

Housing Authority of Washington County
Income Statements Analysis
July – December 2011

General Remarks: YTD income was favorable or at break-even for the communities except for the Family sites while Central Office and the Housing Choice Voucher program generated negative income.

Elderly, Schoolhouse, Monterey and Springfield Manor

Low maintenance cost and high occupancy levels continue to produce strong cash flow at these communities. Gas and Water/Sewer utility costs at Springfield Manor are lower than projected YTD, however, gas usage is expected to increase during the winter months which will be reflected in next quarter's financial report..

Family Sites

There were several units vacant during the quarter that required extensive maintenance time and cost. Approximately, 50% of total labor time for the quarter was spent at these homes due to repairs.

NCI (Neighborhood Conservation Initiative) and RTO (Rent To Own)

Though the NCI program endured a vacancy for four months the program still maintained positive income. A new family has moved into the vacant home in December which will strengthen income next quarter.

In the RTO program, there is still one home vacant though the program is essentially breaking even. As with NCI, zero contributions to the savings program kept expenses lower than expected. Also, property taxes and insurance is lower than anticipated in the RTO program since no additional homes have been purchased.

Housing Choice Vouchers

As was budgeted, the Housing Choice Voucher program is incurring a loss, but lower office expenses and management fees softened the projected loss YTD. Due to funding challenges in the rental assistance program, an average of 40 fewer families were assisted during the quarter.

1) Reduced rental assistance funding means lower voucher leasing rates. This translates to less administrative fees received from HUD.

2) Starting in January, HUD will reduce the funding portion from 72% to 62% of eligible funding.

Combined, these two events are expected to increase the deficit for the remainder of the fiscal year.

Central Office

Lower management fees were collected from the Housing Choice Voucher program and some of the communities due to vacancies and lower voucher leasing. Increased information technology and office expenditures during the quarter pushed expenses slightly over budget YTD.