653	88,102	87,160	86,205	85,194
Shift Differential	4,777	4,838	4,716	4,594	4,474
Retro	196	196	196	196	196
Fringe	547,420	540,587	548,686	523,393	544,941
Other Salary	11,079	10,151	10,046	9,940	9,836
<b>Total Personal Service</b>	<b>1,293,530</b>	<b>1,267,315</b>	<b>1,264,668</b>	<b>1,227,712</b>	<b>1,237,678</b>
<i>Other Than Personal Service:</i>					
Leases	69,393	57,071	45,991	46,939	48,454
Supplies	107,377	114,586	111,954	100,864	85,113
Equipment	24,082	19,485	20,159	20,224	21,316
Utilities	545,166	532,441	517,055	499,985	478,764
Contracts	359,838	406,124	358,123	332,365	300,702
Debt Services	166	116	67	67	67
Insurance	15,318	66,511	80,938	85,870	85,870
OTPS Other	31,456	38,161	38,966	40,799	37,278
Housing Assistance Payments	-	-	-	-	-
<b>Total Other Than Personal Service</b>	<b>1,152,796</b>	<b>1,234,495</b>	<b>1,173,254</b>	<b>1,127,112</b>	<b>1,057,563</b>
<b>Total Expenditures</b>	<b>2,446,326</b>	<b>2,501,810</b>	<b>2,437,922</b>	<b>2,354,823</b>	<b>2,295,241</b>
<b>Surplus/(Deficit) before Reserves</b>	<b>10,737</b>	<b>(49,812)</b>	<b>(125,853)</b>	<b>(78,965)</b>	<b>(67,050)</b>
HAP Reserve (HUD-HELD)					
Admin Reserve					
<b>Surplus/(Deficit)</b>	<b>10,737</b>	<b>(49,812)</b>	<b>(125,853)</b>	<b>(78,965)</b>	<b>(67,050)</b>
<b>HC</b>	<b>10,458</b>	<b>9,992</b>	<b>9,788</b>	<b>9,595</b>	<b>9,382</b>

**Housing Choice Housing**

	2020 Budget	2021 Budget	2022 Budget	2023 Budget	2024 Budget
<b>Revenues</b>					
<i>Revenue from Operations:</i>					
Tenant Rental Revenue	-	-	-	-	-
Other Revenue from Operations	-	-	-	-	-
<b>Total Revenue from Operations</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<i>Other Revenues</i>					
Federal Subsidies	-	-	-	-	-
Debt Services Subsidy	-	-	-	-	-
Section 8 Phased Conversion	-	-	-	-	-
Section 8 Management Fees	-	-	-	-	-
Capital Fund Reimbursements	-	-	-	-	-
Interest on Investments	109	109	109	109	109
Other	975	975	975	975	975
Categorical Grants	-	-	-	-	-
Section 8 Subsidy	1,125,818	1,166,182	1,173,359	1,193,453	1,212,142
Section 8 Admin	80,417	79,777	80,654	81,418	82,170
Section 8 Admin Reserve	-	-	-	-	-
City Funds (CDGB)	-	-	-	-	-
City Funds (Homeless)	-	-	-	-	-
City Funds (Labor & Other)	-	-	-	-	-
<b>Total Other Revenues</b>	<b>1,207,319</b>	<b>1,247,044</b>	<b>1,255,098</b>	<b>1,275,955</b>	<b>1,295,396</b>
<b>Total Revenues</b>	<b>1,207,319</b>	<b>1,247,044</b>	<b>1,255,098</b>	<b>1,275,955</b>	<b>1,295,396</b>
<b>Expenditures</b>					
<i>Personal Service:</i>					
Salary F/T	31,722	31,722	31,722	31,722	31,722
Salary P/T	-	-	-	-	-
Seasonal	49	49	49	49	49
Overtime	598	598	598	598	598
Shift Differential	-	-	-	-	-
Retro	-	-	-	-	-
Fringe	23,651	24,348	25,124	25,959	26,905
Other Salary	604	604	604	604	604
<b>Total Personal Service</b>	<b>56,623</b>	<b>57,320</b>	<b>58,096</b>	<b>58,931</b>	<b>59,877</b>
<i>Other Than Personal Service:</i>					
Leases	7,816	7,936	8,098	8,266	8,533
Supplies	93	93	93	93	93
Equipment	1,423	1,350	1,470	1,523	1,540
Utilities	209	212	214	217	217
Contracts	26,346	25,517	25,748	25,972	26,117
Debt Services	-	-	-	-	-
Insurance	108	113	119	126	134
OTPS Other	2,470	2,478	2,486	2,495	2,503
Housing Assistance Payments	1,181,234	1,158,945	1,180,287	1,198,680	1,221,204
<b>Total Other Than Personal Service</b>	<b>1,219,700</b>	<b>1,196,643</b>	<b>1,218,516</b>	<b>1,237,370</b>	<b>1,260,340</b>
<b>Total Expenditures</b>	<b>1,276,324</b>	<b>1,253,963</b>	<b>1,276,613</b>	<b>1,296,301</b>	<b>1,320,218</b>
<b>Surplus/(Deficit) before Reserves</b>	<b>(69,005)</b>	<b>(6,919)</b>	<b>(21,515)</b>	<b>(20,346)</b>	<b>(24,822)</b>
HAP Reserve (HUD-HELD)	69,005	6,919	21,515	20,346	24,822
Admin Reserve	-	-	-	-	-
<b>Surplus/(Deficit) net of Reserves</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>HC</b>	<b>481</b>	<b>481</b>	<b>481</b>	<b>481</b>	<b>481</b>

