



# **FY 2006 Budget Update**

# January 2006 Cost Reduction Measures

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|                                            | H/C           | FY 2006            | FY 2007            | FY 2008            | FY 2009            |
|--------------------------------------------|---------------|--------------------|--------------------|--------------------|--------------------|
| <b>Budget Deficit</b>                      | <b>13,698</b> | <b>(\$182,323)</b> | <b>(\$170,085)</b> | <b>(\$177,440)</b> | <b>(\$176,243)</b> |
| <b>Savings Implemented January 1, 2006</b> |               |                    |                    |                    |                    |
| Fall 2005 Savings Program                  | (172)         | \$7,172            | \$7,172            | \$7,172            | \$7,172            |
| Eliminate Vacancies                        | (133)         | \$2,988            | \$5,978            | \$5,978            | \$5,978            |
| Attrition Savings / Partial Hiring Freeze  | (178)         | \$3,870            | \$7,741            | \$7,741            | \$7,741            |
| <b>Remaining Deficit</b>                   | <b>13,215</b> | <b>(\$168,293)</b> | <b>(\$149,194)</b> | <b>(\$156,549)</b> | <b>(\$155,352)</b> |

# Plan to Preserve Public Housing



|                                                              | H/C           | FY 2006            | FY 2007            | FY 2008            | FY 2009            |
|--------------------------------------------------------------|---------------|--------------------|--------------------|--------------------|--------------------|
| <b>Remaining Deficit</b>                                     | <b>13,215</b> | <b>(\$168,293)</b> | <b>(\$149,194)</b> | <b>(\$156,549)</b> | <b>(\$155,352)</b> |
| <b>Proposed Initiatives</b>                                  |               |                    |                    |                    |                    |
| Transitional City Funding                                    |               | \$100,000          | -                  | -                  | -                  |
| Rent Reform                                                  |               | \$14,547           | \$37,719           | \$52,941           | \$60,891           |
| Phased Transition of 8,400 Public Housing Units to Section 8 |               | \$4,470            | \$23,244           | \$50,288           | \$66,827           |
| Development Fees                                             |               | \$10,000           | \$10,000           | \$10,000           | -                  |
| Re-engineer Resident/Property Management Systems             | (280)         | -                  | -                  | \$10,000           | \$10,000           |
| Energy Conservation Initiatives                              |               | -                  | -                  | \$10,000           | \$10,000           |
| Federal Funding Flexibility                                  |               | \$39,276           | \$78,231           | \$23,320           | \$7,634            |
| <b>Revised Deficit</b>                                       |               | <b>\$0</b>         | <b>\$0</b>         | <b>\$0</b>         | <b>\$0</b>         |

# Revised Budget Balancing Plan



|                                                              | H/C           | FY 2006            | FY 2007            | FY 2008            | FY 2009            |
|--------------------------------------------------------------|---------------|--------------------|--------------------|--------------------|--------------------|
| <b>Budget Deficit</b>                                        | <b>13,215</b> | <b>(\$168,293)</b> | <b>(\$149,194)</b> | <b>(\$156,549)</b> | <b>(\$155,352)</b> |
| <b>Proposed Initiatives</b>                                  |               |                    |                    |                    |                    |
| Transitional City Funding                                    |               | \$100,000          | -                  | -                  | -                  |
| Rent Reform                                                  |               | -                  | \$21,820           | \$52,941           | \$60,891           |
| Phased Transition of 8,400 Public Housing Units to Section 8 |               | \$4,470            | \$23,244           | \$50,288           | \$66,827           |
| Development Fees                                             |               | \$5,000            | \$10,000           | \$10,000           | -                  |
| Re-engineer Resident/Property Management Systems             | (280)         | -                  | -                  | \$10,000           | \$10,000           |
| Energy Conservation Initiatives                              |               | -                  | -                  | \$10,000           | \$10,000           |
| Federal Funding Flexibility                                  |               | \$39,276           | \$78,231           | \$23,320           | \$7,634            |
| <b>Remaining Deficit</b>                                     |               | <b>(\$19,547)</b>  | <b>(\$15,899)</b>  | <b>\$0</b>         | <b>\$0</b>         |

# Additional Budget Actions



|                                       | H/C | FY 2006           | FY 2007           | FY 2008           | FY 2009           |
|---------------------------------------|-----|-------------------|-------------------|-------------------|-------------------|
| <b>Remaining Deficit</b>              |     | <b>(\$19,547)</b> | <b>(\$15,899)</b> | <b>\$0</b>        | <b>\$0</b>        |
| <b>New Needs</b>                      |     |                   |                   |                   |                   |
| Centralized Call Center               | 35  | (\$1,291)         | (\$1,291)         | (\$1,291)         | (\$1,291)         |
| Collective Bargaining Increases       |     | (\$17,102)        | (\$14,814)        | (\$14,814)        | (\$14,814)        |
| <b>Budget Adjustments</b>             |     |                   |                   |                   |                   |
| Private Management Funding Adjustment |     | (\$1,075)         | (\$1,075)         | (\$1,075)         | (\$1,075)         |
| Section 8 Program Staffing            | 47  | -                 | -                 | -                 | -                 |
| Delayed FHA Sale                      |     | (\$4,400)         | \$4,400           | -                 | -                 |
| Fee Adjustments                       |     | (\$6,853)         | (\$3,366)         | (\$3,366)         | (\$3,366)         |
| <b>Revenue</b>                        |     |                   |                   |                   |                   |
| PS/OTPS Surplus                       |     | \$10,000          | -                 | -                 | -                 |
| Shelter Rent                          |     | \$1,991           | \$2,389           | \$2,389           | \$2,389           |
| Capital Fund 2002 Closeout            |     | \$4,141           | -                 | -                 | -                 |
| Revenue/Expense Re-estimate           |     | \$34,136          | -                 | -                 | -                 |
| <b>Revised Deficit</b>                |     | <b>\$0</b>        | <b>(\$29,656)</b> | <b>(\$18,157)</b> | <b>(\$18,157)</b> |