## Categorical Grants

	2020 Budget	2021 Budget	2022 Budget	2023 Budget	2024 Budget
<b>Revenues</b>					
<i>Revenue from Operations:</i>					
Tenant Rental Revenue	-	-	-	-	-
Other Revenue from Operations	-	-	-	-	-
<b>Total Revenue from Operations</b>	-	-	-	-	-
<i>Other Revenues</i>					
Federal Subsidies	9,699	13,469	13,031	12,546	12,028
Debt Services Subsidy	-	-	-	-	-
Section 8 Phased Conversion	-	-	-	-	-
Section 8 Management Fees	-	-	-	-	-
Capital Fund Reimbursements	-	-	-	-	-
Interest on Investments	1,702	1,024	347	-	-
Other	-	-	-	-	-
Categorical Grants	2,350	4,695	4,695	4,695	4,375
Section 8 Subsidy	-	-	-	-	-
Section 8 Admin	-	-	-	-	-
City Funds (CDGB)	67,000	49,764	51,086	-	-
City Funds (Homeless)	76,069	49,684	50,677	50,677	50,677
City Funds (Labor & Other)	16,772	3,889	3,497	3,497	-
<b>Total Other Revenues</b>	<b>173,592</b>	<b>122,525</b>	<b>123,333</b>	<b>71,415</b>	<b>67,080</b>
<b>Total Revenues</b>	<b>173,592</b>	<b>122,525</b>	<b>123,333</b>	<b>71,415</b>	<b>67,080</b>
<b>Expenditures</b>					
<i>Personal Service:</i>					
Salary F/T	46,369	28,246	28,833	34,998	34,998
Salary P/T	298	298	149	-	-
Seasonal					
Overtime	202	202	186	170	170
Shift Differential	2	2	2	2	2
Retro	90	90	90	90	90
Fringe	23,095	23,866	24,574	25,336	26,229
Other Salary	1,332	1,332	1,332	1,332	1,332
<b>Total Personal Service</b>	<b>71,389</b>	<b>54,036</b>	<b>55,166</b>	<b>61,929</b>	<b>62,821</b>
<i>Other Than Personal Service:</i>					
Leases	-	-	-	-	-
Supplies	1,120	1,120	632	145	145
Equipment	-	-	-	-	-
Utilities	-	-	-	-	-
Contracts	12,008	5,275	4,522	3,768	3,768
Debt Services	5,842	9,735	9,418	9,070	8,698
Insurance	-	-	-	-	-
OTPS Other	2,621	2,547	2,322	2,087	2,003
Housing Assistance Payments	-	-	-	-	-
<b>Total Other Than Personal Service</b>	<b>21,592</b>	<b>18,677</b>	<b>16,894</b>	<b>15,069</b>	<b>14,613</b>
<b>Total Expenditures</b>	<b>92,981</b>	<b>72,713</b>	<b>72,060</b>	<b>76,998</b>	<b>77,434</b>
<b>Surplus/(Deficit)</b>	<b>80,612</b>	<b>49,812</b>	<b>51,273</b>	<b>(5,583)</b>	<b>(10,353)</b>
<i>HC</i>	<i>400</i>	<i>399</i>	<i>399</i>	<i>399</i>	<i>399</i>